



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **12TH DAY OF JULY, 2006** AT 9:30 A.M.

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

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

Item 947 was pulled and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS		Disposition:
935	Request of Bruce Broussard to address Council regarding Portland Public Schools and the City budget (Communication)	PLACED ON FILE
936	Request of Linda Retherford to address Council regarding persons with disabilities community issues (Communication)	PLACED ON FILE
937	Request of Paul Phillips to address Council regarding court (Communication)	PLACED ON FILE
938	Request of Robert Hill to address Council regarding general government (Communication)	PLACED ON FILE
939	Request of David Ibbotson to address Council regarding a petition to impeach the Bush administration (Communication)	PLACED ON FILE
TIME CERTAINS		

July 12, 2006

<p>940 TIME CERTAIN: 9:30 AM – Direct the City not to accept new applications for the New Multiple-Unit Housing Property Tax Exemption Program except for 100 percent low-income housing projects until December 31, 2007 (Ordinance introduced by Mayor Potter and Commissioner Sten)</p> <p>Motion to accept amendment to add a number 19 Finding to say “The City of Portland’s Housing Action Plan identifies the development and preservation of low income housing for households with incomes 60% of median family income (MF) as priorities for use of City resources, also add to Section 2 (b) “except for projects that re 100% affordable to households with incomes below 60% MFI and have long term affordability agreements with the City or other public agencies: Moved by Commissioner Sten and seconded by Commissioner Adams. (Y-4)</p>	<p>PASSED TO SECOND READING AS AMENDED JULY 19, 2006 AT 9:30 AM</p>
<p>CONSENT AGENDA – NO DISCUSSION</p> <p>Mayor Tom Potter</p> <p>Office of Management and Finance – Human Resources</p> <p>941 Create a new classification of Laboratory Quality Assurance Specialist and establish an interim compensation rate for this classification (Second Reading Agenda 904)</p> <p>(Y-4)</p>	<p>180301</p>
<p>Police Bureau</p> <p>*942 Authorize an Intergovernmental Agreement with the City of Tualatin to allow Tualatin Police access to the Portland Police Data System (Ordinance)</p> <p>(Y-4)</p>	<p>180302</p>
<p>Commissioner Sam Adams</p> <p>Bureau of Environmental Services</p> <p>943 Authorize the Director of the Bureau of Environmental Services to execute individual grant agreements for implementation of stormwater management demonstration projects as part of the Environmental Protection Agency Innovative Wet Weather grant program (Ordinance)</p>	<p>PASSED TO SECOND READING JULY 19, 2006 AT 9:30 AM</p>
<p>944 Authorize grant agreements and Intergovernmental Agreements with twelve non-profit and public entities related to the Community Watershed Stewardship Program (Second Reading Agenda 909)</p> <p>(Y-4)</p>	<p>180303</p>

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<p>945 Authorize grant application to the US Environmental Protection Agency in the amount of \$50,000 to provide financial assistance to automotive and landscape businesses to become certified through the Ecological Business Program (Second Reading Agenda 910)</p> <p>(Y-4)</p>	<p align="center">180304</p>
<p align="center">Office of Transportation</p> <p>946 Set a hearing date, 9:30 a.m. Wednesday, August 2, 2006 to vacate a portion of NW 14th and Lovejoy (Report; VAC 10019)</p> <p>(Y-4)</p>	<p align="center">ADOPTED</p>
<p>947 Set a hearing date, 9:30 a.m. Wednesday, August 9, 2006 to vacate a portion of N Dana Street between N Trenton Street and N Houghton Court (Report; VAC 10025)</p> <p>Motion to accept amendment to change the date from August 2nd to August 9th: Moved by Commissioner Adams and seconded by Commissioner Leonard. (Y-4)</p> <p>Motion to accept the Report as amended: Moved by Commissioner Adams and seconded by Commissioner Leonard.</p> <p>(Y-4)</p>	<p align="center">ADOPTED AS AMENDED</p>
<p>948 Set a hearing date, 9:30 a.m. Wednesday, August 16, 2006 to vacate a portion of SW Bond, Gaines and River Parkway (Report; VAC 10029)</p> <p>(Y-4)</p>	<p align="center">ADOPTED</p>
<p>*949 Grant revocable permit to Rogue Ales Public House to close NW Flanders Street between NW 13th and 14th Avenues on July 22, 2006 (Ordinance)</p> <p>(Y-4)</p>	<p align="center">180305</p>
<p>*950 Grant revocable permit to Pacific Real Estate Management Group to close NW Couch Street between NW 11th and 12th Avenues on July 27, 2006 (Ordinance)</p> <p>(Y-4)</p>	<p align="center">180306</p>
<p>*951 Grant revocable permit to Rogue Ales Public House to close NW Flanders Street between NW 14th and 15th Avenues and NW 15th Avenue between Everett and Glisan Streets from August 5, 2006 to August 6, 2006 (Ordinance)</p> <p>(Y-4)</p>	<p align="center">180307</p>
<p>952 Grant revocable permit to Restaurant Services to close SW Oak Street between W Burnside and SW 10th Avenue from August 18, 2006 to August 20, 2006 (Ordinance)</p>	<p align="center">PASSED TO SECOND READING JULY 19, 2006 AT 9:30 AM</p>
<p>953 Grant revocable permit to Tournament Golf Foundation, Inc. to close NW Hoyt Street between NW 12th and NW 13th Avenues from 9:00 a.m. August 16, 2006 to 1:00 a.m. August 17, 2006 (Second Reading Agenda 911)</p> <p>(Y-4)</p>	<p align="center">180308</p>
<p align="center">Commissioner Randy Leonard</p>	

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Water Bureau

- 954** Authorize a contract and provide payment for construction of the Marigold Tank Safety Improvements project (Second Reading Agenda 912)
(Y-4)

180309

Commissioner Dan Saltzman

- 955** Authorize an Intergovernmental Agreement between Portland Public School District No. 1, Housing Authority of Portland and the City to purchase the John Ball Elementary School site for \$800,000 and fund the demolition of the existing school buildings for \$600,000 (Second Reading Agenda 913)
(Y-4)

180310

Office of Sustainable Development

- 956** Amend contract with Quantec, LLC to provide additional monitoring and verification of building projects receiving Green Investment Fund grants (Ordinance; amend Contract No. 36398)

**PASSED TO
SECOND READING
JULY 19, 2006
AT 9:30 AM**

Parks and Recreation

- 957** Accept an \$85,104 Land & Water Conservation Fund Grant from Oregon Parks & Recreation to rehabilitate the sport fields and playground in Fernhill Park (Ordinance)

**PASSED TO
SECOND READING
JULY 19, 2006
AT 9:30 AM**

Commissioner Erik Sten

Bureau of Housing and Community Development

- *958** Authorize a subrecipient contract with Portland Development Commission for \$11,736,700 for activities associated with the development of affordable rental housing, homeowner rehabilitation, asset management, loan servicing and administration of the Economic Development Initiative/108 program and provide for payment (Ordinance)
(Y-4)

180311

Fire and Rescue

- *959** Authorize issuance of a Private Storm Water Drainage Easement across certain City property in the vicinity of SW Skyline Boulevard north of SW Montgomery Street (Ordinance)
(Y-4)

180312

REGULAR AGENDA

July 12, 2006

Mayor Tom Potter

Office of Management and Finance – Bond Counsel

- 960** Authorize water revenue bonds to finance water system additions and improvements and refund outstanding water revenue bonds (Ordinance)

**PASSED TO
SECOND READING
JULY 19, 2006
AT 9:30 AM**

Commissioner Randy Leonard

- 961** Mandate minimum blends of biodiesel and ethanol in petroleum-based fuels sold in Portland and require city-owned vehicles to maximize use of renewable fuels (Second Reading Agenda 926; add Code Chapter 16.60) (Y-4)

**180313
AS AMENDED**

Bureau of Development Services

- 962** Revise building regulations to incorporate editorial changes, repeal outdated provisions and address conflicts with state or federal law (Ordinance; amend Sections 3.30.010, 24.10.070, 24.15.210, 24.50, 24.60.010, 25.08.060 and Chapters 29.05, 29.10, 29.20, 29.30, 29.50, 29.60, 29.70 and 29.90, renumber Chapter 9.28 and repeal Title 9)

**PASSED TO
SECOND READING
JULY 19, 2006
AT 9:30 AM**

Commissioner Dan Saltzman

Office of Cable Communications and Franchise Management

- *963** Approve settlement of claims with Electric Lightwave, LLC (Ordinance) (Y-4)

180314

Parks and Recreation

- 964** Authorize a Coordination Agreement with TMT Development Co., Inc. for the South Park Block 5 project (Second Reading Agenda 932) (Y-4)

180315

At 10:33 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **12TH DAY OF JULY, 2006** AT 2:00 P.M.

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

Commissioner Adams was excused to leave at 4:21 p.m.

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

	Disposition:
965 TIME CERTAIN: 2:00 PM – Appeal of Goose Hollow Foothills League against the Design Commission’s decision to approve the application of Butler Block, LLC and M David Paul and Associates for The Allegro Condominiums, a new 21-story mixed use development at 1715 SW Salmon Street and 924 SW 18 th Avenue (Hearing; LU 06-110824 DZM MS)	CONTINUED TO AUGUST 23, 2006 AT 2:00 PM TIME CERTAIN

At 5:31 p.m., Council recessed.

July 13, 2006

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **13TH DAY OF JULY, 2006** AT 2:00 P.M.

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

At 2:15 p.m., Council recessed.

At 3:04 p.m., Council reconvened.

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

966 TIME CERTAIN: 2:00 PM – Approve the 9 th Amendment to the Central Eastside Urban Renewal Area Plan (Previous Agenda 933; Ordinance introduced by Mayor Potter) (Y-3; N-1, Potter)	Disposition: 180316 AS AMENDED
967 TIME CERTAIN: 3:00 PM – Direct the Bureau of Planning to provide notice to the State of Oregon Department of Land Conservation and Development at least 45 days prior to the final public hearing to be held to consider adoption of a temporary moratorium on certain development located on Hayden Island (Resolution introduced by Commissioner Adams) (Y-4)	36427

At 4:32 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.

July 12, 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.

[The following text is the byproduct of the closed captioning of this broadcast. The text has not been proofread, and should not be considered a final transcript.] * * *

JULY 12, 2006 9:30 AM

Potter: Before we begin our formal proceedings, i'd like to also announce that we have some visitors in the city council from kazakhstan. Could you please stand up? [applause] thank you. These folks represent business, nonprofit, and government representatives, they arrived last friday on july 7 and will spend a total of three weeks on a professional development program through the world affairs council of Oregon. The purpose of the visit is to study methods of encouraging the growth of small and medium businesses and to learn how they can improve the local economic climate. Welcome to Portland. We're glad that you're with us today.

*****: [inaudible]

Potter: Pardon?

*****: [inaudible]

Potter: Please come forward. [applause]

Leonard: This strong mayor government has gone too far. [applause]

Potter: Well that's very nice. Very unexpected. I apologize for not having a gift to you. I did not know that's what you would be doing, so please forgive me for not having a gift for you as well. It's a beautiful costume. I think sam may want to borrow it a few times. [laughter]

Adams: He just knows my flair.

Potter: That was a nice and unexpected treat. They gave me also -- how do you refer to these? The seal of the city. How do you say the name of the city? Kustenai. Thank you very much. Ok. The second part before we begin our formal proceedings are that I ask a question of our community that I ask each week. And it is, how are the children? The reason I ask that question, many parts of the world w. They greet each other as they're passing, the adults say, how are the children, instead of "how are you?" they know when the children are well, the community is well. What we do is we invite experts in to talk to us about issues on young people. And so far 100% of the people coming in have been young people. And today we have a couple of guests, and tianda and keisha, could you please come forward? Both of these folks are from the youth employment institute. Would you please introduce yourselves and tell us what you'd like the council to know?

Tevonda Garland: Hi. My name is tevonda. I attend jefferson high school. Youth employment, they have taught us a lot of things like how to work in -- they help us with, like, our school work, when we need help with that, youth employment has also helped us get jobs for the summer for work experiences throughout the year. I've been attending since I was -- my eighth grade summer. Yeah. Keisha?

Potter: What are you doing this summer?

Garland: Right now I don't know.

Potter: You'll find out shortly?

Garland: I'm taking a couple of classes, a basic skills math class, and job skills class.

Potter: Thank you.

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Keyshia Wheeler: I'm keyshia wheeler, I also attend the youth institute, and really it's basically the same thing. I've been attending there since this year, my junior year, and they have a lot of activities there. You can -- you go for your g.e.d., they're helpful, you work experience through the summer, you -- I don't know, it's like -- it's different than normal school. It's actually funner, but, you know, they help you out a lot.

Potter: Good. What are you both going to do when you get through the y. e.i. program?

Wheeler: Well, since I attend jefferson, after I graduate I plan to go to o.s.u. and become a pharmacist.

Potter: Excellent.

Wheeler: After I get my g.e.d. I'm going to go to p.c.c. community college and i'm going to do my nursing and -- yeah.

Potter: Very good. I graduated from p.c.c. Too, and it's a great school, and I think you'll get a lot from it. Let's give these folks a hand. [applause] though said they were nervous but I thought you did very well. [gavel pounded] city council will come to order. Karla, please call the roll. [roll call] [gavel pounded]

Potter: Commissioner Saltzman is attending a sustainability conference in minneapolis and isn't here today. Please read the first communications item.

Item 935.

Bruce Broussard: Mr. Mayor, councilmen. You looked great in that outfit, mr. Mayor very good. You represent us well. Thank you very much for giving me the opportunity to speak before you. First off, i'd like to acknowledge commissioner Adams, he was in my neighborhood the other day. Actually, I thought he was doing quite a gesture. He was bringing up issues, if you will, of concerns that we've had at hayden island for a number of years in terms of development, it's a very expensive piece of property, so consequently everyone is trying to move, if you will. But there are several major projects that are beak proposed to that area, and commissioner Adams got the word, he came over and his whole plan was to basically let's really look at those various developments. It wasn't an antibusiness, because I noticed wal-mart was on the agenda, and wal-mart has been an issue around the country in many communities. However, there were several other projects that were being proposed. But he did a very fine job. I want you to know that. You might want to give him a day off or something, because he really reacted with the community very much so.

Potter: I'll take that into consideration.

Sten: The mayor is constantly trying to give him a day off. [laughter]

Broussard: Not before 3:00 today. There's going to be a hearing today on that issue -- oh, that's tomorrow at 3:00. Hopefully folks will be there if they're interested. Thank you very much for giving him the opportunity to come and visit my neighborhood, sam, you're welcome. The other issue in regards to the school system aspect, as of -- as you know i've been spending tile on the custodial aspect of it. I thank you and the other commissioners for bringing this issue to the table. The process is going, hopefully we might be able to get a commissioner assigned and do something similar to what sam did to oversee this thing, because it is an issue i'm sure we all want to resolve for the benefit of the kids. And Portland public schools have been suffering quite a bit. Custodians would really be an asset. What i've got is a document i'll leave with Karla you might want to look at. This is basically the school district's position on this particular issue. Again, as always, thank you very much. It's always a pleasure. Thank you.

Potter: Thank you. Please read the next item.

Item 936.

Potter: Linda, are you here? She's not here this day. I met linda a few weeks ago. The disabilities community invited me to go out and ride in a wheelchair with them around downtown Portland to see what they experience in their ride. And it was quite an eye-opener for me. At the end of the ride we all got together and talked about the issues that affect our disabilities community, and linda

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was -- gave a very heartfelt talk. I asked her to talk with the entire city council. I think she has some good things to say, so hopefully we can reschedule that meeting. Please read the next item.

Item 937.

Paul Phillips: I'm Paul Phillips. I spoke here last week and asked the question my service animal, it being attacked in the last 4½ months was an all-time record for the Portland housing authority or for Multnomah animal control services, and I was wondering if anybody had inquired about that, or forgot.

Potter: Go ahead.

Phillips: Ok. I'm sure anybody would be able to find out those statistics. Before you you have a paper, I apologize, maybe you can't read the full title of the page. In the circuit court of the state of Oregon for Multnomah county, family law department, case number 060666532 was the case number. I had to appear before a judge, as I've said previously, my service animal was attacked by the -- you may notice he's limping this morning. Apparently he did get injured on the 29th, on that last dog attack. Again, I haven't taken him to the vet yet. I did pay \$105.70 in March. Actually, I paid it in April, 3rd, I believe it was. I presented that as evidence. The United States Constitution says equal protection, due process of law, I believe that's the way it's stated. And this paper was issued by judges, a restraining order, and I'll be talking more about it next week as well. I really thought that the city commissioners allowed people to ask citizens to ask decent questions and that they would respond to an open and honest comment.

Potter: Let me clarify that for you. This is your opportunity to make a statement to us. This is not a point of discussion between us and the people who come in to make their statements. So that's how it's always been.

Phillips: Oh, I understood if a person asked a question that the following week you'd --

Potter: No.

Phillips: Oh, ok. Well, my misunderstanding, then.

Potter: Ok.

Phillips: The other question or statement that I had, or confusion, I don't know who -- I guess my time is up. Next week.

Potter: Go ahead and make your -- you don't know what?

Phillips: I don't know who owns the Portland housing authority. Is that owned by the city?

Potter: It's a separate entity, but the board of directors or the commissioners are appointed by the mayor. And the city council.

Phillips: Ok. I'll be talking next week.

Potter: Ok.

Potter: Please read the next.

Item 938.

*****: Mr. Mayor, Mr. President, members of the council:

Potter: Sir, sir, you're to come downstairs and speak into the microphone or you're not going to be able to speak.

*****: You can't hear me from here?

Potter: I'm ordering you not to.

*****: I'm coming down right now.

Potter: Please go to the next one.

Item 939.

*****: Good morning, Mr. Mayor.

Potter: Good morning.

David Ibbotson: Glad to be here. My name is David Ibbotson. I've joined others collecting signatures on our petition to Congress to begin the impeachment process of George Bush and Richard Cheney. We found many voters not just willing to sign, but eager to do so. I want you to join us. I

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know you are concerned that the ballooning costs of warfare are not only hurting your efforts to maintain Portland's recovery from its recent economic downturn, they are also diverting citizens' attention from their city's important needs. I know you are concerned not to overreach. You are wise not to take public stands which divide Portlanders and undermine your ability to serve the city well. This is not such an issue. Portlanders do understand that they have an obligation to hold public officials to account and they know that the congress has failed them in this respect. It has not prevented the president from starting a war of aggression, nor from planning and threatening more such wars. It has not prevented the president from dismissing as not applicable to me at this time any laws he chooses to ignore. It has gone along with the president's --

Potter: Mr. Ibbotson, I want to tell the gentleman that was upstairs, we don't allow written material to be read in here.

Ibbotson: You don't allow what?

Potter: He was reading a newspaper, and people behind him could not see. Please proceed. I apologize. You get the extra time.

Ibbotson: No problem. It has gone along with the president's tacit drive to encourage illegal and extra legal arrests, detentions, and kidnappings. It has failed to protect us from the rear is generals of torture as public policy. Why, then, seek congressional action now after five-plus years of such fails? This petition isn't antirepublican. We don't hate bush and we're not anti-american. It's a wake-up call to all our elected officials in Washington. It says we want action, your action, now. Please join us in our drive to put the adults back in charge. Send the petition to congress with this or another letter. Thank you for hearing me out.

Potter: Thank you, sir.

Item 938 (cont.)

*****: I'm a little displeased --

Potter: Sit down: I'm ordering you to sit down or leave: I'll explain the rules to you. You don't explain them to me let me explain the rules to you: Do you understand?

*****: No, you don't, but go ahead.

Potter: You understand or you'll be removed from this chamber. You'll be polite, you'll be quiet, and you've got three minutes, you state your name and you make a statement, and anything that's disorderly i'm going to remove you immediately. Do you understand that?

*****: Yes, mr. Mayor.

Potter: Good.

*****: Mr. Mayor, mr. President --

Potter: Quietly.

*****: Quietly?

Potter: You don't have to yell, that's a microphone.

*****: I want the people to hear me.

Potter: They can hear you, that's what microphones are for.

Robert Hill: Mr. Mayor, mr. President, members of the council. Staff and honored guests. Good morning and shalom. I am mr. Robert hill. I am here today on special visitation by special appearance. I come to provide commentary on the charter review and election reform. I'm concerned about broader and more effective representation by the public on the city council. The topics are increasing the size of the council, utilizing proportional representation, producing separate paper ballots for voting and construction of new city hall. If the size of the council is increased to at least 55 members and all candidates run at the same time, every two years and each voter gets one vote, out of the top 25 vote getters all candidates get at least 4% of the vote or guaranteed to win a seat, and represent that constituency, as things stand now, 51% of the public can win all four seats and up to 49% of the public is unrepresented. I don't see any women up here either. Proportional representation. Election systems utilize multimember voting districts, using

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five five-meant districts raises the threshold of winning. It also brings about the situation where the elected get to choose how and who elects them. Drawing wards or districts requires the unnecessary -- i'm sure most residents don't have their state senate and council county and u.s. House districts memorized. Why add another burden. This has the advantage of giving voters the ability to express more than one preference for their city council member whom they want to be representing them. The use commissioner Leonard, of single separate paper ballots for the candidacy needs to be considered. If 60 or more candidates will be on the ballot, this amount will probably fill up at least the front side. If the electricity goes out, a whole crew of students from the area high schools can volunteer to sort and count the ballots while county elections is stuck with the other races. Mr. Mayor, I don't think this building city hall should be torn down to make way for new city hall as was done up north in seattle. For example, do not destroy the old for there is a lot of his tore call value. There's a custom house still here. It is simple enough to call it old city hall and take over one of the build cans to the west or south or the north and call it new city hall, perhaps using eminent domain to take over the wells fargo building, because the Portland building is full. That concludes my remarks.

Potter: We'll now move to the consent agenda.

Leonard: David ibbotson?

Potter: He came in and spoke. I took him out of turn. We'll go to the consent agenda. Commissioner Adams has asked to pull item 947. Did you want it read at the end of this? Or returned to your office?

Adams: We just need it read at the end.

Potter: Ok. Please call the vote.

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

Potter: Aye. [gavel pounded] we'll now move to the 9:30 time certain. Before we go to the 9:30 time certain, I have a statement I want to read to the audience. Recently the city council passed new lobbying regulations. I'd like to remind folks that prior to offering public testimony to city council, a lobbyist must declare which lobbying entity he or she is authorized to represent. So that's to advise you of that condition. Please read the 9:30.

Item 940.

Potter: Commissioner Sten.

Sten: Thanks, mayor. As you'll recall, the council passed a moratorium on the multiple unit housing tax exemption program, and this is the program that's primarily aimed at middle income housing units. We had put some stronger mixed income requirements in place, but the council decided they were not strong enough given how much the market has moved and perhaps that this program was not necessary. I'm working with the planning commission and with developers and advocates to try and come up with some new proposals to be blunt, I have not come to something I think is worth bringing back yet, so i'm recommending simply moving the moratorium until the end of the year. Again, I think this is the right response to the marketplace. We're not seeing any slowing down of towers downtown. There continues to be not a lot of middle income housing because the market is strong, people are building expensive towers, but I don't think that's a crisis and I think it's good for our tax rolls, and we need to work through this. I did, upon some further thought, I think we've brought this around to each of the council offices, would like to add an amendment which I think if it makes sense i'll just describe it so we can take testimony on it. I will hand this out. Essentially two things, one would be a section one, add a 19th finding which would be the city of Portland's housing action plan identifies a development and preservation of row house -- low-income housing for household was incomes 60% of median income family as priorities for city resources, and I would add the language that the city shall not accept new applications for the new multiple unit housing tax exemption program until december 31, 2007, except for projects that are 100% affordable to households below 60% of m.f.i. and have long-term affordability

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agreements. Since we're talking about extending the moratorium for quite some time, it's come to my attention during that time period there are several projects in the works that are 100% affordable and would not be eligible, and my sense, was not to block affordable projects, which this length of a moratorium would do. I didn't have this in the first one because I knew well these things take a while, there wouldn't be any projects in the work that's would come up during the first round of the moratorium. With that i'll turn it over to barbara.

Barbara Sack: Would you like some background on why we're asking for this date to be extended to the end of december, 2007?

Potter: Please.

Sack: Ok. As erik pointed out, we've had a moratorium in place on the new program since october 19th, 2005. One of the reasons for the moratorium was so that staff could go out and do some public outreach on the program and meet with the planning commission and the Portland development commission to talk about some recommended changes to the program. In march and april of this year we did conduct public outreach. We developed some concepts for changing both the multifamily tax exemption programs and we talked to planning commission and p.d.c. About them, and then we went out and we held a developers round table and also a community stakeholders meeting. And the input that we got was that there should be separate tax exemption programs for the central city and areas outside the central city, and that we should not go forward with changes to the central city program until there's more of a consensus about what the council would like to use the program for. So we are going ahead with changes to the todd program, and we're asking that the central city program be put on hold until the end of 2007 because coming before you will be several processes that are dealing with issues in the central city. One is a west side central city study which will assess the west side urban renewal districts and present options for either amending, extending, or letting those urban renewal districts expire, and also looking at other tools that can be used to aid development in the central city, and of course the tax exemption program would be one of those programs. Also, there's another process, it's a central city assessment, and this is to inform and update the central city plan. The tax exemption programs were adopted to implement city plans, the new model unit housing unit was implemented to -- if the future of this program is talked about in concert with updating the central city plan, that seems like an appropriate forum for that and maybe that will help provide some direction in the future use of the program. So the only down side of extending the moratorium of course is that we wouldn't be able to build affordable -- affordable projects, but commissioner Sten's amendment deals with that. So we're asking that you pass this ordinance as amended and if you have any questions, just let me know.

Potter: Questions? Thank you. Is there a sign-up sheet.

Moore: We have two people who signed up. Karen williams and ed macnamara.

Potter: Is mr. Macnamara here?

Karen Williams: Good morning, mr. Mayor, members of council. My name is karen williams. I'm an attorney employed by lane powell in Portland, Oregon. However, I am not here for any -- representing any client, I am here as a member spokesperson of the Portland business alliance. At the Portland business alliance I serve on the central city standing committee and I chair the development subcommittee that reviews development issues for -- particularly for the downtown core area. The Portland business alliance has also submitted written testimony. This multifamily tax abatements are one of the few tools that's actually available to build housing in the class that is known as work force housing. In september of 2003, the work force housing report for the central city of Portland, Oregon, was prepared for the Portland business alliance and the Portland development commission by g.v.a. Marquette advisors. That comprehensive report is an analysis very thorough analysis of the long-term needs for work force housing development in the downtown core area, and the economic impacts of the lack of work force housing development.

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Well, housing for the city's most at risk populations is certainly critical, and absolutely an appropriate priority for this council and for the Portland development commission, so is the goal of achieving balanced neighborhoods and making available housing appropriate to the downtown core work force. The studies that were done in the 2003 report indicated that there was going to be a deficit of approximately 1340 work force housing units in the downtown core area, and approximately \$45,000 per-unit subsidy was necessary in order to make housing units affordable to persons earning between \$30,000-\$70,000 a year who worked in the downtown core. That subsidy equates to the same percentage of median income being spent in order to afford housing as is true for persons earning 60% and less of median family income. Accomplishing the goal of meeting this need of developing work force housing in the downtown core was projected using in plan methodology to generate \$753 million in economic impact in the downtown over a 20-year period of time. Providing this housing is important to all kinds of city goals, including healthy vibrant neighborhoods downtown, support for schools because it means families with children can afford to live in Portland, meaning transportation and other urban goals because people are able to afford to live near where they work. The p.b.a. Encourage council to continue the moratorium -- to continue the abatement program for work force housing development in the downtown core. Thank you.

Potter: Thank you. Good morning, ed.

Ed McNamara: Good morning, mayor, councilors. Commissioner Leonard. My name is ed macnamara with turtle island development. I'm not representing anybody but I guess affordable housing. I support the work you're going to do to rethink the goals of the multifamily housing abatement program, and I particularly support the amendment to include projects that are 100% affordable housing. I would just like to say a few words about the background, about the difference between the nonprofit abatements and the for-profit abatements and the impact of the abatement. In the 35 years or so this abatement has been in place, about 20% of it has been used for projects that are 100% affordable by for-profit developers. So it's become an extremely useful tool. It's a big part of the program, and I hope you'll consider how that will continue to be a part of the program. I wanted to give an example of the apartments which I completed earlier -- late last year. We -- it was the first time I used the central city abatement program, and it made a big difference. I did an analysis of the impact of the abatement there, of the differences, so first what you have to remember is for profit owned that building they would pay no taxes on the land or the building in perpetuity. Second things, a for-profit developer with that same affordable housing pays taxes on the land for the first 10 years and full property taxes for the rest of the life of the building. Same rents, same income limits for the for-profit and nonprofit. The difference on that, on the it isga is that we project we'll pay about \$28 million in taxes over the 60 years of the affordable requirement. A nonprofit owner would pay about \$2.7 million in taxes. So there's about a \$25 million more in revenue coming back to the city for the exact sama affordable -- same housing units. That's the impact this central city abatement has when it's linked to affordable housing with for-profit developers. If we had not had that abatement at the sitga, our expense was have been higher, so our bank loan would have dropped by \$1.8 million, we would have needed about another 1.8 from p.d.c. in loan. The taxes that would have gone back to the city, in this case to p.d.c. to retire the bonds, would have been about \$150,000 a year growing to \$190,000 of the probably about \$1.7 million over the 10 years. Really less coming back in taxes than they would have had to make an additional loan. So again, it was pretty good deal for the city. It's been a very effective tool, that's why I support the amendment that's in front of you. Thank you for your attention.

Potter: Thank you. Thank you for what you've done. I was very impressed when I came out and did the tour with you. If any of the commissioners haven't, i'd highly recommend it. I think that's how affordable housing should be done.

McNamara: Thank you. It's been a pleasure.

Potter: Thank you, sir. Anybody else?

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Moore: That's all who signed up.

Potter: Ok. Then we'll first take the amendment. Do I hear a second to --

Adams: Second.

Potter: Please call the vote on the amendment.

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

Potter: Aye. [gavel pounded] now do we vote on the -- this goes to a second reading? Ok. This ordinance now goes to a second reading. What's the date of the second reading?

Moore: Next wednesday, the 19th.

Potter: On july 19th it will be the second. We'll take the vote. We'll now move to the regular agenda. Please read the first item.

Potter: Staff?

Eric Johansen: Good morning, mr. Mayor, commissioners. I'm eric johanssen, the debt manager in the office of management and finance. The nonemergency ordinance before you this morning does two things. First of all, it authorizes the issuance of up to \$75 million water revenue bonds to fund the water bureau's -- a portion of the capital program for about the next two years. The second thing the ordinance does is authorizes the city to refund outstanding water revenue bonds. Right now interest rates are lower than they were at the time we sold bonds in 1997 and in 2000, and if they continue to stay that way we'll be able to refinance these bonds in order to realize debt service savings. The it would allow -- the proposed sale of these water revenue bonds would be expected to occur in mid september, and as is the city's common practice, we'd expect to sell the bonds through a competitive sale process. I'd be happy to take any questions.

Potter: Any questions from the commissioners? Thank you. This is a nonemergency and moves to a second reading.

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

Potter: Ok. Please read the next item.

Item 961.

Potter: Commissioner Leonard, did you wish to make any statement?

Leonard: I will when I vote.

Potter: This is a second reading, and it's a vote only, no testimony. Please call the roll.

Adams: Well, i'm reminded of the debate that occurred back in 1991, 1992, when the city at that time was contemplating imposing a ban on styrofoam. The use of styrofoam in fast food and in restaurant services. And at that time it was -- there were many echoes from that time of the debate that we've heard on this particular piece of legislation. But that debate ended despite the controversy at the time, that debate ended, the city being one of the first local governments to ban styrofoam for restaurants and it helped propel changes nationwide in the industry of how containers are made, what they're made out of, and what restaurants -- what's the common practice now for restaurants and such businesses. And Portland was at the leading edge of that. And there was concern at the time, but care was taken to work through those concerns and it helped bolster our commitment to the environment and bolster our commitment to future generations for protection of that environment. We work to be a green city, and that means we have to work at it. And I believe what commissioner Leonard has put together is in the spirit of what's good for the city, what's good for our region, and the environment that we share with everyone on the planet. And I think the task force that's been put together, the fact that we will be looking at a year to refine what I think is a very good proposal, and the changes that he's already made in the document are all improvements. So i'm very supportive of this. I think it's important that we keep that date of implementation in the measure, because by keeping it in the murray think we will get results. But by allowing time for continued polishing of this, I also think that that will help meet people's concerns. Commissioner Leonard, I want to thank you for your leadership on this issue, helping to keep Portland at the vanguard of green cities, and I am happy to vote aye.

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Leonard: Thank you, commissioner Adams. We do have a work group that's going to be set up to address some of the legitimate concerns that have been raised by some folks. There is an issue that has been raised that i'm very sympathetic to, and that is the use of -- that this ordinance does not prohibit the use of palm oil. The original draft did not allow the use of palm oil. But in reaction to concerns from the biodiesel industry itself, we thought it prudent to not put restrictions on where the source of the palm oil came from until this industry can get on its feet. Let there be no doubt about it this is an industry that will compete with the petroleum industry. And we need to get this industry every opportunity to succeed, because although biodiesel is by all accounts better for the environment, reduces greenhouse gas effects by 70%, this is primarily an economic development initiative. This creates income and good income for Oregon farmers, it will create jobs in my view for Portlanders, family wage jobs, and I hope along I think with my colleagues at some point to see Portland and Oregon be an exporter of this product. And there's no reason we cannot be. I want to thank primarily the office of sustainable development in helping us draft this ordinance. It was -- we spent a lot of time doing research, a lot of time getting ourselves up to speed on this issue, and we would not have been successful without their technical advice and assistance. I want to also thank the city attorney's office, who was outstanding in their advice and helping us navigate some of the barriers that occur with initiatives like this. And I do look forward to working with this group and talking through some of the issues that have been raised. Aye.

Sten: I think i've said it all in the past hearings. Aye.

Potter: I want to thank commissioner Leonard and commissioner Saltzman's staff at o.s.d. For the hard work they've done on this. I fully support biodiesel, as well as the use of mandate to help accomplish goals that all of us share for protecting environment and weaning our community away from its dependence on foreign oil. Additionally, I share the goal of creating more economic opportunities and partnerships with other communities in Oregon. It's a great goal to help our eastern Oregon neighbors find another market for their renewable crops, as well as supporting the manufacturing plants being planned in boardman, scappoose, and elsewhere. So I share some concerns that commissioner Leonard has enumerated about palm oil. There's also some additional concerns about the use of ethanol during the summertime. I ask the implementation committee to look at that so that we can get some time lines so that we will know that at a certain date in the future that we'll stop using palm oil and move solely to crops generated here in Oregon. I think this is a big step for Portland, and hopefully other cities around the united states will join us in this. And perhaps states as well. So I appreciate your hard work, commissioner Leonard.

Leonard: Thank you very much. I appreciate it.

Potter: I vote aye.

Leonard: Thank you, mayor. [gavel pounded] please read the next.

Item 962.

Leonard: We have Lori graham from the bureau of development services to explain this to us.

Lori Graham: Good morning, mr. Mayor, members of the council. My name is lori graham, I work for the bureau of development services in the code services section. The provision in the ordinance before you basically do two things. They're changes to correct out of date references between city codes, and there are changes to eliminate conflicts that exist in the current city code with those other codes that we are regulated by, including the state building code and the federal -- and other federal regulations like those for our floodplain and fema. Of all of these changes, they're intended to make our code more readable. Therefore, make it easier for our constituents to understand and gain compliance and therefore easier for us to enforce. I would be more than happy to answer any questions you may have.

Potter: Questions from the commissioners? Thank you.

Graham: Thank you.

Leonard: Thank you, lori.

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Potter: This is -- I assume there's no sign-up?

Moore: I had a sheet, no one signed up.

Potter: Ok. This is a nonemergency and moves to a second reading. Please read the next item.

Item 963.

Potter: Please come forward, staff.

David Olson: Good morning, mayor and commissioners. I'm David Olson, your director of cable and franchise management. We're very pleased to present to you this morning the settlement of this long-standing lawsuit with electric lightwave. Due to filing deadlines, legal and appeal deadlines, we had to bring this forward today, and -- in commissioner Saltzman's absence, but we're pleased to bring it before you. None of you need feel neglected, however. This suit has been going on so long that every member of this council has been involved. This dispute started when this office was under commissioner Sten.

Sten: That was a while ago.

Olson: The lawsuit we filed was when we worked for commissioner Leonard. Summary judgment motion were filed when we worked for the mayor.

Sten: He didn't mean to imply that it started with me, Leonard sued and Saltzman settled.

[laughter]

Olson: We are now settling the lawsuit under commissioner Saltzman. Commissioner Adams, I do not want you to feel left out. You may recall, you were chief of staff to the mayor and accepted our recommendation that the city file this lawsuit and informed the mayor accordingly. And we appreciate that you did that. You were there for us.

Adams: Thank you.

Olson: So thank all of you for your involvement over the last seven years, in this and much other high-stakes litigation where all of you collectively have acted to protect the public interest in advanced communication systems that use public property to carry out their work. All of you have been involved in that. This dispute with e.l.i. included the lines -- all of you know your franchise license fee base is one of the largest sources of revenue for the city and is a critical part of your general revenues. We're here to defend that. This fee is payment for private use of public rights of way. E.l.i.'s position was that -- and in fact the telecommunications industry feels that right of way payments should just be based on wear and tear, in other words, as if one's rent was based just on the damage one did, and not the value of the use. The city's position is that franchise fees and license fees are rent, and they need to reflect the value and return value to the taxpayer for private use of public assets. And we have had that position vindicated. So rather than embark on a lengthy and costly, yet another one or two years of court appeals, we have agreed to settle for a one-time payment of \$4.5 million. In addition, we agree to be bound by the -- this court decision in terms of how those payments are made to your general fund for the future. Under this agreement, we'll see a marginal increase in e.l.i.'s future fees, about 500 to \$900,000 annually. Seven years of litigation should not hide the fact that e.l.i. was a start-up -- locally start here, I remember very well, under commissioner Lindberg or Schwab, sitting with the founders of e.l.i. in helping write that franchise. We're very proud of them starting that company here. This is a local start-up. And working with them to get that franchise done. This city has taken a back seat to nobody in encouraging competition in this area, and that shouldn't be obscured. It's also important to stress that filing and winning this and other litigation to defend the city's interests doesn't just happen. It takes a top-drawer team of knowledgeable staff to stay abreast of the city's work on these issues and to work closely with the city attorney's office. Though they are not here, I think it's very important that council recognize Terry Thatcher and Ben Walters of the city attorney's office. The city is very fortunate to have one of the most knowledgeable experienced litigation teams in the country to defend the city's interests on these issues, and I think that needs to be said. I also want to thank commissioner Saltzman and his staff for their leadership and support and bringing this to a

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conclusion. Finally, I also think it would be important to recognize, and I know the city's very good about recognizing external stakeholders. I think sometimes we lag a little bit in recognizing our own folks. I would like to commend and recognize the utility franchise management program staff.

Mary beth henry and dave soloos, our managers, sebastian rodriguez and susan sloan, and I think the council should recognize this focus pays dividends to the city and this kind of leadership keeps returning benefits to the city. And i'd like the council to recognize them, if they would stand, please. Our staff? Please? Thank you. [applause]

Adams: They were all in junior high school when we started this.

Olson: We very much appreciate this, and this is the sort of thing that does keep returning dividends to the city. We were fortunate last week, to win yet another round of this -- of these lawsuits. The final portion of the litigation that challenged your system, the system that supports your own communications and the schools. Which had been under attack and continued to be under attack. Like the e.l.i. decision, all of our authority and our systems are -- continue to be under assault from the telecommunications industry. That's the name of the game now. They're coming after us in court, at the -- in congress, and at the state legislature. And next winter when the state legislature starts, you'll see another one. But all of these decisions are very important in defending the public interest and your revenues. E.l.i. has already authorized and signed the settlement after consulting with other affected bureaus, and this is all -- affects multiple portfolios we recommend the council accept this settlement. If council accepts this, \$4.5 million will be deposited into your general fund within five days as unrestricted dollars. Thank you, and I thank the mayor and the council and commissioner Saltzman, every one of you for your continuing support. Thank you. And i'd be happy to answer any questions.

Potter: Questions? Was there a sign-up sheet?

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

Potter: Ok. Please call the vote.

Adams: Thanks for your work. Aye.

Leonard: I do want to say that the office of franchise and cable is based on the experience I had in a little more than two years of having the office, one of the most creative groups of people I have ever had the pleasure to work with. And I don't usually have a hard time keeping up with folks, but I -- it was a challenge keeping up with the creativity from that office. And I would also, before david thanked everybody, wanted to especially point out mary beth and dave, and sebastian, and susan, because it's a small office. It's a very small office, but what most don't realize, it is a huge contributor to the finances of the city. And we at our peril don't pay attention to what they're doing.

We at the peril of the future of the finances of the city, don't focus on what the small group of folks are doing. And I was just fascinated in working with all of you. David, I really appreciate your creativity, and I always have. And I appreciate the hard work on this, and the challenges that you guys deal with every day, and the good work results in the financial stability of the city. Which is very important. Thank you very much. Aye.

Sten: I agree. I want to thank you and the team. It's actually really been hard work, and it's really important. It's not just the revenue which is critical to the city, it's the actual quality of the infrastructure which is critical to our economic climate and whether or not we can compete and have a good quality of life just, we all want to be able to access the world these days. I'm actually sort of resolved right now to work with you on this next step in trying to get our franchise fee entire package into place and updated to be modern so that perhaps we can at least -- I don't know that we'll ever avoid litigation, but we can perhaps have a much clearer piece where everything is current and rationalized. Commissioner Leonard started on that, and i'm inclined to team up with commissioner Saltzman and see if we can't get that done. Having finally finished this one, I think the table is set to maybe get everything in place. I think you guys do really important work that isn't always recognized, so let me join my colleagues in thanking you, and good work. Aye.

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Potter: I join the other commissioners. David, I really appreciate your leadership on these. I've heard a lot of compliments directed towards you and your staff from the community and various parts of the community about your knowledge of franchise operations and laws, and it makes me feel comfortable no toe -- to know you folks are there. But i, like commissioner Leonard, don't want to undervalue what you folks do, so thank you, staff, and thank you, david. I vote aye. [gavel pounded] please read item 964.

Item 964.

Potter: Second reading, vote only.

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

Potter: Aye. [gavel pounded] we are recessed until 2:00 p.m. Whoop. 947. Almost got out.

Item 947.

Adams: I'd like to amend item 947 to change the date from august 2 to august 9.

Leonard: Second.

Potter: Call the vote.

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

Potter: Aye. [gavel pounded]

Potter: One more time.

Moore: We need a motion to accept the record.

Leonard: So moved.

: Second.

Potter: Call the vote.

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

Potter: Aye. [gavel pounded] now we're recessed until 2:00 p.m.

At 10:33 a.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.

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JULY 12, 2006 2:00 PM

Potter: The city council will come to order. [roll call]

Potter: Please read the 2:00 p.m. Time certain.

Item 965.

Potter: The city attorney will describe the hearing process.

Linly Rees: This is an evidentiary hearing. That means you may submit new evidence to the council in support of your arguments. This evidence may be in any form such as testimony, letters, petitions, slides, photographs, maps, or drawings. Any photographs, drawings, maps, or other items you show to council during your testimony should be given to the council clerk at the end of your testimony to make sure they become part of the record. The procedure is as follows. We'll begin with a staff report by the bureau of development services staff for approximately 10 minutes. Following the staff report, the appellant will go first and have 10 minutes to present their case. Following the appellant, persons who support the appeal will go next. Each person has three minutes to speak to council. The three-minute limit applies regardless of whether you're speaking for yourself or on behalf of an organization. After that the principal opponent, in this case the applicant, will have 15 minutes to address council and rebut the appellant's presentation. After the principal opponent, the council will hear from persons who oppose the appeal. In this case those who support the applicant. If there is no principle opponent, the council will move directly to testimony from persons who oppose the appeal. After supporters conclude their testimony. Again, each person will have three minutes whether you're speaking for yourself or on behalf of an organization. Following that, the appellant will then have five minutes to rebut the presentation of the opponents of the appeal. At that point council may close the hearing, deliberate, and take a vote on the appeal. If the vote is a tentative vote, council will set a future date for the adoption of findings and a final vote on the appeal. If council takes a final vote today, that will conclude the matter before council. There are civil guidelines. They are established by zoning code and state law. One, testimony must be directed to the approval criteria. Any testimony and evidence you present must be directed toward the applicable approval criteria for this land use review or other criteria in the comprehensive plan or zoning code you believe apply to the decision. B.d.s. Staff will identify approval criteria as part of their staff report. Issues must be raised with specificity. If you fail to -- fail to raise an issue clearly, you will be precluded from appealing to the land use board of appeals based on that issue. Finally, the applicant must identify constitutional challenges to conditions of approval. If the applicant fails to raise constitutional or other issues related to proposed conditions of approval with enough specificity to allow council to respond, the applicant will be precluded from bringing an action for damages in circuit court to challenge the conditions of approval.

Potter: Thank you. Do any members of the council wish to declare a conflict of interest? No council members have a conflict of interest to declare. Do any members of council have ex parte contacts to declare or information gathered outside of the hearing to disclose?

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Leonard: Did I have an ex parte contact with the -- i'm trying to remember who the appellant is, the goose hollow neighborhood group. They met with me in my office.

Adams: I had two ex parte contacts. One with an individual outside of p.g.e. Park who was extolling the virtues of the proposed project, and then also with some adjacent property owners to hear their concerns.

Rees: Could I interrupt? Commissioner Leonard, could you discuss the substance of the conversations you had during your ex parte contact for the record?

Leonard: Yes. I emphasized to those that were meeting with me that whatever they said I would disclose here so they gave me a factual accounting of the development proposed, their concerns, and how it would impact the future proposed development that that group desired to accomplish on the same block.

Rees: Commissioner Adams, I think you did that briefly as part of yours, so you don't need to.

Sten: I had three ex parte contacts, one with the adjoining property owners, the second with howard glazer of the goose hollow foothills league and a broader lunch with phillips smith and the topic came up. All three involved people that are opposed or supporting the appellants, and if anybody would like I brought a copy of the materials they gave me, which I think were sent to the clerk and all the council if anybody would like to review their position.

Potter: Do any members of council have questions or preliminary matters that need to be addressed?

Rees: As part of the ex parte you need to give folks an opportunity if there are questions of council on the ex parte contacts.

Potter: By who?

Rees: By members of the public. If you choose to do that as part of the testimony, you can do that as well.

Potter: Any members in this room have any questions of the council members regarding the ex parte contacts? Ok. I'll repeat my question. Do any members of the council have question that's need to be addressed before we begin this hearing? Ok. We're going to begin the hearing. Staff, please come forward. Thanks for being here, folks. You have a total of 10 minutes.

Abigail Fowle: I'm abigail fowle, city planner with bureau development services design review. This is the land use review appeal for l.u. 06110824-dzm ms for the allegro condominiums. I'd like to bring to your attention a document you have in front of you which essentially is a codes, covenants, and restrictions documents we received on july 10, and it does declare that the original developer for the cascadian court property, which is ascending site for floor area, it does declare that that original developer maintains the rights to that unused floor area that's to be transferred. I know that was an issue that had come up last week, and that document does clarify that. Just to get you situated on where this site is located, we're at the corner of southwest 18th and southwest salmon in the goose hollow district. P.g.e. Park and the mac club are to the west and lincoln high school is to the south. And the light rail runs along southwest 18th just on the west side of the site. The site is currently a surface parking lot. To give you some -- a summary of the proposal, it's a 21-story tower with a lower 16-story portion that will house 228 residential units, 13,412 square feet of retail at the ground floor level, and five levels of below-grade parking, that includes 270 private spaces as well as 76 public spaces to replace the existing parking on the site. The proposed floor area is 360,931 square feet. The code allows up to 244,664 square feet with the additional -- in addition to transferring -- they are proposing to transfer an additional 155,000 square feet through the central city master plan review. The proposed height is 250 feet, the maximum allowed. Modifications that have been requested to the zoning code standards involve the grouped floor windows requirements on southwest 17th and also requirements for minimum setbacks to main entrancing along transit streets, which southwest salmon is. Just to give you a since of context, this is at the intersection of southwest 18th and salmon looking northeast. The site is here on the right

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side. This is on southwest salmon looking northwest. The site in the foreground. Just to give you an overview of the zoning, the site here on the right development site, the sending -- the sites that are sending floor area include a tri-met property at southwest 18th and morrison, and also a property at the corner of northeast holladay and sixth where the cascade condominiums are. The development site itself is within a c.x.d. zone, which is a central commercial zone that allows housing with a design overlay. The maximum floor area allowed is 163,104 square feet, plus with an earned residential bonus that the applicant has fully earned, in addition is 81,552 square feet for a total of 244,656 square feet. And the height allowed is 250 feet maximum, which they are meeting.

The central city master plan aspect of this proposal does allow for the transfer of floor area from nonabutting lots within the central city plan district.

Adams: How long has that been the policy of the city?

Jeff Joslin: Since january 1, 1991.

Fowle: The maximum allowed floor area within this type of plan is the combined allowed floor area of the site, of all the sites, both the sending and receiving sites. So in this case we have the salmon and 18th lots comprising the development site, which allows 244,656 square feet as mentioned above, and then at the southwest morrison and 18th lot, there is 107,012 square feet of unused floor area. That was part of the allowable floor area. And at northeast holladay and sixth, there's 62,000 square feet of unused -- that's unused of the allowable floor area.

Leonard: At that point, jeff, I just heard you say since january 1, 1991 we've allowed the transfer of unused areas. How often has that happened with properties that are as far away as this one in the lloyd district?

Joslin: There are a number of transfer provisions in the code. This particular one, the central city master plan process has only been used once. The geographic distance between the sending and receiving site was not as great. There are --

Leonard: When was the one-time?

Joslin: Fairly recently, between the -- I forgot the name of the project. The elizabeth and the r.e.i. Site.

Leonard: Both in the pearl?

Joslin: Correct.

Leonard: So there's never been another transfer, and this is the farthest one of the two?

Joslin: Correct.

Leonard: Ok.

Joslin: There are currently other transfers that are either in the pipe or being considered for other projects, but some -- they're all within the same district as far as we're aware.

Leonard: The other proposed sites? So this is unique in those that are proposed. Is there a policy that speaks to whether or not these kinds of sites should be contiguous or not, or close, or not?

Joslin: The only requirement is that it comply with the approval criteria, the approval criteria are for the most part addressing infrastructure capacity at the receiving site. There are no limitations in terms of geography other than both sides being within the central city plan district.

Adams: Do you have a map of the central city plan district for us to look at? You can get that to us later.

Fowle: Just a couple of zoning issues to bring to your attention. There is a designated view corridor as designated in the resources scenic resources protection plan that extends from Washington park across above essentially and across the downtown area and across the southern portion of the site. It does set a height limit of 290 feet at this area, and the zoning code is a maximum allowed is 250, which the proposal is meeting, and therefore the proposal is not building is not within the view corridor. And then one other issue is that the goose hollow station urban design, community urban design plan does ask that this site have a tanner creek daylighting water feature, which essentially is pools or fountains located at public plazas or near light rail transit

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stations. And the applicant is including a water wall feature that represents tanner creek within their sort of residential entry area along southwest salmon. So the approval criteria for this proposal --

Adams: Can you go back to that slide? The requirement is for -- you use the word daylighting feature? But it's actually just a fountain that references tanner creek underneath that is allowable?

Fowle: Correct. So the approval criteria are the central city fundamental design guidelines, the goose hollow district design guidelines, modifications through design review per Portland zoning code section 33.825.040, and central city master plan approval criteria per Portland zoning code 33.510.255.e. I did want to point out that the master plan approval criteria does as jeff mentioned, address adequacy of infrastructure and pdot, both pdot and b.e.s. have confirmed that there is adequate infrastructure at this location for the additional floor area. Just to summarize, the public process that's occurred up until this point, there was a design device request hearing in february on the 16th, and the comments commissioners provided to the applicant were regarding massing, relationship to the surrounding area, building materials, ground floor level design, and in general there was support for the high density along the light rail line. On february 17 the application was submitted for design review. The design review hearing -- the design commissioner occurred on may 4, and the applicant did address most of -- the comments provided by the commissioners at the previous hearing, making changes to the massing and changes to the facades and ground floor level.

As you can see in this image on the right, the eastern wing of the building had -- was reduced down significantly to reduce some of the mass of the building, in addition, more balcony areas and finlike elements were added and some steps of the facades to help reduce the scale of the building. As well as further development of the ground floor level with canopies and development of retail entrances.

And these are the elevation showing the design that was approved. This is the west and south elevation. The east and north elevation. And at that time the design commission decision was for the approval of the 21-story mixed use building with five levels of below-grade parking. The approval of the modifications to ground floor windows and transit street main entrance, and the approval for the central city -- during the appeal period an appeal was filed by the goose hollow foothills league. The three main points, arguments they made was that the current design and massing are not compatible with the surrounding district and negatively impact the abutting properties, and the proposed floor area transfer does not meet the central city master plan approval criteria regarding central city plan policies. And I did want to note that the design commission in making their decision did determine that all the criteria were met. The third argument is that the central city master plan was not intended for the proposed type of floor area transfer, and therefore the proposed transfer exceeds what is allowed by the Portland zoning code. And as I mentioned earlier, the central city master plan is intended for that type of floor area transfer. So at this point the city council alternatives are to uphold the design commission decision and findings, justin burger hold the design commission's decision and modify findings to require additional conditions of approval, or grant the appeal and deny the proposal, or request applicant to modify the proposal in order to meet all the approval criteria. And I -- paul schlessinger is here and would like to say a few words as well.

Adams: May I ask a question of you before we hear from paul? This is in a district that requires obviously design overlay. Right?

Fowle: Correct.

Adams: And what kind of -- in the -- in one of your slides it showed that the north side of the building would be covered in windows that potentially could be completely blocked by another building. How is that discussed and dealt with at the design commission and this is the first time i've had something come before us with this sort of possible incompatible two ownership sort of on a single block. Did they discuss that and do we have any if not liability, is it part of our job to ensure that people that buy those things know that their views could be completely blocked?

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Fowle: That was discussed at the hearing. The commissioners felt that essentially it wasn't up to them to force the developer to design that side of the building a certain way, and that it was their risk essentially to put windows on that wall. And Paul may have further comments on that.

Leonard: I don't understand what the point of a design overlay is if we can't create criteria for design with a design overlay, what's the point of a design overlay?

Joslin: Let me go back to the specific element that's being asked about. Along that wall, the northerly property line, the building is set back in order should a development occur on the other portion of the site to allow some access to air --

Adams: How far is the setback at the narrowest point?

Fowle: They've -- their setback ranges at the minimum from 8½ feet to I think 19 feet is the maximum they've set back from that north property line.

Leonard: From the line or from what could be built on the adjoining property?

Fowle: From the property line.

Leonard: How far back from the property line would the -- would a conceptual building potentially be? Another 19 feet?

Fowle: Potentially --

Leonard: We don't know? I'm trying to figure out what the actual maximum distance would be --

Fowle: For fire code regulations, or --

Adams: Or design.

Leonard: For design.

*******:** We --

Adams: Would you look that up?

Joslin: One of the -- one of those concerned about this proposal, one of the -- who controls some portions of that other half of the block, did come in to the hearing with some studies to show different approaches that included both buildings pulled away from that property line along that northern street frontage, and backed up against the shared property line that was part of their presentation, was that they had a preference to possibly pulling the building back closer to this proposed development, and felt that option was precluded by the way in which this project had been sited and massed. The argument about the quality of that facade spins both ways. On the one hand, we might -- everybody can agree, everybody did agree in the course of discussion of this hearing that ideally all parties would be talking about this potentially as a full block development, or at least the two parties working in some manner collaboratively to develop an appropriate strategy for the block overall. It's my understanding that there were no terms that were reached and that that type of discussion. So at this point the alternative for such a project being located on half a block would be to either develop with an assumption there was going to be a project of similar mass and orientation to that shared property line, which would result in a blank wall approach that we've seen on other buildings passed in more recent, or developing it and -- in this manner, where that facade was fully articulated, took advantage of various views, and hope that either ultimately -- ultimately there would be some reasonable middle ground struck on how that other half block got developed, or that perhaps it would be developed in a less dense way to allow those views to this building to continue and used -- the views from the building to continue.

Leonard: Is it possible, assuming that this was approved as proposed to us today, and it was constructed, that the actual approved design could influence what the adjoining property owner could build in terms of design review? In other words, does us agreeing to this somehow modify or impact what they may want to build?

Joslin: I don't believe so.

Adams: I appreciate that background, but I just -- it's hard for me to fathom that the best use of this block is to either block how many units on that side's view, build this building and then block all those people's views, and at the same time not reach the development potential of this block, which

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is on a light rail station. And I understand that's the choice we have in front of us, but it seems to me that part of what you're saying in your comments is that if the parties could work together, that this -- we could have a better development here, better for the neighborhood, better for the goals of the city.

Joslin: That was certainly part of the discussion and deliberation to date. There is another sort of obvious aspect of this, which is that it's not uncommon for buildings to be built with spaces between them that are shared access to light and open space. We certainly don't have a comparable here for buildings of this scale, but even some of the recent river district development we've got courtyard projects that have gaps between them of various dimensions that allow the same kind of relationship --

Adams: But their planned and designed often times as a single development with that in mind as part of the design feature.

Joslin: Absolutely correct.

Adams: The reason why i'm especially sensitive to this is that it is right across the street from the light rail station. Thank you.

Leonard: What is the eastern boundary of the central city plan?

Fowle: It's eastern edge of the lloyd district.

Leonard: 15th through 21st, or --

Fowle: I'd have to look at the central city plan to verify that exactly.

Joslin: I believe it is 15th or 16th.

Adams: One other clarifying thing. In terms of the way this building is designed, is this the back windows of a unit or the only windows of a unit?

Joslin: I believe these are the primary views from those units.

Adams: Thank you.

*******:** Paul?

Paul Schlessinger: Mayor Potter and commissioners, paul schlessinger, member of the design review commission and also chair of the Portland planning commission. Reinforcing comments by abigail, and I will take them basically in order of abigail's comments, is that number one, this project was brought to us voluntarily through the design advisory request hearing that this council has heard about, strictly voluntary on the part of the proposer-developer. The commission looked at both the project from the developer's applicant's side and also from staff, and went through the various items that abigail and jeff brought forward to you in their comments just now. Keeping that you just notice -- the key thing that you just noticed in abigail's power point showing both how the project looked at the d.a.r. entry and also the final approval for the project. The building did change in massing, that they did revisit and step down from its primary corner dealing with transit and max, as well as various masses both prior and the approved project. The other second key item that the commission looked at was the fitting of the scale, and character of this significant large and sited on a transit-served central city site. And again, as your questions, commissioner Adams, to abigail and to jeff, and stated in the documents before you, that both the developer on the south side, which is the applicant, and the developer on the north side of this block did have conversations prior to coming to the design review commission on how to put a project jointly together. Fortunately or unfortunately those communications did not pan out, and unfortunately the design review commission or for that matter others of the city don't really have a mechanism to force developers to work together. It's part of free economy and all that. Nonetheless, the project looking at the goals of the central city, looking at transit goals and the goals and regulations that are before the design review commission were met and met to a degree that the commission found the project approvable, approvable with the modifications noted, and we did go forward with that. That does include the transfer of f.a.r. which again was questioned by you all rightfully so, and again in the central city code and the building code is therefore developers to take advantage of as long as

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they're within the central city district. And finally, I do want to briefly say and thank you too to the staff of b.d.s. for putting a very good, well thought-of document together showing the guidelines, how they were met, and how the commission could come to the action that it did, that being approving this project. Changing hats and putting a developer's hat on, again, buildings that do butt up against each other, you see that whether they're residential, commercial, or otherwise, where they do go to property line, and that is part of development in cities and part of dealing with that. There's nothing in the code that would put the commission or staff in a point of view that says what we can do or can't do forcing a developer on what to do other than code and zone guidelines, and that the developer, speaking generally, has that -- whatever that comes forward when they sell in a condominium situation like this, that they do need to be up front with the buyer of the condos, that there could very well be future projects that could block their views.

Potter: You have 10 minutes, but since the other side took a little longer, you can as well.

*****: Thank you, mayor. We've got our own logistics problems. This has been a real test for the goose hollow neighborhood. We're not fond of making appeals.

Potter: Could you state your fame for the record?

Jerry Powell: Jerry powell, i'm the planning chair of the goose hollow foothills league. I'm a member of the american institute of certified planners, and a resident at 1926 southwest madison street, about two blocks from the site. We have at times appealed issues to the council. Generally in support of some particular neighbor concern usually panicked neighbors that come to the neighborhood and say oh, my god, what do we do? This was a different kind of issue. This was one that came in through the back door on us, partly because we felt fairly complacent with the procedures that we had put in place through the light rail planning process, and partly because there had been no activity here for years. So when there was a proposal to develop here that kale to light three years ago, we said, wow, great, and we saw the drawings that were then presented and we said, oh, gee, this really looks good. It falls right in line with what we expected and with the things that had been agreed between the city, tri-met, and goose hollow. We were surprised when there was a long lull, and then we were more surprised when in last winter we started seeing a project that was a great deal different. We still weren't alarmed. The contention was, well, this is going to be a pretty tall building. Ok, it's a site that can support a tall building. Tall is not that much of a problem. Then at the design advisory review, we found out, which was in february, we found out that the building was a 14-1 f.a.r. That's one of those arcane kind of planning things that really doesn't mean much to an awful lot of people. 14-to-1 means the ratio of the floor area of the building to the site. Now, it's a 27,000-square-foot site, you can build 14 times that in floor area on it if you accept the 14-to-1 f.a.r. We had never thought in terms of an f.a.r. that large. We never thought in terms of a building with that much floor area or impact on the neighborhood. 6-to-1 is what the base f.a.r. On that site is. That's what's in the map, it's the same f.a.r. that's been on that site since the central city plan applied it in 1988. This neighborhood association participated in that planning effort, participated in the comprehensive planning effort that came before it when it was considered to be appropriate for 4-to-1. We looked at the possibility of a 9-to-1 building being built as bonuses were added into the mix, and we had the possibility of getting mixed use development on the site. We supported that. We supported the 9-to-1. At that rate, you can build a pretty darn big building. At 14-to-1 it gets to be pretty incredible. We started sweating. When we came to design review, we found that f.a.r. wasn't on -- wasn't among the requests. There was no request for a larger than usual building going to the design commission for its review. Our question then was, why is this? Our response to the request for response got a memo back from jeff joslin, which you have, which said, "hey, folks, this is what we do. It's allowed by right under central city master plan. We said, "well, how is that?" there was mention of a hearings process, type three hearing in front of a hearings officer. That went away pretty soon. So now we're wondering, what is the process? And then the central city master plan review shows up on the plate of the design

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commission. So we went and looked at the code. The design commission, lo and behold, isn't specifically empowered to hear a central city master plan review. It's empowered to hear modifications and design review. So what kind of process do we have? That's the -- clearly the code permits some f.a.r. increases over the base zone. It allows you to go 3-to-1 over if you provide housing in a housing area. It permits bonuses for this, that, and the other thing for open space, for rooftop gardens. All things that the public wants and needs. The code very specifically prohibits f.a.r. increases of more to 3-to-1 in all but two subdistricts of the central plan area. The wording is really clear. Those two subdistricts, by the way, are the west end, which we are not, we're in goose hollow, that's different, and the south waterfront area. Special cases, special cases that get special treatment. Ok, no problem. Central city master plan permits transfers of development rights from specified sites. What in the dickens does that mean? That's not defined. I believe that those specified sites are not an undetermined sort of thing, just any site can be specified at whim. The central city master plan arose out of a need to provide some flexibility in the down -- in the central city plan, or for the -- in order to make the central city plan happen within the plan area as described in the zoning code. Housing, s.r.o. housing in particular, was a value that was to be preserved. Historic landmarks were a value that was to be preserved. Nowhere do we see that there are to be development rights banked and then used again someplace else remotely across the city. Now, there's a problem. There isn't the limited definition of site in the code. There is conventional appreciation of site as something where if the parts of a site are not contiguous, they're at least related to each other. Generally they're adjacent, if you're talking about a site, it's adjacent. A central city master plan occupies a site. Now, it's very true that the code does not say that all the parts of a site have to be in one place. Nor does it say that all the parts of a central city master plan have to be in one place. Is that an oversight? I think there's a reasonable expectation that common language holds. There's a requirement in the code that central city master plan conforms to the central city plan. Those are the criteria on which a central city master plan is supposed to be evaluated. Five of them. Consistent with the policy objectives of the central city plan, i'm paraphrasing, adequate infrastructure, a circulation system that relates to the general circulation outside the site area, or outside the plan area, open space, protecting viewpoints, and particularly view corridors down streets. Assuring required housing will be built. Those are the criteria. They don't lend themselves to even consideration of a site that is distributed across the city. They are also not -- the requirement is also that they be all satisfied for a finding that a central city master plan can be approved. Certainly consistency with a policy objectives of the central city plan is a big question. There were no findings with respect to that because there was no hearing with respect to that. The testimony on that particular issue was held by the design commission to be outside their scope. If that testimony is outside their scope, how can they hear a central city master plan? There's a possibility that jeff joslin was right and that the development review staff could avoid the prohibition on extra f.a.r. by establishing that central city master plan. We accept that. However, they avoided following the prescribed process for doing that. I don't know why. And I think it was their intent to do that. I think they got in a hurry-up mode. That's speculation. But certainly the process that the code requires and the process that would make sense in order to establish that master plan and then deal with the f.a.r. Issue didn't happen that way. The design commission -- i'm sorry. The design commission probably should have caught that. I'm not entirely sure why they should have caught that, because it's, as I said, outside the area of expertise. But somebody had to kick it back to staff and say, wait a minute, this isn't -- this process isn't working properly. That's why we're here in front of you discussing the -- sort of the policy issues of how this kind of thing happens in the first place in order to not wind up with projects that we don't want to have to live with. I need to make a couple of comments. One is, we're not opposed to a project on this site. We've been an advocate of projects on this site. We've said from the beginning that we wanted to see the developers work together. We've said from the beginning that we wanted to see a project

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that gave credit to the neighborhood. We've said from the beginning that we want density, we want enough housing in this neighborhood so that we can attract the kinds of services that a neighborhood should expect to have. I have a letter -- I thought I had a letter -- from a neighbor, Ellen Shoskus, who can't be here. I was asked to read it into the record. This was unsolicited. Ellen showed up at the design commission meeting and we're not even sure how she knew there was one.

"I'm writing to request the city council uphold the league's appeal and deny the central city master plan approval for the transfer of development rights totalling 155,000 square feet of floor area to the Allegro condominiums on the grounds the additional height and bulk if granted will have a negative impact on the historic Kings Hill neighborhood. In exchange for this density bonus, essentially a public subsidy allowing for height and bulk that would not otherwise be permitted, the Allegro condominiums as proposed shows no respect for the existing neighborhood, provides no public amenity, and does not achieve neighborhood and city goals to encourage affordable family housing near stations as called for in the central city plan." she quotes the central city plan. Protect and enhance the character of Goose Hollow by encouraging new housing and commercial and mixed use development which retains or enhances a sense of community while improving the urban infrastructure to support a more pleasant and livable community. The policy from the central city plan further states, provide neighborhood amenities by including small pockets of open space in conjunction with new high-density development. We hope that this could be true. The central city master plan --

Potter: You're going to have to wrap it up, sir.

Powell: Ok. May I complete -- finish the letter?

Potter: Please conclude.

Powell: I will be done. The central city master plan boundaries were extended to include the area including the site of the Allegro condominiums has -- Allegro for the Goose Hollow station. Which led to the city council's adoption of the Goose Hollow plan in January 1996. A primary objective of the station area planning process was to preserve the character of West Side Light Rail corridor neighborhoods and to respect existing contributing development. At the time of the two-year community planning process for the Goose Hollow --

Potter: I think you perhaps misunderstood. I asked you to wrap it up. It looks like there's another two minutes of reading to go on. Could you conclude your comments?

Powell: I apologize. You'll find a copy of the letter. It's extra ordinarily well done. Thank you for your time.

Potter: Thank you, sir. Did you have a question?

Adams: I do have the city attorney, was the city attorney consulted on whether or not this should have -- the central city master plan review should have gone to the design commission, or if it should have gone to a hearings officer? Or do you have any thoughts on that?

Rees: I was not consulted. You'd have to ask Jeff if he talked to somebody else in our office. In the last couple days that's obviously been an issue that we've become aware of. The provisions of the code dealing with review bodies include provision for hearings officers do everything that's not listed for others in type three reviews. What staff relied on is a design commission responsibility to conduct reviews in the central city plan district for height and f.a.r. bonuses and transfers. Reviews is not defined as particular types of reviews. So staff relied on that provision as a broad provision. The central city master plan was the point of that was to have an f.a.r. additional f.a.r. transfer. So they believed it was covered by that, and that is a reasonable reading of the code.

Adams: So you are comfortable with the decision that they made?

Rees: I'm comfortable with it.

Adams: Thanks.

Potter: Thank you, Mr. Powell.

Powell: Thank you.

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Potter: The persons who support the appeal will be able to testify at this point. Karla, do you have a list?

Moore: We have 13 people signed up. Come up three at a time.

J.E. Bud Clark: Good morning. I am bud clark, business and property owner in goose hollow since 1967. And a founding member of the goose hollow foothills league in the early 1970's. I'm speaking today in support of my goose hollow neighborhood. I've not paid much attention to the neighborhood issues for some time. However, the height and mass of this building caught my son's attention, who brought it to my attention. Then the discovery of transferring floor area ratio from lloyd center across the willamette to the goose hollow neighbor struck me as, is this legal and was this the intent of the central city plan? Portland's livability is built on its good land use planning and its support by good citizen and their involvement. I'm not a land use expert but I came here today to support the expert citizens of my goose hollow neighborhood. And especially jerry powell, who has laid the grounds for this out -- out the grounds terror for this appeal. When we make plans, rules, and laws, let's follow them or change them through the legislative process. When I was in your position on the city council, this is an anecdote which is rather interesting, I think, jerry and the goose hollow foothills league appealed the application for the construction of a car wash facility in -- on 18th and jefferson. The city planning and legal staff told me that if we didn't reject the goose hollow foothills league appeal, the car wash company would go to the luba and they would win over the neighborhood's appeal. Therefore, I didn't vote my goose hollow neighborhood what I really thought or what I felt. I voted against what I thought was the right thing to do because of the staff's advice. Then who went to luba? Jerry powell and the goose hollow foothills league, and guess who won? There is no car wash in goose hollow. Jerry is very good. [laughter] allegro is a beautiful building. It truly is. The goose hollow neighborhood welcomes a greater density and good design, but let's follow our rules, let's listen to the good citizens of the neighborhood and follow the rules. Thank you.

Mark Edlen: Mark edlen, property owner in the neighborhood. I came for two reasons. Number one, I want to speak in support of the f.a.r. transfer process. I think it's a vital tool and we've used it a number of times to great success. We've transferred f.a.r. off historic buildings. I think it allows us to maximize density in our neighborhoods. However, I share commissioner Adams' concern in terms of what I perceive the process. I understand -- I think the staff as well as the commissioners probably made the only conclusion they really could. I remember early on in the tenure of this commission we had a land use action going in south waterfront, we were encouraged by certain members of the commission to reach out to the neighbors, and I think as a result we ended up hopefully with a better process and better design because of it. My concern is what commissioner Adams spoke to, and I think the property owner to the south or to the north, excuse me, is going to be left with very little choices to what they can build and develop. And I think it will probably result in maximizing the density around our light rail transit lines, which I think are critical to maximize to get out of the cars. Perhaps this is a time again when the council can reach out and make a better result for the community and the neighbors and to further on in your anecdote, we ended up building a mixed income housing project where that car wash was to be located and our neighbors because of it today. So thank you.

Philip C. Smith: Gentlemen, my name is philip smith, i'm a money manager and an attorney. I first learned about this thing in the northwest examiner which was published about two months ago. I decided to look into it. I have no affiliation whatsoever with the developer or any other parties. When I acquired into this thing I de-- inquired into this thing, I decided to concentrate on the f.a.r. itself. There's 50,000 square feet proposed for transfer from the northeast holladay site. It turns out last friday you received a letter from the cascadian court condominium association wherein it withdrew from this application. On subsequent inquiry I discovered that the floor area ratio when the cascadian court association owned is not in fact owned by them, it's owned by a corporation

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called the cascadian halladay l.l.c. The cascadian halladay was the developer of the cascadian court condominiums, and in connection with the execution of its declaration established, it signed -- it inserted a provision which is article 12.1, which retained in the ownership of the developer the unused floor area ratio. It in effect severed and cut that floor area ratio away from this site. In my business, we call this a derivative. Which is to say a personal property right derived from an underlying instrument. I do not believe that this situation is even contemplated in the city code. Whereby a developer may develop a parcel, complete it, sell it out entirely, transfer all legal interest in it, and retain the unused floor area ratio as a personal property right to be used by it later for a profit. In effect, what you'd be doing if you permitted this is to create an after-market unused floor area ratio, create the possibility of the creation of an ajax floor area ratio trading company in which people could come and apply to to get floor area ratio from sites that had long since been developed and long since been sold. I submit to you the city code which created and distributed every physical site -- do not mention, do not state, do not contemplate and did not anticipate any such thing ever happening. The city created f.a.r. and attached it to every site in order to control density and provide for a very limited and conditional transfer right. If this severance is aloud it would permit developers to deliberately underdevelop properties in the poorer sections of the city, keep the unused f.a.r., and then years later sell it to a developer in a more expensive part of the city. It would be a major change to the code and if allowed, could do enormous damage to the use of f.a.r. as a density control device. Thank you, gentlemen. That concludes my testimony. I'd like to enter my written testimony into the record.

Leonard: If I could follow up.

Potter: Please give your testimony to the councilman clerk when you're done.

Leonard: What you're saying, you said cascadian halladay llc developed the lloyd center property, and that -- i'm sorry, I was trying to write as you spoke, did you say cascadian court owns the property?

Smith: No. Cascadian halladay llc retained the unused --

Leonard: Who owns the property now?

Smith: The condominium owners.

Leonard: That's called the cascadia --

Smith: Cascadian court association of unit owners.

Leonard: Is the legal owner of the property now. But cascadian holladay actually engaged in the transfer of the f.a.r. to the current developer that --

Smith: No, no, no. Cascadian halladay llc to my knowledge has never entered into an agreement concerning the sale of its reserved f.a.r. the cascadian court llc was never a part of this application. It wasn't listed as an applicant or as an owner.

Leonard: Who agreed to transfer --

Smith: That's my point. It's not subject to this application. There's nobody in this application who could possibly have delivered f.a.r., and they're not listed as the owner.

Leonard: Who's represented in the application to have transferred the f.a.r.?

Smith: The association.

Leonard: The association is?

Smith: Yes. And i'd like to point out the letter you received last friday stated that they had never been contact by the developer, they have never agreed to a transfer of their f.a.r. And they have never even known about this process because the wrong address had been provided for them in the original land use application.

Leonard: So has this been an issue that's been raised prior to this hearing?

Rees: That's the first i've been aware of the issue. I'm aware that the developer of the cascadian court had retained the rights, and the issue was whether they actually had retained the right through the condo association that was recorded. But -- the issue mr. Smith raised is a new one.

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Leonard: Just so i'm -- i'm trying to keep the names straight. As I understood, I thought you said cascadian holladay llc had the rights, but cascadian court was represented to have transferred the rights but didn't actually have the rights and further didn't know --

Smith: I admit it's confusing. Cascadian court condominium association was represented in the application as the owner of these rights. However, it was never contacted, never approved, and never even allowed --

Leonard: But I think I said that you testified that actually the owner is cascadian halladay llc.

Smith: That is correct. And I can prove it right here with this --

Leonard: I'm just trying -- i'm trying to understand what you're saying. And that your point is that cascadian court condominium association doesn't own the rights to sell and further they are unaware that they were represented to have sold the rights.

Smith: That is exactly a fair representation.

Leonard: So is that -- i'm asking the city attorney now, is that something you're aware of, and is that a factual issue that we can answer on its face?

Rees: It's probably one that staff can help you in terms of who the applicant was. What I can tell you is there is an agreement by which the developer, which I understand from mr. Smith is cascadian halladay llc, retained the rights to any unused f.a.r., and the right to transfer that --

Leonard: According to him the document says cascadian court condominium association is listed as the seller, which is different --

Rees: What i'm saying is there is an agreement i'm looking at, I don't know the other agreement he's talking about. Perhaps staff is aware of it.

Leonard: Thank you.

Clark: I forgot to state that the design commission chairman voted against the -- this vote on this building at the design commission, and he said in Portland we just don't do things this way. I just want to make the point that there was a vote against the design commission.

Leonard: When he said we don't do things this way, did he mean specifically this issue?

Clark: This issue?

Leonard: Of the transfer --

Clark: As I understood it. I've kind of partially -- maybe I shouldn't have said i'm quoting him specifically, but he made something to the statement that we do things differently in Portland, and this isn't right.

Leonard: Thank you.

Sten: One more question. Mayor clark, I have a feeling -- I have a feeling this may be a question i'd feel the same way about, but you actually were the mayor when the central city plan was adopted, and i'm guessing that when this was debated legislatively there was not much sense that people were talking about trading from lloyd center to goose hollow. It may be something you don't have any memory of, but -- .

Clark: I think bob stacey put it in there. The idea was to create more density at certain stops if it was necessary. But to the extent -- things have gotten exaggerated, and there are changes since then, but I also remember that limiting heights, there were certain guidelines of how I was going to go down towards the river and the back end of the neighborhood, and also that when you limit these heights to a certain area in these neighborhoods you make it so more developers can participate. I remember that especially because they were talking about the bridge heads at the east side mainly is what I remember the discussion about. That was to limit the heights and put it so the density was at the bridge heads and spread out the availability of people to build -- to participate in building buildings so that one developer didn't come in and suck up all the market. But that's very anecdotal.

Potter: Thank you, folks.

Sten: As long as we're going to discuss legislative intent, you were there, so I thought --

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*****: Thank you.

Leonard: My staff was listening to this on the computer and brought me a letter from the condominium association that says it was inappropriately listed on the application, it should not have been. So i'm not -- does staff have a copy of this? And if not, would you like to look at -- do you know what i'm talking about? Ok. Thanks.

Moore: We have more supporters to call up.

Bill Reilly, Sr.: While they're getting set up i'll start. My name is bill reilly sr. I own the property at the corner of 18th and taylor, and together with dan, who is going to be testifying with me, we own the half a block not affected by the development under question. I started a company which carries my name is 1963, we were 20 years in the pacific building. Subsequently in 1978 I bought this corner property from michelin tire company, and developed a concrete block building which occupies the site today. The first tenant was louisiana pacific, you recall the Portland timber soccer team occupied that building for three years. After the soccer team left, I moved our company down to that site and incidentally our condition is a manufacturers representative in the water treatment and wastewater treatment field. We have about 10 employees, among them myself, my son bill, my son steven, and my son michael. It is a genuine family company. We subsequently received the property which was the bull pen tavern and apartments next door, and then eventually dan received the property at 17th and taylor. Three years ago, 2003, I was approached by m. David paul with a proposal to buy our property, and at that time they presented a rendering very similar to what my son bill is holding there. That is an excerpt from their actual -- from their proposal to tri-met. Bill will show you that property was set against salmon creek -- salmon street, and it's a 9-to-1 building for rent, and as you can see, it allows space for us to develop our property. In contacting my advisors I decided to turn down their offer, moving our business, etc., was a high impact. Plus everyone told me that they could -- they could develop that property without any impact on us, and in the future we could develop ours. We want to state emphatically at this point we are in favor of developing this block. I've been there for the better part of 30 years. I have a invested interest in this area my son bill has been very active in the goose hollow foothills league. We want to see something good come out of this property. Three years went by and on february 15, before the design advice review, lo and behold here comes a completely different project. Right on our property line, a 13.3 building which has the capability of going to an f.a.r. 14.7, 50% bigger than the project originally offered, 60% with an ultimate buildout to 14.7, and we were stunned. How do we develop our property in the face of this very large building? We contacted g.b.d. Architects and said --

Potter: Sir, you're going to have to wrap up. You've exceeded your three minutes. So either -- three people are supposed to be testifying --

Reilly, Sr.: I'll go very quickly. The architects gave us this solution, which as you can see from the blue area blocks all the windows facing north. We're going to have an impact on all those property owners, they will be down here subjecting to their block view. Also I must say there's two ways forward to solve this problem. One is to go back and build the project they originally planned on, the other is to use a program that was set up by this council in 1992 under council resolution 35055 that has been used in two projects by tri-met, and that approach has been successful and I feel it should be used on this project as well.

Leonard: What is that process?

Reilly, Sr.: The process that was recommended is a representative from the city, a representative from goose hollow, and a representative from tri-met, and an outside consultant would form a committee, put together an r.f.p., go out to the market, ask for bids, tailor the project so that everyone has an input, and come out with a program that makes sense. This particular approach is not consistent, it's not holistic, it doesn't take into account the impact on the neighborhood or the

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impact on the future occupants of those condominiums, and without any legal -- just from common sense, this is not the best development for this block. There's a lot of better ways to do it.

Leonard: You said city, goose hollow, tri-met and the development?

Reilly, Sr.: Right. Goose hollow, tri-met, and the city put together an r.f.p., and you'll get lots of responses from the marketplace, evaluate the most cost effective r.f.p., and proceed. And that's been done on two projects in that site already, very successfully. Why it wasn't done on this project is a mystery. One of the sites was collins circle and the other was arbor vista condominiums. Both of them very successfully developed.

Potter: Further questions? Please go ahead.

Dan Petrusich: Thank you, mayor. I'm dan petrusich, I own a parcel, a quarter block adjacent to the allegro, and bill and I combined have a half block to the north side of the allegro. There's a couple things that -- points I want to make. The first one is the allegro project is just too big for the site. It was -- the design review commission approved it at 13.3 going to 14.7 f.a.r., and this is on a site that's 6-to-1. I like to point out that the f.a.r. map for the city, I don't know if you can see it well, but what you can see is that the f.a.r. is next to the river are low, and they step up as you get towards the transit mall. The highest densities are near the transit mall at 12 and 15, and then they step down to the west end, and as you get to goose hollow they're down at six. So if you're on the mall, that's why you see the big buildings across the street from city hall, because they're in the high density areas. Now, if you were to apply the 14.7 f.a.r. That was approved for the allegro to the entire site, that would allow you to build a building of 693,000 square feet. And to help put that into perspective, all you have to do is walk outside your door and look at the pacwest center and the wells fargo building. The pacwest center is 500,000 square feet, and the wells fargo building is less than 600,000 square feet. If this were allowed, the building that could be built on that site would be the third largest building in the city, and the only two buildings larger would be the u.s. Bank tower and the montgomery park. Now, I don't think that's what the city planners had in mind when they put the map together. And if you allow that, you can take this map and throw it away, because the f.a.r.s don't mean anything. If you can build a 14.7 building on a 6-to-1 site, why have a map? Why have any planning? It just doesn't make sense. And as jerry powell pointed out, it wasn't long ago this was a 4-to-1 block, and through a very deliberate process it got amended to be a 6-to-1 block. I'll tell you what happened. After the d.a.r. meeting I called the senior planner and said, i'm looking at the code and it says you're prohibited from going more than 3-to-1, and he said that's what I thought for 20 years. And then a few years ago the one example that's been brought up in the pearl district where a fraction, it's only once, a fraction of an f.a.r. over the prohibition was allowed, and that was the camel that got his nose in the tent, and from there we've got this extreme example where you're taking a 6-to-1 block and taking it to 14.7. So that -- there's a little history. I don't think that's what the planning staff had in mind. Then lastly, when you talk about areas of the city that the master plan was intended to be used for, they're talking about south waterfront. They're talking about the pearl district. It was never intended to be used that you take a site in the lloyd district and a site in goose hollow and call that a master plan. That doesn't make sense. So in conclusion, I would just like to say bill and I from the beginning have wanted to develop our site a responsible way. We think if the original proposal was done, or if the tri-met went through the prescribed process that was used on the car wash site that got -- mark's project, you'd get a much better development. We've never really had any substantive or good faith negotiations with the developer, but one thing bill and I did do, we proposed a way that the site could be codeveloped. I'd like to show you that plan.

Potter: You're a minute over your time.

Petrusich: Ok. Just take a look at the picture. Maybe bill could take that.

Potter: Ok.

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Bill Reilly, Jr.: Thank you. My name is bill riley jr. I've been associated with family business for 23 years in Portland, moved back from atlanta in 1983. I've known dan and his family for 30 years.

I was a member of the goose hollow neighborhood board for a number of years during the tri-met design and construction, very familiar with many of the issues that were going on at that time. My brothers and I are in the process of buying out the family business from my dad. We genuinely look forward to responsible development in the neighborhood. We look forward to putting a project together with dan on our property that maximizing the use within the city codes and meets the intent of the neighborhood guidelines. But we feel very strongly that this imaginationive allegro project that's being proposed on our property line is a serious detriment to the ability for us to develop the property responsibly and is a real negative for the neighborhood in terms of its massive size. I can pretty genuinely state that if it goes ahead as planned, our development options are pretty limited, and we'd be forced to develop a site similar to what you're seeing here, and we'll be back here in a very short time justifying this design with many, many upset allegro condominium owners complain ball game losing their north view. I don't think anyone wants to go down that path. I think there's a responsible way to do the development. This scheme is one of the option that's we had proposed that was rejected, but I think it shows a much more reasonable approach to developing this site, putting in two towers that take advantage of the views, don't block each other, and I think if we go through the proper process we can get to that point down the road.

Adams: From your perspective, what happened with your efforts to do a partnership?

Reilly, Jr.: This was proposed and pretty much rejected out of hand in a meeting with the developer. We were told they were pretty much committed to the project they had proposed. Maybe you can elaborate on that, dan or bill.

Reilly, Jr.: We have conversations, but they haven't been substantive with regard to a joint venture. We won't -- we don't want any door to be shut. We just want a good project here, and the way forward I think the best way forward is the one that's been proven on these other two projects. And I recommend that to you.

Leonard: Does tri-met still own the property?

Reilly, Jr.: Yes.

Leonard: Tri-met still owns the property. And this development is contingent upon some approval or the transfer of the property on -- subject to some approval of this -- us doing what we're doing today?

Reilly, Jr.: That's our understanding.

Petrusich: It's got certain performance dates. One of them is design review approval.

Adams: Have you had neighborhood reaction to this concept that you have on the board up here?

Reilly, Sr.: Yes, we have. I think what follows us, you'll see there's a lot of feelings about the size of the building, the -- probably the impact on the people that are going to own those north-facing condominiums. There's a lot of interest on the part of the neighbors.

Adams: I guess a devil's advocate question, you've got massing all the way up against the -- their schematic. Could you design a building so there was more space between a structure you might build and the structure they might -- that they have designed?

Reilly, Sr.: I'm afraid -- dan is the developer.

Petrusich: Here's what we found out with our studies with g.b.d. With their building right up against our property line, we're forced to have a single loaded corridor. That's not what we'd prefer to do. We'd prefer to have a double loaded corridor where you'd have rooms on both sides, but there's not enough setback when the closest point on their building is 8½ feet from our property line. So that's what we're pretty much stuck with. And so their design has a huge impact on what we're able to do. It dictates a single loaded corridor.

Potter: Thank you, folks.

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Potter: Thanks for being here, folks. When you speak, please state your name for the record. You each have three minutes.

Patricia Gardner: Patricia Gardner, Pearl District Neighborhood Association. So this issue all started in the Pearl. And it's about to run amok, and basically what's -- I'm going to give you a little background and get you up to speed. There have been episodes of buildings going over the 3-to-1 allowed allowance over the code in the Pearl District. Unfortunately, maybe -- they've only been going over by a little bit, so we've never had anything as egregious as get our goat up, if you will, and being very busy, maybe we can blame it on complacency that you haven't seen us before you. Something I'm not proud of. But we have had in the meantime as these projects have come up we've had many, many discussions, both of the staff of the planning bureau and the bureau of development services every time a project has come up. And there have been two types of projects. There's been two camps. Those that have used the definition of site and those that have used transfer of development rights. And basically from 1991 what we have seen is a lack of formality. Staff has been making up code and it hasn't been formalized. We have seen the erosion of the definition of site and we have also seen the erosion of the allowance of cap, if you will, on f.a.r. Specifically Hoyt Street has used the definition of site for at least one project, I believe two, that exceeds the 3-to-1 max which they're automatically getting that bonus for housing. As we have worked through phase one of the North Lovejoy plan we talked with the planning bureau about this staff approved loophole in the zoning code. Basically with this interpretation, the only area of the code that has any teeth is the height limit, which makes us very, very protective of the height limit because that's all we've got left. F.a.r. has become a mockery, you can do anything with f.a.r., so all we have is height. Not knowing there is a limit of code, we have pleaded with staff to limit the amount that Hoyt Street has been allowed to exceed the bonus f.a.r. We've asked for -- there's no upper limit and we're seeing that today. Without any checks the zoning has been made a mockery specifically north of Lovejoy, and in other words, with the exception of the height limit as we've told you, the whole zoning code that pertains to f.a.r. is worthless. Hoyt Street has been allowed to make up their own code --

Potter: Ma'am, do you have any testimony with regards to this particular event?

Gardner: I do have testimony previously --

Potter: No, to the site under consideration now.

Gardner: This is absolutely -- I'm talking about exactly what they're using. They have used the definition of site to add height to this property, they have also used the definition of transfer of f.a.r. So I'm about ready to get into transfer of f.a.r., but there's -- what they are using is exactly these models. And so it's completely applicable to this project. Other developers that aren't Hoyt Street have not had contiguous blocks to exploit that definition of site. They have been instead using the transfer of development rights loophole and what we've been doing, we've been allowing that specifically because we want it in the code. It's not in the code now, and we would like -- we've been looking for a code that links historic properties into the transfer development rights, specifically within the neighborhoods. Right now we don't have -- we have something noose a two-mile radius and it's a big issue. So I think I'm just about out of time. Basically we are not opposed to the transfer of development rights, but what we don't have, we need a cap and we need you to make up code, not staff, which is exactly what happened in this situation.

Leonard: I wanted to ask you something about -- I actually wanted to circle back to this later on. When staff was asked about how long we've allowed these f.a.r. transfers, he used the date January 1, 1991. I was going to ask what the actual language was. I'm inferring from what you're saying that there's not actual language?

Gardner: There's not actual language.

Leonard: What's the -- what's January 1, 1991? What happened that date?

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Gardner: That would predate my time in Portland, but I would suspect it would go back to the agreement that were created when the rail yard was starting to be improved.

Leonard: What were you alluding to when you said staff was creating --

Gardner: We've had at least five projects that have used one of the two loopholes in the pearl district that they're using as precedent for this project.

Leonard: I get that.

Gardner: So --

Leonard: I'm trying to get the basis for why you think that's wrong.

Gardner: They've used definition of site but it's not clear. They've also used going over --

Leonard: What's the definition of site, contiguous --

Gardner: Contiguous sites, what is the definition of contiguous property. That's number one.

Leonard: They're tying that to the central city plan --

Gardner: They did with John Carroll, which I'm sure he's going to talk to you about, which is something that's being used here. The other one is f.a.r., whether or not you're allowed to go over the 3-to-1 max. And they have used that one 3 times in our neighborhood where they have gone over the 3-to-1 max by transferring --

Leonard: You think they can't because --

Gardner: Because can they go over to 3-to-1 without going through a process? That's what Jerry Powell was asking. There's no process. It's a staff agreement that then goes to the design commission that there's no process that --

Leonard: There's no review --

Gardner: Exactly.

Leonard: Staff, if you're taking note of that, we can follow up.

Howard Glazer: I'm Howard Glazer and I'm a board member of Goose Hollow and I was the chair of the light rail committee through Goose Hollow for years and years and years. Too many years. And I was chair of the community development committee that has been referred to by Mr. Reilly. I delivered to each of your offices Friday a letter to the council and all of the documents that were referred to. If you haven't read it I hope you have a chance to. I'm going to try and summarize what this is about. Because it's a crucial issue that has to deal with the council and what the power of the city council is. There was a resolution in 1992, which was the adoption of the conceptual design report for the west side light rail through Goose Hollow. And it referred to a number of issues, some 35 to 40 of them, which were followed until actually this one fell apart and we don't know why it fell apart. The contention of Tri-Met was there was nothing in the file. A public body has a responsibility of keeping track of its documents. It's not our responsibility. And the document in question was the formation and use of the local development committee, which Mr. Riley referred to, two projects that we did that way so Tri-Met certainly was aware that there was such an entity to do the development. And this third site, which we call the Butler site, was postponed because it was badly contaminated. And so the committee just kind of dissolved. But before that happened, there was a program called minimum program design for that site, and it's included with the letter that I gave you. And very specific. And the tragedy is that this proposal for this 14 to one f.a.r. condominium project doesn't meet any of these requirements. And another project proposed not only meet it but provided rental affordable housing in Portland and the whole country. I think it's possible for the council to exert its influence and require that this project be shelved, that Tri-Met go back and follow the rules that they agreed to that were part of the mandate of the city council, and do it properly. I think that's the solution and it's probably the only solution.

Adams: May I ask a legal question?

Potter: Go ahead.

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Adams: Does the fact that tri-met did or did not follow a process that it set up for itself in the disposal of its property, does that, is that a legal basis on which we can make some sort of finding?

Rees: The land use proceeding you are limited to the criteria for the land use reviews that are applied for. So in this case it's design review with modifications in the central city master plan. But I know there will probably be a number of people discussing it. Tri-met's council is here today if you have any particular questions about that. But in terms of this application, to approve or deny, you have to base it on the criteria in front of you.

Adams: Thank you.

Glazer: There's enough evidence already I think that jerry powell has presented to give you grounds for doing that. Thank you very much.

Garnet Oekerman: Mayor Potter and commission members, I am garnet oekerman, a member of zion lutheran church. Today I am speaking for the membership of zion lutheran children. The church is located at 1018 s.w. 18th street, lincoln high school and diagonally across the southwest 18th and salmon street intersection from the butler block, site of the proposed allegro development. Zion lutheran church was designated a Portland historic landmark by action of the city council on may 6, 1970, and placed on the national registry of historic places march 8, 1996. Zion lutheran church was very involved with the planning of light rail as it passed through the goose hollow neighborhood. Members of zion lutheran church are pleased to see development on the butler block which includes offstreet parking for the neighborhood as per agreement with tri-met when the west side light rail alignment was adopted through the goose hollow neighborhood. We are also pleased to see residential development on this site. However, members at zion are concerned about the height of the building. As those of us in the neighborhood worked with tri-met staff for the development of light rail through the neighborhood, it was agreed that future development adjacent to light rail would maintain a low profile in order to obtain better visibility of the city as one traveled on mass transit to approach central city. This concept was used to develop the design guidelines for the neighborhood. And I attached a copy of that in the material I sent in earlier. The city, the Portland city council adopted those design guidelines in 1996. Development east of 18th was to maintain a low profile, although the development west could increase in height. Development since the opening of west side light rail has adhered to those principles as seen in the development around collins circle, at jefferson and 18th as well as morrison, yamhill and 18th. Our concern is that allegro does not conform to the development principles regarding the height along 18th as adopted by the city council. I thank you for listening to the concerns of the members of zion lutheran church.

Adams: If I might ask a quick follow-up question, mayor. How did you feel when you learned that your property was going to be used as the source of potential transfer of f.a.r.?

Oekerman: There was considerable concern.

Adams: Thank you.

Potter: Thank you, folks.

Potter: Thanks for being here, folks. When you speak please state your name for the record and you each have three minutes.

Bing Sheldon: I am the oldest so I get to go first many i'm bing sheldon, 338 n.w. 5th avenue, Portland, the 7209. I think that the policy issue of transfer of density is a good idea. But I think it's clearly run amok in this case. I think somebody needs to come up with some rules because it seems to me that the proposed transfer is only appropriate if it is master planned appropriately within a neighborhood context. And this is clearly an illustration where that hasn't occurred. And I think the other issue lurking in the policy question is, does city policy trump neighborhood policy? And I think neighborhood policy should trump city wide policy goals. If we are really talking about livable neighborhoods, and that's what's Portland's known for, you cannot take that away. And ask yourself the following question. Why would the city want to take density away from the lloyd

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center? I mean, talk about an area that needs density. This is craziness. So what you ought to do is you ought to refer this matter to the planning commission because it's clearly a policy issue and it needs clarity, and I think good sound policy should drive this question. I hope it doesn't go away. I hope this project doesn't kill it. That is the transfer of density rights. But this clearly illustrates potentially the worst of the problems.

Rick Michaelson: I'm Rick Michaelson and I am speaking today as an individual but with 16 years service on the planning commission. Back to 1988, eight years on the design commission, three years on landmarks commission, and presently serve go on the central east side urban renewal advisory committee so I have been around these issues for a while. Staff may or city attorney may be comfortable with staff's interpretation ever how to process the master plan. Frankly, I am appalled. As one who brought original language in 1991 and voted for all of the flexibility of the transfer this is clearly not what we had in mind nor is it at all what the code says. The code is specific. It's a two-step process. First the master plan is adopted by through a type 3 process. And then it is implemented through the design review process. The type 3 process for establishing the master plan is not something that the design commission is authorized to do and that's for very specific reasons. As you see in their transcript of their hearings, they are neither comfortable, prepared or appropriated to deal with these wider policy issues. Council and planning commission have always reserved those for the hearings officer or. A similar case was a couple of years ago when we adopted the demolition review process where a conscious decision was made those were policy issues that should not be reviewed by the landmarks commission because they required broader review. We had the same intent and same thought when this code was established back in 1991. The other thing that's clear is the code that was established in 1991 was established with a single purpose at that time. And that was, we were establishing required housing overlays in goose hollow area and in the river district. We wanted to provide some flexibility to move those requirements around. We have consciously expanded over the course of the years to allow more flexibility, more places but the approval criteria have never gotten reviewed. If you look at the approval criteria they are all about required housing. They are all about protecting s.r.o.'s. There's nothing in them that refers to these broader issues. And I think at some point that needs to be corrected. I, too, have grave policy concerns about what this easy transfer of development means for the code. And for the city and the central city plan. You have heard before people refer to, if it's this easy to transfer development then the f.a.r. Limits mean nothing. Absolutely and I agree and if you are going to go like this, why not just take them out of the code and have the height limits control everything? But the reason we have them in the code is we were trying to vary the character of different districts, trying to make sure that the right uses are in the right places. We have a really hot market now for housing on the west side in goose hollow. This will be a precedent you will see a lot more of. We were trying to plan a streetcar project on the east side and that will be viable needs passengers, it needs to have a market. If we are going to start allowing just for the design commission review how the building looks like removal of that market from there and its moving to goose hollow we have a big policy problem. Therefore, I don't think this is gone throughout right process. I think you should deny it and send it back for the right process so that those policy issues can really be evaluate on the sending site as well as receiving site. Thank you.

Adams: Clarify question.

Potter: Did you want to ask a question?

Adams: Your intent was that the f.a.r. transfer, once you summarize again how you thought -- how the process was supposed to work and it was the master plan, the central city master plan that was supposed to govern where f.a.r.s could be transferred to and from?

Michaelson: To and from. You are cha I can the f.a.r. Map of the city. And you need to do that kind of evaluation and analysis --

Adams: Where in your opinion, where did it break down exactly?

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Michaelson: I think it broke down because staff didn't read the code and thought the design commission had the authority to deal with the central city master plan and they don't. And therefore if you read the transcript of the hearings every time there's a discussion of policy, f.a.r. And all these issues, they say that's outside their area of authority. So that hearing never took place.

Adams: That area of the issue?

*****: Question.

Sheldon: The policy question.

Adams: Is it your personal opinions, both of you, that the assumptions that we've made on height are still valid for downtown Portland?

Michaelson: I think the height limits are appropriate. It creates a good sense. But those height limits and the way they think worked with the f.a.r. presumed you wouldn't build out 100% of the f.a.r. all the way up to those buildings. They would shape the buildings. So if you are going to abandon the f.a.r. limits which this does, then you have got to reevaluate the heights. My preference would be keep them both. They work. Thank you.

Mike Neff: Thank you, mayor and members of the council. My name is Mike Neff. I am a land use attorney hired by the Riley family and Dan Petrovich to take a look at design commission and the code and analyze whether it, in fact, complied with the legal requirements. What is clear after having reviewed that, I can tell that you there are multiple legal bases for rejecting the proposal before you. I can also tell you that the interpretation of the code which staff has taken and the design commission has adopted is such a stretch that if you do uphold the decision and the decision is then appealed to LUBA which is almost certainly will be it will be adequate grounds for LUBA to send it back to you. If your city attorney -- I don't want to put words in her mouth but I think what she almost certainly has to tell you is either I am right on that second matter which you will be reversed or if she's not willing to go that far she will tell you, you have discretion to either adopt or reject the proposal. Given all the findings, given all the code provisions that are in play here. And that really it's a decision you need to make on a policy basis. She is likely to tell you that. I will tell you that I think you will get reversed if it does end up at LUBA. But I would like to focus on a few particular items with my time left. You just heard testimony suggesting that there needs to be analysis of the donor property as well as the 7ing property. I think that's exactly right and you will find no findings in the design commission decision regarding that at all. I have got a legal memorandum which I have prepared and which has been left for you. It has a complete transcript of the design commission deliberation so if you want to take a look at that and verify for yourself what you've heard that they really didn't deal with the f.a.r. issue at all, I think you will find that there as for the issue of where this decision should have gone for review, should it have been a type 3 decision rather than going directly to design commission, should it have been heard by a hearings officer, that's exactly right. And that's what the code language will tell you if it's interpreted properly. Under your code, master plan applications are to be heard by a hearings officer. That's absolute. What staff has done here they have said, well, this is a f.a.r. transfer, and therefore it really needs to be taken to the design commission and that's what the code says. This is not an f.a.r. transfer. Under the central city master plan provisions, this is a reallocation of f.a.r. It's not a transfer. It's a reallocation within the master plan boundaries that are actually set and that's the proper way to read the code. There's transfers which are outside the master plan process, then there are reallocations which are within the master plan process. I see I am out of time.

Leonard: Is reallocation of a f.a.r. a term of art?

Neff: That's right. It's a term of art use in the code. It's the language the code uses. There is a reference to floor area transfers in the central city master plan language.

Leonard: But so -- so explain to me why you think this definition applies over a transfer of an f.a.r.

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Neff: Well, the code uses the term floor area transfers in different sections of the code to refer to transfers outside a master plan process. That's term that's used. Once you get into the language that describes how the master plan process works, it doesn't use the term transfer anymore. You will see that one time. That phrase or that term transfer, one time in the master plan language. That's in reference to an attempt to take f.a.r. Outside the plan boundaries, you know, therefore it would be really something that wasn't a central city master plan transfer at all.

Leonard: I'm asking you to explain why reallocation applies in this instance.

Neff: It's just that's what the code says.

Leonard: Define what that means.

Michaelson: I think it's assigned. You assign the f.a.r. To the particular law.

Neff: And it also uses allocation. Allocation and assign both in two different spots.

Leonard: I'm trying to get to you why you think that applies differently than the term "transfer."

Neff: I think it -- if you are to read the code and interpret it properly, it's a completely different process. It's a central city master plan process, which should have gone to a hearings officer. It's not merely a transfer of the floor area ratio. That's something that's done in a very defined way and it's laid out in a defined way in other portions of the code. If you want a transfer you can transfer up to a three to one bonus over your base f.a.r. that's a transfer. But if you are in a central city master plan process, that's a reallocation or assignment and that's what the code says. The code uses those terms rather than the term transfer for central city master plans. That doesn't seem to answer the question but i'm doing the best I can.

Potter: Further questions?

Adams: Ms. Reese, do you have a comment on this legal terminology issue?

Rees: Well, I wish it were as clear as mr. Neff has stated. It is not. And when you ask me am I comfortable the answer is I am comfortable with staff's interpretation. I am not going to say that's the only interpretation of the code there is. That's what your job is to determine what the code is meant to do.

Leonard: But if we use the term "assignment of reallocation" versus "transfer" in your opinion does that have --

Rees: I have to say those terms are not defined. We have a definition section.

Leonard: They're not?

Rees: I had read them to mean the same. It's possible -- we don't have legislative history to tell us they mean something different or that they mean the same.

Neff: Could I say one more thing, commissioner?

Leonard: Please.

Neff: If what was intended under the master plan approach was a transfer, that language would have been used because it's used in other portions of the code. It's referred to as a transfer. The idea of f.a.r. going from one section to another or earning additional f.a.r., it's referred to as a transfer in other portions of the code. There must have been a reason that the language was changed when the master plan language was adopted and the term "transfer" wasn't used. They specifically used different language, this assignment and reallocation.

Leonard: Reallocation and your point is that if you are assigning a reallocating versus transferring that basically mandates a type 3 hearings process.

Neff: That's what the code says. Very clearly.

Rees: Just procedurally it did go through a type 3 process. What they are arguing it should have gone separately to the hearings officer for that portion.

Leonard: Right. I understand.

Potter: Thank you.

Leonard: Our last two are jim kilpatrick and jack mungeam.

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Potter: What's the other name? Thanks for being here, folks. State your name when you testify and you are limited to three minutes.

Jim Kilpatrick: I'll be first. My name is jim kilpatrick. I am the president of ford construction with offices located at 17th and taylor directly north of the allegro project. As a tenant in the neighborhood, I do think that this building is too large for the site that it's on. But what I am really here to testify is as a businessman. I think the process of allowing what appears to be contentious revisions to the f.a.r.'s to proceed without a more public process seems to be fly. We frequently are required to bid on projects for state of Oregon, Oregon university system, and the city, where when the scope of the project is laid out, it's clear to everybody what the job entails and we propose if the scope changes for any reason, every one of those entities will start the process again and we will be required to repropose on those projects. And it seems to me in the business i'm in, that seems to have happened here where tri-met selected a developer based on the scope of a nine to one floor area ratio and now that's different. It seems to me that there needs to be more public input into that. And if indeed it's 14 to one floor area ratio it seems like a different deal to me than it originally started out as. I would like to add into the record an article from the burbank leader referencing a similar situation with this developer in the city of burbank, where the city was faced with a similar changes to an a-development agreement, and found that a more thorough public process was needed before they were, would be allowed to revise the terms of that agreement. So I think there's some similarities to be drawn from that article here. I will let you read it at your leisure. I would like to submit that. Thank you.

Potter: Thank you.

Jack P. Monegeon: Good afternoon. I am jack p nonegeon. You may know me. I am a member of zion lutheran church and also on the board of directors and I have more recently the chairman of the evangelism committee and tend to increase our membership a great deal. Another background thing it would be interesting to you or probably would be of interest, I was a member for either seven or eight years of the association of downtown churches, the governing council which the city dealt with once a month. It was mostly pastors, priests but a few lay members. So I am kind of aware of the situation with downtown churches. There are 14 member churches and there are probably another six including several cathedrals downtown which is first Presbyterian and temple - - and -- not temple beth but a couple of other loot ran churches. And I am aware of the situation downtown. The churches downtown kind of slid down. Now they are all coming back strong, building membership back up. So that's one of the main reasons I am here. I am here with two hats on. My first hat I came at the last minute. I have been sitting here professionally I work as a very critical analyst. I have been listening. You guys are in trouble. They have some very good points here. They have got very good points here. You really don't even need me here but I am here to comment on something. Our church and the other downtown churches have not given you folks much problem. We're glad to see residences go up and we are glad to see this go up. Surprise: It grew: Wow, it grew. 21 stories. What you are doing here that concerns me and others, you let this thing go through there goes the farm. We got a nice community downtown. You reckon -- my business is in the pearl district. Wow. What I have seen down there is high rises all over the looks like manhattan come back alive. Move from new york to here. We don't need that down here. Our city will be destroyed if we got a whole bunch of high rise. You put this building up here and utilize that ground, that square footage, that efficiently, where is the city? This is going to set a pattern for the next one that comes along. Hey, you let them do that. We can do the same. You got to put brakes on. You guys are ruling the city, you know? I'm asking you, i'm just telling you from the heart, from all those churches i've been dealing with, seven or eight years on the association of downtown churches, we have been going along with you folks, the time has come to put a little heart in this, take a real look. This is our city we're talking about. Not trying to get as many people as we can in a square foot of ground. Basically, all i'm asking is that you really reconsider. You

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can go through the rules. I think you got problems what all i've been hearing. But besides that, hey, we are residents here. We live in this city. Goose hollow is a good place. You don't have that many places downtown. You have done a lot with the pearl district. You are doing a lot with the willamette. You got to take care of this one. And that i'm done. Thank you very much, gentlemen.

Potter: Thank you.

Moore: That's all the supporters of the appeal.

Potter: Ok. Would the principal opponent please come forward.

Potter: You folks have a total of 15 minutes. When you speak please state your name for the record.

Paul Krueger: Honorable mayor, my name is paul krueger, members of the democrat, I am with m. David paul development, the representative of the development company here today before you on appeal. My team consists of sienna architecture, gary rennick is joining me to my left and our legal council, steve pfiefer. I would like to begin this with gary giving opening remarks and then we will go from there. Thank you.

Gary Riddick: Mayor Potter, members of the council, I am gary reddick. President of c&r architecture, Portland, 97204. My remarks are going to be to step back from the property for, in its specificity and talk about a larger context and I will try to do that quickly and I will also be available for questions. We are all here this afternoon because of a particular building design proposed for southwest 18th and salmon. In any discussion of its specifics, are entirely proper. But it is also proper, in fact, essential to understand the importance of this building within the larger planning context of how the region and particularly Portland are envisioned to handle our growth. I think most of us would agree that there was brilliance in our planning set down some 30 years ago to ensure that almost any time of day, we could leave this very building, city hall, head in any direction, and be in the country in a half an hour. We have had a long-held mission at our firm to champion projects, ours and others, that are wholly supportive of transit and community building. It's why 11 years ago, we located our own offices at the sidewalk on the transit mall close to light rail. The development presented today epitomizes the intent of the planning ethic for the city and for the region established many years ago. In contrast to many other places, we don't build density just anywhere here. The planning model here is deliberate and respectful of both the natural and the built environment and highly regarded everywhere. The plan concentrates density in the urban core and along transit corridors particularly light rail. In doing so, we limit sprawl. And we limit encroachment into our older established neighborhoods. We work, shop, play next to where we live. If we don't realize the use of the reserved f.a.r. throughout the city, and that's primarily what the debate has been about for the last few hours, if we don't substantially use the reserved f.a.r. we do encourage sprawl. So in the -- in Portland we are in the process of developing districts. We have more than the pearl. We have a string of pearls. All linked by light rail and the streetcar. We have downtown, the pearl, the museum, west end, Portland state, south waterfront and the southeast corner we have been calling the west village. West village anchored by developments on jefferson and the civic tower on burnside and the allegro at the core of the district standing as the gateway to the central city for the red and blue max lines. Portland has led the nation for many years on how to plan and realize an alternative urban form, contained by urban boundaries, responsible, coherent and sustainable. Much of the u.s. has settled in ways with the depletion of oil that will not be sustainable or, frankly, survive. We must continue to lead. Now, it must also be said that we still have much to do. We are still adolescent in our own efforts. We have a lot of growth projected, growth to accommodate. And we have planned for it. But some of the intended density is only now being realized and some of it is at those seams between intended urban density and older lower scaled neighborhoods. There is an awkwardness for a while in being the first. So I ask you to think of this in the bigger picture and for the longer term. This is a very good building with an elegance

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and a quality of material not seen typically. I am personally very proud of this work, and proud of our firm. I want to acknowledge jeff lamm and our entire design team who you are in the audience today for all their work and I will be available for any questions. Thank you. Paul?

Krueger: Honorable mayor and council members, as a company, m. David paul has taken a history here of finding the right locations to work with and an in-fill development and we think this is a premier location. I would like to just acknowledge briefly because there's been, due to the length of the time going on we have many supporters here today that are here in the audience, unfortunately some may have already left but I like to acknowledge their presence here and commend foam for their support in championing this project on our behalf and hope 238ly they will be here to testify as well. As a company we have been in existence for 39 years as an infill developer choosing to do the right size, choosing to do quality and only quality. This is no exception to the rule, in fact, this is how we approach the whole project flee and a half years ago when we approached tri-met with an unsolicited proposal that turned to an r.f.p. We went through the process. We have acknowledged the process. And we embrace this not only with our team but also with the community. I have presented to you a book, shall we say, of supporters that are representative of this, 132 individuals that have given their support and name behind this project, some of them very credible people that are personally aware of. In addition to that, we feel that we have a very strong project. Overall, we are here to fulfill a vision and from that we have chose to work with staff, to work with this community, work with the neighborhood and find that vision but not going outside the boundaries. That is code compliant project and we are very happy and very pleased to bring before you a building that is not exceeding the height limitation. Today you heard many people testify that we are, there's a height issue, a density issue and all that. We are strictly trying to follow the rules that are set up by the city of Portland and work with your codes. We are not here to abscond with that and we feel we are charting a course here. We are in a prime area within the goss hollow that consists of four primary blocks of which we were gifted enough to be able to chosen to do half block on a very prime intersection. We take that responsibility seriously and have chosen to do a very high quality project. We have before you a power point presentation I will going through very quickly but to show you the scale and context of what we are doing, we will go through that quickly. The building team you are familiar with. The total promise here, the project is 21 stories, 228 units. It is a 250 foot limitation. We are not exceeding that. The f.a.r. Transfers, yes, we are transferring a portion which I say very smaller portion from the lloyd district, but most of the majority of the transfer we are making is from another tri-met site where they won't be a potential for residential development. As we understand the central city master plan, as mr. Powell had pointed out, there are five criteria that we have met. We have worked with staff to do that. They have identified that. The design commission has agreed with us and upheld that through an approval process.

Adams: Can I ask you a question on that? How did you end up at one point in the application process transferring the development rights from the church?

Krueger: There was a question at that time from period in which I submitted as well kind of a record history of our development with the neighborhood. We have on the second page of that identified zion lutheran church in the beginning of the process, we coordinated with them, one to not only let them know what the concept was, we were the developers, we were choosing by tri-met, moving forward with an agreement but also we were interested because they were designated as a historic landmark and we wanted to consider their transfer. At that time we put an offer in. We received back a response that we thought was much higher than what we could justify official initially on our pro forma so we let that die down. We later came back to them later on, reinstituting the idea that, we would like to look at that possibility again to transfer density only to find out at that time they wanted to increase it another five fold. So the price kept on jumping away from us. We understand that the church, there's a division within the church and there is

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representatives here that have stated their opinion. I understand that. I have met with the real estate advisory -- or the person within the church who advised me. There are two issues at the time which is as soon as two weeks ago when I met him that the issues were the alcohol licensing of the future signature restaurant as well as dealing with upholding the parking agreements that were established for the stakeholders. The stakeholder including the Multnomah club, the zion lutheran church and those within the two neighboring blocks to the north. We understand our responsibilities. We have addressed those. We try to work with those folks but unfortunately, we all, we negotiate things and sometimes they work to our favor and sometimes they don't. Unfortunately the price is such we think it might be not price competitive to include that. We did take their name out before we ever submitted our formal application and we did apologize to the church and as I understood it personally from the church that wasn't hard felt missile we shot at them. It was nothing -- we had nothing against the church and we are very positive.

Leonard: I want to assure you we have frozen your time but since you are answering that question and I would like to just ask something related because it's -- so we can have a flow of the conversation on this issue. But it sounds to me like what I am understanding is that this process of these transfers is somewhat unusual in development and that while I appreciate how you are characterizing the goal for the site sounds like you are, you figured out a strategy that others may not have and you have taken it to a level that I don't know what's contemplated by the original planners. Maybe as far back as 1988, certainly since 1991, january of 1991. Can you comment on that how you developed that strategy? How you -- maybe this whole thing with the -- make sure I get this right. This whole thing with the cascadian court condominium owners association versus the cascadian policy day llc. This whole area is murky to me and feels a little bit peculiar.

Krueger: Let me explain it a little bit in process. I don't think the issue of transfer of development rights is anything of a new nature. As a planning student, unfortunately, many years ago I was aware of this actually co-assisted with my, with an author of a book that did transfer development rights in california. I am very familiar with the strategies.

Leonard: In california? [laughter]

Krueger: Let me explain the process to you.

Leonard: That's a good argument.

Krueger: Well, I hope you won't hold that against me, sir. I respect we have our differences maybe but I think truly I think the Portland is a premier city to work in. You have exceptional planning and that is truly a driving force why our company is here today. We have been here 25 years ago and we are sure to be back and we would like to hit this with the very highest mark we can do for it and the residents and the neighborhood we are engaged in. But seriously, the transfer density is something that's been on the table for a number of years here. I am personally aware of that and studied it. I had conversations three years ago with your city staff in discussing that potential whether or not what the appropriateness of transferring density would be from other portions. As you know off central city ring that's put around the city to encourage density and intensity of uses. The zone itself, the cxd zone allows for that and describes as its stated belief that as it is supposed to be for intense development. So looking at that, looking at what the, quote-unquote, building envelope of the site we have two separate parcels on the property. One is limited to 250 foot height, another to 325 foot height. We chose to look at that as a potential for transferring density because we didn't think at the initial on set that would we or could we get to that height limitation. At the time when tri-met was looking for the site for a developer, or when we went throughout r.f.p. They were looking for sheer density. They ever looking at that because this is what they considered to be the right place for high density units.

Leonard: I understand. I am trying to focus on this --

Krueger: Transferring density is simply a function of trying to make all the economics work with this project and the constraints that were engaged when with tri-met. There are numerous

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constraints and we are looking at the density to help achieve a level of minimum profitable with the project and that's what we are trying to do. By transferring density we allow ourselves to be able to stay in the district boundaries but also to maintain all the services and quality that we are putting into this project. Without --

Leonard: You haven't spoken to the lloyd --

Kreuger: The transfer, the transfer from the lloyd district, simply a fact that the developer had reserved is right otherwise right to the density that was left on the proper. The building itself was a nine or 10 o-story building as a residential condominium tower. It was already completed and completed in the last two years. It's not at a point where it's going to add density at any point in the future. It's much like the site we are transferring from the tri-met property. So this property has already been built out. It's not going to fulfill its total available square footage and density so it has remaining density available to it. We are taking that and negotiated with the developer, transferring that to our project. That's simply what we are doing.

Leonard: What's the source of the confusion with the condominium developer?

Krueger: I think it's the name cascadian court versus cascadian holiday. It's the address of cascadian holiday llc but unfortunately the name was juxtaposed on that application. You know, we were clearly not transferring it from any association. We were not triggering that. Signs were personally posted on the property allowing people to know what was going on. It was done until others that are against our project starting to fish around looking for any angle possible.

Leonard: But f.a.r. Like mineral rights?

Krueger: Absolutely, sir. The brokerage community in this town is very aware of f.a.r. Transfer rights. That's chosen as a commodity much like the gentleman mentioned before about a derivative, this is an offshoot. Historic properties that have this available unused density are able to transfer that to accommodate it.

Leonard: Even if they don't own the property?

Krueger: They have to own the property. And we are contracted with the true owner of the property. Shall I say true owner of the air rights.

Adams: I have a plan to absence that I am going to have to leave this hearing. Unfortunately, I have to go testify up the street on a different government matter. And then I have to attend the columbia river crossing process. But I want to, before I left to ask you the question, why didn't, why weren't you able to, from your perspective, come together in a joint partnership to develop the whole block?

Krueger: I appreciate that question, sir. The real reason we will never know. I don't think personally. I have in the last three years approached mr. Riley on numerous occasions. And now to the latest mr. Petrocich. We provided him as I detailed him here we provided him two different offers to acquire his property. In both instances we did not get a response back. Our broke are said he was not interested but he wouldn't put that in writing.

Adams: That's a request to purchase? What about joint development?

Krueger: We followed that up in january -- excuse me -- in december of 2004, we were advised that mr. Petrocich had come in contract with the property adjacent to property owned by mr. Riley. From that through an extracted positioning we kept in contact with mr. Petrocich in that period from january of 2005 all the way through thinks closing of escrow in august of 2005 and at that time he was the real estate, quote-unquote, advisor for mr. Riley. So we thought it was time to talk about joint venture. We have always mentioned that to him and he was open to the idea and suggestion but he said he had to wait and close on the proper until he started to negotiate that out because he wanted to make sure he was the true owner of the property. As soon as he did close the property, we had a meeting. I brought the owner of our company up, with several key members and myself, we met with mr. Petrocich in his office and talked about the possibility of having a joint venture. He at least encouraged all of us, we came from that there would be a potential for a joint

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venture. We understand the potential of a full block and that's truly a great thing to do. Unfortunately, we didn't -- followed it up two weeks later with a joint venture proposal to both gentlemen. They went dark on us. We questioned them. We entertained several and I mentioned here we had over 36 calls to them. We have had over a dozen meetings with these gentlemen talking about it. Well, we'll follow up with you. We will give you a response. We will put it in writing. We will put it back. We never received anything. They were -- they were increasingly aware of offer process --

Sten: I think we got it.

Krueger: I'm saying because tri-met, we have a d.d.a. Agreement with tri-met. We have deadlines and unfortunately, the prognosis was to delay us out so they could go --

Adams: Are you still open to a partnership with them?

Krueger: It's quite honestly at this point in time I think the venom that's been shared us to it's kind of a forced marriage and I am not sure certain it would be a prudent marriage. Subsequently that's why we offered them to acquire the property. It's a tough situation.

Leonard: This that you shared with me is the covenant. And I guess my question, the position of the cascadian holiday llc which was identified as a declarant here retains the f.a.r. rights but this is a document that you prepared with the condominium owners. I am asking, does our code recognize the transfer of those f.a.r. rights? I mean, that individual private folks may have an agreement amongst each other as far as who may have some right is one thing. Do we recognize that in our central city plan or in our development code that a property can actually be sold and the person that sold it will retain those f.a.r. rights to use at some other site?

Rees: I think we would want to talk to staff about how they've approached it. But I am not sure we need to answer that question under this particular set of restrictive covenants simply because what it requires is that the owner retains the right but the association has to additional -- to execute any covenants and they are required under this agreement to do that.

Leonard: Right.

Rees: The owners, both the owner. Declarant, the people who own the rights and now own the fee property, s condo owners are required under this agreement to --

Leonard: I understand that. Does that bind us because they agree? I mean, our central city plan was designed to accomplish a certain inning. And if we are transferring f.a.r. Rights from a prompt that the owners don't own, does that even make sense?

Rees: We haven't explored that particular issue. I have not explored that particular issue.

Potter: Do you have some sort of agreement, signed agreement between yourself and these folks in terms of the transfer reasons of the lloyd center property f.a.r.?

Krueger: The air rights we do have an agreement with the developer, the owner of the air rights for that. I don't have that with me right now.

Potter: Do you have one with zion lutheran church?

Krueger: Absolutely not. We have no agreement with zion lutheran church. We are not transferring density.

Potter: What's this second address?

Krueger: That's 18th and morrison which is a tri-met property owned by pry met and we are in process with them. They are could go a full market analysis, appraised all the property of the air rights to determine what the fair market value of that is so we can acquire those through a fair market transaction.

Potter: Are those written agreements in your documents?

Krueger: The written agreements for the air rights transfer?

Potter: Yes.

Krueger: They were not submitted. They needed to be identified as the location from which we were transferring the air right locations. At the point in time when the process would be approved,

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through the design commission, we feel that at that point there would be a deed restrictions placed on those properties, the sending relocation that would restrict any further development and that would bring that matter in full before we could ever obtain any building permits associated with the project.

Potter: Returning to your time, yes.

Krueger: So what we have here in front of you is the intensity of the four-block area that's surrounding it. We feel our charting a course here. We are the first developer, shall we say, in and from that we have the responsibility to create a quality statement for the city of Portland and its residents. The project is such that in shot includes our building super imposed here and what you see here is the change in the -- is the location of the building itself. What we are talking about the building envelope is what we are full he line. We have the ability to stair step the. > with 250 to 325 foot. We note neighbors to the north have the ability to go to 325 feet. This shows the entrances and proposed for retail. We are trying to have vehicle access only from 17th avenue and the rest of the pedestrian and retail locations coming in from salmon and 18th. What we tried to identify here is that through the process of the city's already created we went throughout optional process of the request. We identified with them up front the density transfer. They identified back us to these right comments and concerns they have. And they fully incorporated all 12 measures into the project without any resistance. We incorporated that because we know it's best to not only work with the staff but also the community. And we think these were design changes well worth it. This is a lead certified project. We know ecoroof on the 16th floor. We have extensive gardens on above the retail level. This project is of a caliber you have not seen before. When he know this is an established neighborhood. The locations here of building mass, talking about having a building next us to, we have looked at that and know the other architects are capable and comparable to what we can do here. This is a preliminary sketch of what we could do.

It creates two different versions of that so single or double is not an issue at all and fully we would be prepared to do that design regardless. We were committed to this site and we are committed to the block should we ever be successful in working that out. These are the activation levels on the salmon street elevation of view showing some of the street furniture in detail and on 18th avenue, we show where the light rail line, the max line is, where you set the building back just slightly so we can incorporate a planter at the ground level to offset a little more pedestrian elements to this because this is a primary focus. Again, 18th avenue. We just think the ground level is really an activated level that we join. The 17th, we show the vehicular entrances and the juxtaposition of the fitness center trying to create a warm residential feel. All the materials blend in as a feel. What we have here is a lead certification and talking about what we mentioned about ecoroofs and others. The salmon street elevations and get into the building, we went ahead and did a night shot to show some of the lights and the truly significant building but of a cut and caliber we think is commensurate of Portland. This is quality planning that's been established here, we follow the rules. We want to make sure wert right neighbors, the good neighbors and I think that's one of the questions that was drawn up by mr. Clark himself, follow the rules. We chose that path. We went down this path very religiously, talked to be sure we were doing this with planning staff, with tri-met staff, that is long process. It took three and a hoof years, because we had to get agreements with tri-met and f.d.a. and we are cleaning up the property. There is contamination. There is contamination on the site that will be taken care of. We are not seeking public subsidies here. We are simply asking to be consistent with your codes. The part and the brilliance of this plan that sienna has put together, much credit goes to tri-met to tri-to bring this as well. We think as a gate bay way project. We are still main tacking the parking on the property. Returns this property to city tax rolls. You will see a positive economic development as well. Again, I can't say that strongly enough. That is code compliant project. We are trying to work with this. The building design and everything I think is of excellence you would appreciate. I think the neighborhood

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appreciates. We have had a disagreement to our neighbors to the north and we are not able to get a response. They don't respond to us. We have had meetings and they say they talked to us -- in light of that I would like to allow my council and mr. Pfeiffer to bring full circle to this.

Steve Pfeiffer: Good afternoon, Steve Pfeiffer. Portland, 97209. Here today on behalf of the applicant, m. David Paul. With the limited time available, in addition to hoping for a question or two, let me get right to the legal issue and really two that are on the table and commissioner Leonard, some of your questions go right to it. I take you back to a comment mayor Clark raised I fully agree with when he said we are a system of rules and criteria and standards and we should abide by those and follow those and to the extent we want to change them we go through a legislative process. I have heard a lot of debate today about the merits of the dentist transfer in the central city and some of it I agree with. Some of it I don't. Policy discussions all belong in the legislative forum where not just people in this room participate but everybody else. The central city master plan goes back to 1991 for a reason. It was put in the new code. I was on the planning commission at the time with Rick Michaelson. I have a very different recollection which I will describe of the process but the code is there. It has been there for years. The reason it hasn't been utilized since the 2003 likewise loft project, this city is full of f.a.r. opportunities. They suggest we should retain f.a.r. to the Lloyd district. We have a lot of f.a.r. on the maps. Until you push up against it in areas of developments you don't get that call for a transfer. Very quickly I would urge you before you make any decisions to go to Mr. Joslin's memo in response to the initial time, the timeliness issue was raised. We haven't heard any discussion of 53510.255, the part that deals with the central city master plan. It's very clearly laid out. Some people say there is no process at all. We have had some saying it turns on words like allocate versus transfer. I would really urge you to give Jeff an opportunity to explain his memo. The very first standard in the central industry plan process is, it allows the following situations. Allocates allowed floor area to individual development sites that will not remain in the same ownership. It goes right to the heart of your question. That's the organic authority in the code for where applicants with separate ownership can exchange that f.a.r. through a private transaction subject to approval.

Leonard: Can you read that one more time? 33-510 subsection b. It allows additional flexibility in any of the following situations. Allocates allowed floor area to individual development sites that will not remain in the same ownership. Sites, plural, two, not one, but --

Leonard: You are assuming that means that sites mean transferring from one to another. Why can't that mean, why can't a reasonable mind interpret that to mean that the owner of that f.a.r. At the Lloyd condominiums, for example, could sell that to two different sites? I'm having a hard time --

Pfeiffer: Three party transaction?

Leonard: Precisely. I am having a hard time getting my arms around that the owner of the property, the question I am asking, you are not answering that question. The owner of the property no longer has the f.a.r. Rights. That they have been transferred to the original owner of the property who that holds on to them in a bank and then uses them in the central city in some other fashion. I haven't read that section but from what you have just read, I don't necessarily interpret it the way that you are --

Pfeiffer: Commissioner Leonard, I would tell you in some jurisdictions, what you describe in terms of kind of a banking scenario is, in fact, allowed and banked f.a.r.

Leonard: I am talking about this jurisdiction.

Pfeiffer: The reason I don't think that's available in this jurisdiction because the requirement which again does go through a type three review. It happens to be historically the design commission as the hearings officer. Same criteria, same type 3 process public review with discretion afford the commission and this council on appeal. A sending site pick the holiday Lloyd site, must be part of the master plan application in the same way the receiving site has to be. It's a master plan involving both the sending and receiving sites. The reason some have suggested there --

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Leonard: It's not. They don't own the rights. The development owns -- the development -- the developer of the original development owns the rights.

Pfieffer: In this case the developer owns the rights. In other cases it could have been left to the ohm owners association in which case they would be the co-applicant.

Leonard: Exactly. I don't think I would have these questions if the homeowners association owned those rights. We have a letter from the homeowners association saying they do not own the rights.

Pfieffer: They don't. That's right. The developer does.

Leonard: And they own the property.

Pfieffer: I take it your concern is not -- my sense is from a planning code standpoint, it should not make any difference who the owner of the sending rights happens to be.

Leonard: That's your opinion. It appears to me to be an issue and the deed that the mayor shared with me is simply an agreement between the seller and the buyer of the properties. That's doesn't indicate to me that our code allows that. It's simply to me an agreement that was written and agreed to by the seller and the buyer of the property. You know, maybe I shouldn't be asking all these questions. I should have staff help me wait through this. But it just seems to me that this isn't as clear cut as you are --

Pfieffer: I guess the only thing I can say, commissioner, is putting aside who the owner of the sending rights are, whoever they happen to be, be it the ho association or the landowner who retained them, that site must be one of the sites in the master plan allocation process which is involved. And at the time that is sent then the f.a.r. Is obviously removed from the sending site and allocated or transferred to the and it's a reshaping in that balance. I don't know that I have a very good answer as to what distinction there may be between the type of owner of those rights. I don't think I agree. The code doesn't good. The code simply says again that you are all locating a loud floor area and that can be owned by the hoa, the developer or I guess both.

Leonard: Can the owner of a property sell those rights to somebody else? I mean that's the --

Sten: We're going to find out. [laughter]

Pfieffer: I'm not getting very far so I will leave your question to staff at the end. The only other question I would raise is the process question. Should it have been the design commission or hearings officer? That issue did not surface. As a practical matter, I think the code is very clear as I would be more aggressive perhaps than your city attorney, not only is it the reasonable I think it's the only reasonable read. The code makes it clear for a policy reason. Type 3 decisions are reserved to the hearings officer except to the extend they are identified as in a different review body below. The design review is bound by the authority where there is a transfer of f.a.r. A transfer is not a bonus. It's not within a single site. It's not getting the three to one automobile, it's a shift from one sight to another. Sometimes across a right of way. Sometimes across the central city.

Sten: I got that. Let me just ask you directly then. How under your interpretation is the review meaningful ever? Because under your interpretation, it's a right. I'm lost at the planning commission is in even having a master plan. I would say the design commission, I want to get right to the heart of this and get your answer. The design commission argued explicitly that they deferred to staff because it wasn't what they were there to do. They were there to look at building. Under your argument it's a right. What I am faced with is that f.a.r. really under your argument there is no discretionary review. Where is there a meaningful --

Pfieffer: I don't think it's a right. And --

Sten: You just said it was.

Pfieffer: Not a right that -- it's not a right in the sense that it's guaranteed. The residential three to one bonus you are familiar with from other places. Is a right. You are build it you are entitled. No discretion.

Sten: I'm talking about --

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Pfieffer: In this case what you have is the opportunity for an applicant to submit a type 3 discretionary review application to the design commission. And I don't think the design commission advocated anything. They make a decision and to suggest they went over staff or staff kowtowed them into it.

Sten: I don't think that's what I said. I get your broad arguments and I have asked a very specific question, and if you can't answer it you will lose ground with me.

Pfieffer: I will answer it. What that section I referenced said, 255 is it identify as central city master plan as an opportunity an applicant to come to transfer f.a.r. from one site to another or between multiple sites, there are at least -- three criteria that incorporate goals and plans and more at the end of the day. It's a type 3 discretionary review you are familiar with. I think that it's not a right that you are entitled to transfer whatever you purchased in the private transaction, you purchased 100,000 square feet from the owner of that right. That entitles to you ask the design commission for the authority to transfer is as part of your design process. It's notable in this purchase they designed more than the design commission aloud. One of the things I heard it was 14.7.

Sten: What are the criteria by which you believe both the design commission wrongly reviewed and believed your client met and they could have used to turn it down?

Pfieffer: They are found at subsection e of 33.510.255 and I can't remember if jeff and abigail had them up there. The plan is consistent with the central city plan and 9 rest of them, you can imagine the rest. There's the answer to your question. If you said the word "right" that we could not allow the design commission.

Sten: I may have intuited to it.

Pfieffer: The design mission may --

Sten: The fundamental discretionary decision that's able to the design commission and the council you would agree whether or not this tower adequately meets the goals of the industry central plan? If it does not, it should be upheld. Is that right?

Pfieffer: The f.a.r. transfer is subject to a determination that it's in all these criteria including the central city policies. You may choose to do less than requested. You may choose -- you could sit here today and say you are uncomfortable with allowing the f.a.r. from across the river and take that deponent out of this design review decision. I think that right is, that right is there. No doubt about it. It's a discretionary approval. You can modify in theory, like anything else, you could deny the transfer in its entirety. The reason it doesn't go to the hearings officer, not only the code assigns it to the other, I think we had a fundamental understanding at time. The last thing we want to send to the hearings officer who contrary to what rick told you does not make policy. That for better or worse is your province. He, in our case we have two of them, implement policy. They don't interpret. They apply. Same type three process. You don't bifurcate that and send the master plan to the hearings body and the design review and the elements of what it will look like to the design commission the hearings officer would say how can I tell whether it meets these criteria with the fundamental central city plan policies until I know what it's going to look like? The hearings officer cannot make that call in the vacuum. That's why it believes to the design commission in its entirety. That's precisely why it goes there. You would have this ping pong game back and forth and we would get little done.

Sten: Thank you. That was very helpful.

Pfieffer: Thank you for the extra time.

Potter: Thank you, folks.

Pfieffer: I am counsel for tri-met and i'm here in case there are questions. I signed up only for that. If there are no questions for tri-met, i'm going to pass on testimony.

Potter: Can you stand by in case we do decide?

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Pfieffer: Yes.

Potter: Please state your name. If you can keep it under three minutes, we would appreciate it. You can pull that down.

Wilma Caplan: My name is Wilma Caplan, and I live in the Goose Hollow neighborhood, have for seven years, and at a time before that owned a building where we had our business. So I've been in the neighborhood a long time. I was surprised when I found out about this building because the Goose Hollow Association didn't notify the neighborhood. I live in a 54-unit condo project and sent notes to everyone to find out who knew about it and not one of them had heard of it or knew anything about it. Some of them came and met and felt, you know, they had no objections. And went to the condo project up the street at 2393 Southwest Park Place, talked to some people there, they put up a notice to see if anybody knew about it, nobody knew about it there. So the fact that the neighborhood is against it, I mean, I don't see how you can say that because most of the people didn't even know about it. I like the project. I think it's a model of the transit oriented design that was the vision of this city. And also the high density, mixed use development, all of this along the transit corridors. And that I think is really important that we use that. And I think that it provides housing, street-level retail, it's amazing how many people go up and down that street. I have to tell you, I'm not 80, yet, but some of the people in my neighborhood are, and they walk down to that, they would love -- I asked several of them, and they said they'd love to have a place to shop and eat and stuff. So I think it's an advantage to the neighborhood. I think it will reduce traffic because most of those people would get on the tri-met. It's so convenient there. So I think it's a model for good development, and I ask that you deny the appeal and allow Allegro Condominiums to move on.

Claudine Lostao: I'm Claudia Lostao, my family and I just recently moved here from South Florida, from Miami, Florida, actually, and we moved here for a better quality of life for our children. We have two small children, a 3-year-old and a 1-year-old. I am in full support of the proposed building. I think it's great for the city. Particularly -- this kind of building is particularly why we moved to Portland. I think it's great that you can live right in the heart of the city and be within walking distance to the stores, and -- Miami in particular we have a really poor transit system, so I think, again, it's great that you can be right next to the transit system and use it and walk around and be with your family. I also support it fully and I hope that you will deny the appeal, and I look forward to enjoying it with my family one day. Thank you.

Angela Crawford: My name is Angela Crawford, and I'm the president of the Goose Hollow Business Association. I'm here on behalf of the board of directors of the Goose Hollow Business Association. And before I began I just wanted to ask all the people who have been sitting here for almost three hours if they are in support of Allegro, just stand so we can see how many people we have. [applause] Thanks. In April we sent a letter to the design committee expressing our support for the building. Paul had been out and talked to us, showed us a lot of the same pictures that he showed you. And one of the questions we did have, and the board unanimously approved the decision to go ahead and support the Allegro project, we did have two calls in the last three months from a couple of businesses in the area. And at that time one business said that he was friends with the people who own the property north of the proposed site. And that they were interested in a two-tower or possibly a large building. And at that time I asked them to please put something in writing to me so that I could maybe talk to them or facilitate a meeting with Paul. And no one did that. And just recently Jim Francesconi called me and asked me -- and told me the same thing, that they are interested in a two-tower project or possibly a larger project, and I said, gee, Jim, no one has contacted me. I am the -- I'm trying to represent the businesses in the community. Could you please have something in writing to me so that I could take a look at it and see what their position is? And still I have never, ever received anything. So I understand Paul's frustration there too. But anyway, besides that, the Goose Hollow Business Association agrees with Bud Clark. The building is

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beautiful. It's a high quality, it supports our goals to see that there's livability in the goose hollow area, that businesses are promoted, and that it suits the city council and the city as well. And we do think that those three criteria are met with this project. We support it, of course you see my button, someplace, and we feel that paul has been up front with us, has explained the project, has really tried to work with the community. Hoe has pledged community -- he has pledged community rooms so that people can use the building in the community. I know he's sensitive to the parking issue, and we do ask for your support. Of the allegro project, and deny the appeal.

Potter: Please state your name for the record. You have each up to three minutes. So your choice.

Allison Bailey: I guess i'll start. Alison bailey, i'm a lifelong resident of Portland. I grew up in the area, I went to high school in the area, I love to see this city thrive in the way that it should. I believe the allegro brings that. It brings the vision of the city to life. It embraces a pedestrian lifestyle, it puts so much more life into that area which is so slow, and it lives kind of a dull pace, and it brings shopping and nightlife by giving it a restaurant. It also -- it's going to add 228 homes which people don't need to drive. They can commute either to the far east side, to the airport, the expo center, via the max, or they can go clear out to the technology area, intel, tektronix, hillsboro, all on the max, avoiding sitting in traffic every day, polluting our environment. Please, I support -- I urge you to support the allegro and deny the appeal.

David Richland: My name is david richland, i'm a former resident of kings hill. I moved to that area in 1981, I believe, at first, and then I moved away in 1999. And I have a lot of experience, I lived in the Portland tower which is a block and a half to the west of this site, and I was asked to testify, and I went down to the site yesterday and took a look around and it -- a lot of memories came back about that area. That max stop, for instance, I used to take that max at that stop into the city when I was a student at Portland state university. And it seemed it was always deserted, and it seems to be an underutilized resource there. The whole -- the corridor going from south from burnside to jefferson along 18th avenue, it's generally deserted unless there's a ball game there or some other event at the stadium. And that whole area to the east of 18th avenue on to the 405 freeway seems to be a very deserted area, there's just a lack of businesses and a lack of anything going on over there. It seemed sort of like a forgotten area of the city. Being so close in, it seems like such a waste of that precious space. I think further development should be considered within the scope of the zoning requirements, but it's -- it seems to me that this issue of transferring the ratio f.a.r. Ratio -- it seems legitimate in this area. Standing alone a 21-story building would seem -- would seem very large, but at the foot of kings hill with the other buildings above it, I checked out the site yesterday myself and it doesn't seem to impair any views or much of any views of any of the uphill neighbors. It seems like a good choice. And being so close in, again, that's over 200 less cars that will be driving in through 26, down 84, up i-5, down i-5, into the city. And it seems like a good choice. So I support the building of the allegro. Thank you.

Barbara Zappas: Hello, my name is barbara zappas, assistant dean at lewis and clark law school. I mention that only because I really appreciated the last three hours, the value of legal education and the interpretation of the law. By all the attorneys represented here. Or would-be attorneys. I own my home at 2168 southwest kings court. It is a 100-year-old historic home. My neighbors, whose homes were built in 1906 and 1908, are within 10 feet of my home, so as the conversations about the proximity of the towers, I look into my neighbors' windows and they look into mine, and it's a wonderful place to live. I've been a homeowner since 1994, i've raised my two sons at that house, and they attended lincoln high school. I live in this neighborhood, I shop in this neighborhood, I walk everywhere in this neighborhood, I get my hair done, buy my wine, I attend synagogue at the neighborhood. And amazingly, I get my car washed in this neighborhood. [laughter] what this neighborhood needs now is new services. It needs new restaurants, more retail, more options. I'm tired of going to visit all my friends in the pearl who live in the buildings that have been built and

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designed by many of the developers and architects who have already testified here. I want these services in my neighborhood. I join with bud clark and jerry powell in supporting a sense of community. But I disagree with their comments that this design shows no respect for the neighborhood. It is an ideal site for this type of development, it is in fact the best use. I love this design, it is a beautiful design with character and with class. Jerry powell commented is that the developers came in the back door. I heard about this project from the developers, not from my neighborhood association. The developers went to the neighborhood, they reached out and they explained their goals and the services they wanted to bring. I believe the developer and the design team have all played by the rules as they have commented. I believe the developer and the design team have been flexible, creative, and extremely patient. I appreciate their outreach to the neighborhood, something that the neighborhood association has not done and still has not done, despite the extraordinary efforts of the developer. I do want to comment to the design lutheran church that their historic landmark church was designed by a designer and architect who was an inspiration for the designer of this allegro building. I'm active in the Portland arts and civic community, I believe that new development, new neighborhoods, new vitality, and a new vision for my beautiful neighborhood, which I agree is one of the best-kept secrets in Portland, that we can combine the best of parks, the transit, the arts, the athletic access, and the access to downtown, and I fully endorse the allegro coming into my neighborhood for future generations. Thank you.

Potter: Thank you, folks. [applause]

Potter: We don't clap here. If you wish to show support you can raise your hands in the air and wave them, but no audible noise. Thank you.

Potter: State your name when you testify. You each have three minutes.

Stephanie Bartelt: I'll start. Hello, my name is stephanie bartelt, i'm a resident of knorr northwest Portland. I've watched the development of this design and the process come along for the allegro. It fits into the neighborhood, the design is beautiful, it is thought out, it is in consideration of the neighborhood the buildings around it and the community that surrounds it. It will be a focal point in the community, a place where the businesses and the residents can come together. The retail aspect of it, the restaurant, the high end nature of what's going to be placed there can only benefit the neighborhood. Concerning the size of the building, concerning the height of the building, concerning all the rules and the laws, I don't think that the developers and the design group would be as far as they have been if they weren't following the rules. How could they get this far in this community, in the city of Portland without following the rules? I don't think that they would be in this room today if they hadn't been following the rules. If they hadn't been following the rules, I would think somebody would have caught that already and we wouldn't even be having that discussion. Another thing is, as far as the city is concerned and the overall picture of the health of Portland and the vision of the city of Portland, and the direction of the city of Portland, the building is going to be quality materials. The building is going to be leed certified. The green council leed certified. That's a big direction, as far as having green buildings in the city of Portland. It's a huge focus, and we haven't talked much about that today, but it's of great consideration. Goose hollow is a part of the city of Portland. It is not all of the city of Portland. It is a part, it is a piece, it is a piece of the puzzle that fits into our entire community. To deny the allegro would mean you'd have a couple choices. You could leave it as a parking lot, you could put something on it that is less density. To put a building on that site that is less density not quite so many stories, not quite so much f.a.r., does that really -- ask yourself -- does that really, really, really fit into the overall plan of the city of Portland? The overall vision of the city of Portland? I think if you would ask that, the answer would have to be no, the only option is to really utilize to the best of our ability the ability to have as much density as possible. I guess it comes down to the greatest good for the greatest number. What is really right here? What is going to provide the most benefit to the greatest number

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of people? And I believe it's the allegro. I am requesting that you approve the allegro and deny the appeal. Thank you very much.

Potter: Thank you.

Derek Hanna: My name is derek hanna, thank you for the time. I'm a Portland native, i've been a member of Multnomah club for over 30 years. This is the first development i've seen as someone that's willing to purchase a condo really stands up to all my requirements where I can walk to Multnomah club, I can eat downstairs, I can live there, I can walk to the city, I i can take the light rail to the airport, to everywhere I want to go. I know the process, I know you've already gone through the process, I of they've already gone through design and review. Everyone in this room has been able to already speak and already say their things before. So I think you should let the process work and the process already has worked. I think you should allow it to continue its course and be approved.

Potter: Thank you.

David Savinar: I am david savinar, I am a homeowner in goose hollow and kings hill. I have a historic house. I am a multigenerational native of the city, so there's no one who loves Portland more than I do. I went to lincoln and i'm totally excited about this project. I support the allegro because it will invigorate a site that is currently just a parking lot. And at lincoln they use it to smoke. Sorry. But that's what it was, the salmon street. Make it -- it makes it into a site that brings needed houses and services to my neighborhood. The allegro will bring new jobs, new homes, and businesses, and of course new taxes. I think it's beautiful and thoughtful, and will add to our neighborhood and our skyline. There's nothing -- I don't know what the problem is with big buildings. I think they can be awesome. I would also like to say i'm disappointed we're all here today, because I don't feel the goose hollow foothills league is a true representation of my neighborhood. I think wilma said that too. This project will be great for our neighborhood, and it will act as an anchor for the neighborhood, tying together the many new projects currently underway in goose hollow. I hope you agree and uphold the approval of this project, and I give it my full support. And I hope you do. Thanks.

Potter: Thank you, folks.

*****: Shall I wait until the other testifiers are here?

Potter: Why don't you go ahead and start.

Jeff Stohr: Thank you very much, mayor, commissioners. I do serve on the design review commission. I wanted to clarify a few of the facts that were put out earlier, and I think there was a little misunderstanding. Staff had said there is a 250-foot height limit, which there clearly is. Anybody would have the right to develop up to that 200 feet. There's also a bonus on the site, or a portion of the site up to 325. And there was a diagram that was shown there. I wanted to clarify that, because this applicant is well below that, that 325-foot height. The other thing I wanted to characterize is that when they came to the design review, there were two wings on the building. Both wings went to 21 stories. One issue was to break that mass down and break it into a major and minor component. One to serve the issues about mass, but to try to refine the building in that sense.

That is a big move to ask. I'd say we don't normally get that much movement from a developer out there. But they did come back in with the wing that was a 17-story. So I wanted to point that out as well. Also, keep in mind that anybody would have the right without even going into the f.a.r. discussion whatsoever, to build a 250-foot blank wall right up on that property line. That is the case, whether we have the deception about f.a.r -- discussion about f.a.r. today or not. Suffice to say, though, we were very encouraged with the way they pulled the north facade back, the way they articulated that north facade and had it bend back away from the adjacent property. You have seen some diagrams today by the appellant, and they've shown a particular design building right up on the property line. I for one with my firm have designed a building where we've pulled away from the common property line. There's absolutely -- there's -- they have -- they will be able to develop

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fully on their sites to the full maximum extent possible and keep in mind they also enjoy the advantage of really developing up to 325 feet as well, so they can get a tower in there and enjoy all their rights. I should clarify that as well. I'm brought up -- sam brought up the issue of full block development and wouldn't it be better if both sides worked together? I think that's a great idea, but it's not a criteria we base our decision on. Although we often speak to that when applicants are in. And in this case I think there's been pretty clear indication that at least what we saw in commission that that was done. With the f.a.r. issue, i'm going to defer to jeff, but we did go over that. They got the bonus through housing of 3-to-1, and it's my understanding when we were discussing this -- I want to also clarify, we haven't just transferred twice in the last couple years, this has happened many times. We've done a number of times in the pearl and in the south waterfront district. I'm involved with the project as well that we got a little bit of transfer as well. Jeff may need to clarify, maybe we've only done it twice through the master planning process, but the f.a.r. Transfer is fairly common in that sense. If I can just speak one thing about the quality of the building, it's a unique site because it's an unusually curved site on one edge. I think this project and other commissioners agreed, really developed to the full maximum potential on that street edge. In the sense of the life that it creates on that street edge, took advantage of this unusually shaped lot, which presents some challenges, but I think it's produced a very beautiful building. Thank you very much.

Potter: Thank you.

Lee Winn: Lee winn. I'm a resident of Portland for about -- since 1969, but recently i've been doing a lot of architectural work in seattle. And just as a matter of a comparison, what i'd like to talk to you about I guess is the acceptance of f.a.r. transfers as well as the actual f.a.r. allocation of housing. In downtown seattle, f.a.r. transfer is accepted fact. In fact, that's the way things go about.

Because you look at buildings that are on the historic district and you're able to juggle f.a.r. to allow a very interesting and dense skyline, but that creates something of interest. The actual f.a.r. For housing is free in downtown seattle. So you are allowed to go to the height limit. I truly believe that that's what should happen here, because the height limits are what are allowing the city to have the interest in the density. I've -- I guess i've had a good experience in seattle in the sense i've had my battles in this very room actually with goose hollow. In 1999 they appealed a seven-story building that we were doing on 20th and madison to luba. Because it was too tall. So I guess I would like you to temper your discussion based on the fact that there are some in this community who don't really want to see things grow. And I support the allegro project wholly. Thank you.

Potter: Thank you.

Moore: That's all who signed up.

Potter: Mrs. An opportunity for rebuttal by the appellant. You have five minutes.

Jeff Powell: Thank you, sir. The issue that we have, our main point really has to do with something that's been kicked around here all afternoon. Section 33.510.255 of the city code, which is in fact the city -- central city master plan review. The design commission did a central city master plan review in this case. Ok. We don't think they were supposed to have been assigned that because the code pretty clearly says that they aren't supposed to be assigned that, but that's what they did. Given that, there are some findings that they had to make. One of them had to do -- they didn't make that finding. I don't believe they could have made that finding, in fact, but the record is open. They didn't make the finding. That itself is not only grounds for appeal, but grounds for reversing the design commission's approval. Under Portland code, apparently you have one of two ways, and commissioner Sten had it just exactly right. You either have transfer of development rights, in which case prohibited is the word when you get over 3-to-1 addition to the base zone f.a.r. If you don't do transfer of development rights and you still want to build bigger, you can go to the central city master plan. Ok. Under the rules of the central city master plan, if we don't do anything at all with it with respect to a new discussion over what the central city master plan is supposed to be in the future under the current rules, you have to make five findings. They aren't

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there. That's the result of my lists this afternoon. Excepting for one thing, lee's building at 20th and madison was in the historic district. Thank you.

Potter: It's time nor council deliberation. The end of the deliberation we must ask for a motion in one of the following areas. Council denies the appeal, council denies a second choice, council denies the appeal but asks that new information be considered or ask for amendment language. And the third is council grants the appeal. Any discussion amongst the commissioners?

Leonard: I really think that commissioner Adams was correct that this is a unique site, that we don't have many of as close as it is to a transit station, and i'm disappointed that we weren't able to produce a better result from talks between the two sides. Before I have to weigh in on this, i'm happy to do that, but one side is not going to be happy. But i'd rather get the chance to have both sides sit down and see if we can't come up with something that is compatible on that block, consistent with the goals of the city.

Potter: Are the two siding compatible to -- agreeable to do this?

Sten: There's more than two sides.

Leonard: There's two sides in this debate here today, and there's a number of parties from both sides that would have to be involved, I agree with that, and --

Potter: I agree with you, I think it's not been fully explored and I would like to see that before we make a decision. Please come forward.

Paul Krueger: I appreciate the opportunity to have that opportunity to come back before you and try to come to some agreement with my neighbors. I presume that's who we were talking about, the association is the appellant in this case, since they're the one --

Leonard: As commissioner Sten pointed out, there are a number of parties, tri-met, the city, you --

Krueger: We need to add clarity to that request and put focus to it, but obviously -- i'm not here before you without good faith. I have entered this process in the last 3½ years with complete good faith and presented offers in good faith --

Leonard: I appreciate that, but --

Krueger: If I may respond --

Leonard: The hour is getting late and i'm either going to make a motion or hear some discussion --

Krueger: I don't mean any disrespect to you, I simply say the record shows I presented to you i've had no response but I would take this opportunity if the council will be inclined to take the next week and try to see if we can get together as a group and see if we can put something together that would satisfy this commission. I think we've put together a project that is meeting those goals, but if we can try on the half block, and that's the only project we come before you with is the half block, but i'll try with my good faith efforts to bring all parties together. You're talking to mr. Riley, mr. Petrocich and mr. Powell together and we can try to discuss this as to how we can bring this together. I realize this is a half block, and what sounds like what you're pushing for is a full-block development. If i'm not mistaken.

Leonard: I think what i'm pushing for is some consensus. And that's consistent with the city's goals. Particularly on this particular piece of property adjacent as it is to a transit station. So i'm not sure what that's going to look like. All you can -- I can tell you now --

Krueger: Is there direction about what goals we're not meeting, sir?

Leonard: I'm just trying to be clear with you. I can either do it this way or as I said, make a motion. It's pretty much --

Krueger: I'm willing to -- if we can continue for a week.

Potter: Ok. Commissioner, do you have any recommendation as to the people who would be on the --

Sten: I'd have to hear the rest. I have very little hope for commissioner Leonard's strategy, so i'm prepared to vote. No disrespect, but --

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Leonard: You're probably right.

Sten: I wish it was, but I see more than two interests and I see some of the people on the same side as being -- the opposition appears to be opposed for vastly different reasons. And so unless you're going to specify -- it appears the adjacent property owners are opposed because they want to build a tall building and they're going to be potentially hurt by this, and I don't mean that in a bad way. The neighborhood, because they don't like the tall buildings, i'm wondering without some arbitration or something how you're going to get those two sides to even agree as to what you agree with the other side on. I'd be glad to hear from the neighborhood association and the joint property owners, I would share your hope something could be reached. These people are going to spend a lot of money if I look around this room --

Mike Neff: I wonder if I could ask a clarifying question.

Potter: Please come forward. Who is representing the neighborhood, jerry, are you?

Neff: I'm the attorney for the riley family and the petrociches. A clarify question on your issue, are you suggesting that the original process that was designated and outlined in 1992 by city resolution would be an appropriate vehicle, or -- to attempt the consensus?

Leonard: Are you alluding to the suggestion that was made earlier with respect to the various parties that got together, tri-met -- is that what you're talking about?

Neff: Yes, the tri-met, the neighborhood association, the --

Leonard: I'm not really trying to be overly prescriptive as to who should be involved, what the resolution should be. I think that the council clearly is looking for some consensus that's consistent with this very important site, and its uses. I'm also persuaded by commissioner Sten's observations there's no point I guess in delaying the inevitable, and if all sides -- what i'm hearing is that what we're dealing with today is inevitably what we're going to end up dealing with anyway.

Neff: What we do know is the process has worked for two different process in the past and that it was adopted in resolution form by council.

Sten: I think we want to know is there work for a consensus before you win or lose --

Neff: Would you like to hear from mr. Riley and mr. Petrocich?

Potter: Sure. Very briefly.

Bill Reilly, Sr.: Very open to discussions on the full block development. We have no problem discussing that with m. David paul. I've got to point out there was a comment made that they had repeatedly contacted me with offers. They made one offer at the beginning, and we turned it down because we thought they had a building setback against salmon. They've made another offer about two weeks ago that was inadequate and it was an offer made to me without offered to dan petrocich, divide and conquer, I don't know. But those have been two offers. We have made a counteroffer to develop the whole property which they dismissed. We're ready to make -- to get together with these folks and do something. If they're sincere about it.

Potter: I'd like to give it a week and see what you folks could come up with. And i'd like our staff to assist in this. And if you need some mediation, we certainly could make that available, but if, you know, if everybody is set in their way and it's set in stone, it may not have any results. But if you're willing to I guess sit down and chat with each other and see where you can find something you both live with, that would be preferable, because that way we're not going to have a winner and a loser. Perhaps we could have two winners. I'd much prefer that, but if that's not possible, then we can go ahead and vote.

Sten: Let's hear from the neighborhood association. They're the actual appellants. These are not the appellants.

Potter: Jerry?

Jerry Powell: Commissioner, mayor, I don't want to rain on the parade. And I certainly appreciate what you're trying to do, commissioner Leonard. I think the appropriate place to do this is probably under the wing of the design commission. But you guys have broken new ground many times

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before, so maybe you can do it here. The neighborhood association has -- is sitting uncomfortably here in the middle, and we're perfectly willing to offer whatever we can in terms of assisting with mediation or assisting with the agreements that may come about.

Potter: Tri-met is the other party.

Powell: I do have to comment that I don't think it changes the fact that the design commission didn't make the findings that it needed to make.

Potter: Is the tri-met official still here? I think you folks are the seller, aren't you?

Neff: I am. That is correct. Thank you, mayor, commissioners. Tri-met is the party --

Potter: State your name for the record.

Dean Phillips: I'm dean phillips, and i'm an attorney with davis wright tremaine, and representing tri-met here today. Tri-met is in fact the seller of this parcel, and we have an interest in this parcel, though we are not a party to this land use decision. This is obviously as you know a land use decision. We are willing to participate in any of the discussions. We believe we have done that. We believe we have completed the land use process, the planning process, the design review process, and the proposal is ready for a decision. However, if all of the parties are willing to enter into discussions for a short period of time, we will certainly support that.

Potter: Once again, staff, are you in the capacity to take this on in the next week, come back -- do you think one week will do it?

Leonard: What's our schedule?

Potter: Just a second.

Moore: If you come back next week it would be the 20th, and mayor, you won't be in, and commissioner Saltzman would have to review the record.

Leonard: How about two weeks?

Moore: Both the mayor and Sten are gone in the afternoons.

Leonard: Are we up against some time frame here?

Rees: The applicant has waived the 120-day clock. I don't know where we are on the extensions under state law. We can only extend -- I don't know where we are. I think we're probably fine. Even if it goes out a couple weeks.

Steve Pfeiffer: For the record, we'll grant whatever extension is needed [inaudible] I think one week sun duly optimistic. Two weeks is more realistic. Three seems like a long time. If we can't get together in two, then we'll probably have it back on your lap.

*****: I'd like to mention one thing there. Are several groups, I see [inaudible]

Glazer: Can I suggest we reactivate this committee that went so well, that [inaudible]

Potter: We're trying to work out another -- i've heard your statement. Karla, in two weeks will the three individuals that are sitting here now be here in two weeks?

Moore: No. You and commissioner Sten are both gone that week.

Potter: Will we be here in three weeks?

Moore: Just commissioner Sten will be gone. But -- we've got a big schedule. It would probably be wednesday the 2nd at 4:00.

Potter: The second of --

Moore: August.

Leonard: I'm --

Moore: The next week all of you are here, mayor --

Leonard: I want the same group -- I see.

*****: [inaudible]

Moore: That would be august 17 at 4:30. The next week after that, august 23, would be at 2:00.

Potter: Mark is smiling, but -- you know, if it can work, yes, it's 30 days out, but we could -- if you folks are up for that, if you're not, we'll take the vote right now.

Sten: Are you saying the 23rd of august?

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Potter: What's the date?

Moore: That was august 23 at 2:00 p.m.

Leonard: What was the before that, 17?

Moore: The 17th at 4:30.

Potter: The three of us will be here?

Moore: Yes. Everybody is here on the 17th.

Potter: August 17?

Leonard: There's two dates, the 17th and 23rd.

Moore: Everybody is here on the 17th at 4:30. And everybody is also here on the 23rd at 2:00.

Leonard: The question is do we want to start one of these at 4:30 in the afternoon.

Sten: It may or may not start at 4:30. If there's nothing until 4:30, the odds we'll be done at 4:30 are 50/50 at best. If we're booked until then -- I would vote for the 23rd, personally.

Leonard: I'd say the 23rd. I would agree. The 23rd?

Sten: Just out of humanity.

Leonard: I defer to the senior member of the council.

Potter: Do we have an ok until the 23rd of august?

*****: [inaudible]

*****: We're happy with the 23rd.

Potter: Pardon?

*****: [inaudible]

Leonard: We need to decide who the parties are --

*****: [inaudible]

Rees: Mayor, one thing we need to clarify also is the record. There's been new evidence submitted today, and the question is, how long the parties want to keep it open, whether they want to keep the record open the entire time until august 23, typically in one of these cases we'll keep the record open for seven days, and then another seven days for rebuttal testimony, but it may be worth hearing from the various attorneys what they wanted to do. Or what you want to do on that. Actually, good point from mr. Pfeifer. If the record is closed, we could certainly reopen it, but it may make sense to leave it open in case there's a compromise reached. So let's leave the record open if you wouldn't mind stating that for the record.

Potter: Let's leave the record open.

Leonard: We going to designate to be on this work group?

Potter: Everybody that's had a voice here, every person, but representing the major groups, I would expect staff to pull those folks together and the charge is to see if there's any room to negotiate -- what's the phrase? That the parties can live with. And we'll hear it again on the 23rd. If there is none, we'll take the vote, if there is an agreement, then we'll listen to that and vote on it.

*****: [inaudible]

Potter: August 23rd, 2:00 p.m. time certain.

Leonard: So the point person is going to be jeff joslin, staff, for it to coordinate who all wants to be a part of the work group.

*****: [inaudible]

Leonard: Ok.

Potter: Council is adjourned until 2:00 p.m. tomorrow.

At 5:31 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.

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JULY 13, 2006 2:00 PM

[roll call]

Potter: Commissioner Saltzman is representing Portland at a local government conference on sustainability in Chicago. So he'll be back on Friday. Please read the 2:00 p.m. Time certain.

Item 966.

Potter: This is a vote-only.

*****: [inaudible]

Potter: Ok. Call the vote.

Adams: I want to thank Keith Witcosky, Joe Zehnder, Arianne Sperry and all the staff that worked on this. This was a long process, and I think a good process. I'm going to vote to approve this extension, amendment to the extension. As I said last time, my -- if I -- if you want to -- I'm trying to learn the lessons of the South Waterfront and the Pearl District developments, and part of the lessons I think of those districts is that the affordability element of the South Waterfront and the Pearl District were at the -- because the City of Portland, through P.D.C., had resources on the table to either as part of development agreements leverage affordability, leverage more amenities, or we subsidized them directly. And I think that at \$35 million that leaves too few -- that puts too few resources on the table to provide the kind of mixed use affordable development that we want to see in the Central East Side. With existing zoning, the Central East Side comes close to being able to provide affordable housing opportunities that match or come close to matching the affordable housing opportunities if the funding is there in the U.R.A.'s that we have work under way in right now. So I think to not provide adequate funding for public amenities, including affordable housing and affordable work space, that we would, at \$35, simply be ensuring the gentrification of this district and not its renaissance as a mixed use-mixed income district. And this is going to be a unique district in terms of with the E.X.D. And the industrial zoning close together, it's going to be a unique district with its own character and its own profile, much more of an employment district than either South Waterfront or the Pearl District, and I think it will be very exciting. So I want to thank the steering committee, Doug Blomgren the chair, and everyone else involved with this, and I'm happy to vote aye.

Leonard: I too thank the -- think that the original plan of \$35 million wouldn't have allowed us to do the kinds of projects we would like to see done in this very important component of Portland's future, known as the Central East Side. I agree with Commissioner Adams that this extra amount of money that we are approving today above the \$35 million should give us the \$8.5 million extra for a total of \$12.5 million to construct the streetcar, which I think is an important and exciting component of this new renaissance as Commissioner Adams has characterized it. And I'm also excited about the prospect that the site at Washington High School will be the future site with this approval of a great community center, that this neighborhood deserves and appears to be on track to receive as a result of this action today. Aye.

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Sten: I just want to thank everyone. It was a very good debate out there, and it was for me a real tough one because there's a lot of good arguments on all sides. It was also fun because I saw a lot of passion around the central eastside. We really want to protect and preserve something that's pretty unique, but at the same time turn it into something better. I think that time has come, and we have an opportunity to have a real industrial job base at the same time things are happening around the edge of the industrial district. I'm very supportive of the streetcar money that was mentioned today, and I think that will be exciting. I also think that as I mentioned before, we need still some work to do, and I think having voted for this extra chunk of money will give us a little bit of incentive to get around the table. I don't think it should be spent until we think about -- I said I don't think the district quite has the vision last time, and I think I used the wrong word. It doesn't have the strategy. I think the vision is there, because the strategy of what are the key catalytic investments, we have more room to work now and, what are we going to bet on to make this into as good as it can be, which I think can be spectacular. It could be one of those unique places in the country. I also with my colleagues threw another monkey wrench into this, we'll have to talk about it next fall, but I think we can do that collaboratively and find the right strategy. We passed a resolution since this was started, so there's no way the work group could have grappled saying that in the future 30% of all tax increment funding will be spent on affordable housing. Had that been in place when the group was meeting they would have addressed that, and could not have since it wasn't. So one of the things we'll be discussed with the Portland development commission, I think this will be a very important district to think it through is how does that policy get implemented, future districts I believe it will be automatically factored in, assuming we finished the work the council has pledged to start, and I think we will. Past districts obviously the contracts are already led. This district is right in the middle, so I'd like to convene a work group, work with you, I'd like to see the 30% applied to this. I recognize there's not 30% sitting there that's not budgeted. One of the things I brought up at the last hearing, I think the council ought to use this vote as a spring board to look at the whole picture collaboratively with the district and the stakeholders, and I think getting to that affordable housing strategy in the places that's zoned properly around the edge could really become sort of the final piece of a really whole district. I think if we can protect the job area, which we don't want to turn into residential, the idea is to actually have people who get good wages but are working class people working down there, it would be wonderful to have someone live on the streetcar line. And I think we have the makings of doing that if you take the affordable housing commitment that's been strengthened with the 30% set aside, take the transportation element, tie that to a robust strategy to keep the area industrial, and in all the ways industrial gets defined in the future, it's very exciting and I want to thank every one of you for working on it, and look forward to our fall work session to really get into the next round of details and strategy. With that I vote aye.

Potter: Obviously the -- the aye votes have it, but I'm voting no. I'm voting no because I think this circumvents a very long stakeholder process that involved a lot of groups of people that came to a difficult decision on how to compromise on a reasonable amount for the central eastside industrial area. After it was approved by the stakeholder committee it was approved by Multnomah county, Portland development commission, the planning commission, and others. And I think that this undoes that hard work and I do appreciate the work of the stakeholder committee. I think we should, now that it has passed, honor it to the degree and ensure that the stakeholders' original comments and recommendations are included in whatever we do make decisions on that \$51 million. And I do agree with commissioner Sten, we've got to be really careful and sit down and talk with the public on how we want to spend that extra money, and what it should go for. And I think that should include that stakeholder committee as well as anybody else that has a vested interest in terms of some of the new areas that might be invested in. So I vote aye -- excuse me. Nay. [gavel pounded] ok. We have a 3:00 p.m. Time certain.

Moore: Yes.

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Potter: Ok. I think we have to adjourn until 3:00 p.m. [recessed at 2:15 p.m., reconvened at 3:04 p.m.] [roll call]

Potter: Please read the 3:00 p.m. Time certain.

Item 967.

Adams: Thank you, mayor Potter, good afternoon to everyone here. I'm going to make a few introductory remarks and then we have some invited folks to testify and then we will get to the sign-up sheet. If you're interested in testifying, the sign-up sheet was on the table just out front. We have 21 people signed up. That's a good, robust amount. You don't have to testify if you don't want to, but you're welcome to. I care a lot about the issues of family security. I was not raised in a financially robust family. I grew up in Newport, Oregon, so when I decided to run for public office, I made a commitment that I was going to continue to advocate for working people in the city. And I sought to spend energy and time at that. I visited about 160 businesses thus far in the region, and I have been working at 100 hours so far and counting of Portland's most common jobs, which also happen to be with one job category exception, also Portland's lowest paying job. I seek to support businesses that treat their workers fairly, that are a constructive force in their communities, and who look out for the environment. Clearly no business is perfect. But I need to see an effort to support a business. And I've not been afraid to speak out when I thought that something was going awry with a company. But today is not about that topic, it's not about any one business, today is about our region, and it's about our city, and it's about neighborhoods on the north shore and an island on the north here in Portland. This is today also not about a moratorium. Today is a resolution that gives public notice, a 45-day public notice that starts the 45-day clock if it is approved for the council to have the option to consider a moratorium. Today simply starts the clock and provides the public notice. It does not actually enact the moratorium. This is as prescribed by state law. A little bit of background on this issue, and you might hear additional details from the many folks that might want to testify. Hayden island was annexed into the city of Portland in 1986. Its zoning has hardly changed. So its zoning is over 30 years old. There are very few parts of the city of Portland that has zones that have been intact for 30 years. The city of Portland enacted its first area plan, its first neighborhood area plan 34 years ago, and since then, it has gone on to enact 54 community area or neighborhood plans. 54. Hayden island is not one of them. 11 years ago, the federal government and the state of Oregon and the state of Washington embarked on a 15-year process to deal with the choke point considered one of the worst choke points on the freeway system on the west coast. It happens to be I-5 between North Lombard Street and downtown Vancouver. A planned investment of over \$2 billion. We have already approved improvements from Lombard to Delta Park. What's left is called the Columbia River Crossing project. That includes the Delta Park interchange, Marine Drive, Hayden Island, and over the bridge to Washington. Before we can even conclude, we are in the 11th year of this 15-year project, but before we can even conclude this effort, there has been developments, plural, that have been proposed on the island that will increase traffic on the ramps by an estimated 70%. 70% on the ramps on to Hayden Island. So the last time there was a full-year count done of the traffic on the ramps on Hayden Island was 2004, and on a daily basis there was 18,500 visits. If this development, again, plural, is able to go forward, we should be able to count on an estimated 31,500 visits to those ramps. That's not congestion, that's gridlock. And unlike a lot of places around the nation, congestion for Portlanders and Vancouverites and people who live in southwest Washington and people who live in northwest Oregon is not merely an inconvenience -- by the way, an inconvenience that costs a lot of money. According to last year's cost of congestion study -- but here it also has the added cost of congestion is the potential cost of jobs. The Portland-Vancouver region is the third most trade dependent region in the entire United States. So congestion for us is much more onerous than simply the inconvenience of being late. It has the very real potential of costing us jobs. I am very concerned that Hayden Island and the areas surrounding it does not have the public transportation facilities to handle this development. And I don't think that

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we should risk approving it on the time line that it has been suggested to go forward without a pause, without a development delay to complete a neighborhood plan and to allow the columbia river crossing to agree on a locally preferred alternative for a new bridge or a new way across the columbia river. Yesterday they laid out for us at the columbia river crossing meeting the alignment for a new bridge. Most all of them are proposed on a site for one of the developments that has been announced publicly, making it more difficult for us to consider the alignment for a new bridge if some of this development was going to go forward. The city of Portland has ignored hayden island for a long time. I just want to be very clear, though, the river renaissance is a river renaissance a great effort, but it's a river renaissance that's focused on the willamette river. And maybe that made sense considering the willamette river has a superfund designation for pollution, and two salmon species are listed as endangered. But it came at a cost, and the cost was that the north shore on the columbia river of our city did not get enough attention, and nor did hayden island. So there is something that we can do, and we can consider a moratorium, and that's what we're doing here today with this resolution. I'm pleased to announce that this resolution from the joint policy advisory committee on transportation, which includes 30 public agencies, that this resolution in support of today's resolution was supported without opposition, and last night at the columbia river crossing steering committee, and that includes representatives from public environmental neighborhood, the trucking industry, chambers of commerce, local economic organizations, community organizations, statewide commuter travel, and freight organizations from both sides of the river, also approved this resolution supporting the resolution before us today. So this resolution no longer reflects just the point of view of hayden island, neighbors, and leaders, which it definitely does, because I put it together really at your request, but now it also reflects the leadership, the economic and transportation and other leadership for both sides of the river and the region. And I want to thank everyone up front, I want to thank everyone involved with this. I especially want to highlight my staff, jesse beason and warren Jimenez, roland chlapowski, and others on my staff that have worked very hard on a very short time frame. So with that, mr. Mayor, if it's ok with you, please --

Potter: Please proceed.

Adams: Could I have representative gary hansen, john russell, and is fred hanson -- please approach the bench. And steve welch.

Gary Hansen: My name is gary hansen, i'm state representative from house district 44, which serves hayden island as well as much of the rest of north Portland. Actually this is the first time i've ever testified before the city of Portland, and before the city council. In 24 years as elected official, I like to look at the differences between governments and leave governments to solve their own problems, their local issues without a lot of interference from other elected officials. But this issue is so important as both to me as both the state representative and the state and regional impact as well as the fact that I live on hayden island. I know firsthand what the impact of that type of unplanned development can impact the island. I think i'll confine my remarks totally to the state and regional impact. Hayden island sits as a very strategic spot in the center of both the region and the regional transportation system. 150,000 jobs depend on freight movement between the railroads, the airport, deep water, the deep water port, and two major freeways. Unplanned development could have a devastating impact on this freight movement between these various modes. Oregon and Washington are prepared to spend \$2 billion to improve the columbia river crossing. Unplanned local development could undermine much of the benefits of this investment. That's why this resolution today is supported by mayor Royce of Vancouver, as well as commissioner serena cruz. This is a very pro-business resolution from the standpoint if we have gridlock at the strategic center of the region, it's going to impact every business and it's going to impact 150,000 jobs. Thank you.

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John Russell: Mr. Mayor, members of council, i'm john russell. I feel like I have a unique and broad perspective to be able to testify in front of you today. First of all, in the private sector i've developed over 250 million dollars worth of properties in the Portland area, including one across the street with one of the entities, morgan stanley, that is one of the entities that may want to develop on hayden island. And I can tell you that no one wants or should want to develop property that doesn't fit with the eventual direction of the neighborhood. It's just a bad investment. And clearly as commissioner Adams has enumerated, there isn't such a direction. Secondly, in the public sphere, I served as a member of the planning commission when the city underwent the mandated comprehensive plan -- mandated by the state land use body. But hayden island was not a part of that plan because it was annexed into the city not long after the comprehensive planning was done. But third, and maybe most important, also on the public sphere I served as a member of the Oregon transportation commission for eight years, starting about the time that the planning process for this crossing started itself. And I just -- you can't overestimate the importance of getting a bridge right. A road, even a freeway, can be widened, it can be paralleled with frontage roads, it can even be moved, relatively cheaply. But a bridge is, in planning terms, forever. And the evidence of that is one portion of the interstate bridge is itself about 100 years old. Your acceptance of this moratorium is absolutely essential for the success of the bridge effort, to make sure it's right. I urge you to vote in favor.

Steve Welch: Mayor and commissioners, my name is steve welch. I'm not a politician, i'm not an activist. I am a concerned citizen, if you will, living on the island. Portland is recognized nationwide for its city planning. They've always had a strong, strong city planning program. It doesn't matter if you call this -- this proposal a development delay, a moratorium, or just a time-out, Portland needs to plan for the future before the development of hayden island. This campaign is not about wal-mart. This is not at all about wal-mart. And this is also not a cry for not in my back yard. This is about putting a plan in place for the future. Development of one of the most pristine unique places in the city. Hayden island is not a place you can have growth without a plan, because we cannot spill over into the next census track. This island is more like a friendly resort community. It's like a small village, and it really needs to be planned properly. That bridge is still seven to 10 years away. The congestion is going to impact that island tremendously. If you look over at how vancouver has revamped their waterfront areas, they've done a beautiful job of that, with walking paths, small shops, and restaurants. Lake oswego has gone through and redeveloped their core area with brick favors, sidewalks, tree-lined streets, boutique shops. Same with bridgeport development in tualatin, as with streets of tanasbourne in hillsboro. Each one of those communities have planned in advance for their growth. Same with up in puget sound. You look at island villages, quaint, charming, artsy, tastefully done. The city of Portland has overlooked its only treasured island for years, and now to consider big box store development without a plan is just unconscionable. Those of us that commute daily up and down i-5, we experience the bottleneck on this freeway daily. Some days it can take 20 minutes to get from downtown out to the hayden island, some days it takes an hour. Property values would be devastated as previously mentioned, and traffic studies show that big box retailers such as wal-mart will draw between 831 and 930 driveway trips per hour. Just that store alone equates to 5,000-10,000 cars per day on the island. We're just not set up for it. The infrastructure is just not there. The intersection management plan needs to be completely rewritten. We trust this council has a vision to plan for future growth, and send a message that is pro-business based upon a well-developed plan which can be drafted during this time-out. Thank you.

Adams: Thank you.

Adams: If john osborn, paul smith, and kurt kruger would now come forward. I've asked john, who is friends of our columbia river crossing from Oregon department of transportation, to provide a quick overview of the project, the status, and any thoughts on this issue. Paul smith from the

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Portland office of transportation to talk a little bit about how we would go about the findings, and if -- and possibly the work, the transportation-related work on a neighborhood plan, and i've asked john to talk about the -- some of the issues related to how we -- the best practices around actually doing one of those plans, doing a neighborhood plan related to transportation. John?

John Osborne: Good afternoon, mr. Mayor, commissioners. For the record, I am john osborne, I am Oregon's codirector for the columbia river crossing project, and i'm here today representing the columbia river crossing project. As you well know, a major bistate planning effort began in 1999 that consisted of stakeholders on both sides of the river to develop a strategic plan for the i-5 corridor through the greater Portland and vancouver metropolitan region. That effort culminated in 2002 with a strategic plan that had the future vision for the i-5 corridor. The columbia river crossing project is the third project that implements that plan with the first project being widening of i-5 by the Washington state department of transportation, and north vancouver up on the salmon creek area. The second project being the delta park project, which this council recently adopted and endorsed the environmental documentation for, we hope to break ground in 2008 with that project, and the columbia river crossing project, the third project, which looks at a five-mile corridor section of i-5 between columbia boulevard here on the Oregon side up to state route 500 in vancouver. Within that corridor, certainly the interchange on hayden island is part of the studies that are underway. The environmental impact study currently is well underway with another major milestone being reached last night with the approval of the task force on the range of alternatives to be studied in that project. Right now the target for the locally preferred alternative in that process is the spring of 2008, and we hope to have a record of decision to be able to move forward with construction should we have funding in late 2008 to early 2009, depending on the contractual requirements that we could put together. As I just alluded, the columbia river crossing alternatives do consider transportation investments in both transit and highway improvements that have the potential to significantly alter the access both to and from hayden island, as well as the impact of local circulation on the island for vehicles, cyclists, and pedestrians. From the project perspective, alternatives need to be considered in the context of a clear vision for the island. A vision that reflects the goals and objectives of the hayden island businesses, the neighborhood communities, and the city of Portland as a whole. To the extent that the proposed moratorium would allow time for island businesses, neighborhoods, and the city to develop and adopt that vision, it would help to facilitate and guide the selection of a columbia river crossing alternative that is compatible with those goals and the vision of the future for the city and for the island. Should the city establish the proposed moratorium and undertake this planned development, the columbia river crossing project suggests consideration of the following objectives. The ability to construct a safe, adequate access to and from i-5, and this pertains mainly to the length and the location of the freeway ramps. We're practice -- where practicable, ensure the preservation of the right of way for the future columbia river bridge improvements are preserved. To ensure that the land uses do not cumulatively push the i-5 interchange into failure. Keep in mind that due to the limited space constraints that we have on the island, there's only room for one freeway interchange there. And no matter how well we build it, an interchange only has a finite capacity to be able to handle vehicle use. So that is something that we do need to keep in mind. Next, we should ensure the future potential for high capacity transit is planned for, both to and through the island on up to vancouver. And lastly, make sure that the planning efforts are coordinated between the Portland personnel and the Oregon department of transportation folks that also take a look at the development. Right now the columbia river crossing staff, pdot staff, and odot staff are all sharing data as it does become available for the project, which is a good thing, so we encourage that practice to continue. And lastly, i'd like to add that regardless of the council's decision on this moratorium issue, the columbia river crossing project does look forward to the opportunity to work with the city as well as the businesses and the residents of hayden island to deliver a project that best meets the transportation challenges that are before us.

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So with that, i'll conclude my comments and if you have any clarifying questions about the project that you would like answered, I would be glad to answer those.

Adams: One thing in the transportation context, Hayden island itself was annexed in with a lot of private roads. In fact a higher percentage of private roads in a single neighborhood than probably any other neighborhood in portland. It's a dysfunctional street design I would say. If you've ever tried to walk down the sidewalk of many of the roads you'd be surprised to find there aren't any. As I learned at some of the testimony and knew because I live in Kenton, the adjacent mainland neighborhood, there is a road—I forget the name of it—that is a recreation of a roller coaster because it settled. Apparently there is an old refuse disposal there. So hayden is 3 kinds of traffic problems. On the island itself. Then you have the problem with the ramps, the only way on and off the island. If you can get through the dysfunctional street system, get through the ramps, you can get stuck on i-5 and the congestion on i-5. This is a trifecta of traffic hell. [laughter] as was mentioned, if we are not careful, it could be a hotter hell that could last for years, even before a solution might be found. So with that little preamble, paul.

Paul Smith, Office of Transportation: Thank you, mr. Mayor and commissioners. The Portland office of transportation, known as p dot, is prepared to work with the purchase of planning, the city attorney and the columbia river crossing project team to investigate whether a development delay on hayden island is warranted. I would direct your attention to the resolution today, which at the top of the second page at least the copy I have says "the columbia river crossing project is currently considering a new interstate 5 bridge spanning the columbia river and has not completed work, identifying a locally preferred alternative that outlines the alignment of a new crossing." this study will -- will ultimately recommend, at least on the bridge side, a possible new bridge location, a new interchange configurations, including on hayden island, and on hayden island, changes in the access roads that connect to the interchange itself. So as john osbourne stated, the island is very narrow. There's room for one interchange. So when you look at interchange and the roads connecting to it and the alignment of i-5 which could change, that's significantly affects the development of the island and lays changes, if you will, the footprint, the potential footprint of the whole highway infrastructure, both from the state to the local and private level. The other related thing is the study is also considering what they call high capacity transit, which includes light rail, so we are looking at a light rail alignment on hayden island, and a station on hayden island. These we expect to dramatically affect, in addition to the highway interchange, the development potential of many of the parcels in and around i-5. Just as an example of the work that's going on, working with john's team and the state of Washington and their consultants, we -- the project team, if you will, the consultant team has proposed a study referred to as hayden island access traffic circulation and high capacity transit station location study. We have a scope of work for that. It's in draft form. We are on the verge of finalizing our comments with the bureau of planning. This study would get underway as soon as we have agreement with the team, as projected to last five months. And it will begin to look at some of those issues, the alignment of the highway infrastructure and the possible transit infrastructure. I will let john gillam to my right here has pdot's manager for the columbia river crossing project and he would like to tell you a little bit about the overview of that project.

John Gillam, Office of Transportation: Mr. Mayor and commissioners, I think that john osborne gave a pretty good overview of the project, and I think commissioner Adams, you're asking about what might be part of the contents of a neighborhood plan, and the bureau of -- the office of transportation, the bureau of planning have a history of cooperative working relationships and developing such neighborhood plans. Some examples would be in st. John's or hollywood and gateway, and so we would envision that a scope would be a land use transportation type of emphasis. There may be environmental services issues that need to be looked at as part of this plan as well in terms of service provision on the island. But some of the major issues that we would look at would be, as you had indicated, roadway condition, what would it take to bring roads up to public

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street standards, and what would that cost investment be? What are some of the access issues both from a practical access to the island but also from emergency service provision. We would look at street connectivity on the island, as you had indicated, that this -- that the plan for hayden island is pretty outdated and it kind of precedes the notion of street connectivity and what that means in terms of livable communities and mode split on destinations. We would, of course, look at bicycle and parking -- bicycle and pedestrian circulation through the island and around the island. And we would also look at transit, what kinds of transit, both mode and service level, and probably look at the issue of parking, parking as a management tool in terms of development mode split. So overall there would be the project would include like a vision process, establishing goals, high level of public involvement. And the result would be a list of needs that are required for the island and maybe look at development opportunities and also land use alternatives. The technical study that paul had mentioned that's being done as part of the c.r.c. project, that will give us good technical information that such a neighborhood plan could interplay with. What's sort of missing from the work that the columbia river crossing project is doing is kind of on the land use side. So that's what the issue is today and I think that we would be prepared to provide a more definitive work scope on that.

Adams: Thank you, john. Thank you, gentlemen. I thought maybe it would be useful to have Kathryn talk a little bit about providing, the process of doing so, provide us a background on moratoriums in Oregon, temporary moratoriums in Oregon 101.

Kathryn Beaumont, Sr. Deputy City Attorney: In brief, state law allows the stay city to adopt a moratorium of limited duration when it's needed to address either a shortage of key infrastructure facilities, like transportation, sewer, or water, or when there is a compelling need to do so. A moratorium allows the city to pause, plan, and determine how best to address the problem giving rise to the moratorium. Under state law there are several key steps the city must take in adopting a moratorium. First the city must give the department of land conservation and development notice of the proposed moratorium. The notice must be given 45 days before the date of the final hearing on the moratorium. Second, the city council must hold a public hearing on the proposed moratorium and finally the city must make findings supported by evidence that identify the problem, that identifies the problem justifying the moratorium, the geographic area drawn as narrowly as possible in which the problem exists and to which the moratorium applies and the anticipated steps taken toward addressing the problem. As commissioner Adams stressed today's resolution does not adopt a moratorium. It's a first step or prelude to adopting a moratorium and addresses various city bureaus to first provide the required 45-day notice to dlcd and organize the evidence and findings to support doing a moratorium for the hayden island area. If the council passes the resolution today, in approximately 45 days the council will have the option to hear and consider an ordinance adopting a moratorium for the hayden island area. That's a brief outline of the process and I will be happy to answer any questions that you may have.

Adams: It might be useful since some of the common questions are around measure 37 and sort of what has been the litigation experience on moratoriums, if you could maybe provide just a quick summary of those two issues.

Beaumont: Ok. If the council adopts a moratorium, in the future, it is potentially a -- an action that could trigger measure 37 claims by property owners on the island. From your experience in resolving measure 37 claims, you know that every claim is fact-specific. I would not want to speculate on the success or failure of what those claims would be. In terms of --

Adams: Does ballot measure 37 specifically address moratoriums?

Beaumont: No, it does not. And that would be an issue in any measure, in addressing any measure 37 claim. In terms of litigation involving moratorium, there is case law both the state and federal level. That litigation, too, is very fact specific. We have both Oregon and federal cases that have upheld local governments' rights to adopt a moratorium and concluded that on the facts presented in

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those cases, moratorium is not a temporary taking. And does not require local government to compensate affected property owners.

Adams: Thank you. If it's ok would with you, mayor, we will go on with more invited testimony and open it up to the public. Brad howton, richard gill, walter valenta. Is eugene here today?

*****: I've not seen him.

Adams: Ok.

Brad Howton: Mr. Mayor and commissioners, i'm brad howton. I am responsible for a company, a group of companies on hayden island called columbia crossings. And it's made up of three boat moorages, a floating moorage, two public storage systems and a number of smaller commercial buildings. We've been on the island and in business for as long as 45 or 50 years, depending on which facility you're looking at. And transportation access for us is highly important. Our business depends upon it. Our customers come and go based on their interests in either using their boats or storing and removing property from their storage units. We are not a competitor with wal-mart. This issue -- the question of whether wal-mart is appropriate on the island does not apply to us at all. We really don't care. And it's sort of a basic business sense. The number of big boxes on the island really don't bother us a bit, assuming that there is an infrastructure in place that allows the opportunity for proper access. There are a number of other businesses on the island that are very similar to us, that would not find themselves in competition, including a couple of hotels, a number of boat dealers and brokers, and some formal restaurants, and also the Portland auto auction, which is a very important component of the business environment on the island. The threat represented by the proposed major redevelopments is not the competition. It's the traffic. And there have been various estimates of the additional number of trips these plans would add, three basic plans that have been proposed on the island. That range between 7500 and 13,000 additional trips a day. And up to 1,000 per hour during peak travel times. These peak travel time issue is very big problem for us. The, our custody customers tend to show up during the evening hours following their work. And we can point out pretty easily a loss of market share over the last 10 years or so that I think I can relate at least in part to the fact that the traffic problems have become increasingly difficult there. This is really what the threat is to our business. It's not the addition of big box retailers. We have heard repeated concerns from government and business leaders outside of the area that this proposed moratorium would appear to reject the interests of new businesses wanting to enter the Portland market place. I believe that a choice to do nothing in response to these proposals and allowing them to move forward freely will be seen by our local business community as a rejection of their interests. This project represents an irrevocable shift in the evolution of the island. Hayden island residential and business communities deserve the opportunity to create a healthy vision for the neighborhood and now is the time to take that opportunity. Thank you.

Adams: Brad, I agree with you this is a pro business, step in a pro business direction. Do you -- if we were to do some sort of moratorium on the commercial zones in the center of the island, are you responsible for property in that area?

Howton: Yeah. Actually, we have -- we have between 20 and 25 acres of undeveloped or underdeveloped property on the island we were sort of in a constant state of planning for their eventual best use. And I have talked to one of the managing partners that represents the ownership is out of town but the other one I have spoken to a couple of times about this. He was actually here last friday. He's much more concerned about the issue of traffic than he is about the issue of moratorium for two reasons. One is that our intention would probably be more likely residential or mixed use, and also a good deal of that 25 -- 20 to 25 acres is not in the area we have been speaking about, at least initially.

Adams: Thank you.

Richard Gill, Vice President, Neighborhood Association: Mr. Mayor, commissioner Leonard, commissioner Sten, my name is richard gill. I am a two-year resident of hayden island and the vice

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chairperson of the neighborhood association. I am asking each of you to vote in favor of commissioner Adams' resolution. This resolution provides a reasonable period of time to complete a neighborhood plan for hayden island, and find out the probable impact of the columbia river crossing project. I see the purpose of the neighborhood plan is to make sure that any future property development that is allowed by the zoning codes is in balance with the vehicle trip capacity of the roads on hayden island, the onramp to i-5 south, and especially the onramp to i-5 north. I am concerned about two property development projects currently being considered. The project for the thunderbird inn site is estimated to generate an additional 10,000 to 13,000 vehicle trips per day. I do not know if our roads have the capacity to absorb this increase. However, I do know the gridlock that is created by the increased number of vehicles on hayden island during the month of december and whenever the powerball jackpot is more than \$150 million. [laughter]

Adams: Powerball jackpot congestion. Christmas.

Gill: The project for the jantzen beach super center site at first glance appears to eliminate what is essentially a park and ride lot that the residents of hayden island including myself and Washington use when taking tri-met bus routes number 6. Bus 6 is the only mass transit option on hayden island. It is my opinion that each of these property development projects at this time will have a negative transportation impact to hayden island in the columbia river crossing project. Please vote in favor of commissioner Adams' resolution. Thank you.

Adams: I really appreciate your comments. I think just also expand since you mentioned transit opportunities as part of the analysis of the next leg of light rail going from somewhere in the center city through south waterfront over a new bridge potentially to milwaukie, I have put as part of that analysis getting the light rail to also extend from expo center over to hayden island and the opportunity to plan that, as part of the neighborhood plan, I think would be a great opportunity lost if we don't pursue it now. I appreciate your comments and, eugene, the president of the neighborhood, is I guess unable to be here today but he's been active in all the meetings and I wanted to take an opportunity to thank him and both you for your leadership.

Walter Valenta, Columbia River Crossing Task Force: Hi. I'm walter valenta. I am the citizen representative on this columbia river crossing task force. I represent this area. I live in bridgeton. I care deeply about this area and I have tracked it. I have been on the eight years of study. We're very close to the end. It's amazing actually to finish a long project and to be this close, and to all of a sudden have what feels like the rug pulled out on a vision that's pretty tremendous. So we have been talking about what we don't want now but I want to talk about what the future could really be if we do this. And even though we haven't officially selected an alternative we have been on this long enough to kind of have an understanding of where this is going. And I am going to share what I think this could end up being like and why this is an important vision to vote for, not just something that we are going to stop. The bridges have been around for about a hundred years. And it's probably time to retire them. The more that we study them, the likely option is that they are going to go away in their entirety. And then a new bridge that's built is going to not lift up couple times a day and stop the traffic. So let's imagine what that bridge would be like. As you come off the mainland of marine drive, you cross over the north Portland harbor, then instead of dipping down, you are going to start to keep going up because you have to get up pretty high. So now the freeway, instead of chopping the island in two, you can drive underneath it. You can connect up the two sides. So instead of going around, you get to go through and there can be more ways through. Then as it heads off and hits the shoreline of hayden island, it's up high enough that it's almost majestic. And underneath this bridge is a space. That could connect to the river, that can put a public access to this river that we've never had on the island, and then it goes up over the river, barge traffic can go freely, ship traffic, then on the vancouver side, it goes over the railroad berm, not under, which it does now, and it is transforming the vancouver side as well. Now, as part of the bridge crossing, we have added some things that are more than required by the environmental

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impact statement. They make you take into account the negative impacts. But as a criteria for the evaluation of this bridge, we've insisted on measuring the positive impacts, the positive land use benefits of this. [cell phone ringing] not only that we made a criteria we get to judge this bridge on what it looks like. And its esthetics which you would think would be an easy thing to do but actually sometimes people think that shouldn't even be any part of it. The last bridge lasted a hundred years. This new bridge could be several hundred years of bridge. The path is literally where these new proposals are going. It's not maybe kind of going to go there. It's likely to go there. The light rail station that we want to plan would be in the back door of loading docks on these proposals. The proposals that we want to take a time out for are not good. They really are. They are nothing to be prideful of. They are nothing to feel proud about. But this vision we are trying to do is something we could be proud of. And it is something to vote for. So that's what we are really doing is voting for the time to plan this. Will there be shopping on the island?

Absolutely. These properties that are impact would be more valuable at end of this process, not less valuable. And this will be an island that we can all feel proud for. So I hope that we can unanimously support this time-out to plan the future for hayden island. Thank you.

Adams: There was a time in the city when south waterfront was basically to be tilt up, cement wall, warehousing kind of stuff. And the abandoned rail yard and behind the train station, well, we didn't know what to do with it. We had a horse barn there for the police bureau. So I think we've shown ourselves just like you said, that we can plan great neighborhoods that include density and amenities and make more money for the developers than they would have necessarily on their own. And this particular case, we have got folks associated with these developments that are not as familiar with sort of the Portland way of achieving even greater value for their properties than they might even know. I appreciate your testimony.

*****: Thank you.

Adams: I'm done.

Potter: Karla, do you have the signup sheet?

Moore: We do. We have 21 people signed up.

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

Everett Roberts: I am everett roberts. I am a 34-year resident of hayden island. I am surprised that I have not heard any testimony from the port of Portland or the port of vancouver on this supposed -- well, it's going to happen on the gridlock, a traffic gridlock. The port of Portland and vancouver survive on getting their cargo out. If we gridlock this i-5 any more, those things, those entities will not be able to operate efficiently. We need, we need another bridge. Besides i-5 bridge, we need another bridge to get the traffic on i-5 going so those ports can make a profit. Take a look at port of los angeles and what's happened there. Trucks sit for hours and hours idling and that's not, that's not economically good. Thank you. Everett roberts, hayden island.

Adams: I just wanted for the record to note that the both the ports of vancouver and Portland are part of represented on the columbia river crossing and on j-pac, both of which organizations, bodies, supported this without opposition. Thank you.

Timme Helzer: Good afternoon, mayor Potter and Portland city council members. My name is timme helzler, a hayden island resident and local business owner at 187 n. Hayden bay Portland. I am here to speak in favor of the proposed resolution of commissioner Adams to start the clock for a temporary moratorium on all new commercial developments on hayden island. During my research as chair of hayden island's comprehensive neighborhood plan committee but long before the latest plans to include wal-mart, costco, and the jantzen beach mall additions, my findings revealed the existence of four separate transportation needs that, when taken together, are raising great concerns about the current and future transportation capacities of the island. All have one thing in common. They are considered separate projects but will be coming together soon as the unintended but perfect storm of transportation planning heading directly for disaster on hayden island. These

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situations are only outlined here but are detailed in my written testimony to council this afternoon. They include the following. Number one, the i-5 widening project from columbia boulevard to the delta park area and the new i-5 connection between Oregon and Washington. Number two, rail freight transport switching yard and container storage compound on west hayden island currently planned by the city of Portland to support the port of Portland's future terminal six expansion. Number three, extension of the metropolitan area express, better known as max, light rail mass transit system to hayden island and vancouver, and number four, the city's current zoning regulations and building codes impacting local transportation -- conditions on hayden island. These are four specific but diverse examples of the kinds of projects and conditions that are coming together in a perfect transportation planning storm that will lead to a disaster within the current crumbling transportation infrastructure of the island. I predict this storm will result in a significant reduction of public safety, accessibility, economic viability, environmental protection, quality of life, and property values on one of Portland's most valued and attractive assets, hayden island. All of these transportation challenges have been well known long before now, the approved luxury condo, the incongruous restaurant developments and the most recent proposed plans for a wal-mart, costco and jantzen beach mall additions. Any one of these four previously cited planned transportation projects will significantly impact all aspects of life, work and the environment and infrastructure on hayden island. I recommend strongly that you consider starting the clock so that this moratorium can go forward. Thank you.

Charles A. Kuffner Jr.: Mr. Mayor, members of the council, my name is charles a kuffner jr., and I have been living on hayden island since 1999. I want to give you just one man's experience of living on the island. The past two years I have been walking my grandson every single place I can find on the island as a baby-sitting tool and to put him to bed early. I must tell you that the inconsistencies with respect to crosswalks and sidewalks put us at risk 50% or more of the time that we're walking. I have to walk in the street with this baby. And when you mix the combination of traffic from Oregon and traffic from Washington, you have two different attitudes with respect to whether or not a pedestrian has the right of way. [laughter] it is a challenge to cross the street given with the traffic as we have it right now. I hate to envision what it's going to be like when I walk my next set of grandchildren on the island if the proposal is not approved. Lastly, I give you a current example of what can happen with respect to the health, safety, and welfare of the island residents currently. There was an accident at the 205 overpass. It was shut down and as a result, the traffic was stopped north and south on i-5. If there was a major incident on hayden island, or even a minor incident involving a coordinated effort by the police, the fire, and the ambulance services, I doubt very much whether or not the one fire station with e.m.t.'s on hayden island would have been able to get any support to deal with the problem and then superimpose on that the inability of the police to get there and the ambulance to get there, and you have a serious problem with the health, safety, and welfare of the community generally. Thank you very much.

Potter: Thank you, folks.

Craig Beck: My wife and I have been residents of Hayden island since 1999. We attended the meeting last week on hayden island and our belief is renewed in government and interfacing with commissioner Adams and his opinions and we are disappointed that mayor potter, you couldn't attend and the other commissioners could not attend because there were hundreds and hundreds of people there that couldn't come to this meeting that are in support of a resolution where they are asking for help. What my wife and I move to do island to buy our dream home over hayden bay. We moved from lake oswego, clackamas county, thinking that Multnomah county would be at least as good at planning as clackamas county was. What we discovered that for most appearances Multnomah county doesn't care about the issues surrounding hayden island. And for that honor we are paying taxes about three times what we paid in lake oswego. What I am here to say I am not anti-wal-mart and not anti-business. We've been shareholders of wal-mart for many years. What

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we are here to say for the six years we have been on the island there's been a noticeable degradation of all issues surrounding livability, traffic, transient crime and noise pollution and speaking of noise pollution which goes in surround the developmental issues, it's a local joke that if you have lived on the island long enough you would either lost your hearing or headed that direction. So I invite to you spend 24 hours on the island. The air pollution from both auto traffic has increased so dramatically you can tell just cleaning your property and getting the gray scum off your property on a weekly basis. And on top of these blessings the i-5 traffic and the bridge issues of which "the Oregonian" stated at one time had an accident rate of about 1.5 accidents per day, seems to be increasing on a regular basis. Hayden island was once a beautiful place and environmentally positive place. And it should be returned to that state so it's a showcase of Portland, not an eye sore that it is headed in that direction now. I am they're support the resolutions at the table and hope that you do as well. Thank you.

Charles Nitchie: I'm charles nitchie. I live in a floating home on hayden island. I am here to support the plan of commissioner Adams and I want to add my support, along with those people in the moorage that I live with. There are many of us here today, and we're most concerned with the traffic situation. The bridge project at this time needs to be approved but I think more important, the planning must be correct. And that is my greatest concern, having moved here several years ago and having lived in the east. There's a little project going on in boston, which isn't working out very well. [laughter] that \$2 billion which I believe is exactly what we're talking about on columbia crossing, has been increased over time. Substantially. And we as taxpayers pay that. And there is my concern. If I can get one thing across, I would want to say, we would need to get good planning to this. Let me give you one small example I came across today. We took the max in. Loved it. Got on delta park, zoomed in. But walked up and down the walkway there. In the front row there was one car from Oregon. Guess where the others came from? All were Washington. And if we go and extend on to even hayden island, that's going to create even a bigger parking lot if that's as far as it goes. We need to go all the way. That's my point. We need to have good planning and we need to have it started and I don't even know how you could possibly do it in 45 days. It's finally that people have woken up and hayden island needs help. We're asking you folks to help us. Thank you.

Adams: Thank you, skip, I appreciate your comments. I apologize if I wasn't clear that 45-day notice is simply the statutory requirement. We can't take an action before 45 days. The actual neighborhood plan would probably take between six and over 18 and 24 months.

Nitchie: I recognize that. My concern was that 45 days, we don't show up -- and this comes to a halt.

Adams: I understand. Appreciate your comments.

Roger Staver: Roger staver, 11638 island cove lane in a floating home community. To start with, we had a number of folks that signed up to come to the meeting yesterday, but unfortunately, with the change, some of them were not able to arrive. If you would like this there are 17 names on here. I will leave it when I am done. I have 38 years back ground in commercial real estate and in development. I was real estate director for plaid pantry for seven years, general manager of the operations for united grocers for eight years. In spite of that background I am here to speak in favor of the proposal you have in front of you today. The i-5 problems that you have heard about today are bad enough. But the problems that exist on the island, both as a result of island traffic and the result of the i-5 situation are really what concerns us. Access and egress to and from the island is a major issue. We have no medical facilities on the island whatsoever. Anybody that requires medical care has to obtain that medical care by leaving the island and going one, to one of the local hospitals or to a clinic. If we have an event that causes a traffic problem, and even on a normal day, the ability to obtain immediate medical care is impaired as it is now. And without attention, without the opportunity to review the situation and address the need for this kind of situation to be

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resolved, it's going to continue and get worse with further development. If we have a major event on the island, a fire, an accident of some kind, automobile, explosion, or whatever, and we require response as well as transportation, there very possibly could be lives lost as a result of the traffic situation, both on the island and on i-5. You've heard already and will hear many more reasons, compelling reasons to support the proposal you see in front of you. Please let the safety, the health and the well-being of thousands of people that come to the island every day be one of the reasons you approve this proposal. Thank you.

Adams: Thank you, folks.

Potter: Thanks for being here, folks. When you speak, state your name for the record and you each have three minutes.

Ken Douglass: My name is ken douglass. I am a hayden island resident in a floating home community there. I've heard a lot of talk about -- I took the day off to come down here to offer my support for the -- I think it's a two-year moratorium that's being suggested.

Adams: Oregon law doesn't allow us to go beyond two years. Told is just notice of --

Douglass: Oh. I've heard a lot of talk about traffic problems that may show up with a wal-mart or other development. But I think the development is already gone too far. We should have been planning a while ago. They're already two very large condo developments that are, look like they are almost finished and we haven't seen the traffic from those yet. And I haven't heard that mentioned. Thanks.

Kathrine Whaly: My name is kathrine whaly. And I am also a resident of a floating home community on the island. And I don't want to really reiterate a lot of what's been said here except to say I am in support of your proposal and I am really pleased that attention is being drawn to planning for the island. And just to state that we are in a unique situation, being an island. The more I think about the planning that hasn't been done and the gridlock that we face every day, i'm really glad I can just hop on to my little outrigger canoe and maybe get off the island if I need to. Because I don't feel confident that our roadways are adequate in any kind of problem. So that's all I wanted to say. Thank you.

Patty Marcellus: My name is patty marcellus. I have been a resident at hayden island for 10 at 11 years. Two years ago I experienced the gridlock where somebody was attempting to jump off the i-5 bridge. Police came. They had to take, go around all of us, wasn't -- the red lights were not even on yet and they had to take the -- the walkway up to safeway and go that way. We're a mess. It's just gotten worse and worse over the 11 years. We have had two major boat fires there in the past four years. We have been lucky they have been in early morning hours. People, emergency vehicles have been able to get on and off. If it was in the middle of gridlock, again, what would we do? I have often prayed that if I ever have a heart attack do not have it between four 4:00 and 7:00. Nobody can get there to save me. So thanks. I feel like we've just kind of been a patch work quilt throughout but now we are opening your eyes. Please help us. Thank you.

Potter: Thank you, folks.

Potter: Hi, folks. You probably heard previously but please state your name when you testify. You each have three minutes.

Lee Lancaster: My name is lee lancaster. Resident of southeast Portland. I am a member of the board of the sustainable business network of Portland. We are an organization that has over 300 members and one of our main activity is advocating for locally owned businesses. One of the other activities we do is to advocate for community. Because the relationship between business and our community is crucial. And determines to a large extent the character of the communities we live in. So I obviously want to speak in favor of the resolution. It's important to have a moratorium because it's important to have planning. It's important to have an open discussion of the values that we want to apply in creating a project of this scale and what kind of infrastructure we wanted to have and what kind of economic activities we want to have. There's a lot to be said about the

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choices between national chain, big boxes, and smaller, local businesses. We don't need to talk about that today. But we need to talk about that in the future. And that's why I definitely support the resolution. And I feel like it's important that local businesses have a place at the table for those discussions. Thank you very much.

Margaret W. Johnson: I'm Margaret Johnson. I lived on the island in a houseboat for 15 years. There's just a couple of public policy issues I wanted to draw your attention. One, Portland, the city of Portland and metro have adopted, embraced a policy of high density housing. We on Hayden Island meet that policy objective by providing about 2500 homes for about 2500 people on a very small space. We're a highly dense area. In addition, we live in a place where a lot of other people wouldn't care to build, which includes being directly under the port of Portland's PDX's flight path. Within strong hearing distance of day and night trains on the Burlington Northern track. We are bisected by I-5. You have heard lots about our transportation issues. And my own case and others at Jantzen Beach moorage, we are within 100 yards of a bustling shipyard and the Ross Island sand and gravel operation and in the summer we have the Portland International Raceway. So we have a high degree of ambient noise, shall I say. So I do want to bring to your attention that we provide dense housing, and a questionably residential area and I support high density housing but if we are going to ask people to live densely, I believe the city and we all have an obligation to make those areas more livable, not less livable. The second issue I wanted to bring up and Mr. Adams has touched on it a couple of times, but the city of Portland over the last 15 years has spent a lot of time discussing moving the I-5 freeway along the I-5 -- or along the east bank of the city of our heart, river, Willamette Riverfront. And we have spent \$30 million on an east bank esplanade. We have sent money on South Downtown Waterfront. We have spent money on this river renaissance plan. The Willamette River has taken a lot of our attention. But I'm concerned that we haven't learned very much, if we're continuing a planning that includes serious big box, nonwater dependent uses on other waterfront land and Hayden Island, if the Willamette River is the heart of Portland, I would propose to you that Hayden Island is its front door and we owe it as much attention and we owe it learning from our mistakes from the past. Thank you very much and I ask for your support of this resolution.

Mary Byer: My name is Mary Byer. I am a resident of Hayden Island. I-5 is not only a major freeway but it is the gateway to Oregon and Hayden Island is a visitor's first peek at our state. Allowing this construction to go forward would send some clear statements to residents and visitors by the city of Portland such as, we don't care that it took you an hour to get the last seven miles to enter our city. And we don't care what your first impression was of our city when you finally got here. Or that we don't care that there could be a major fire in your neighborhood, perhaps caused by a camper in a parking lot or that someone is severely injured, maybe in a traffic accident due to an overly congested street and the emergency vehicles couldn't make it to the scene in time because of the traffic problems we refuse to acknowledge. Do we want to send these messages? Instead should we recognize the uniqueness of having an island in a beautiful river and make it the jeweled stepping stone from one state to the next that it should be? Approving this development is making the conscious decision to hamper traffic in and out of the state, jeopardize commerce, potentially delay life saving emergency vehicles, and making the first view our visitors will have of a big box retailer whose headquarters in this case are not even in the state of Oregon. I know a big retailer may be convenient for some who live on the island. However, this decision cannot be made for the benefit of a few people, a few associations, a few businesses, or even just for Hayden Island Jantzen Beach. We must also recognize the impact that it will have on our immediate neighbors to the south in Portland and Vancouver to the I-5 corridor, and a long term effect it will have on the direction we want to take with this island. We ask that you approve this delay in support of our plans to have a firm development of the island, to set standards for landscaping of businesses that already exist, to address the shifting land fill and not force upon us a development which will benefit a few in

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comparison to the thousands who will feel the ill effects of a poorly planned development. Thank you.

Potter: Thank you, folks.

Potter: You each have three minutes.

Jan Hamer: Hi. Honorable mayor Tom Potter and fellow commissioners, I am Jan Hamer, the general manager for Jantzen Beach moorage. We have 300 residents in our floating community and we are one of the owners of one of the major private roads of the island so we are kind of a player here. Traffic flow and traffic jams are already at its limit. Development, redevelopment has been very aggressive in the past five years that I have been on board. Several new redevelopment plans are being proposed currently. Some of which have major negative impact in my opinion on the island, its traffic, and some of the local businesses, because they are designed to replace them. I am here to support our local high noon Hayden Island neighborhood association, which has been working on their own little neighborhood plan for quite a while but we do need your help. And I am here to urge to you support a moratorium on major construction that would have a major impact on the island and its traffic and help us with a good, solid neighborhood plan. Thanks.

Vic Porpuree: Commissioner, mayor, thank you for giving me this opportunity to speak. I own Jantzen Beach 76 station, 12205 N.W. Center and I am also a resident of the moorage. I have the service center there. We have a tow truck that we help keep the island clean of a lot of the breakdowns. We do a lot of the repairs for the people on the island. We are the only ones there. And I am right there on that corner of the intersection and we see many wrecks as it is right now that there's tow trucks that go around the island, around the mall, that tow cars off because of the congestion that we have now of parking. And putting in -- I just feel we should not have any type of commercial construction, anything going on until we find out when light rail is coming through, the bridges are going through in the next 18 to 24 hours is what I have heard that we will probably know. And it just to me it seems ridiculous that we are going to have all this construction coming on at this time with all the confusion we have on the island as it is. Also in the center of the island there's word they are going to be putting a strip mall in there. And if that's not enough to make the congestion even worse, I don't know what is. And I'm involved in that as well. My home is Jantzen Beach. I want to be able to stay there and live there and my business is there and I don't want to lose my business because they want to do more commercial construction. Anyway, I want to thank you very much for giving me this opportunity.

Kent Crayford: Mr. Mayor, commissioners, good afternoon. My name is Kent Crayford. My daughter and wife and I live at 2015 N. Jantzen on a free floating home. We are kind of odd ducks on Hayden Island. We bring down the average age a few years but it's a great community. We love it a lot and want to stay. And to us it's a lot more than just a retail, no tax retail sanctuary for Clark County. It's a great example of the unintended consequences of varying tax structures in adjoining states but that's a whole other conversation. You know me as a business advocate and lobbyist and I am skeptical of any restriction on private property rights or any -- any restriction on the organic economic growth and development. But if ever there were a case for building moratorium in Portland, this is it. Jantzen Beach and the I-5 crossing are like a giant clot in the artery of commerce that is I-5. And it's becoming an increasing problem. It's a problem for our economy. It's a problem for livability on the island and for anybody, like myself who commutes to Portland on I-5, and as the lady pointed out earlier it's becoming a safety problem also in terms of emergency services and everything else. So I urge you to support this moratorium and allow our infrastructure to catch up. Thanks.

Potter: Good afternoon, sir. I think you heard the instructions to the other folks.

Edward Garren: Yes, I do. Thank you, Mayor Potter. It's a pleasure to be here. I want to thank Commissioner Adams for bringing this to the attention. City. I am a recent transplant to Portland. I own a home on Hayden Island. And I have worked in city issues and planning issues for a lot of

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years. I am originally from florida. I have lived in coconut grove in miami. I helped create the art-deco district on the south beach. I helped create the city of west hollywood, which is home to both the sunset strip and the world known santa monica boulevard. I decided to buy a home on hayden island because I see that it is a resort village. It's a small, intimate place. I could have bought a home in a lot of different parts of Portland but I chose hayden island because of the quality of life and the unique situation which it offers. I have a lot of concern that, with lack of planning, that intimate village environment will be irrevocably destroyed. One of the reasons I was drawn to Oregon and to the city of Portland was because of the natural beauty. The commitment to sustainable live styles, ecological responsibility, so I was disappointed to find out that somehow, hayden island has escaped the planning loop for this region. I absolutely support the idea of a moratorium so that hayden island can catch up and I really want the city to consider that this is not just a place with a mobile home park, a shopping center and some floating boxes on moorages. It is possibly the next coconut grove, the next south beach, the next west hollywood. All of which are international tourist destinations which bring a lot of money to those regions. I would hate to see hayden island destroyed. And I hope you will support this moratorium so that we have a chance to do appropriate planning for our unique community. Thank you.

Potter: Thank you. Is that it?

Moore: That's all.

Potter: Any questions from commissioners? Call the vote.

Adams: I want to thank my colleagues on the city council for their consideration of this issue. I want to thank representative hansen who has, for so many years, represented north Portland. I want to thank mayor -- vancouver mayor rosie pollard who could not be here because of -- business and serena cruz who has county business at the same time. I want to apologize to all of you for having to change the original time. I am glad that you were able, those of you in attendance were able to make it and the other folks who emailed in and called in, I appreciate being part of your advocacy for doing the best thing for hayden island and doing the best thing for our trade dependent economy. Special thanks to steve walter, connie, brad, eugene, kirk, paul, john, catherine, pete, and again my staff for what has been a sprint over these past weeks to try to provide ourselves with this opportunity. And I guess I just close before I vote by saying, told it's really about, do we think that these problems are -- raise enough questions that we should spend the time to see what the answers might be, to see what the possibilities really are? And to understand the benefits and the risks associated with the status quo? Aye.

Leonard: I worked on the island for five years at the fire station there. And the concerns raised by residents here today relative to the island at times being unprotected by gridlock is not a perception. It's real. There were a number of occasions that I just sitting here recall large fires on the island where the heroic crew of station 17 was by themselves, not to mention the car accidents that cause gridlock both ways where we have people who need life saving transport to a hospital that can't get it because of the gridlock. So that's a real -- that's a very real issue. And more so there than any other part of the city. And I worked all over the city in various places and that was a true public safety issue there. I hope the council, and I am going to digress directly off this for a second -- recognizes what I did, listening to this today and that is, the impact that allowing this kind of mixture of residential, commercial, and the other kinds of activities that occur there have on the quality of life for folks. We're dealing with another issue in another part of downtown, the -- that relates to a commercial industrial development as to whether or not to allow housing there. And the concerns raised by the residents here helps me kind of sort through those issues, if we were to allow housing right next to a railroad track and heavy industrial area. I think that could be unpleasant in the future in that development as well. Somebody said that half of the island is a resort village. Actually a quarter of the island is a resort village. A quarter of the island is affordable housing. And very commercialized and not the highest developed commercial properties that I have ever

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seen. The other half is an undeveloped natural setting that I have long hoped could be included in a look at, such as we are going to do here, into uses beyond just what the port of Portland has envisioned for it. I have long felt, in fact, years ago I wrote an "in my opinion" piece that was published in "the Oregonian" about that one-half of the island undeveloped and encouraging it be made a state park or something similar to that versus the uses the port of Portland had. I hope we have an opportunity at this point that we are taking this much needed breath and pause on hayden island to look at that other half and engage in a conversation with the port of Portland. I know commissioner Adams will do that. About what other potential uses might exist that are the highest and best use of all of the property on hayden island. So I appreciate the work commissioner Adams has done on this. It is timely. In fact, it's probably way past due. And I am pleased to vote aye.

Sten: Well, I also want to thank commissioner Adams. This is an extraordinary piece of work to bring this before us. I greatly appreciate it. It is creative and thoughtful and exactly what needs to happen. It was a little theoretical before I listened to you so I thank you for taking the time to explain it to me. You can look at map and see it's gridlock. I certainly go out to hayden island for various things and you can see it's a problem but you really I think laid out why this community would be justified in taking a breath because these are things you have to take very, very seriously and we have a great city and we want a great economy and we want to have business here and we want to make sure that we are not standing in the way of development that needs to happen. But I think what you have pointed out today is the people who are living it every day, there is both public safety problem and as the commissioner who has the honor of being your fire commissioner, I have looked at this I think it is a real issue in terms of response and that alone would justify taking steps. I think it's a very, very special place and it could become more special or could become ruined. That's hard felt reason enough to do this but I think we have transportation and public safety and other issues that really make it obvious to me listening to you all here today that we need to take this next step towards getting the area planned properly before more development takes part. I thank commissioner Adams and his team and all of you and vote aye.

Potter: I want to thank commissioner Adams for your leadership on this. It's been excellent. And I also want to thank everybody here that came to testify today and to watch the testimony. A lot of you mention the issue of good planning. And as the commissioner of the planning bureau, this is where I have a concern. Is that we have many developments throughout our city that are in different stages of planning. And my concern is that by the implementation of planning process on hayden island, that it will impact other parts of Portland. Having said that, I think you folks have presented a very compelling argument. So I am going to vote yes today, but I am going to work very hard over the next few months to make sure that we have the resources to do this right. I don't want us to build a boston tunnel, as one of the folks alluded to. I want to make sure it's done right, that we do not deprive other parts of Portland, and some of them are in as strong a need of good planning and good neighborhood plans as hayden island. I want to make sure that we keep our commitments to those communities. And that we build our commitment to you folks through long neglect on the part of the city of Portland, that we haven't moved any faster than this. So I am going to vote yes, and over the next couple of months, make sure that, working with commissioner Adams and the other city commissioners to ensure that we have got the kind of planning resources and expertise necessary to do this thing right. So I really appreciate all of you coming in. Thank you. [applause] aye. [gavel pounded] we are adjourned.

At 4:32 p.m., Council adjourned.