



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **19TH DAY OF JULY, 2006** AT 9:30 A.M.

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

Commissioner Adams was excused to arrive at 9:40 a.m.

Commissioner Saltzman was excused to arrive at 10:46 a.m.

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

On a Y-4 roll call, the Consent Agenda was adopted.

COMMUNICATIONS		Disposition:
968	Request of Bruce Broussard to address Council regarding Portland schools and the City budget (Communication)	PLACED ON FILE
969	Request of Pavel Goberman to address Council regarding the announcement of his candidacy for U.S. Senate and an article in the Oregonian (Communication)	PLACED ON FILE
970	Request of Paul Phillips to address Council regarding court (Communication)	PLACED ON FILE
971	Request of Norman Alfred Santana to address Council regarding impeachment proceedings of the President of the United States (Communication)	PLACED ON FILE
TIME CERTAINS		
972	TIME CERTAIN: 9:30 AM – Appoint Charles A. Wilhoite to the Portland Development Commission for a term to expire June 30, 2009 (Report introduced by Mayor Potter) Motion to accept the Report: Moved by Commissioner Adams and seconded by Commissioner Sten. (Y-4)	CONFIRMED

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<p>973 TIME CERTAIN: 10:15 AM – Accept the Green Streets Cross Bureau Team report endorsing the progress being made in Phase 1 and Phase 2 of the Greenstreets Program effort (Report introduced by Commissioner Adams)</p> <p>Motion to accept the Report: Moved by Commissioner Leonard and seconded by Commissioner Adams.</p> <p>(Y-4)</p>	<p align="center">ACCEPTED</p>
<p>974 TIME CERTAIN: 10:45 AM – Authorize two agreements with MetroFi, Inc. to utilize the City right of way and facilities and to provide the goods and services required to implement a citywide broadband high-speed wireless communication system (Ordinance introduced by Mayor Potter)</p>	<p align="center">PASSED TO SECOND READING JULY 26, 2006 AT 9:30 AM</p>
<p>975 Accept proposal of MetroFi, Inc. to provide WiFi services for the City (Purchasing Report introduced by Mayor Potter– RFP No. 104112)</p> <p>Motion to accept the Report: Moved by commissioner Saltzman and seconded by Commissioner Adams.</p> <p>(Y-5)</p>	<p align="center">ACCEPTED PREPARE CONTRACT</p>
<p>976 Create the City of Portland Digital Opportunity Program to increase opportunities for low-income and underserved residents to improve their lives through the use of technology and Internet access in conjunction with the Unwire Portland wireless project (Resolution introduced by Mayor Potter and Commissioners Saltzman and Sten)</p> <p>(Y-5)</p>	<p align="center">36428</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p> <p align="center">Mayor Tom Potter</p> <p align="center">Office of Management and Finance</p> <p>*977 Authorize an Intergovernmental Agreement between the City of Portland, Charter Review Commission and Portland State University to co-host a community forum on the public administration aspects of the Charter Review project (Ordinance)</p> <p>(Y-4)</p>	
<p align="center">Office of Management and Finance – Revenue Bureau</p> <p>*978 Approve Intergovernmental Agreement with the City of Fairview to jointly contract for vehicle towing, storage and dispatch (Ordinance)</p> <p>(Y-4)</p>	<p align="center">180317</p>
<p>*979 Amend Intergovernmental Agreement with Multnomah County by \$180,000 and extend termination date to June 30, 2008 to provide administration of eligibility verification for the Water/Sewer Bill Discount and Crisis Assistance Program (Ordinance; amend Contract No. 35389)</p> <p>(Y-4)</p>	<p align="center">180318</p>
<p align="center">Office of Neighborhood Involvement</p>	

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<p>*980 Amend a grant with the Youth Employment Institute for additional funds and extend the contract for graffiti abatement services through FY 2006-2007 (Ordinance; amend Contract No. 36229)</p> <p>(Y-4)</p>	<p align="center">180320</p>
<p align="center">Police Bureau</p>	
<p>*981 Apply for a \$30,000 grant from Oregon Department of Transportation for highway Work Zone Enforcement Program (Ordinance)</p> <p>(Y-4)</p>	<p align="center">180321</p>
<p align="center">Commissioner Sam Adams</p>	
<p align="center">Bureau of Environmental Services</p>	
<p>*982 Authorize the Bureau of Environmental Services to acquire certain temporary easements necessary for construction of the East Side Combined Sewer Overflow Tunnel Project through the exercise of the City Eminent Domain Authority, Outfall 37-2, Project No. 7594 (Ordinance)</p> <p>(Y-4)</p>	<p align="center">180322</p>
<p>983 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 (Second Reading Agenda 943)</p> <p>(Y-4)</p>	<p align="center">180323</p>
<p align="center">Office of Transportation</p>	
<p>984 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 (Second Reading Agenda 952)</p> <p>(Y-4)</p>	<p align="center">180324</p>
<p align="center">Commissioner Dan Saltzman</p>	
<p align="center">Office of Sustainable Development</p>	
<p>985 Amend contract with Quantec, LLC to provide additional monitoring and verification of building projects receiving Green Investment Fund grants (Second Reading Agenda 956; amend Contract No. 36398)</p> <p>(Y-4)</p>	<p align="center">180325</p>
<p align="center">Parks and Recreation</p>	
<p>986 Accept an \$85,104 Land & Water Conservation Fund Grant from Oregon Parks & Recreation to rehabilitate the sport fields and playground in Fernhill Park (Second Reading Agenda 957)</p> <p>(Y-4)</p>	<p align="center">180326</p>
<p align="center">REGULAR AGENDA</p>	

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987 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 (Second Reading Agenda 940 introduced by Mayor Potter and Commissioner Sten) (Y-5)	180327 AS AMENDED
Mayor Tom Potter Office of Management and Finance – Bond Counsel 988 Authorize water revenue bonds to finance water system additions and improvements and refund outstanding water revenue bonds (Second Reading Agenda 960) (Y-5)	180328
Office of Management and Finance – Human Resources *989 Adjust three pay ranges in the pay plan for Nonrepresented classifications (Ordinance) (Y-5)	180329
Office of Management and Finance – Purchasing 990 Update Purchasing Code to conform to new state law and make technical corrections (Ordinance; replace Code Chapters 5.33 and 5.34) Motion to accept amendment to correct Senate Bill 877 to Senate Bill 477 and 2005 should be 2006: Moved by Commissioner Saltzman and seconded by Commissioner Adams. (Y-5)	PASSED TO SECOND READING AS AMENDED JULY 26, 2006 AT 9:30 AM
Commissioner Sam Adams Bureau of Environmental Services 991 Authorize change in the Oregon Department of Environmental Quality Clean Water State Revolving Fund loan number R74165 to reflect twenty-year term begins on the date of first payment and increase loan amount (Ordinance; amend Ordinance No. 177898)	PASSED TO SECOND READING JULY 26, 2006 AT 9:30 AM
Commissioner Randy Leonard Bureau of Development Services 992 Revise building regulations to incorporate editorial changes, repeal outdated provisions and address conflicts with state or federal law (Second Reading Agenda 962; 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) (Y-5)	180330

At 12:36 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **19TH DAY OF JULY, 2006** AT 2:00 P.M.

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

Commissioner Sten arrived at 6:12 p.m.

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

***NOTE CHANGE IN LOCATION: to be held in the
Portland Building, 1120 SW 5th Ave, 2nd Floor Auditorium***

993 Accept Planning Commission recommendations and provide the Planning
Bureau policy direction regarding the future land uses of the Linnton
waterfront area and other implementation actions to be considered
through a follow-up legislative process (Report introduced by Mayor
Potter)

Disposition:

**CONTINUED TO
AUGUST 24, 2006
AT 2:00 PM
TIME CERTAIN**

At 10:18 p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

By Karla Moore-Love
Clerk of the Council

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

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

JULY 19, 2006 9:30 AM

Potter: --from the university of ulsan, korea, our sister city, along with three e.s.l. teachers and one p.s.u. program administrator. The students will be in Portland for one month, taking classes in american cultural themes and speaking and listening in english. They live with american families for part of this day and also on campus. So if that group would please stand -- could you please stand, from ulsan? [applause] well, thank you for being here. You can sit down, I guess. The next part has to do with our question that we ask each week of our community, and the question is this, is "how are the children?" The reason we ask that question is we know that when our children are well, our community is well, and many parts of our -- the world, we have, when adults pass each other, they greet each other by saying, "how are the children?" And that -- we want to continue to ask that question here, and we have experts come to us each week to talk about issues around young people, and today we have fiona graham. Fiona, could you come up, please? Fiona's in the eighth grade at gray middle school, and she's also involved with the n.a.y.a. family center -- n.a.y.a. is for "native american youth and family" -- in that they've been serving native american and alaskan natives here in the Portland metropolitan area since 1994, and they -- their mission is to enhance the diverse strength of the youth and families in partnership with the community through cultural identity and education, and they serve over 1,200 youths and their families from 300 tribal backgrounds annually. So, fiona, thank you for being here.

Fiona Graham: You're welcome.

Potter: As a matter of fact, don't you also dance, because I remember seeing you at some of the dances.

Graham: I danced at your inauguration, yeah.

Potter: Some of the native american dances. Well, thank you for being here, and what would you like us to know?

Graham: I'd like to voice my concerns about the commute to school. I'm the Oregon state road-racing champion, time-trial champion, and criterium champion, and hill-climbing champion. I had to think about that, i'm sorry, but -- on the bike, and I can't even ride my bike to school because my mom won't let me; she thinks it's dangerous, which it is, because I have to cross beaverton hills to the highway to get to robert gray, and the drivers have -- don't look for you, even if you look for them, and they come out of nowhere. I may be going 20, but they're going 60.

Potter: Have you brought that to anybody's attention besides your mom?

Graham: Um, I voiced my opinions to my old principal, mrs. Poinsett, but...

Potter: Well, I will -- it just so happens that the commissioner in charge of transportation isn't here this morning, sam Adams, but i'll pass that along to him when he gets here. Are there any issues with your school that you'd like to talk about?

Graham: Um, my school's actually great. I love gray. Um...we have a new principal this year, so I don't know what he's like. The only problem with my school is actually getting there.

Potter: [laughter] I don't think I can top that one, so... Well, um, thank you for your remarks, fiona. Would you perhaps come back and -- i've seen you do some of the tribal dances, would you perhaps come back and do a tribal dance for us sometime with some of your fellow dance people?

Graham: Sure, no problem.

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Potter: I would like that very much. So thank you for being here, and could we give her a hand for being here? Thank you. [applause] city council come to order. Karla, please call the roll.
[roll taken]

Potter: Here. Before we begin the communications, I want to remind people that recently the city council passed new lobbying regulations. I would 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. Please read the first communications.

Item 968.

Bruce Broussard: Mr. Mayor, council, bruce broussard. Today i'd like to recognize a couple of people that i'm sure you're both familiar with, juan helene -- remember helene, who just passed away?

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

Broussard: And I think the mayor was at the -- his dedication at knott street center, and got that situation squared away, and I think that's a very interesting -- that was a good piece. And then there's jimmy "bang-bang" walker, remember him?

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

Broussard: Well, remember, he had the miss teen at one point in time, remember that one? Miss tee-- I mean, miss tan u.s.a., meaning that he was trying to get young people involved in this competition, if you will, and i'm here to announce today that miss kelsey ray flowers was the first african-american that's going to be representing Oregon, if you will. In the last 53 years, miss Oregon teen, there's never been an african-american. She's going to be going to palm springs, california, august 15th, 2006, to compete nationwide. I'm really excited about this, and she just happens to be from benson high school. She's a junior at benson high school, and I thought she'd be with me today, her and her mother, however they had another commitment, and hopefully I won't be here next week, but hopefully she will be able to come and meet the council because I think it's -- we should give her a good sendoff, if you will, to generate some enthusiasm along that particular line, so I want to recognize that, and, again, jimmy "bang-bang" walker, as you know, started this first thing, and then on the fighting part, he was a plugger too, and hopefully, maybe the p.a.l. group might maybe -- maybe an idea, if you will, to get the p.a.l. group to maybe look into the possibility of putting together a boxing kind of a deal that -- regurgitate this thing, or put it back in place, if you will, because I think it would be good. Because I notice that you just put -- mr. Canada just picked this job for a gang aspect of it, and I think that would be an excellent opportunity, if you will, to get some of those young people involved in the process. Now, that's about -- that's basically my main piece, but then the other pieces, i've got copies of renee mitchell's articles in the Oregonian today. It looks like we're going to be moving on, if you will, on the whole issue of the custodial issue aspect of it, and I think if the Oregonian would take the lead, we might be able to resolve some of these issues. Thank you very much. Have a good day.

Potter: Thanks, bruce. Please read the next.

Item 969.

Potter: Sir, when you speak, could you please state your name for the record, and you have three minutes.

Pavel Goberman: Hello, my name is pavel goberman, I live in beaverton. Thank you for giving me the opportunity to talk. My request to remove business license from the Oregonian. First, I would like to announce my candidacy for united states senate in 2008 election again gordon smith. Second, during naturalization, I gave an oath, and it is my obligation to defend the constitution of the u.s.a. and this country. Our nation is in war against terrorists inside and outside of the u.s.a. National security is more important than any other issue. On july 2nd, 2006, the Oregonian was articles show all nuclear arsenals in the united states. How was this, I could not understand, how Oregonian could publish this article, it should be national secret. They publish it. What is idiot in

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the media, Oregonian, stupidity of the management, the publisher of the Oregonian, the media, not only for own monetary interests is in terrorist support in the bribery, corruption of politician, but also create the danger to our national security. So many people also died in Iraq because of the media. The media is an enemy of the public, a cancer of our society, a concern about bribery, corruption, and politicians, therefore, I'm asking council to remove business license from the Oregonian. Also I would like mention about not good place -- tv channel to kat-- channel 2, they did report, they lied in their report against me, they -- media did everything, include Oregonian, tv station, did everything to block my election in primary, 2006. But I don't care. I don't care about junk. Therefore, I work for people, I do my best for this country. Do you have any question? Good, thank you.

Potter: Please read the next item.

Item 970.

Potter: Mr. Philips, you know, state your name for the record, you have three minutes.

Paul Philips: Yes, I'm Paul Philips, and the last few weeks I've been talking about my service animal being attacked, and you should have a copy here from the Multnomah county sheriff's department serving the petition for the restraining order against the respondent, I believe that's the correct term, the other person that was involved. And on the page, if you notice the third line, it says, "exemplary service for safe, livable community." As I've explained, my service animal being attacked February 15th, March 15th, May 10th, and June 29th, four times, and being injured twice. I did contact a Chuck Poepe of Multnomah animal control services, whose name is p-o-e-p-z-e, he's a supervisor, apparently, for Multnomah animal control services, and that was yesterday in a telephone conversation at 12:15 from the Multnomah county courthouse. And I asked him the same question that I asked the mayor the last two weeks, if that was an all-time record, and he said that he didn't know if it was or not. Then I explained to him that I'd asked the mayor, and explained who Tom Potter was and myself, who I was. And then I asked him the question again, and he said, well, it did seem to be a reasonably high incident rate, that was his words, I believe. And they're going to investigate this further. I explained that there was also a videotape of -- of this last dog attack, and a Terri Cassebarth, t-e-r-r-i c-a-s-s-e-b-a-r-t-h, of the Oregon department of state police detective, criminal investigation division, left her card as well as a telephone cell number on the back of it, but she currently has the tape and will be returning it, and I suggested to this Chuck Poepe to obtain the videotape from the housing authority of Portland at the Hamilton West department. And apparently they'll be proceeding on this and I'll be talking further on this case. Is my time up? I guess.

Potter: Just about.

Adams: Mr. Philips?

Philips: Yes.

Adams: You come speak to us almost every council meeting since I've been a city commissioner. What's the purpose of your visits here?

Philips: One is, my dog has been getting injured. And the second is, that was today's concern.

Adams: Do you -- are you aware that issues related to animal help are the Multnomah county board of commissioners and not the Portland city council?

Philips: Yes, I am, and if they'll enforce the laws, which they seem -- officer Russell, that investigator --

Adams: Do you know, Mr. Philips, we don't have jurisdiction over that issue? That talking to us, we are not authorized or empowered to do anything on the issues that you've thus far raised to us, do you know that?

Philips: Uh, well, the city attorney said that the city has contracts for the Multnomah animal control services.

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Adams: We've given our authority for enforcement over to Multnomah county, so do you realize that we don't have jurisdiction over those issues and that when you come here and you speak to us, there is nothing within our powers that we can do with you, are you familiar with that reality?

Philips: No, I -- i'm not.

Adams: Do you -- do you testify before the board of county commissioners? Because I would encourage you -- they meet over in the Multnomah building on thursdays, and if you would speak to them, I think you would feel a lot more satisfied than speaking to us. I mean, we-- we listen to you, and we want to help you, but you're speaking to the wrong jurisdiction. Thursdays, starting, I think, at 9:30, over in the Multnomah building, which is on the other side of the hawthorne bridge, if you spoke to them, you'd actually be speaking to the government that could help you.

Philips: I think I will be talking to them, and i'll leave this card as well.

Adams: Thank you.

Philips: Thank you.

Adams: Thank you, mr. Philips.

Potter: Please read the next communications item.

Item 971.

Potter: Mr. Santana, when you speak, please state your name -- full name -- for the record, and you have three minutes, sir.

Alfred Santana: All right. Norman alfred santana. Uh, among the folks that I -- that I hang out with and work regarding this issue, i'm not the person that can give you all, you know, the laundry list and all the numbers and all the -- and all the facts and relevant information about why we are asking you to take this action... I want to give, like, more of a personal testimonial about, you know, like, how I feel, how my children feel, and about how i'm just absolutely maniacally sick of being ashamed to be an american. And it's -- it's a lot because of the president -- present occupant of the white house, and, you know, there have been times when i've been kind of proud to be a resident of Portland, you know, and some of you guys sitting up there are part of the reason why. And I just want to ask that you would consider acting on the requests of the group that I hang with to make us proud. That's really all, I don't have any other information for you. If you don't have any questions, i'm done.

Leonard: I actually do have one. You do realize that if george bush is impeached, dick cheney becomes president.

Santana: My understanding is that there's two house resolutions, one regarding president bush and one regarding vice president cheney.

Potter: I think you'd -- we probably didn't explain to the audience, what-- what is the purpose of your talk today, I don't know that you raised that at the very beginning. What is your intention? To...

Santana: To petition you to take our petitions to the house of representatives.

Potter: For the purpose of?

Santana: Beginning the proceedings for impeachment.

Potter: We don't -- we don't clap. If you agree with somebody's opinions, you can always raise your hands and shake like that, but otherwise-- thank you for being here, mr. Santana.

Santana: Thank you.

Potter: That's all the communications?

Moore: Yes.

Potter: We'll move to the consent agenda. Do any commissioners wish to pull any items from the consent agenda? Does anybody from the audience wish to pull any items from the consent agenda?

*******:** All of them, mr. Mayor.

Potter: You're out of order. There's a term in robert's rules of orders called a dilatory motion, and it's intended to only cause delay. I think that's the intent of what you're doing, and I overrule your

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action. Please call the -- i've stated my statement. Please sit down or you'll be removed. You'll be removed if you don't sit down. Please, gary, remove this man from the chamber. Please call the vote.

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

Potter: Aye. Please read the 9:30 time certain.

Moore: Please come forward, mr. Wilhoite. Mark. It's my pleasure today to bring before council charles a. Wilhoite, who I wish to appoint to the Portland development commission board. Many of you know mr. Wilhoite from his work as the chair of the charter view commission. He's also served on a number of area boards, including the urban league as the president, the Portland business alliance, Oregon health and science university medical group, jesuit high school, the Oregon children's foundation, and the Portland state university foundation. I am very impressed with mr. Wilhoite's business acumen as well as his deep love for our community. He's demonstrated strong leadership in many areas, and I look forward to working with him closely over the next few years, and I believe his fellow p.d.c. commissioners will appreciate his even hand and integrity. He is the managing director at willamette management associates, a firm specializing in financial consulting, economic analysis, and business evaluation services. Charles, would you like to address the council?

Charles Wilhoite: Yes, thank you very much, mayor Potter. First of all, I want to thank each of you for just considering me for position of commissioner with the Portland development commission. I consider it quite an honor, and I also want to thank each of you for taking time to meet with me in the last several days to give me the opportunity to share with you some of my thoughts regarding the commission and to get, more importantly, some of your thoughts and concerns regarding the current operation of the commission. And just based on the discussions that i've had with each of you, I hope one thing you do take away from our talks is that my educational background, my employment experience, my civic and community involvement render me very capable and worthy of serving in this position. And I do love the city of Portland, i've had numerous opportunities to move over the years, and as I look back, I want to, more importantly, look forward. And I want to contribute to the city of Portland becoming even greater than it is today, and I hope you see me as a beneficial asset that can be added to Portland development commission that does help the city go forward. So thank you very much.

Potter: Chair rosenbaum?

Mark Rosenbaum: I'm mark rosenbaum, chair of Portland development commission. I just wanted to add our strong endorsement of mr. Wilhoite's nomination and to suggest that his service to the community is going to be of great assistance to the council, and also the way in which he operates in terms of working hand in hand with city council in what I would consider to be a partnership basis. And we look forward to having his advice and his knowledge be part of the process and appreciate all the time the commissioners have spent so far meeting with charles. And also, I don't want to speak for commissioners ferran or kadri, but I know they're here in the audience as well and are very supportive of this nomination. We're excited about the potential of having charles join this team.

Potter: Questions from the commissioners?

Adams: I have three. The first -- first off, I want to thank you for considering putting your -- responding to the mayor's request for considering this position, it's a very important position. I met with all of the nominees up to this point and had conversations with them, but I wanted to ask you three questions given the...newspaper focus on the issue of p.d.c. And the Portland city council. Who -- for the record, so, we, I think, covered all these issues in our lunch, but who do you believe sets policy for the city of Portland?

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Wilhoite: Well, clearly, the council and the city of Portland established a strategic direction that they want the city to go in. It's my understanding that p.d.c.'s role is to implement that policy and go forward.

Adams: And, as well, given the only thing constant in this city is change, when you as a p.d.c. Commissioner come up against an issue that it is not clear what policy, if any, the city council has provided, what will you do to seek guidance.

Wilhoite: Well, the obvious route to take is to talk to the commissioners and the council, and it's my understanding we have that opportunity with regard to any and every issue, and that's the best form of management and policy establishment is getting clear direction.

Adams: And then, what do you think the appropriate role of the Portland city council is in considering p.d.c.'s annual budget?

Wilhoite: Well, it's discussed during the charter review process and brought forward. We think there needs to be significant coordination with regard to the budgeting process, and that coordination obviously can be more extensive or less, but the p.d.c. Needs to understand the direction that the council wants the city to go. As far as who actually controls it, I know that's under discussion right now, and i'm open to that discussion to determine what makes the most sense for the city of Portland.

Adams: Thank you.

Potter: Other questions? Karla?

Moore: I didn't have a sign-up sheet, but if anyone would like to testify?

Potter: Anybody like to testify in this matter? Okay. Call the vote.

*******:** Motion to accept the report?

Adams: So moved.

Leonard: Second.

Potter: Call the vote.

Adams: Well, I just think you're an absolutely superb candidate and congratulate the mayor for nominating you, and I look forward to working with you in your role as a p.d.c. commissioner.

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

Leonard: I too think you are an excellent candidate, but I will tell you that I think -- I haven't yet met a person on p.d.c. past or present that I didn't think brought a lot of good intentions to that job. You'll excuse me for taking a moment to explain my position here. When, four years ago, at this time, I was in the middle of my first campaign for the council. And I discovered in what was -- what ended up being the hardest thing I ever did, running for the council -- but most rewarding -- was there was one issue that unified rich and poor, black and white, north Portland and southwest Portland, and that was this underlying understanding that the permitting system that the city had for building permits was dysfunctional, that it was completely broken. Whether you went in to get a permit to fix a light switch, put a deck on the back of your house, or move columbia sportswear on the willamette river, there was one thing that united Portlanders; that they were all treated the same in that process: Poorly. And what struck me after I got elected and was given that assignment when I met -- and I shared the same story with the p.d.c. commissioners recently, Charles, but I think it's instructive into how -- what I view some of the issues to be and some of the solutions to those issues. But what I think impacted me more than anything was the first meeting I had with the managers at the bureau of development services in which they not only said they didn't think they had a problem, they thought the rest of the community misunderstood what they did, and if they could just get out what they did to the community, the criticisms of columbia sportswear moving and residents in getting building permits to remodel their kitchen would be completely understood. They had absolutely no clue, I will tell you, of their role in the problems of permitting. Four years later, that is an agency that has received awards and recognition as one of the most progressive in the united states, but it was hard. A lot of hard things had to happen, including training each

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employee in customer service, having firm management, clear direction, clear goals, and rewarding good behavior but holding accountable bad behavior, which had not been done before. Similarly, at the water bureau a year ago, if either of us wanted a piece of information from the water bureau, a routine course of action was to fill out a freedom of information request form, whether it was for a - for a random e-mail, a public document, and that bred suspicion. And the water bureau folks just did not understand. They don't do that anymore. They -- if you ask for information and it's available, you get that. And if they come across something that's related to that, they give you that too. I think that's kind of instructive for what the Portland development commission needs. They need to be managed in a way that first recognizes there's a problem because a lot of, I think, correcting issues is having folks recognizing first there's a problem, and i'm not convinced we're at that place yet. Second, I think it -- some would call this micromanaging, I would actually call it managing. You and I talked about this. I do not think that it's wrong to ask questions of managers, or managers beneath managers, about important projects. As, I will point out, mark rosenbaum has done as of late. In my view, mark rosenbaum has been the first glimmer of light i've seen from the agency since i've been here four years ago by not being defensive when questions are raised but rather listening and getting in and getting stuff done to the extent that I believe that we have a new business going in on foster that mark can rightfully be proud to be responsible for because had he not got involved and listened to this, some of the issues commissioner Adams and I brought up, I think they would have moved on and not located out there. So I want to publicly thank mark for getting it and for -- for doing the hard work and asking questions and doing what needs to be done to try to turn the agency around, and I would encourage you, charles, in your tenure there to do the same. I've looked at your background, we talked, you are more than capable of doing what the agency needs to right itself because in the final analysis, it's -- it's an agency that has tremendous resources and power to make Portland a better place. And as we talked about, it's not a business. It's not intended to be a business. It is intended to do things that businesses can't do, invest sometimes in things that won't make money; low-income housing do not -- is not someplace that you're going to get rich building or creating, but that's our job as government, to create good, affordable low-income housing, particularly for seniors. And I see the agency as being able to cause things to happen that the council can't do because that economic -- those economic tools are in your basket. And to the extent that you hear frustration and criticism up here, we think that's not happening the way it should be. And to the extent that starts happening, I think you'll see a proportional decrease in the criticism. I mean, i'm less interested in looking at a line-item budget if I look at the overall mission of an agency and feel that it's meeting. And if i'm hearing from the community, "yeah, they're responsive to our needs. We don't always agree with what they do, but they listen, they're open, they answer questions, they're interactive with us," I think you're going to see a lot of what would appear to be unrelated issues go away if we start getting that message from the agencies. So, I mean, on the one hand, this is a tough assignment you're undertaking because you come at a challenging time. My view of times like that has always been, you can go nowhere but up, so I think it's an opportunity to succeed, do well, and I would encourage you to follow mark's lead and ask the questions he has, particularly out in lents, and I won't go over all that, we talked about some things that i'd like to see happen in lents vis-a-vis the p.d.c. that I would appreciate you being involved in, so i'm happy to vote aye and look forward to working with you in the future. Aye.

Sten: Let me speak briefly to the agency, and then first to mr. Wilhoite's candidacy. I'm going to support this, and i'm very excited to do so, charles. I've seen you in many places that we've been in the same room, but just kind of had the first kind of chance to sit down and talk at some length this week, and I came away very impressed and think you've got a set of skills that will help us very much as well as an approach and an attitude which sometimes is as important as the skills, so i'm going to definitely vote to support this and look forward to working with you. I really think we're

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kind of at a crossroads; some of the things that commissioner Leonard just talked about, I certainly concur with. As somebody who's worked with the Portland development commission for -- in different capacities -- for about a decade and a half, I really think sometimes personality issues are viewed to be what needs to be fixed, and I actually think we have more of a structural setup, and we need to make some direct changes to how the council and p.d.c. Work together and then move along and get the agenda done. And so I think you're going to be part of a very strong management team, I concur that chair rosenbaum has already stepped in and changed some things; we made a difficult decision at p.d.c. about fire station one that probably should have been made years ago, in my opinion, and it just kept going on and on and on and on and on. It was a good idea to move the fire station, but we cannot afford it. \$30 million fire stations are not in the cards right now and shouldn't have been for some time, and in about a week of a new chair taking over, we're -- we're giving old town some different opportunities, I think, which is the right approach. Um, I don't think the council should approve this p.d.c. budget, I think it's -- it's -- if you go back to why it does not, it was because, in 1958, when this was set up, the mayor told the commission what to do over at the university club, and they didn't want to have any -- any -- any ties to it because they were doing things like knocking down all of northeast Portland and the south waterfront district. I mean, that's how this thing was set up. It was set up to be a -- literally, if you look at the charter -- a slum clearance agency. And the depth of the independent power is still there because the mayor didn't want anything to do with what the word was. And at this point in time, we're in a different world, and I think people expect budget hearings to be done in the way that mayor Potter does the budget hearings for everybody except p.d.c. because of the charter, and that I think what we'll find is that if the council actually adopts the budget, you'll actually be more free to implement it because you won't have people like me spending all year second-guessing the budget because I voted for it, so I have to own it. And so I see that kind of work going, I think we're going to try to work with the charter commission, which I understand you no longer chair, but you can look at from a different perspective to try and get something like that in place over the next couple of months. And I think we can move on very quickly. I also think that the most pressing task today from a development perspective are slightly different than what you're structurally set up to do really well. For example, I think that school enrollment right now as much a causal factor of what's going to happen to our economy and character of this city -- if we can get kids into school, it's anything you can come up with. It's really, really tied to housing, and most of that housing is outside of urban-renewal districts, and so I think that the other challenge is going to be to work with you to take those strengths, apply them to neighborhoods and challenges -- I mean, frankly, I think you look at lents, it's a district with all of the right policy intentions and some of -- second only to airport way in terms of lack of results, and it's because -- not because the council is not in the right place or the community is, it's that where the set of tools that p.d.c. was given in 1958 to take on clearance of slums is -- which weren't slums, by the way -- is -- is -- is a little bit different than what's needed in lents. I actually think there's a lot of ways we can retool these things, and we need to, as quickly as possible, move past some of the arguments about how you set policy and into the implementation, and so i'm going to make the same pledge in ending this to you that I will ask of you as you move into this, which is let's all find the best path for it on sort of the question of the council's role, the p.d.c.'s role; each compromise a little bit and try whatever new model comes forward and get the work done because I think you're real -- very, very capable. I look forward to seeing the next appointment come that will round out what is now a whole new commission, and I do intend to work collaboratively with you to solve some of these problems and appreciate your willingness to do so. Not everybody -- it is a prestigious position, but i'm not sure everybody would step into it at this moment, so... Congratulations, I believe. Aye.

Potter: And finally, charles, i've known you for quite a while now, and i've really come to respect you, and I think you're a person of integrity. And I believe that about all of our Portland

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development commissioners. Having appointed all of them, I believe that they are people who are very strongly driven to serve our city and to meet the needs of all of the community, not just a particular segment, but all of the community. And I think that the issues over the last few months I think only provide the opportunity for us to really do a better job between the city council and the Portland development commission. In ensuring that, as we talk about policy versus implementation that there's -- that we clarify those issues, that we build on that trust, and that -- I also want to compliment the p.d.c. staff as it -- they do a difficult job, and that there are things that they could do better, and I think they have a long list of successes that I think we should acknowledge. So i'm hopeful that you will contribute to that long list of successes, that we will develop a better relationship between the Portland development commission and the city council, and that together we can do some really good things for our community, so thank you, charles, for willing to serve and all the commissioners; mark and all the good folks that are here from the p.d.c. and the executive director. I vote aye. Thank you, mr. commissioner.

Wilhoite: Well, thank you very much, and I do look forward with each of you. Thank you very much.

*****: Congratulations.

*****: Thank you.

*****: I think we -- I think we can go...

Potter: Yeah, it just -- it's 10:15, it's a couple minutes before that, but i'm sure that -- we'll just wait till these folks leave.

*****: Where are my people?

*****: Is mine at 10:30?

*****: Uh, 10:15.

*****: Okay. Hey, sue.

Potter: Folks, could you hold your conversation outside? Thank you. Karla, please read the 10:15 a.m. Time certain.

Item 973.

Potter: Commissioner Adams.

Adams: Thank you, mayor. A green street is a vegetated facility that manages stormwater on-site.

*****: Good job.

Adams: Thank you so much.

Potter: Couldn't you say the same thing about a row house?

Adams: Yes, I probably could. I probably could. See, I bring my own hecklers with me. Our challenge in this city, the obvious challenge -- but for those of you that are logged in from, let's say, a desert or a faraway country -- is that we get 37 inches of rain a year, and most of it falls in infrequent -- small frequent or infrequent rainstorms, about 80 to 90% of it. Coupled with this the fact that 66% of the city's total stormwater runoff is collected or lands on streets, and right away it is apparent that this is both a huge opportunity for the city of Portland and also, given the volume of rain, a great challenge. I am determined -- and I think that this city council shares that determination -- that we in the city of Portland, through the bureau of environmental services and the Portland office of transportation, be a leader in integrating site-specific stormwater strategies and stormwater management with -- while at the same time enhancing community character and strengthening the local economy. It also -- our efforts also meet existing and ever-increasing, in terms of their standards, federal compliance. It also saves money because even though our investment of \$1.4 billion in the combines for overflow, the big pipe program, as mandated by court-stipulated agreements, we continue to grow, and we have sized that to last, hopefully, 20 years. But we are growing faster than was predicted by the metro 2040 population forecast. And so the less water we have go into that system, the longer that \$1.4 billion investment will last into the

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future. So good for the environment, when we build streets, they -- they in some cases can be cheaper streets, and they can save money by adopting this approach. So if I could -- if we could please have folks come to the table to say a little bit more about this. This is -- today we are talking about phase one, the completion of phase one of our green streets cross-bureau team report, and it identifies opportunities and obstacles, recommends some solutions, and we will from here be going into phase two to really get as much green streets done as possible. And I am very lucky that I have such talent in both the bureau of environmental services and the Portland office at transportation. And these are the two bureaus that are absolutely key to getting green streets done. So with that, I turn it to you.

Dean Marriott: Thank you. I'll start. Commissioner, mayor, good morning. I'm dean marriott, environmental services director. I'm just going to speak for a moment. As you heard the commissioner say, this is our reporting of phase one of this effort. We will be launching -- we've already actually launched phase two. We've made a lot of progress identifying challenges, identifying opportunities, and actually moving things along toward where we want to be. We need to continue this work, however, and the work on phase two is very important. I just want to say a word; that this overall effort has really been a model. I know the mayor talks about making sure we break down silos and work effectively across all parts of the city, and I just want to mention that we've worked wonderfully with the office of transportation, but I just want to mention also the staff of p.d.c. -- bruce warner was in the meeting yesterday on phase two -- water bureau, parks, the bureau of planning, the office of sustainable development, and the bureau of development services all have been at the table working with us to problem-solve and to make green streets a reality in Portland. I want to thank them for that effort. It's important also that we have your understanding and your support because we will need that in the months and years ahead to make sure that we get, in fact, more green street technology on the ground. We're working on changing some technical standards, we're learning more about how these things work, how much it costs to maintain them and so forth, but if we truly want to make green streets the new normal in Portland, it's going to take a lot of effort, it's going to take your support. And thank you for that so far, and i'd like to have sue keil say a few words now.

Sue Keil: Sue keil, transportation. I -- I concur with what dean has said. I believe that having both bureaus under commissioner Adams has been helpful, and his leadership has been key in this. He's -- and i'm not saying that it's coercion but rather leadership on his part that has caused some things to be looked at in a different way.

Adams: Depends on the day, doesn't it?

Keil: Well, no, not really. I think you've been, you know, pretty nice about this, but raised lots of questions about opportunities that weren't being taken advantage of. I think consistently now we're looking at opportunities to collaborate with b.e.s. On this matter, and I think our -- even though our purposes may be different, they come down in the same place. We're looking at improving mobility and access and safety, particularly for pedestrians, and in some difficult areas, the stormwater management causes us to look at things in very different kinds of ways, and it makes me feel good when I hear mary wall say that we are perhaps b.e.s.'s best partner now. And some of the new technologies, like the pervious concrete and pervious pavement I think present some new ways to deal with stormwater that we haven't had an opportunity to experience in the past, so I feel like we're doing -- we're really working well together on this.

Marriott: So linda dobson, who's heading up the sustainable stormwater group in b.e.s. Is here to make a brief presentation, and -- linda?

Linda Dobson: Linda dobson from the bureau of environmental services. I wanted to give a brief overview of the green street effort to date and then a little more detail on the program for phase one and phase two that you have in front of you. But the title of this presentation is "collaboration innovation," and that's very important -- I think a key element of green streets. It's innovation in a

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very narrow sense, that we're creating new designs on how we treat streets in the urban environment, and it's -- in a general sense, it's actually changing the face of our urban environment and what our neighborhoods can look like and what our business districts can look like, and it's all about collaboration between multi-disciplines, between engineers, landscape architects, architects, planners, economic development folks, and also between neighborhoods and businesses in the city of Portland. So it's a great way to bring everyone together in a multi-objective scene, and the commissioner stole a little bit of my thunder because I was going to have a pop quiz, and that was "what was Portland's average yearly rainfall?" now --

Marriott: You should ask them because we'll see whether they were listening.

Adams: They don't listen to me when I talk, go ahead and give it to them. This will be a quiz to see if they were listening.

Dobson: Is it 29.75 inches or, b, 45 inches, or, c, 37 inches.

Potter: C. Do you know what it is in the bullrun watershed?

Dobson: No.

Leonard: 180 inches.

Dobson: There you go.

*******:** Really?

Dobson: Now, as a comparison, phoenix gets on average 7 inches of rain and new orleans gets 64 inches, so that's double. But I think, again, the commissioner highlighted -- what's really important is not necessarily the number of inches, it's how the inches come to us. And they -- 80 to 90% of our storms fall in those small frequent storms, so we are really able to manage the stormwater on-site and at the surface very effectively in this community and in this region. So, as the commissioner highlighted, the green street is a street really designed to capture and treat and filter stormwater through vegetated means. So we're using a natural-system approach to green street development. And today i'm going to show you some newer retrofit examples of green streets, but I want to emphasize that the swale that we all know and love along some of our streets are green streets as well. So i'm going to talk about why we care, what's driving us to the green street approach, why it makes sense, and what we're doing about it. And I think this is a pretty graphic example of what we've done in Portland naturally as an urban area; we have created a lot of impervious surface. Prior to this city developing -- and I know you've seen these slides before -- we had precious little surface runoff, 0.3% surface runoff. In an urbanized situation, you have 30% or more urbanized runoff, so that's 100 times more, and actually that photo in the bottom right-hand corner is greater than a 30% runoff. So before Portland was developed, then we added 545,000 people with houses and created streets for them to get around in, and the paved streets cover 19% of Portland's land area. And 66% of our total annual runoff comes from the street, so if we're going to approach our stormwater runoff issues, we really want to do it by addressing streets. It's a great place to go to look. And I don't know if you can see this, but it graphically illustrates that if stormwater isn't properly managed, it washes over streets and parking lots and other hard surfaces, picks up dirt, oil, and metals, and deposits them into our streams and rivers. And it's not just about the water quality, it's how it gets there and how fast it might go and what it does on the way to the streams and our rivers. So we know that stormwater can overwhelm our system, causing combined sewer overflows, and it creates other problems as well. And we're doing all we can right now with the big tunnel fix to help address this issue, but we need to do more. And the commissioner referred to the investment we're making in the big pipes, but we need to protect that investment by preserving capacity. So whenever we can capture the stormwater and clean it and filter it and return it to the ground, we've preserved capacity in that big pipe system for future use. The green street approach also uses the holistic watershed approach to stormwater management where we address a number of regulatory goals at the same time. And, as you know, all those regulatory goals have led to ever-increasing rates. Green streets is a great way to help control that increase and to make sure

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we're doing the most cost-effective job we can in managing our stormwater. And we can save money. So this used to be our only solution. Now we need to be more cost-effective and create a more balanced approach. And we're beginning to experiment now with these curb extensions -- this particular one is in our neighborhood on southeast ankeny -- where pieces of the roadway are carved out and stormwater enters the facility, gets slowed and filtered, and then goes into the inlet at the end of the street. And this, at sw 12th and montgomery, outside of p.s.u., is our stormwater planter, which can be used in more urban situations rather than in the neighborhoods, where you have less space to -- and you want to keep your parking. You can do this behind the curb. And this recently won a national american society of landscape architect design award as well as an Oregon design award, which is something, to be recognized by landscape architects for a street design. This is another example on n.e. Fremont where we've incorporated -- we've worked with p.i.o.t. to incorporate the crosswalk as well. So there are many variations, and they're very adaptable. And I want to emphasize that there is a long list of benefits that come with green streets. There's really something for everyone, and that's why this is a cross-bureau effort with all the bureaus in the city. We can address goals for neighborhood livability, sustainable development, increased green spaces, stormwater management, and groundwater recharge. So as I mentioned, we can protect the capacity of the big pipe, we can visually and physically link parks and -- through bike corridors and pedestrian links along green streets -- we can provide new, increased opportunity for green space and habitat in our parks for -- which is an issue for parks along our streets. We can address sustainability goals, we can cool the air and the water, and we can use this as an economic development tool working with p.d.c. So there's really something for everyone. We can save costs. This is an example of an area at glencoe elementary school where we created a raingarden. We worked in partnership with the school district and the neighborhood, and we were multi-objective in our approach. So not only did we have a stormwater facility but we had an outdoor classroom for the students and a neighborhood park amenity. We were actually able to, for the same costs, originally planned a -- I should back up. The problem in this neighborhood was that we had severe basement flooding from overloading our pipes. A pipe solution of 170,000 would have been one way to approach the problem, by digging up the streets and upsizing the pipes, however we chose to take this route for the same dollar amount. And as I said, we were able to get all those other amenities. We solved the basement flooding problem in the neighborhood and now we have a park amenity. On a larger scale, we've done some work in the mt. Tabor area for another basement flooding relief project. And in that case, if we had done a complete pipe replacement, the cost of the project would have been 1.4 million. If we now integrate in some raingardens, the green street approaches, we've cut that cost in half. So again, we've been able to save costs and create an amenity. And even on a larger scale, in our taggart pre-design basin, which is essentially on the southeast side between hawthorne and s.e. Tibbetts, we're evaluating four alternatives, the most expensive of which for the capital costs, \$144 million, is a purely pipe solution. If we begin to mix in the green solutions or parking lots or green streets, or eco roofs, our lowest cost is 85 million in capital costs, so it's all about finding the most cost-effective solution between the pipes and the green solution. And they don't have to just look pretty. These do look pretty. They're a neighborhood enhancement, but they are cost-effective, so I don't want people to leave thinking that these are all cadillac versions. When you come in and you do these on a basin-wide scale, you can be very cost-effective in addition to creating a real amenity for the neighborhood. And we're working very closely with the community, not only to educate but to involve and engage the community in these green streets. And I have to say that the reception has been tremendous and they're even out ahead of us in their demand for these green streets. So in summary, the guiding principles for the green streets are really to manage stormwater at the source and at the surface, to use plants and soil to slow, filter, and cleanse, and then infiltrate where we can, and to design the facilities to really be a benefit to the community. And we're taking our position and our job

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seriously. We want to monitor these over time for their performance, for their durability, for their groundwater, and for their sustainability on a basin-wide level. This is an example of one of the tests that we do. We hook up to a fire hydrant and we unleash different-sized storms, if you will. We'll mimic a 25-year storm or a c.s.o. Storm through the facility so we can actually gauge how effective it's being. At this particular test on n.e. Siskiyou, you'll see that we had an 81% peak flow reduction, which is critical for our basement flooding issues, and then you'll see we had a volume reduction of 82%, so that's water that's not going in to the combined sewer overflow -- or, our combined sewer pipes. So they're very effective uses as well for stormwater. Now, our cross-bureau effort is really at an important juncture right now. We've spent two years developing these different designs and testing them and monitoring them. We've had the stormwater manual in place that really emphasizes this technique for new and redevelopment. We feel like we've got a good base. So now it's when we've joined with our cross-bureau partners, we've heard the office of transportation, planning, development services, office of sustainable development, parks and recreation, p.d.c., bureau of maintenance, Portland water bureau, and commissioner Adams' office, and we're working together in two phases; the first phase is the report that you have in front of you today. And that was primarily an outline, a scoping, of what we needed to do to address existing challenges and opportunities. And phase two, which we're just embarking on now, is to take a more comprehensive look for the next five to 10 years, and what would a green street programmatic effort look like? Very briefly, in terms of some of the things we're doing right now as a part of phase one, we're creating a web site specific to green streets where all the bureaus will be able to link in and provide their information about green street development. This is particularly helpful for the development community so that they know what the standards are and they have an easy place to access. We're creating forums and information pieces, we're creating technical sheets so people will know exactly how to build these, we're going in and choosing an area, the gateway towncenter area, to really do a stormwater master plan so we can demonstrate how this works with all our partners, we're working also -- continuing to work to solve existing infrastructure issues within the city of Portland, and we're trying to find additional resources by coupling with other programs in the city. So for example, we're working with the office of transportation to expand their residential speed bump purchase program, which already exists, and now neighborhoods will be able to go and purchase a curb extension if they choose and we're not already in the area doing some work. In terms of our phase two effort, we feel it's critical now to set a citywide directive, a citywide policy to direct all of our work and establish some targets. And that's the beginning of our work, we had our first meeting yesterday. We hope to be back to you in september with that citywide policy for green street development. We also see that it's critical that we integrate into the capital and non-capital development process, so we want to begin bringing green streets into the citywide system planning process and into the city visioning work so that we make sure that we get in at the ground level. And we know there are some other designs that will work better in some of our areas; where we have underdeveloped streets, where we have steep slopes in the southwest, where we know we have a lot of ditch conditions that can be turned into swales, so we still have some design issues ahead of us. I wanted to call your attention to our latest project, which is in construction right now, the people's coop at s.e. Tibbetts and 21st. We'll be in construction for the next three weeks; this is a joint project between the office of transportation and b.e.s., and it combines two of our facility types: The curb extension on s.e. 21st and the stormwater planter on s.e. Tibbetts. And this is a joint project as well because the office of transportation was coming in to do some pedestrian safety improvements, so they were going to be doing a curb extension in this neighborhood at that corner anyway. We were able to partner with them to create a stormwater curb extension. So I invite you to visit that site as well if you have any interest, and that's the end of that.

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Adams: Linda, I just want to thank you for your years of work and effort and leadership on this issue, and this is really cutting-edge, world-class stuff, and our goal from here is to, pardon the pun, take it on the road. Our goal is to get 80% of the city's street-related – road-related storm water within the next 10 years dealt with on site, and that's a very ambitious goal, but I think we're all up to it. So I look forward to continued work with you and your leaders of p-dot and v.s. To make that happen. Thank you all very much.

Marriott: Thank you, commissioner. I think there are a couple people signed up to talk a little bit about this from the neighborhoods and the community, and before they come up, I just want to echo sue's view that we really appreciate your leadership in keeping b.e.s. And office of transportation focused on this, and we pledge to continue to make the progress.

Potter: I had a question. First of all, I really support this. This is great. This is exactly what I believe Portland needs in the long run instead of continuing to just build larger pipes to begin to capture ground water. And – on site. I did have a question about the resources on page 26 of your report. And it talked about requesting \$3.1 million over fiscal years '07 and '08. Was that – did you figure out a source for those funds or is that just coming out of the – the general funds of the city?

Dobson: ...request.

Marriott: Why don't you go ahead and answer the question.

Dobson: We were attempting to get another e.p.a. appropriation, which we have had in previous years, and we had made a request. However, that was not forwarded. So unfortunately, we learned that news after this report was published. But we were hoping to – previously, we've received money for innovation in all sorts of areas. We were trying to target green street development specifically on this request.

Potter: By not forwarded, you mean commissioner Adams didn't forwarded it?

*******:** No, no.

Marriott: The congress didn't approve it.

Potter: I see, okay.

Marriott: I think actually it was on the city council's list of priorities.

Adams: We lobbied for it, but we didn't get it.

Potter: Okay, thank you, folks. Very good program. Do you have a sign-up?

Moore: We do. We have three people signed up if you'd all come up. Catherine putornik, diane red, and david barman.

Potter: Thanks for being here, folks. Could you please state your name for the record? And you each have – excuse me, folks. Each have three minutes.

Katherine Futornik: Thank you very much, and good morning. My name is katherine futornik, and i'm appearing before you as the co-chair of the city's storm water advisory committee. And I just want to say to you that the purpose of my being here today is to underscore the importance of the green streets program. Let me begin. The storm water advisory committee was convened in 2000 to assist the city of Portland in implementing the city's storm water management program and to provide recommendations on storm water policy through regular reports to the city council. Our members are broad-based. We come from neighborhood groups, environmental groups, community groups, engineering and science, transportation, landscape architecture, industry development, and large commercial interests. Our role is to make policy and technical recommendations that include identifying opportunities to mitigate adverse storm water impacts from impervious surfaces through pragmatic and innovative approaches. We have long supported transportation-related storm water management. In the 2002 and 2004 sac reports to council, the sac's transportation-related goals were to reduce impervious surface and expand the water quality friendly street program. We believe that the cross-bureau green streets effort will help to further the goal of reducing impervious surfaces and decrease runoff and associated pollution. Green streets reduced the amount of water

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that is discharged directly to streams and rivers, improve water quality, provide habitat, and become part of the green infrastructure of the city as you saw in the slides and the program that Linda presented. The SAC is encouraged by the city council's history of support for green streets and recommends that the city council continue to support and endorse the city's ongoing efforts. With additional city council support, we believe even more can be done. We continue to fully support an interdisciplinary effort throughout the city's bureaus. We recommend that city bureaus continue to work together to identify future opportunities and resolve any outstanding issues so this program can move forward. We commend the city of Portland for making green streets an important priority, and with your further support, the first choice with new streets and street reconstruction with all bureaus. Thank you.

Adams: And thanks for your service on the storm water advisory committee. It's invaluable.

Futornik: It's my pleasure.

Diane Redd: Hi, my name is Diane Redd, and I'm very pleased to be able to say hello to Mr. Mayor and the commissioners. I just finished a three-year term as the Mt. Tabor neighborhood association president, and actually, Linda kind of stole my thunder because I didn't realize that we have been such a model in getting green streets projects in our neighborhood, but we very much appreciate it. Our neighbors have suffered with wet basements after these storms, and the Glenco rain garden as well as the [unknown] have very much improved their situation. We did a survey in 2002 in which our neighbors prioritized better pedestrian safety, and they also prioritized and continued support for strong environmental protection, and green streets really meets this need. We've had the B.E.S. Representatives come to the neighborhood association, and the neighborhood association has really endorsed the green streets program. We also have worked with Southeast Uplift, and the 20 neighborhoods in Southeast Portland have also prioritized traffic management and the green streets program as a strategy. Speaking as somebody at the neighborhood level, we have really appreciated the staff both at Bureau of Environmental Services and P-dot. We have a neighbor in Mt. Tabor who took the P.S.U. traffic class, which is offered for free to neighborhood people, and she has worked exhaustively with both of the two bureaus to develop a very elegant solution to a problem we have at SE 55th and Belmont. And if you're familiar with that intersection, it takes a little dogleg. It's very wide, and many middle school students walk across that intersection, and they cross at the most dangerous place because they're kids and they don't think about it. And so our neighbor has been concerned about pedestrian safety, and she's worked with Linda as well as P-dot staff to develop a plan for a [unknown] pedestrian islands and a curve extension kitty corner from the [unknown]. So this is one of those situations where all of those benefits where Linda elaborated could really be met, and we very much hope you'll support that – that project. It's something that hasn't been funded yet, but it has been designed. So thank you so much for the work that you supported in Mt. Tabor, and we really hope that you'll continue to support this project, especially this project at 55th and SE Belmont. Mm-hmm, you're welcome.

David Barmon: Hello, my David Barman. I live on 90th and East Burnside in the Monatvilla neighborhood. I'd like to speak briefly about a community project I'm working on across the street from the house. I have a couple pictures there. You can take a look at the area I'm working on and a little bit about how they relate to the green streets program. As a person who lives in Portland, it's important to me to have clean streams and rivers, and the green streets program is great for those reasons because it beautifies the city, supports healthy streams and rivers, educated the public about taking care of our ecosystems, increases the livability of our city, and decreases the amount – the polluted runoff which runs into our streams and rivers currently. A year and a half ago, I picked up a community watershed stewardship grant brochure for putting in [unknown], native plants, and eco-roofs. With the help of City Repair, a non-profit group here in Portland, we applied for the grant and were awarded the full amount for \$5,000 for putting in [unknown] in the median strip across the street from my house. When I started this project in February, I knew two neighbors.

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Now I have over 50 people on my e-mail list, and it keeps growing every week. We in the neighborhood have realized the potential to have an integrated design with [unknown], native plants, and a community gathering space where neighbors can have potlucks and grow food together and where our kids can have a safe place to play. How is all this possible? City repair has helped with the finding of permaculture landscape architects, engineers top do the design of the [unknown] for free, and too many other partners to list at this time. I also have a neighbor who is a licensed landscape contractor and has a [unknown] in the side of his yard and is willing to do the excavation work fro free. Also, several nurseries have offered to donate plants or sell them to us at a wholesale price. Without the seed money from the bureau of environmental services or help from city repair, I wouldn't be here today. The mabelvale garden project, which it is now called, is not just about planting the garden. It's about connecting people to people and people to place. People want to be involved in their communities, and this random correlation with the green streets program has given us the incentive to take care of our public spaces. Thank you for empowering my neighbors and I to make mabelvale garden a great private, public community project. Thank you.

Potter: Thank you, folks. Thank you for all you do.

*****: It's a great project.

*****: We're excited about it.

*****: Thank you.

Potter: Is that the, uh...

Moore: That's all who signed up.

Potter: So I hear a motion to accept the report?

Leonard: So moved.

Potter: Second?

Adams: Second.

Potter: Please call the vote.

Adams: Yeah, and I just want to thank everybody, and the work continues. Aye.

Leonard: Thank you for your excellent work. Aye.

Sten: Yeah, it's very terrific. Aye.

Potter: I want to thank commissioner Adams for his leadership and the two bureaus that are involved in this. I think this is the future for Portland, and i'm glad we're on the path to it. Aye. Please read the 10:45 time certain and read items 974 and 75 together.

Item 974 and 975.

Potter: I'm pleased to introduce the ordinance and purchasing report that will formalize a contract between the city of Portland and metro-fi inc. of mountain view, california. Staff is here to provide an explanation of the overall project, the r.f.p., and the vendor-selection process. First, i'd like to take this opportunity to say how excited I am for the next phase of this project to get underway. We have an incredibly unique opportunity before us, and I would like to commend all the people who worked so hard to get us there, specifically matt lamp and his team at b.t.s, staff from my office, commissioner Saltzman, and adam's offices, rasheed amad of the p.d.c., our partners at the Portland public schools and tri-met, advisors from intel, kevin yin of the bureau of purchases, and all the dedicated members of the r.f.p. selection committee. You worked long hours and sifted through a great deal of technical material in order to find the best partner for the city, Portland public schools, and tri-met. As many of you are aware, the council passed a resolution last june directing the bureau of technology services to issue an r.f.p. For the selection of a vendor to invest, build, and operate a city-wide wireless internet network at minimal cost to the city, just over one year later, we have negotiated a contract with metro-fi inc., a startup company that intends to build a ubiquitous wireless network that will offer free ad-supported service a the same speeds as low-cast subscription-based service. Consumers, businesses, and governments, can all benefit from

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becoming unwired, and I truly believe that free internet service throughout the city is an unprecedented opportunity for our community. I'm extremely interested in the possibility of a number of innovative uses for a city-wide wireless network such as helping to streamline city services such as permitting – facilitating access to real-time, transit-related information and enhancing public-safety communications and field-data management. I'm excited about free access also to eliminate the number-one barrier to broadband penetration in the United States: Affordability. Of course, there are a number of supporting initiatives that narrow the so-called digital divide even more than the simple elimination of a subscription charge. That's why we are also introducing a digital opportunity resolution today. But first order of business is to approve the contract with metro-fi so we can start to cut the city's wires. Therefore, I'd like to invite Matt Lampe and Logan Kleier of the Bureau of Technology Services that -- along with Chuck Haas, the C.E.O. of metro-fi. Would you folks please come up?

Matt Lampe: Thank you, Mayor Potter. I'm Matt Lampe. I'm the city's chief technology officer and the director of the Bureau of Technology Services. With me – my far right, Logan Kleier, who's the city project manager for Unwire Portland, and Chuck Haas, the C.E.O. of metro-fi. And I thank you for acknowledging the hard work of a lot of people, both city staff and citizens in bringing us to this point in the process. I'm pleased to present these two contracts to the city council to implement the Unwire Portland project. These contracts provide the terms and conditions for metro-fi services to the city and to its citizens. Your approval of these contracts will allow the city to move forward with metro-fi to provide wireless services for the benefit of the city and its citizens, a year ago, following a city council resolution, the city issued an R.F.P. To select a vendor to provide the Unwire Portland service. Based on the criteria in the R.F.P., a diverse evaluation committee comprised of government, businesspeople, and citizens selected metro-fi. That process involved review of very detailed proposals, interviews with the vendors, and a lot of hard work by the committee. Many members of the evaluation committee are here with us today in support of metro-fi and these contracts. The selection committee chose metro-fi based on its combination of previous operational experience in building and operating similar wireless networks, its pragmatic business plan, and its commitment to diversity in contracting and the fact that metro-fi would provide a significant public benefit to the citizens of Portland by offering free internet access to people within the city. The city has not been alone in this process. It has benefited from the participation of the Portland public schools and Tri-Met throughout the process. We've collaborated together to find a company that could meet our needs, the needs of the Portland public schools and Tri-Met and provide great public benefits in addition. And both Portland public schools and Tri-Met intend to utilize the services that metro-fi will offer. Lastly, it should be noted that the benefits of free internet access will not only be available to all within the city limits, but this will be accomplished with no financial investment from the city. Metro-fi will build, operate, and own this network. The first contract, the Wi-Fi system agreement, delineates the provisions under which metro-fi will provide internet access throughout the city as well as the fees associated with their usage of the right of way and city assets. It defines and includes many of the provisions from the R.F.P. In terms of the quality of service, the coverages that are required, et cetera, to guide the service from metro-fi. The network connectivity agreement delineates the terms and conditions under which the city can purchase certain wireless communication services from metro-fi, and we see that as important in helping us bring higher bandwidth to a number of our facilities scattered around the city such as office of neighborhood involvement, offices, park facilities, et cetera, that we have not been able to provide that with. With those comments, I'd like to give Chuck Haas, metro-fi's C.E.O., a few moments to speak on metro-fi's commitment to providing wireless communication services for the city and its citizens.

Chuck Haas: Thank you, Matt. Thank you, Mr. Mayor, commissioners. Pleasure to be here today. Metro-fi is excited to have the opportunity to deploy a state-of-the-art wireless internet

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access system throughout the city of Portland. We also share your vision that when all citizens, visitors to the city have access to free broadband wireless internet access, it opens up tremendous possibilities and new application for improving both government as well as citizens' availability to information, information, and economic benefits. We are committed to the city of Portland. We are both staffing up the operations and financial aspects of the company to deliver a state-of-the-art system within 12 to 18 months of contract signing. We have the experience based on our silicon valley network that covers a population of a little less than half the size of Portland, and we will utilize our experience in our deployment here. We believe we have a compelling business model. We will save the citizens of Portland, the residents of Portland millions of dollars on their communications bills, their internet bills, plus offer them the ability to enjoy broadband away from home or the office and be as productive there as they are when they're connected to a broadband connection at home. Our business model of advertising-supported is not new. Radio, television, the major internet companies all employ this model, and in fact, other major internet service providers are moving to a free model. The technology is not new. We're using standard wi-fi technology which is being chipped in millions of laptop computers as the basis for this network, and that will also make it very available. Everyone that has a laptop computer within the city of Portland when the network is completed will be able to enjoy the benefits at no cost to this network. So thank you again. Questions from the commissioners?

*****: I do. You go ahead.

Adams: What's the – what are you most worried about? What's the most difficult part of this overall effort to make it work?

Haas: Probably the most difficult part is – is learning how to work with the city of Portland like we have in cities in silicon valley and the pge, the local power company and, you know, transferring our operational procedures, our design and operational expertise that is done in sunnyville, santa cara, cupertino, mountain view, san jose to this area. So there's a little bit of learning curve, and that's why I think we have a very pragmatic approach to rolling this out in a pilot fashion in order to, you know, really establish those business and operational relationships.

Adams: And what kind of – what's the quality of service? People like myself and others get on the internet and, you know, we want it faster, better, brighter, snappier. What kind of – compared to what's out there now and what we might see from existing services over the next 5 to 10 years, what's the quality of service that we're going to – you're going to be able to provide as our partner in this?

Haas: The initial service for consumers is up to one megabit per second downstream, 256 kilobits upstream. So it's about d.s.l. speeds. It's, you know, not as fast as the fastest broadband out there. It's really targeted at the mass market and the value segment. As mayor Potter, the number-one reason why people either aren't on the internet or aren't on the internet with broadband is affordability. It's not availability. It's not speed. It's affordability, and that is the first problem that metro-fi will solve.

Adams: And my last question is: There are parts of this city that have a right to complain that we the city of Portland over the years have ignored them with investments in various kinds of infrastructure. What kind of assurances on the record that you can give us that folks, for instance, in east Portland or north Portland, where I live, some of the other areas of the city that often feel left out that they're going to get service, quality service and the rollout of this service in an equitable way compared to the rest of the city?

Haas: So we'll deploy consistent technology across the entire city. So quality of service will be consistent. And we have a contractual commitment to deliver service to 95% of the city of Portland.

Adams: Which 5% won't get service?

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Haas: That's a good question. It'll be 5% sprinkled throughout the city versus pockets, and it's basically, you know, based on availability of mounting assets, which is probably the number-one reason why Portland residents may not be able to get the service, and you know, the second is – is if you're a little further away from the edge of the network. So some of the less-dense areas may have – have the need to basically – similar to television. Over-the-air television isn't 100% available, but if you put an external antenna on your house, you typically can get service. So I think that last 5% - the majority of that last 5% would, you know – a fairly modest investment would be able to enjoy free wireless.

Adams: For a variety of reasons, we in north Portland have a lot of very large, ugly utility poles, which – I think the euphemism is “mounting devices.” So I stand ready to give you a personal tour of our mountain devices when you're ready.

Haas: That's great, yeah. What's interesting down in the bay area is people are sending us e-mails saying that they have a beautiful pole right outside their – their house just waiting for our access points. We're looking forward to it.

Leonard: I do have a few questions. So I just heard you say that 95% of the city would be covered. We have 134 square miles. So that leaves about 127, 128 square miles. How much will it cost for you to deploy the technology needed to cover 130 square miles, approximately?

Haas: Yeah, we – maybe matt can also help answer this. We haven't publicly disclosed what the cost is to deploy this network, but it is really disruptive cost structure versus d.s.l., which i'm familiar with. I was a co-founder of coved communications, which is the largest wholesale d.s.l. Company in the country: 50 million homes passed. And cable. Because it's wireless, we don't dig up the streets. So it's very economical. It's single-digit millions of dollars to do the entire city.

Leonard: Less than 10.

Haas: Less than 10.

Leonard: And then you expect to pay for that cost or recover that cost through advertising.

Haas: Yeah, through a combination of advertising and anchor tenant services from the city of Portland.

Leonard: And what is the value of the anchor tenant services from the city?

Haas: Yeah, there's no contractual value. There's a cost estimation, I think, in the letter of \$16 million.

Leonard: How much?

*******:** 16 million, is that correct?

Lampe: That's over the -- what we did to estimate that was to look at – and that was set as sort of a contractual maximum for the purposes of the contract over the five-year period of the network connectivity agreement. And that's based on certain assumptions of the fixed locations that we have that we currently pay other service fees for – generally to qwest for frame relay, moving them over to give better service t, essentially, a similar or reduced cost to the city.

Leonard: I want to focus on this contract and what we're obligated to.

Lampe: What we're obligated to is zero.

Leonard: Okay, so what's the 16 million?

Lampe: The 16 million is – because this is a purchasing contract, it's an authorization that – before we would have to return to council in the five-year period, the maximum amount that could be spent with metro-fi from the city is \$16 million over the five years.

Leonard: So essentially, we're authorizing today if we adopt this \$3.2 million per year.

Lampe: No.

Leonard: You just said you could spend up to \$16 million and not have to come back to council.

Lampe: If it's in people's budget – if it's in our budgets for doing that, we could do that. At this point, people do not have all those funds in their budgets. So for example, b.d.s. has talked to us about wanting to be able to have all their building inspectors be wirelessly connected to their

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network sometime over the next three to five years. They want to do some pilot work this year. If you project out and say, okay, if that full staff is connected with accounts in five years, how much will we be spending in year five? That kind of thinking is what leads to the projection of the maximum amount, but there is no obligation or authorization, necessarily, for me to spend. So I have – as an example, I have money in my budget that currently is going to qwest to pay for frame relay.

Leonard: To pay for what?

Lampe: Fram-relay services. It's a type of connection, for example, we used to have at the fire stations. This would allow me to move that money to purchase instead of a 56-k frame-relay connection, a t-1 equivalent connection through metro-fi.

Leonard: And you can do that up to \$16 million in five years and not get further authorization from the council.

Lampe: Right, as long as it's a budgeted amount.

Leonard: That's understood, but my point is that we're authorizing up to \$16 million.

Lampe: Yes.

Leonard: And why – I thought the r.f.p. had a requirement that it'd have city worker capability, public safety application, and wire max. I assumed that meant service provided to us in exchange for this exclusive contract. So was that widely understood at the time that we were going to be paying for that service as opposed to having it provided to us?

Lampe: Yes. It was to provide certain capabilities, and the notion of us being an anchor tenant was very clear from the very start when we came to get authorization to the r.f.p. That was exactly what we talked about, which was we would do certain things to lower the risk for a company coming in to do this venture and that the two things that we would do is try to simplify access to city assets for mounting and try to provide some anchor tenant services provided they could meet the cost competitiveness and service qualities that we'd need to actually use the services.

Leonard: So part of your business model, chuck, is that we do contract for some of these services.

Haas: That's correct.

Leonard: How much of that are you depending on to succeed?

*******:** Um...

*******:** That being –

Haas: Less than 25% of the total expected revenue per – per year of the system.

Leonard: You're counting on \$4 million over five years.

Haas: There's no obligation, so it's tough to count on.

Leonard: I'm just trying to ask and get clear answers, and i'm getting mixed messages. I'm just trying to figure out how dependable your service is going to be given that it's free, and what i'm hearing back is you're relying on advertising and the city of Portland contracting for services, and i'm asking for a clear answer. How much of your business model is dependent upon the city of Portland's buying this service from you, and I thought you said 25%, which is \$4 million.

Haas: Yeah, less than –

Leonard: Do you have an amount?

Haas: Our projections are significantly less than 16 million. I mean, that would be ideal for us if the city chooses –

Leonard: Well, 25% is significantly less than 16 million. I'm asking for an amount.

Haas: So let me maybe answer it a different way. If there were no services from the city, we'd still have a positive financial business in the city of Portland.

Leonard: From the advertising.

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Haas: From advertising revenue. There's a additional revenue streams wholesale. In the contract, we wholesale access to other isps that want to offer it to their customers as well as for residents who choose to use our system without ads. We offer a subscription service.

Leonard: And how much is that?

Haas: \$19.95 per month.

Leonard: And, matt, have you looked at these numbers that i'm asking about?

Lampe: Yes.

Leonard: And so maybe you can respond to my questions.

Lampe: Let me respond this way: In the evaluation process, we looked at business-model projections from each of the proposers. We had on the committee, in addition to city staff, a couple people with particular expertise and evaluation of startup companies and their financials, and metro-fi's projections and requirements in terms of expectations from city – city and partner purchases, including the school districts were the least – they were the least dependent non public financing of – I believe of any of them, but certainly, it was a very, very conservative number in terms of city –

Leonard: It doesn't disturb me that we contract. Don't misunderstand, i'm getting the sense you're evading answering the question. I'm just wanting to know how much that is. It makes sense to me that we do that, that we provide these services to city folks. I'm not asking you do it for free, but I would like a direct answer so I have an idea of what your business model is before I vote on this.

Haas: My business model is a combination of those services, and if the city was to contract for approximately half a million to a million dollars worth of services a year, it would meet my business model.

*****: Thank you.

*****: Welcome.

*****: I'd like to ask – are you done?

Leonard: I'm not, but go ahead.

Potter: I just wanted to ask a follow-up question to that, and that is: By going wireless does this present opportunities that we currently don't have? And because of those opportunities, if we were to – for instance, with public safety officers, do real-time reporting from the field that that would be an additional cost to the city in order to engage that service? Is that one, and are there existing services that we currently have that we will not be required that we will save money on by utilizing these services?

Lampe: Yeah, let me start with that one because we – we've been in the position for a period of time where we've had facilities in the city that needed higher bandwidth to work effectively. Parks facilities are a great example where the costs were prohibitive to raise the quality of that service. The metro-fi alternative – which is not the general wi-fi service, but it's a service that also relies on their wireless backbone, provides us that opportunity at a cost that's equal or less than what we're paying for an inadequate service and significantly below what we would pay if we tried to approach – solve that problem a different way. So where we have money in our budget to provide those services, we're able to improve the service and stay well – stay within the budget amounts we have that have been necessary just to maintain an adequate service. So that was the first place we were focusing. The second place we were focusing is on the ability for some of our mobile workers to have better access to information than they have today. And we believe that there are some savings there. They're basically operational – primarily operational savings for the bureau. So b.d.s. is probably the best example. They believe that what they want to do this year is do some piloting around that. If they can have their building inspectors wirelessly connected to their main systems that they will have some significant operational efficiencies. I think the idea world, they may not even have to have all their inspectors come in every day, which saves them a considerable amount of time in terms of allowing them to spend more time in the field because they don't have to spend

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as much time in the office. Now, wireless is a facilitator for that. There are other elements that are necessary to facilitate those things.

Leonard: This service alone doesn't provide us with what we need to be able –

Lampe: Totally? No, because you need an application that they can access over the internet to be able to fill in those inspection reports, and that's something that's being worked on with d.d.s. Now so that they can do that.

Leonard: I understand you need this service in order to communicate from the field.

Lampe: This service would be by far the most cost effective way to do that service. We could do it – we can do it today using verizon's service at \$60 a month per – per account, and there's a lot of complications in using that. This one service – at \$20 a month also gives us basically a much more direct connection to our network. So we believe the service and functionality will be better, that still needs to be tested, and that's – we need to move to the next step in order to do that.

Leonard: I didn't hear your answer regarding the mayor's question about the public-safety application.

Lampe: Public safety – the way we're viewing this network today is as a potentially important ancillary network to public safety. Let me explain, and i'll give you the example of corpus christi, texas. If you go into corpus christi and you sit in a police car, what you will see is they essentially have access to multiple networks. The wi-fi network there provides them higher speed access to certain applications and data that – their existing police-radio network is too slow to be very functional. But when you have a wi-fi network which relies on 2,500 access points around town, we can't provide emergency power to those. It's not going to be something you necessarily can rely on under certain kinds of circumstances. So if you think about it, it's kind of the high-speed alternative, but you need to have the highly – really high-availability network that's in the police-radio system as well to be able to fully utilize it. So we expect that police will find this network will facilitate some things they want to do, and they will get considerable value out of it, but I don't want anybody to think we're characterizing this as a public-safety-grade network because it's not, and I want to be careful about that.

Leonard: This particular company, or would that apply to any of the companies?

Lampe: It applies to any of the companies that bid with the equipment that they're bidding. Now, we believe there are – as some of the technology that we're dealing with matures a little more that we will see some ways to augment that public safety network in the 4.9 gigahertz band, which is a reserved public-safety band that we have licenses to use, and as the sort of wi-max side of standards-based wireless service comes up and comes into play which – we're just starting to see equipment emerge in that space – we'll be able to add to that.

Leonard: Does this contract give us the flexibility to go into wi-max, to expand to wi-max? Are we committing ourselves to this technology and only this technology?

Haas: Maybe – if I can address – corpus christi, it's important to note, spent over \$15 million of city funds to deploy a network very similar to what we're deploying in the city of Portland for no city funds. So from a functionality standpoint, it's fairly similar. Totally different business model. We make our money on a subscription fee rather than having the city pay for the network. It is – the network has a pre-wi-max. Wi-max is a new technology backbone, and metro-fi will be upgrading our network and no city funds to be able to offer wi-max capabilities as that matures. And then the city would have the opportunity to purchase services on that network. It's also important to note that the contract is non-exclusive.

Leonard: You're talking corpus christi?

Haas: To Portland. So if Portland, you know –

Leonard: You're – i'm trying to keep straight here. Were you just answering about what's available in corpus christi and then start speaking to the Portland contract?

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Haas: No, I was kind of comparing – matt was talking about corpus christi and their network for public safety. I was answering a business model question about – you know, that was \$15 of city funds up front versus –

Leonard: In corpus christi?

Haas: In corpus christi versus the contract that's under consideration here is no dollars up front.

Leonard: I'm just asking a simple question. Do we have the flexibility in our contract to expand to wi-fi – excuse me, wi-max that will support public-safety communications?

Haas: For additional cost, yes, and nothing in the contract prevents the city from – from doing that themselves or with a third party.

Leonard: But have we – I guess i'm trying to get to the question you asked: Have we addressed that somehow? What is our plan to implement a wi-max model that will allow police, fire, medical to – to rely on a wireless system for their reports?

Lampe: If we were – okay. I want to differentiate those to things because what our planning has been focused on, on the public safety side, is not to rely on unlicensed frequencies, which is what this is about. Wi-fi operates in unlicensed frequencies. Public safety, generally speaking, unless you're viewing it as sort of an ancillary booster network that you use when it's available and not rely on it as an emergent system we really believe needs to be in licensed frequencies. So it's a totally distinct –

Leonard: Matt, I understand that, but I feel like i'm asking questions and getting answers to questions i'm not asking.

Potter: Let's simplify the question. I visited hermiston, Oregon last year. Hermiston, Oregon, police can go to their hot spots. They have a wireless system, and a police officer can sit in a car and enter that report through the wireless system to their supervisor that goes then directly into their record, so it really expedites the amount of time that a police report takes to actually be able to be utilized by the police. Will this current system have that capacity?

Lampe: Yes.

Leonard: Yes? See, I would have thought you were saying no.

Potter: Okay. And with the wi-max, what that does is extend the range, I understand, and that by extending the range, it creates more opportunity for not being in areas where there's a weak coverage.

Lampe: Well, that's one of the features of wi-max. For us, the critical issues with wi-max and mobile wi-max is that we could put our 4.9 frequencies into a wi-max technology, use primarily our existing towers and – because you're only serving a limited number of vehicles. You're serving the public safety vehicles because they're the only ones who can really – are allowed legally to use the 4.9 band. So it really is a separate issue when we're getting to that, but we can harden wi-max at the 4.9 much further than we can on this kind of system.

Leonard: Our officers using this system, i'm understanding you to say, if we pay the \$500,000 to a million dollars a year to contract for this service, will be able to file their reports electronically. Our p.d.s. staff will be able to do their inspections electronically.

Logan Kleier: Commissioner Leonard, if I can sort of amplify what matt says as separating the capability versus the desire. So matt's answer to mayor Potter is regarding that the network is capable of doing that, but then the desire comes around: Do you want to use the network in that way? And I think matt's illustrating the concept that you may not have the necessary capacity on the network that the police bureau would like or certain secure communications, you may not want to do that over this type of network. And so I think matt was merely trying to separate those two things.

Leonard: Well, i'm just asking a question, and just listen to the question. It is simple. Does this system that we're agreeing to have the capacity to do what you just heard the mayor ask, file police reports?

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Haas: Yes.

Leonard: And we don't have to do anything more or spend any more or have technology other than we're agreeing to in this contract to do that?

Lampe: Well, you have to have the applications prepared to do that.

Leonard: The programs.

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

Leonard: I understand that, but i'm talking about the actual technology to beam the report from the car –

Lampe: And you'll have to equip the cars with the radios that operate –

Leonard: This system that they are installing with have the capacity to do what we would like to have done, and that is file the reports electronically.

Lampe: That's correct.

Potter: Other questions?

Leonard: I do, but go ahead if somebody else has...

Adams: Um...so if – just to – the council has asked the director of purchasing to begin a process of when items come to us, contracts come to us top provide a level of confidence in terms of underlying assumptions of the contract, what have you. If you could look that over, matt, while I ask another question. Our contribution is limited in this other than our contracting for services.

What is our liability, though, if things go terrible, terrible wrong with this project? And we hope they don't, but I guess the obvious question is if they do, does the city of Portland have liability?

Lampe: Um...the biggest liability we would have is if we have services that we've come to rely on, on this network that we like and we want to keep and we don't have another good alternative in the marketplace. Then the liability, essentially, is – becomes a policy choice as to whether we want to step in and somehow maintain the network to provide those services for our use. That is entirely a policy option in that event. There is no financial liability, really, that sits here.

Adams: It would be potentially if we were relying on this service for the kinds of services that the mayor and commissioner Leonard are talking about. At that point, we would have some short-term liability while we came up with new ways of –

Lampe: That's right. If it went away on a day's notice, yeah, we would have some issues.

Adams: And then, have you had a chance – if you need more time, that's fine, too, but do you have a sense of what confidence level we should assume and the overall assumptions of the costs and benefits of this project?

Lampe: Yeah, the model – the confidence model doesn't apply very well because it's – I mean, it's really based around something we're building – designing, building, and paying for, and here, we're not. So in that way, I think we're very high in the confidence in terms of what the city's liabilities and risks are.

Adams: So how confident is the model in your mind?

Lampe: Um, I would say i'm – I would probably say somewhere between moderate and high, and I would just put it that way because at this point, nobody has effectively built out a major city, operated a network, achieved all the revenues, seen how it works anywhere in the world. We know when we went into this, this was a leadership issue. This was a cutting-edge issue for us. So to say it's optimal or the completion level, the highest level here, I wouldn't – I wouldn't say that.

Adams: Thank you. That's all we're asking.

Lampe: Okay.

Adams: We know you're not a the point of having it build and – yeah.

Saltzman: I seem to recall from earlier discussions there were potential other anchor tenants, like tri-met and the school district. Is that still the case?

Lampe: School district is definitely involved. I think you'll hear from scott robinson later today.

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Leonard: So another concern – I don't know – this isn't related directly to the contract. It may be – it may just an issue the council needs to contemplate, but one of the concerns I had – that this presents an opportunity to help resolve – is to allow access to the internet from – kids that are struggling just to stay in school in terms of the economic background they come from. So 50% of the Portland public school students had subsidized lunches. 90% of the kids at david douglas, park rose, centennial reynolds are subsidized. So i'm inferring from that information they don't all have access to computers in their homes. They're struggling just to have the child fed at school. I doubt that they're using money for computers in their homes, which I think puts that population at risk falling behind educationally with the rest of the country and opportunities presented by what we're doing here today. I know other cities have talked about this in terms of creating a fund for low-income families to have laptops and computers. Was this discussed in this agreement? If not, have we – do we have it as part of some larger policy initiative that we're looking at?

Potter: Commissioner, can I respond to that?

Leonard: Yes.

Potter: These are items 974 and 75. Item 976 goes to that direct issue about digital opportunity, and so that – i'm hopeful that when we get through this that we can then go to how we can help create more opportunities through low-cost loans programs, technology ambassadors and other areas commissioners Sten and Saltzman and I are co-sponsoring that resolution.

Leonard: I guess one of the things i'm wondering – because I know this has come up in contract talks in san francisco and philadelphia – is whether we contemplated including a mandate of this provider to put money into a pool for the purpose of purchasing computers for low-income folks, which I think is directly relevant to this particular ordinance, di we discuss that? Did we think about that? And if not, why not?

Lampe: In the r.f.p., one of the areas we looked at was public benefit, and in public benefit, we defined certain – a certain minimum requirement that they needed to provide which related to free access to certain public service information and sites. We sat in the r.f.p. scoring somebody who met that minimum requirement in that area, which got, I think, 30% of the potential points for public benefit. We then asked people to propose what else they thought they could do within their business model around public benefit. We basically saw two approaches. One approach was to have every account be a paid subscription account but take some small percentage of the money, set that aside to either – generally speaking, either the premises equipment chick was talking about – that is, that external antenna to improve the signal strength – or to buy down the cost of those accounts for a limited number of low income subscribers. Or we saw the free model we'll provide the service free, but that means there's a lot less revenue stream for us to look at diverting to that kind of a fund because we're not doing it out of paid subscribers – substantially out of paid subscribers. And in the judgment of the evaluation committee, while both of those got scored additional point—both approaches got score additional points, the approach that the benefit of having the free wireless available, I think, earned metro-fi a little bit higher score in that area than the other. But we didn't see anybody who – and we haven't seen anybody nationally who's getting both bites of the apple, both the free service – city-wide free service and money being contributed into those sorts of funds. Now, that being said, if you look at the philadelphia model, a substantial portion of the money that's going into the non-profit – which may or may not get into actually subsidizing computers in the home. At this point, it's not clear they will have the money to do that because they have other obligations under the contract, like managing the whole qualification program and deciding who gets the limited number of lower-cost accounts. But if you look at a substantial chunk of that money, it came from the new revenue stream that went to the city because the city owns all the poles that they were attaching to so that a portion of the pole-rental fees that was new revenue to the city in the general fund was devoted -- passed over to the nonprofit for that

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purpose. So it was really a city taking advantage of some new funds to devote to that purpose as well as some portion by the provider.

Potter: Other questions? Thank you folks. Is there a sign-up sheet.

Moore: Yes.

Potter: Thanks for being here you each have 3 minutes and please state your name for the record.

The structure of this agreement is one that represents a true win win in the relationship between a public and a private entity. Particular with respect to the public entity funding the construction of that network and minimizing the risk to any of the public entities.

CAPTIONER CHANGE (This may be a repeat)

That means there's a lot less revenue stream for us to look at diverting to that kind of a fund because we're not doing it out of paid subscribers -- substantially out of paid subscribers. And in the judgment of the evaluation committee, while both of those got scored, additional points, both approaches got scored additional points, the approach that the benefit of having the free wireless available, I think, earned metrofi a little bit higher score in that area than the other. But we didn't see anybody who -- and we haven't seen anybody nationally -- who's getting both bites of the apple, both the free service, city wide free service, and money being contributed into those sorts of funds. Now, that being said, if look at the philadelphia model, substantial portion of the money that's going into the nonprofit which may or may not get into subsidized computers at the home, it's not clear they will have the money to do that because they have other obligations under the contract like managing the whole qualification program and deciding who gets the limited number of lower-cost accounts. But if you look at the substantial chunk of that money, it came from the new revenue stream that went to the city because the city owns all the poles that they were attaching to so a chunk -- a portion of the pole rental fees that was new revenue to the city in the general fund was devoted, passed over to the nonprofit for that purpose. So it was really a city taking advantage of some new funds to devote to that purpose as well as some portion from the provider.

Potter: Other questions. Thank you, folks. Is there a sign up sheet?

Moore: Yes. We had five people sign up.

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

Scott Robinson: Mayor, council members, good morning. I'm scott robinson, chief technology officer for portland public schools. And I'm very pleased to be here today to represent the school district and to support the metro-fi contract. It's been a pleasure to be involved in this process from its inception. The unwire portland project is a unique opportunity to put leadership into the City of Portland. And I specifically would like to thank the leadership of the city for taking that leadership role, also pdc for playing a very instrumental role and matt lampe and the bts for their role in sheparding this process forward. I'd also like to compliment the work of the rfp team. The review team spent many, many hours reviewing bids, sitting through vendor presentations and engaging in very productive debate. This is not an area where the technology is proven in the sense that there are cities that have built out a network of this scale citywide. So this is an area where we're pushing the envelope so to speak. In the end we selected a vendor that we believe has the right mix of business experience and vision to get the job done. The metro-fi contract represents a significant opportunity for the City of Portland and portland public schools. The structure of this agreement is one that represent as true win-win in the relationship bean a public and a private entity particularly with respect to the private intent, funding, the construction of the network and minimizing the risk to any of the public entities. For Portland public schools this represents an opportunity to serve some of our smaller school sites, some of our dual contract programs where we work in conjunction with county or private agencies as well as to provide access to some of our sites that have no other alternative for backup. However, even more important to us is the availability of lowering the

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barrier to affordable internet access to our parents and students. With an ever increasing reliance on digital content the internet has become an essential tool to support teaching and learning as well as parent communication. Your support of this contract will go a long way in helping us enable communication and curriculum access through better access to the internet. Thank you.

Clive Cook: My name is Clive Cook. I am a citizen and resident of Portland. What we've just heard or at least what I have interpreted is that what this comes down to is providing free advertising-based access to those consumers and people in Pioneer Square. The R.F.P. specifically calls out for a number of services that were designed to benefit all of Portland, not just consumers of Portland, not just consumers, not just the city government, but the businesses of Portland, but the greater community of Portland, beyond public schools and right down to economic development initiatives within the communities. For this reason, I have three very, three concerns about both the process that has taken place in terms of deciding this contract, as well as the narrow scope of services and capabilities that is going to be provided under this contract. We heard Mr. Haas say the cost to build this network in Corpus Christi was \$15 million. Maybe it's less in Portland. I believe the comment was something less than \$10 million. Today in Pioneer Square, there are 30 users a month in that public Wi-Fi area at \$2 of revenue per month per user, it's going to take a lot of time to pay off that \$15 million unless we tap into the \$16 million of city services that are to be provided there. That business model doesn't seem to pencil out in my mind. And I am sure in the minds of everyone else here. The -- a big part of the UnWire Portland initiative was to provide economic development opportunities for Portland, both short term and long term. I work for one of the finalists in the UnWire Portland project and we had proposed a \$15 million fund to Portland public schools directly to help pay for their curriculum to help put aside funds in a time of crisis for Portland public schools. I didn't hear anything today to tell me that that -- an equivalent economic initiative was put forth for Portland public schools. We also represent 1500 people that work today in Portland for companies in Portland that are part of our consortium. We have extensive experience building out the networks that are just being talked about here today. It seems to me rather than importing capability from Silicon Valley, we have the capability here and we passed up 1500 people in Portland that have done this many, many times, which would obviously translate into significant economic benefit for Portland, both in the short-term and in the long term.

Potter: Sir, you are over your time.

Cook: Apologize. I will leave it there.

Potter: You can wrap it up.

Cook: No. That's all right. We in our response have prepared in conjunction with many of the communities of Portland, with the Northeast community in particular, as -- that was where our plan facilities were to be built -- with businesses in Portland, and all of them are -- were excited about the R.F.P. and what came out, unfortunately, the R.F.P. does not have business grade services, does not have mobility, does not have public safety services. It has internet-based advertising, free advertising services that is not going to benefit the greater Portland community. Thank you.

Adams: Just so I am clear and we have had a chance to talk one on one, your proposal would have provided that without a subsidy -- without a capital investment from the city?

Cook: Of course. No. Our similar to Mr. -- to MetroFi's structure, we would expect an anchor tenant contract with the city.

Adams: But not a capital contribution?

Cook: Not a capital contribution.

Adams: Thank you.

Potter: Would it otherwise be a free system to the average user on the street?

Cook: Yes.

Leonard: How would you have done that without advertising?

Cook: Pardon me?

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Leonard: How would you have done that without advertising as they are?

Cook: Our model was to act as a wholesale provider and to use the existing retail service providers in Portland, be they comcast, be they qwest, be they easystreet, infinity internet, to take them and they would offer competitive retail services, one of which would be free, one of which would be a subscription, one could be a different service model but we would provide and fund at our own cost the infrastructure to create that competitive environment.

Potter: Doretta?

Doretta: My name is doretta and I am a public process-a-holic.

Potter: What's your last name?

Doretta Schrock: Schrock.

Potter: Thank you.

Adams: There has to be a 12-step program for that. You have admitted your problem and that's the first step.

Schrock: This might be the wrong place to find a sponsor.

Adams: I'll say: I'll say: Touche.

Schrock: I have been here a few times in the last few months and I will keep coming back until I get the right. Seriously, I have been here most recently to talk to you about odot's process for the I5 widening and the work of the office of neighborhood involvement budget advisory committee. Those both involve many good people and a lot of hard work, difficult choices and excellent process. Believe me, excellent process is not a universal descriptor of my experiences as a citizen volunteer working with government entities, including the city of Portland, but I am very glad to be able to use this description again today. I am here now to thank you for the leadership you have shown as mayor and council in support of the unwire Portland project and to urge to you ratify the contracts with metrofi today. Despite the prodigious amount of hard work and have you seen some of those binders we had to go through page by page? And considerable amount of time the unwire committee was the fun one. My master's degree is in computer science and I enjoyed this chance to let my inner geek out of the closet. I am excited about this project and what it can do for the city and its residents. The steering committee and purchasing did an outstanding job developing the r.f.p. for this project and Kevin yin did an outstanding job managing the evaluation committee process. The evaluation committee was a well chosen group of professionals and carefully scrutinized all aspects of the project proposals from finance to technology to privacy issues and public benefits. The citizen members of this committee were accepted as full partners by those representing public entities and every member of the committee made significant contributions to the process. In my judgment the committee was thorough and fair in its evaluations. I know some have questioned the choice of metrofi over the larger and wealthier earthlink. I should say at the end of the initial evaluation that resulted in our choice of the three finalist, I had earth link rated somewhat higher than metrofi. In the course of the interview process mr. Hass and his team did an excellent job addressing the concerns I had. He also supplied significant detail about the challenges they have found while implementing smaller but otherwise similar networks. Based on the interviews metrofi moved ahead of earth link in my scoring and ended as the top choice for a very large choice of the committee. I know that subsequent to the committee's choice matt and others have looked hard at method fi and the work they have done to date and I have every confidence in their evaluation. As I said I am excited about this project. I am excited about using the network myself and I have set up a personal telco-wireless node to share my internet connection and spearheaded projects to bring accessible wireless to spaces in north portland including the kenton firehouse. I love the potential that unwire Portland has to make these capabilities more easily. My excitement goes beyond that. As one of the people who did outreach for north Portland online faced two phase two I did research and talked to people about issues with the digital divide. It became clear to me in the course of that conversation that lack of computers is by far not the most

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significant barrier to equal access to digital competency and the advantage that brings. A computer represent as moderate one-time investment and there are multiple organizations effective in peopling people acquire them. A computer without an internet connection is a very limited tool. It is a monthly expense beyond many families' ability to sustain. That's particularly true for the broadband connections becoming more and more necessary for effective access to the internet. Months of a modest broadband connection can cost more than the computer. The access proposed by metrofi has more potential to shrink the digit divide in Portland than anything else on the horizon. That's exciting. Again, I want to thank you for your leadership on this issue and urge to you ratify the contract with metrofi.

Potter: Thank you.

Potter: Is the second individual here?

Leonard: It was adam hass.

*******:** I'm adam.

Moore: It was he had monson.

Adam Haas: I am adam haas, as separate from chuck hass.

Moore: Sorry.

A. Haas: I am a citizen volunteer on the selection committee. I want to blame doretta for my addressing you this morning. She egged me on to testify and now I know why. Anyway, normally I am on the other side of the fence representing a firm going after business with the city so it was really refreshing to see this process in action. And I have to say I learned a lot about what would be more effective in terms of making presentations to groups like the one that I sat on. That was very interesting, very productive and again very well-organized process. I came to Portland in the late 1970's because of a telecommunications revolution. It was going to be capable tv on the east side of the willamette river. And it was kind of like known across the country as Portland being yet again in the forefront of some exciting technology. Of course, that was wire-based. As a result, I ended up working for rogers cable initially doing community tv, in fact, we put these meetings on the cable and prior to rogers cable that hadn't happened. What I find really exciting about this new project is that it's the same level of innovation, both in terms of the city taking initiative, as well as what it could mean for the citizens from a technology standpoint. I also have to say I have been involved in startups. There are no guarantee was startups. They are risky propositions. But given my background in startups, I felt I had something to contribute in terms of looking at the officials and how realist I can they are and I really do believe that, in an environment of risk, metrofi's is the best plan from a official standpoint and I want to support the selection of metrofi. Thank you.

*******:** Hello, commissioners and mr. Mayor. This is my first time speaking here. And I am --

Potter: Would you state your name for the record.

Kris Amundson: Kris amundson. I am a small business owner and I was on the selection committee. I was brought in as a technical advisor with my experience with Portland state university. I was a significant engineering resource for the construction of their wireless network that covers the entire campus before I left p.s.u. and I just wanted to say that evaluating all the technical abilities of the various bidders, metrofi came out on top as far as their balance of experience and deploying an existing network that they have up and running and that they have, they have to have the operational experience to run. And their business plan was simple and understandable. And it just made sense. There were a lot of other designs that were very complex. Some used kind of technology that was experimental. This one is very based on standards and the ability to go to wi-max in the future is important and I think it's the right choice. Thank you for your time.

Potter: Thank you.

Moore: That's all who signed up.

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Potter: I had a follow-up question for matt. I was very pleased to see tri-met and the Portland public school district were engaged in this. Are you going to be making the same service available to the other five school districts in Portland?

Lampe: The contract includes a provision whereby they can acquire services under the same terms and conditions as the city does. The five districts that are in Portland are all within the coverage area that will be built out so in terms of their parents and kids having access to the free wi-fi they would have that as well. So from the standpoint of I guess the simple answer is yes, they will have the same opportunities.

Potter: Will we be presenting that to those five school districts?

Lampe: Yes, we will.

Potter: Thank you. This is a nonemergency and moves to a second reading. On 974. 975 requires a motion to accept the metrofi proposal.

Saltzman: So moved.

Potter: Did I hear a second?

Adams: Second.

Potter: Call the vote.

Adams: I want to thank jesse beeson in my office who's dogged this issue for me. I want to thank the leadership of erik Sten and mayor Potter at various times we have all sort of had point on this project over the past two, three years. It's, this is very innovative. And it is not without risk. And I think that in terms of looking around the country at the various options in which these kinds of services can be rolled out that this option actually minimizes the risk to taxpayers. So it's innovative, it's a tough challenge, but I also think it's a responsible way forward. I want to thank the bureau of technology services, matt, the companies who all bid on this, and I think it is important, matt, to debrief with the other companies and get from them sort of the feedback on the process. I think this process was good and adequate but I think it's important to debrief and find out how it might not have served everyone and to try to differentiate between the natural bruises that come from not getting a contract with ways that we might be able to improve these kind of contract in the future. So I look forward to doing whatever I can to contribute to the success of this and my bureau, p dot manages the right of way so we will be a big player in implementing this moving forward. And I look forward to that challenge. Aye.

Leonard: This kind of agreement is cutting edge in the u.s. And of late I have tried to get myself up to speed as much as I can on this. I am going to keep my optimistic eye on this and hope that it succeeds. But I hope our staff asks a lot of questions as we implement this to make sure that it's done right and I am less concerned, frankly, about offering something that may be free than I am something that works. And I am very mindful that sometimes you get what you pay for. So none of my questions should have been construed to mean I don't think the city ought to engage financially on this project. Quite the contrary. I think we should. And I want e.d.b. and our other entities to take advantage of not just communicating their own reports wirelessly but allowing the public to access permits wirelessly, to do a lot of things on that private sec for has been doing a long time that we need to catch up to do. I think we should pay for that but I want to make sure we are getting a reliable, good service. And from the questions I have asked, the I think the answer to that is yes. Aye.

Saltzman: Well, I want to first thank the r.f.p. evaluation committee. Especially those many of whom we heard from today who volunteered their time and expertise to make this selection a success. Since my office has been involved in this project from the outset I know how much work has been required will spending many hours researching and asking tough questions, i've actually had a drink with a few people in our city staff going back and forth on some of these same issues about metrofi versus well established earthlink versus free ad-based service versus a modest subscription fee. And there's a lot of vexing questions and because we are the largest city to

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undertake this effort, you know, i'm not sure there's a clear right or wrong but I think we are making the best choice with the information we have and what we think will ultimately serve our citizens well. And Portland does have one of the highest internet penetration rates in the nation and has been a leader in wireless technologies and I see this as consistent with maintaining that leadership role. And this contract represents the next chapter in that leadership by providing our citizens and businesses with free, ubiquitous wireless access to at least 95% of our city. As the commissioner in charge of the cable and franchise office, I am quite pleased that this agreement will provide our city with telecommunication infrastructure that will have open access for other providers to compete for customers. With pending federal legislation that could really cripple our city and many cities' ability to encourage competition, this project is of the you the most importance to our city, local internet providers and consumers. So I look forward to the timely and successful rollout of the network and again thank the evaluation committee and congratulations to metrofi on submitting a winning proposal and I just wanted to also say thanks to p.d.c., the b.t.s. And brendan of my office who worked very hard on this as well. Aye.

Sten: I am going to join in. I think this is a historic moment for Portland and I certainly hope it will work and believe it will work. And this will get us to the next stage where we need to be and it's interesting, as I thought and we will talk a little bit more about digital divide as I thought about the choice between the three providers and that was in front of us and the argument you are hearing today about, is it access? Is it computers? It's all of these things. And there's actually a compelling case for each of the three models that was presented to us and I think that's actually exciting. And for that reason, I erred on the side thinking the committee we appointed was very qualified and worked very hard and it's a bet. We don't know whether this will work or not. I love the idea of it being free. I love the idea when anybody comes to a computer turns on their computer with a little work they can access this. I think that creates a sense of place in a way. It's a digital place because sense of place for tourists and others that is very unique and I think the fact it's very free is very powerful. We have more work to do on the low-income side. I wanted to thank a couple people. This is at some point every council office was either leading or working on and I was glad not to be leading the final stages. I want to thank marshall runkel who, if you can have a brain child of something that people across the country are aspiring to do this is marshall's brain child to bring it to Portland. He went to all of the offices and pushed before he left to one he handed it off so I appreciate the work he did and all the other offices and have my fingers crossed and have my laptop right to turn on city wide. Aye.

Potter: I too am very appreciative of the staff and the committee that made the selection and recommendation to the council. I think this lays the good platform for the possibilities for Portland. And I am very pleased that it is free because too many people in our community do not have access to the internet. And we talk about the digital divide and we are going to be discussing it in the next item so I won't go too far into that but it's really important that we take the possibilities and make them real for our community. And that's really what the next item is about. I think this is a big step, a historic step for our city and our nation. We are at the forefront working with our partners on this and I can in the long run, it will benefit not only our community but also our service providers in the city, whether it's in b.d.s., the police bureau, or b.e.s. or any of the other bureaus that have a lot of field activity, I think this is really going to expedite doing the business of the city the most effective and efficient manner possible. I vote aye. [gavel pounded] please read item 976.

Item 976.

Potter: I would like to introduce this but also acknowledge commissioners Sten and Saltzman are co-sponsors of this resolution with me and ask if they want to make any comments after my opening remarks. Now that we have approved our contract with metrofi I would like to present a resolution for the creation of a digital opportunity program. The idea is to build on the success of the unwire

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Portland network and lowering the barriers to internet access, experienced by many members of our community. I am hopeful that our new partners, metro metrofi will join us in consideration and possible development of programs that could help minimize some of the challenges faced by low-income and underserved communities with respect to harnessing the true power of the internet, its power as a tool for improving our daily lives. Supporting programs that I would like to see explored include a possible low-cost loan program for the purchase of computers and hardware, the creation of a corps of technology ambassadors to help teach computer skills to those in need or facing language barriers, the possible development of the online content to facilitate increased civic engagement and participation among various communities. In resolution directs b.t.s. staff to report back to council annually on how unwire project promotes increased access to technology resources among underserved communities. I look forward to future updates from b.t.s. and bureau staff as they continue to work with the council staff and representatives from metrofi to push the envelope in terms of how our unique network can help close the gap on the digital divide. I also hope that we and our partners will continue conversations, technology oriented nonprofits such as one economy and other potential private seconder allies. Thank you to one economy and b.t.s. for continuing to work on this important component of a comprehensive technology strategy for the city of Portland and its residents. Commissioner Saltzman?

Saltzman: Thank you, mr. Mayor. I agree with you it's a vital component in our effort to address the social and economic impacts of the digital divide in our community. It's the unfortunate reality that many telecommunications providers and especially those related to internet access, employ the practice of red lining our communities that are not viewed as profitable markets. And this is often those in low-income areas with populations that are already disadvantaged economically and socially. The internet has become an, in essence, an essential utility as much as water, sewer, electricity, and natural gas. And telephone. And having basic access is fundamental to acquiring information and services to survive and prosper in the 21st century. This program will demonstrate how the multiple efforts established by the use of the free network will increase access to those that need it the most. So I am pleased to be a co-sponsor of this.

Sten: Well, I think we will hear the presentation but I think this is as you said, mayor, this is kind of gets to the point of, as we make Portland a better place, and we have been doing in so many ways as a community, more than the council, I think it's who is it a great place for? So if we have terrific internet access and I hope we will have even better internet access, we will have a service that's free here before too long, the question really is, does it make the gap between people who are doing well in the society and people who are struggling smaller or bigger? And ray ramsey, head of one economy, gives a speech I have actually done with him on a panel and he really says it's not neutral. It's either going to get better or worse for people on the edge in this town. If we do internet access and make everything available through the internet whether it's building permits as commissioner Leonard commission mentioned or homework help as the school district was talking about and people don't have access to it they are further disadvantaged by our move. So this I think becomes at heart of what kind of community we are going to be. And I think that while there are, around, you know, which provider we should go for in terms of the digital divide, I think it's inarguable, now that we have a provider we need to attack this a little harder than we have to date. We have done really good work. The low-income housing to Portland has been wired much better. There are programs in place to help people get computers. But it's like a lot of our programs. I'm not sure people know they are all there and they are not to a scale that -- we could get to a point where it's expected that all low-income children have access and a way to get there. Actually I think it's very achievable. You look at the cost of getting everybody on to the internet and it's daunting but it's small compared to housing and we are trying to do housing and other pieces. So I look forward to this as hopefully really just not a resolution that we point to and say, ok, we did something but a resolution that we point back to and say we started doing more on this day.

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Potter: Is there a signup sheet for this?

Moore: We do.

Potter: Pardon me?

Moore: We do have one. We have four people -- five people signed up.

Marshall Runkel: I'm names I marshall runkel, I am a long time listener, first time testifier and of the people that were here to testify had to move on because -- so if possible, I would like to ask for a couple more minutes than three minutes to testify. I know we are going a little long. But I wrote out a whole testimony and I promise I will stick to it. I won't ramble.

Potter: How much time do you need?

Runkel: About five minutes?

Potter: Ok.

Runkel: Thank you. I am going to cover some of the things that we have already talked about today because I wrote this out last night or -- but I think it will provide a frame and some of the details to the issues that we talked about. Quickly again my name is marshall runkel, the director of municipal initiatives for one economy. One economy is a national nonprofit that uses technology to help connect low-income families with opportunities to improve the quality of their lives. City, trimet, the Portland public school district, and metrofi deserve a lot of credit for bringing a new generation of internetting a toes to our city. We will be the first major city to implement a free wireless access or free wireless network and that's a huge accomplishment. I am here today to encourage to you maximize the benefits of the new piece of civic infrastructure. Just to lay a little more detail on where commissioner Leonard, what commissioner Leonard was talking about earlier, there's more than 25,000 Portland area children who qualify for federal free and reduced lunches. According to Oregon p.u.c. survey in 2005, 55% of low-income families do not have internet connection or a computer ought their home. That means that more than 10,000 families with kids in Portland area schools don't have a computer or access to the internet in their homes. At the same time, our economy is undergoing a steady and sure change. Generations of Portland residents graduated from high school into manufacturing jobs that provided a living wage. These opportunities are becoming more and more scarce. Department of labor research indicates that eight out of 10 new jobs require computer skills. Kids without technology skills are going to find it more and more difficult to find jobs that pay a living wage. Unless people have the name -- the means to gain technology tools and skills, they won't be able to meaningfully participate in the modern economy. And increasingly and I think this is a real subtle but important danger, not only will people without access to technology not be able to access the economy, they will also find it more and more difficult to participate in modern society where policy debates occur online, and less and less in neighborhood meetings. So what do we do? There's four strategies that I think that we need to work on. The first as we talked earlier is connect family to affordable computers. One economy is working with albina community bank, the meyer memorial trust and intel and other organizations to put together innovative loan funds that will allow people to purchase computers, coming up with the resources to make that, make that real. I think we are going to come back and talk to you about. The other part is making sure that the network reaches all affordable housing. The Portland project should made internet throughout the city. Two years you as the city council made it a policy to integrate high speed service into all new affordable housing. Unwire Portland will make it affordable for all housing to having access. It will reach single family housing and garden amounts but we need to receipted trow fit multistore, multiple family housing so every resident is able to access the internet in their home. New users also going to need training and support. Basic computer and internet training is crucial for new computer users. Participants in existing youth employment and work force development programs could do this and andrew mcgough was here, also had to leave but we are working with w.s.i. To think about ways that existing programs with existing participants can provide training for new computer users. And

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that's going to achieve multiple benefits. Trainers could build their own skills and resumes at a time they are needed services to trainees, their own peers and families. The city needs to provide more services online, not in line, as the catch phrase. The city's award winning housing connections website has been up for four years, for example. People can search for affordable housing online but they can't fill out a rental application online. And people should be able to perform those simple transactions with government online. Everything the city does from community development, permitting to preparing for emergency to paying utility bills can be more efficient effective and accessible. Cities around the country are using the internet to reach more people, get more done and save money. One economy announced a new national policy initiative this july co-chaired by senators barak obama and john mccain to create a national internet public channel. It can create a national portal for government and other self-help services and information. One economy can bring national resources to bear here in Portland to make it an example of what government can do online. As others have said, the passage of the unwire Portland contract today and the digital opportunity resolution are first great -- great first steps. We can capitalize on these opportunities and this new piece of civic infrastructure. Helping ensure the poor people in Portland have access to the skills and tools they need to compete in the modern technology-rich economy will also help make the wireless network itself a success. These aren't counter vailing possibilities. Working to help connect poor people should actually help make the network a business success. San francisco, detroit, chicago, boston, atlanta, kansas city, Washington, d.c., and places as small as green county, north carolina, where every school kid is being issued a laptop instead of an instantly obsolete set of textbooks are shoring what can be done. We need to get to work here. Kids growing up in Portland today won't only be competing with kids in seattle and san francisco for jobs. They are going to be competing with kids in bang galore and bow paul, shanghai and saigon. I know from experience how busy each of you and your staffs are. All I am asking for today is you dedicated a small amount of time, attention, and imagination to these issues. Let's seize the opportunity to do something different now. We don't, these kind ever opportunities don't come to council every week.

Thanks a lot for the time, the all of the city staff has done a great job. The only name I haven't heard mentioned so far is rasheed ahmed from the Portland development commission who did an outstanding job of managing this process all the way through. Thanks for the opportunity to participate and thanks for the opportunity to testify.

Potter: Thanks, marshall.

Teresa Teater: Good morning. Good afternoon, mayor and council members. Teresa teeter downtown homeless advocate for Portland, Oregon. Years ago, seems like 25 years ago I can remember when my former governor bob carrie in nebraska told us we were all going to a committee room and a big pull down screen was coming down, and we were going to see something called the internet for the first time. And it was cutting edge and so I liken what you are saying today as to that announcement, and that the opportunities that have come out of the internet are, and that this is the next huge step, and just -- just I was sitting back there thinking, o. My gosh, when I moved to Portland in a few months I will be able to get a college degree online for free: Except for paying for the tuition with the check in the mail or something. But I mean I can do my courses, you know. It's like, wow: Amazing: I mean, now I have to go to three different public libraries to get one hour a day on west linn, your Multnomah county public library, and I had to ditch the Oregon city because our budget caught cut in half so we have a half an hour, computer crashes flee or four times so you don't again get started. So for the homeless people and myself being on disability, this, getting the computers through a network, low-income loans to get a laptop, you can take it anywhere, I don't have to go find three libraries. I don't have to be on tri-met forever, six hours of riding tri-met to get to three libraries. If you can think of all this reduction of all these kids, I have to fight to get to a computer at the library. And wait for 20 minutes for my turn and get booted off before i'm done typing something. I'm also working on a federal lawsuits long distance. And my

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one hour just doesn't give me enough time and I have dyslexia where I say the word wrong, too. And I have to type fast. I had to get a special concession on a computer at west linn for two hours to be able to do this stuff. So wi-fi, i'm, oh, my gosh, i'm so excited because also my suggestion, too, while these folks are installing these, why don't they make some internships for some of the homeless to teach them how to climb these towers and install these, the ones that are computer illiterate and want to create a career. We would have the work force credit before you get the tax break for hiring, you know, the disadvantaged low-income, et cetera. And thank you very much. This is a great move for Portland and for this part of america today.

Potter: Thank you, folks.

Moore: That's all who signed up.

Potter: Please call the vote.

Adams: Marshall, it's good to see you guy. Rasheed, thank you for the leadership in this area and everybody else that was part of it. Aye.

Leonard: I appreciate this work. Do appreciate this work. Thank you. Aye.

Saltzman: Well, I just wanted to thank those that contributed to crafting of this resolution including representatives from one economy, the bureau of technology services, my office, commissioner Sten's and mayor Potter's office and rasheed ahmed with p.d.c. so it's great work. Aye.

Sten: Good job. Aye.

Potter: Thank you all. Aye. [gavel pounded] please read the next item.

Item 987.

Potter: Second reading vote only. Call the vote.

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

Potter: Aye. [gavel pounded] please read 988.

Item 988.

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

Potter: Aye. [gavel pounded] please read 989.

Item 989.

Potter: I directed yvonne deckard, director of human resources for the city, to look at this issue because as vacancies become available in the city, pay is an issue and we want to attract the best possible people to these jobs. So I asked her to do a study on it and report back to council with this item. So yvonne.

Yvonne Deckard: Good afternoon, council, mayor. For the record, my name is yvonne deckard, director of the bureau of human resources. We are responsible for maintaining the compensation plan that allows the city to attract, recruit and maintain a qualified work force. We come before you periodically to recommend adjustments in the city's compensation plan for both represented and nonrepresented employees. For example, you adopted a 6.5% wage adjustment for the classification of inspectors, water operation mechanics, parking co-enforcement officers, claims technicians and assistant claims technicians. You also adopted wage adjustments for 11.the% for 11 classifications and 8% adjustment for division fire chiefs and the a 6% increase for deputy fire chiefs. In addition, we are currently engaged in the pilot program at boec to address issues that may result in a wage adjustment for 9-1-1 operators. I am here to present an ordinance requesting adjustment to three salary ranges for nonrepresented classifications. 27 employees reside within the 23 classifications assigned to these ranges. If approved, the ordinance will increase the maximum of each salary range by 7.5%. It will assist in resolving a variety of critical recruitment and retention issues and will address compensation, compression issues that have arisen that pay grades 15, 16, and 17. As a basis for this proposal adjustment b.h.r. has gathered and reviewed market data. We checked comparable national jurisdictions using a number of classifications in the top ranges to see if the city's wages are competitive or near average. We look at the salary ranges to see how many, how much they had grown in compared the city's maximum salaries. In general, the

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market data show two things. Other jurisdictions, salaries are increasing at a faster rate and, two, the city's maximum rates have fallen below the average for the market. This proposed change is supported by the city's compensation policy in accordance with our compensation policy a critical goal of the city is to attract and retain qualified employees. In order to meet this goal it is important that we maintain appropriate internal alignment as well as wage rates which are externally competitive using comparable public jurisdictions rather than private sector employers. The h.r. administrative group defined competitive as wages at the average of the labor market in which we compare. At this time I would like david, our classification and compensation manager, to talk about the review process.

David Rhys: I am david rhys. I am the classification and compensation manager in the bureau of human resources. Yvonne deckard ask immediate to provide her salary review information that confirmed whether or not some adjustment was needed for the top pay ranges of the nonrepresented pay plans. My staff conducted a telephone survey in june of this year. Typically, we use cities of similar population to Portland that we might have used in other surveys and collective bargaining surveys. We used a group of cities we had used for a previous nonrepresented employee surveys. They included denver, charlotte, oklahoma city, austin, fort worth, nashville, seattle, tucson, Washington, d.c., and sacramento. We tried to include cleveland but were not able to get information back from them. As background, when we talk about adjusting a pay range. Pay plan we end up talking about jazz justing a group of classifications that are assigned to that pay range. They are not, they each don't have the individual pay range. They are in a group. And so these, they are assigned to that pay range based on the fact that they are similarly sized jobs. That's how we keep our jobs internally aligned in terms of compensation. Accordingly what we did was we picked and selected top level classifications, a selection of them from these groups of classifications to survey. And they were the ones that we surveyed for in the original nonrepresented employee study back in 2000. Using those classifications, we were able to compare historical day attachment we could ascertain what kind of increase occurred over time for these classifications. The classifications we surveyed were police chief, fire chief, city attorney, h.r. director, planning director, parks and rec director, transportation director, and the water utility director. As yvonne noted earlier we 70ly had two findings from the data that we obtained. Generally, other jurisdictions increased their salaries at a faster rate for these classifications. In many cases this was the result of limiting our adjustments over time to the cost of living once weds made the original adjustments that stemmed from the nonrep employee class study. Secondly the maximum of the range for neighbor of these classifications, for our classifications have fallen below or remain below the average of the maximum for those jurisdictions that we surveyed. Here's some examples. The maximum range for the police chief has grown 12.6% for Portland from the year 2000 to 2006. Mostly as a result of the nonrep study generated changes and coal what adjustments. When the average for maximum rates for the other surveyed jurisdictions increased at a greater rate, 35.2, 12.6 versus 35.2. In 2000, our classification of police chief was slightly over the market at \$113 -- 113.8% compared to the maximum of other jurisdictions. Now we note that it is below market at 92.8%. So it has slipped substantially. The parks and rec director is another example. A lesser increase over time for the city position, 28.7%, compared with the market increase of 37.9%. In this case, we were slightly above the market in the year 2000 at 107.4%. But now we are below the market average at 97.1%. A third example, fire chief, a lesser increase over time for the city position, 22.6%, compared with a greater rate of increase for other jurisdictions, 39.4%. In this case, however, we were slightly under the market before at 98%, and we are even more under the market now at 84.7%. When we do adjust a range we end up adjusting all of those in that range. And there are some that might appear high are than the market. And there are a couple of examples. The transportation director and the planning director are two. The city values these positions high are than other jurisdictions based on their duties assigned that are different than other

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jurisdictions so they remain slightly above the market, both prior to any adjustments that we made and afterwards. In closing, we believe our proposed adjustments are conservative for many of the affected classifications. We are comparing again to the average of the maximum rates of selective cities. There will be several paying more given it's an average. And we are also having to use in many cases the actual rates what is being paid to people in these positions. They don't have a specific range that is specific to a fire chief. They have a broad range and we are having to look at actual rates and they may get additional increases they couldn't ascertain because they have done individually. This may actually understate the possibly maximum rate the incumbent would receive in the future and as a result our numbers may be conservative. I will be available to answer questions about this information after yvonne finishes her remarks.

Deckard: As noted in the letter that I attached about the ordinance, there's no additional cost that will result from these adjustments. Merely people, the 27 people within those ranges would go, would stay in their current pay status and it's the range that would be increased at the maximum. I recommend that council adopts this ordinance and david and I are here to answer any questions you may have.

Potter: Go ahead.

Adams: From a fairness point of view, respond to do concern that we would be making necessary market adjustments for our management but not addressing potential needed market adjustments for our nonmanagement and/or workers in the city.

Deckard: You want me to respond to that in general? Generally, what we do, commissioner, is that as classifications come to our attention and oftentimes those may be brought forth either by the union or by the bureau themselves that will allow us to look at the range of a classification and at that time, we actually go out and we do that and as I stated in the beginning of my presentation, as a result of that, council, we are bringing these types of ordinances to council asking for increases in adjustments of ranges as we move through. What we don't do she often is do large comprehensive studies where we are looking at, you know, all of, you know, a classification or all of the work -- well, all of the employee group, all of the classifications that an employee group that, you know, would occupy. And so our job is to make sure that as bureaus are elected officials are employees come to us and say, we think that our particular job is not within market, then we look at those. Generally, another indication for us if we were actually having recruitment or inability to attract or recruit and retain employees and then that's another indication, you know, that we should look at. In this particular case because we actually have some critical recruitments coming in, it presented an opportunity for us to have to go in and look so when we actually do the announcements then we put the pay range on there. We look to see if we are competitive and that's the situation that caused us to look at these particular ranges at this time.

Adams: Ok.

Potter: Other questions? Thank you, folks. Was there a signup sheet for this?

Moore: There was and no one signed up.

Potter: This is an emergency vote. Please call the vote.

Adams: I am going to support this but I remain committed to the compensation study. I am going to support this but I remain committed to the compensation market issues that remain outside the management class in the city of Portland as well. That we agreed upon in bargaining. Aye.

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

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

Item 990.

Jeff Baer: Good afternoon, mayor Potter, members of council, I am jeff baer, the director of the bureau of purchases and I know we are getting into the noon hour so I will keep my remarks brief and just by way of a quick background, a little over a years ago in march of 2005 we made a significant whole say change to our state law that represented many years' worth of work and as a

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result we updated it and aligned our city code to reflect that of the attorney general's model public contract rules. And we also reflected in december of 2005, did some minor technical corrections and some housekeeping directions as well. But then we also today represents a couple of number of different change that is reflect couple senate bills. And I do need to make a correction on the ordinance that we had a type graphical error. It referenced these two senate bills. They were senate bill 477 and senate bill 1006. My correction on these two notes. And these changes we anticipated were going to be going to effect so we spent the last several months going back into making some additional housekeeping corrections, grammatical corrections, clarifications and again knees align back with the updated attorney general's model rules. There are two special class special procurement methods. One is for equipment, maintenance repair and overhaul and that allows us that if a piece of equipment breaks down and we get into it and have a company, they may find that there's additional repairs that need to take place and this allows us to continue that work as opposed to putting it back together and going out and doing quotes on that work. So that allows us to do that work very efficiently. And also the hazardous material removal allows us to move forward if we are required to clean up a hazardous spill. With that I will pause and if you have any questions about any of the corrections or changes, I would be glad to answer those.

Potter: Questions? Thank you, jeff.

Baer: Thank you.

Potter: This is a nonemergency. Moves to a second reading.

Harry Auerbach: Before you do that you should entertain a motion to amend it to correct the references so that where it says senate bill 877 it will say senate bill 477 and where it says 2005 it will say 2006.

Saltzman: I'd move that motion.

Adams: Second.

Potter: Call the vote.

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

Potter: Aye. [gavel pounded] moves to a second reading. Please read the next item.

Item 991.

Adams: We are required to put this on the regular agenda. And it's a good thing.

Leonard: Community groups going to testify?

Adams: I did have 36 people signed up to testify. Five minutes each. But commissioner Leonard, I thought your head would explode. So I told them to go away. [laughter]

Potter: I hope that's on the record.

Leonard: It is.

Potter: Anything else you wish to say about this?

Adams: Not really. [laughter] unless you want me to?

Potter: No: That's a non emergency. Any questions from the commissioners on this? Did we have a signup sheet for this?

Moore: I did not.

Potter: Not emergency. Moves to a second reading. Please read item 992.

Item 992.

Potter: Second reading. Call the roll.

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

Potter: Aye. We are recessed until 6:00 p.m. Tonight's meeting will be held at Portland building second floor auditorium.

At 12:36 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.

JULY 19, 2006 6:00 PM

[Calling roll]

Item 993

Potter: I want to thank all you folks for being here tonight. I know that you feel very strongly about your position, whichever side it is. And we want to give everybody the opportunity to tell us what they think. We do have some ground rules. We will be civil. And anybody who isn't will be asked to leave. And if it gets disruptive, we will disband the work session. So we want you to know that we are very serious about people being polite. If you agree with someone's position, please do not make any verbal noises. You are more than welcome to raise your hands and go like that. That's the traditional way of doing it silently. I am also asking people who signed up to testify -- we have a huge number of people testifying tonight -- to please try not to repeat what the other person said. Contrary to marketing and management, tell them again doesn't really work well. And so we would like to hear what you have got to say but we would appreciate it if you are concurring with someone else just raise your hands like that and let us know and that will tell us what you think. We have got an order of folks testifying tonight. And there will be some initial comments from the planning bureau. And then we will hear testimony. So, again, thank you for being here. We want to expedite this process but give everybody the fair and equal chance to be heard. So with that, joe, gil.

Gil Kelley: Mayor, council, gil kelley, planning director and on my right is [inaudible]

*****: We can't hear:

Kelley: How's that? That work better? Ok. Gil kelley, planning director for the city and on my right is joe zehnder, chief of the area neighborhood planning section of the bureau who has been responsible for this project. Also with us this evening to answer any questions you might have are julia geesely, the project manager, michael montgomery from the river renaissance program who has assisted at certain points in this process, along with seth hudson from the Portland development commission who also assisted us. We also had the technical assistance of eric covey and associates and eric is here this evening. We will keep our presentation very brief in tight lighted of the testimony you are going to receive. Procedurally we don't expect a vote from you this evening. We do expect that we will hold a follow-up work session with you. That has now been scheduled for august 24. It had originally tentatively bebb set for august 3 but in polling the council members and their schedules, we find that we have a more robust attendance possible on august 24 so that's the schedule for the follow-update. That would --

Moore: 2:00 p.m.

*****: Thank you.

Kelley: We want appreciate if you have energy left at the end of the evening after taking testimony to give us any direction you have on information you think is still needed on your part that we could bring to that work session on august 24, and also in the next couple of days contacting us will be fine for that but we would like to be as prepared as possible for the august 54 date. I would just say very briefly, the question in front of the council tonight is really a question we do not have a specific zoning proposal. Essentially the question being forwarded to you by the planning commission with a recommendation is whether and how to amend in the future the city's comprehensive plan and zoning regarding the uses on the linnton waterfront site. They do not have

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a specific zoning proposal in front of you, but clearly we all want direction from the council as to how to proceed to that next step. So that's really the question before you. This arose from the linnton community. The residents of linnton came forward to the bureau of planning and the council in 2000, after having prepared a neighborhood plan, and the planning bureau subsequently conducted a study which joe will describe in a moment, looking into that plan and various aspects of it, and some of the other issues that it raised for us including issues around the industrial sanctuary in the city. So joe's going to describe that in a moment. And we hope you will complete the testimony this evening so that we have the benefit of that going into the work session. I know there are a lot of people here to speak. You will have some very impassioned speaker on both or many sides of the issue. And we would appreciate coming out of this in august with a sense of clear direction from the council as for the path that you would like us to pursue. The planning commission had a very long and robust set of sessions on this topic, and they have forwarded to you their recommendation in writing. Joe will go over the high points of their recommendation as part of his testimony here. So, joe.

Joe Zehnder: Great. As gil said, we undertook this study to clearly frame up the issues related to the linnton community's vision for the linnton waterfront. And in conducting this study we also took an approach that was really to do due diligence for, to try to get some objective facts around a lot of the assertions and notions that swirled around the site, its use, its condition, and its potential. And we also did this by convening an advisory committee with both industrial interests and community interest as well as a technical advisory committee that had a range of city bureaus on there to see if we could, through that find a way to a middle ground on the topic as well. To just first orient you to the site, if I can get this to work -- great. The location, the linnton study area shown in the larger context on this slide, and actually there's a board of it right there, is about 35, 346.5 acres located in the Portland harbor next to the linnton hillside or linnton neighborhood which stretch as long way up and down route 30 but the town center portion is directly across from the site outlined in yellow on that slide. You can see that the site itself sits on a thin part but of a very large industrial area. In fact, the city and the region's largest including the port of Portland facilities on the east and giles lake industrial area to the south. The, coming in a little closer, the site, the study area specifically looked at the piece of land between those two tank farms. If I use the pointer here, on the south is a tank farm by british -- owned by british petroleum. On the north is the kinder morgan facility. The site as I said is 35 acres. More details on the facilities are shown on this slide and actually each of you has a copy of the power point to look along with as well. The major part of the waterfront parcels, there's basically three major waterfront parcels. To the south is the linnton plywood site, a closed former plywood manufacturing facility. In the middle is a and that side is about 24 acres. In the middle is 4.88 acres of harbor steel, which is a custom steel fabricator. The other major waterfront part, parcel is another 4.68 acres on the very north owned by r.k. storage and that's a steel storage and shipping facility. There's also between front ave and highway 30, and on the east side of the rail line shown in purple here, there's a number of smaller parcels that includes a few connecticut forming use buildings grandfathered in from a previous area as well as some industrial part of r.k. storage and some vacant land. The important infrastructure of the site includes the public streets. There's a public street at 107th. There's a public street and it's basically an unimproved public street along front. And then an unimproved public street along 112th. At 107th and 112th are the two public crossings of the rail line and up at approximately 105th there's another crossing. Another major defining feature of the site is the Portland and western rail line. The line between here and astoria shown here in purple that forms the western boundary of at least the waterfront industrial area. And running roughly in that same right of way is the olympic pipeline. The state and the region's major petroleum pipeline. Portland and western railroad handles about 18,000 car loads annually. The olympic pipeline ships about 2 billion gallons annually of gasoline diesel fuel, and airplane fuel. The two tank farms that I mentioned earlier, on

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the south is british petroleum. It's 25 tanks, 20 million gallons of gas, diesel, and ethanol. On the north is kinder morgan which is 34 tank, 20 million gallons of gas and diesel. The waterfront along linnton is pretty spectacular as well, especially from a natural resources point of view. The site itself has been, there's a natural beach and vegetative edge here and the in-water habitat potential has been rated high by the worder project which has looked for potential water, aquatic habitat restoration sites. As I said directly across from the site is the port of Portland and it's basically 1500 to 2,000 feet away across the willamette. So the other sort of major most people see of linnton because the neighborhood is really sort of beautifully secluded up on the hillside is highway 30. And part of the whole story of linnton is that at one time it was a town separate from the city of Portland, and over the years, was incorporated into Portland, and a number of set backs from the point of view from the neighborhood, not the least of which is the widening of highway 30, which took out one side of what was once the two-sided sort of main street of the town of linnton just leaving these commercial properties on the east side between highway 30 and the railroad line that I described earlier and the linnton community center, which has been a project of great community pride is located at the intersection of 107th and highway 30. Highway 30 is the major freight route between here and astoria as well as a state highway. The study itself sought to answer the question of whether or not there were redevelopment scenarios for that waterfront that could meet the community's desires or a mixed use development. And I think maybe as at the same time that it protected industrial capacity, and at the same time tried to reap some of the other river benefits that were pursuing the river renaissance which include environmental quality and access to the river, I think as gil may have mentioned, the reason that we initiated the study in the first place was in part to respond to the planning that the community of linnton had done on their own. They had two big ideas. Many provisions in that plan but two big ideas. One was to take care of the density of housing on the hillside with city council has already dealt with. Second one was redevelopment of this waterfront. So the study was set out to understand the reasons behind what we were trying to accomplish, what they were trying to accomplish with redevelopment of the waterfront and see if there was a way that it could work with being an industrial area. And specifically, we looked at four questions. I want to explain the findings of the study by addressing those questions. First, we looked at how any redevelopment scheme of the waterfront might benefit linnton and work with being an industrial area and came to the section conclusions that if we were able to accomplish a greater number of workers, greater employment density on the waterfront that would go a long way to supporting the linnton town center especially the commercial uses on the waterfront. That in an industrial and employment or residential development scenario, we should be able to accomplish getting access to the waterfront, that there wasn't, there was the capacity in any one of those scenarios to do that. Again, there was also the capacity to restore the river bank. There's nothing incompatible. It should be able to accomplish that. We also concluded that if we can get greater density employment uses there that's going to be beneficial. And in the study, we also opened the door to limited work live scenario where we thought that adding a certain amount of work live could a little bit of the residential vitality that the community was after but do it in a way that was responsible, given the industrial location and the safety concerns. The second question was would the waterfront be a safe place to live? We did extensive work with fire, the coast guard, and others and concluded that no single factor, the fire risk, the evacuation risk, the flood risk, the homeland security issues or proximity to hazardous material or railroad conflicts -- the site has all of those -- no one individually said it was a -- unacceptably or clearly unsafe place for residential. However, when you take all those risk factors as a whole, the study concluded that major residential development of the site clearly could expose residents to significant and complex risk factors. We didn't have any one of those particular sets of regulations that said, you cannot do it. For instance, if the tank farms are meeting their safety regulation they are technically safe but there's a lot of risk here. The biggest risk amongst them all is not only having only two ways to evacuate and that's

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across an uncontrolled freight line. Third, we asked how valuable is the linnton waterfront as industrial land in the study concluded that the linnton waterfront is viable and valued for industrial development and well served for industrial infrastructure, olympic pipeline, waterfront access, the plywood site actually has deep water access. There's a limited supply of industrial lands in the Portland harbor that we documented through the bureau's work, through a market study and consultation with p.d.c. The linnton plywood site we concluded is, if it was appropriately priced, is a big enough site to be of the type that is desired by industrial users and that's also based on the experience and interest that has been expressed to p.d.c. And that finally, that the linnton waterfront is different than other industrial sites in the city that we have converted to mixed use. This was an issue that people kept going back to. If you did it in south waterfront when y-can't you do it sneer we took a look at that. That's actually in your materials in our report on page 22. When we looked at the places that have been converted, south waterfront, t-1 south and in a sense the pearl district, these were done as part of the central city plan other than the pearl district which came later, as part of a conscious decision to expand the central city. They are well deserved by public transit. They are contiguous with the central city and much larger parcels than this. So we think there's a clear distinction between this site and those. The fourth question was, could impacts from the -- if we had waterfront residential development, would it be workable or acceptable for surrounding harbor industries? The issue that the industrial interests raise here and every other time that we face this question of residential uses in or near industrial areas is that the residents' experience from just a normal operations of industry cause the city to be put in a position where we have to place limitations on those industrial operations? That's sort of one of the baseline fears. And the study here concluded that, indeed f. There is residential development on this site, they will experience noise, dust, odor, rail traffic, these sort of standard industrial nuisances, and that there's no obvious way to protect those residents from that. So we are sort of putting residential -- would be putting residences in a place where they would experience that. Is that enough to really create a threat for industrial users? Is not a clear cut question. That would be sort of from your all's experience having to face those kind of nuisance complaints with the city -- would be forced to act, I guess theoretically we could choose not to. Also there was a question in this of there was a point made that the city's industrial policy gives great confidence to would-be industrial investors in the port and in our other industrial lands and when we start to back away from that, it sends a cautionary -- it's perceived as a cautionary message that could chill their willingness or interest to invest in those industrial parcels. Once again that's pretty subjective but that was sort of the position that was taken and I think earlier testimony on both sides of that tonight. What we concluded in our study was that we suggested that -- thank you -- that we were going to encourage the linnton to redevelopment with a limited amount of work-live. We were going to include requirements for open space and river bank restoration and that we should try to find, if we do this, we should find a way to limit the impact of waterfront development on surrounding industrial uses to the extent that that's possible. This proposal that was, came out of the study was -- found no supporters amongst either the community nor the industrialists and this led the planning commission as well as their own concerns, to ask for an additional piece of work. They came away convinced of a number of things one of which was just zoning this was not going to produce the development or sort of the vision that the community had for the site and they weren't sure that anything that we talked about really was viable economically anyway so they asked p.d.c. And river renaissance, michael montgomery, to lead a feasibility evaluation. That looked at development costs, land costs, infrastructure costs and what you could possibly sell different types of development for. We did a scenario that was industrial. Question a scenario that was a mixed use industrial-residential. We did a scenario that was all residential. We looked at the development costs related to public streets, improving the railroad crossings, new traffic signals, water and sewer, improving the greenway, providing some public open space, and building a bridge sort of a

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grade-separated overpass over the railroad tracks so you could get in and out of the development. We did not consider environmental cleanup. We did not consider superfund relate the sites and the site is in the Portland harbor superfund area. We did not consider demolition or geotechnical issues or wet land. The conclusion of that analysis was that at current market rates, none of those scenarios really were easily attainable, easy fee feasible without assistance especially with the infrastructure costs. The infrastructure gap or the funding gap for the project for the different developments range from \$47 million at the high end down to \$20-some million. There was a good deal of disagreement with the costs that we had included including some thought the bridge was unnecessary. Some thought the park was way inflated in price. So even if we took out those expenses to try to be conservative there was still something in the range of a \$20 million gap. We had a panel of developers who met to review, developers and brokers and neighborhood interests, who met to review the results of that feasibility study. This was convened by p.d.c. Although there was a wide range of opinion there was general consensus that full-scale redevelopment of the site would require a public private partnership. The developers in the group are saying give us the zone, get out of the way, we think we can do it. They all did agree some level of public-private partnership was going to be necessary. This piece of work in our previous study went back to the planning commission and deliberated and made the following recommendation. They directed the bureau of planning to prepare a proposal that would allow for a mix of uses including nonindustrial uses so they were open to letting, to exploring the potential for nonindustrial uses. That the proposal should also require access to the river buffering between the industrial uses and nonindustrial, greenway improvements and connections to the neighborhood and they also asked we establish a master street plan that got to 107th to the waterfront so you could have public access. In making that recommendation, the planning commission I think you can read their letter which is provided in your packet and I think it's pretty clear in terms of how divided a decision it was. But they came down on the sense of to the community development objectives here, weighing more significantly in their valuation than --

Adams: What was the vote again?

Zehnder: 3-6, 6-3. So that's the recommendation that is framed and brought forward to you tonight as well as the study. And as Gil said earlier we are requesting direction from the city council on our next steps. The planning commission would have us initiate this legislative process to consider the plan and zoning changes. Another option is to keep the area industrial and not pursue land use changes at all. In either of those two scenarios there could be other approaches or initiatives you could ask us to consider. This we think will be what we are asking for your feedback on at the next work session. And as Gil said earlier, this is just direction. There's no legislative proposal, no specific rezoning in front of you tonight or at work session and with that, that concludes my presentation.

Kelley: We had broad agreement on a number of points. The notion of intensifying use of the site, whether that's in industrial or industrial plus employment or whether you included housing, I think there was an agreement that additional activity at the waterfront site here was desirable. We had broad-scale agreement that we ought to have access, improved access to the waterfront. And use of the shoreline. And that we ought to have intensification of the commercial and neighborhood uses along highway 30. Where I think there was divergence and remains divergence is the degree to which residential uses should be allowed at the site and also the degree of public subsidy that might be needed for infrastructure improvements there. Those last two are the points that are unresolved at this point.

Zehnder: In just a couple of points of housekeeping, after tonight's hearing there will be the additional opportunity for additional written testimony through the 26th at 5:00 p.m. And the next work session is August 24 at 2:00 p.m. At city council chambers. Thank you.

Potter: Questions from the commissioners?

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Adams: Do we have a zoning map for this area?

Zehnder: It's, yes, it's in the study, commissioner, and I will get you the page.

Adams: Thank you.

Zehnder: Attachment two will have it.

Adams: Thank you.

Potter: Thank you. Before we proceed we are going to have to clear the doorways. There's a law against blocking a doorway with public access. So, folks have to move out of that doorway and that doorway. Please unblock the doorway. You know, you folks went right back. We will not start until you get out of the doorways, period.

Moore: [inaudible] there's chairs here and there.

Potter: Before we begin the official public testimony I want to read a statement. It's recently city council passed new lobbying regulations. I would like to remind folks that prior to offering public testimony to the city council, the lobbyist must declare which lobbying entity he or she is authorized to represent. In terms of the order of testimony, we will hear from the linnton neighborhood association, and then the waterfront, working waterfront coalition. To make it fair, I tossed a coin come my office yesterday and the linnton neighborhood won the first. So then we will hear from bill wyatt, director of the port of Portland and any elected officials who wish to testify on this matter. And the city officials, and then we will open up to testimony of people who have signed up. And it will alternate between support for the planning commission recommendations and opposing the planning commission recommendations. At the end, the linnton neighborhood will have three minutes to wrap up the working waterfront coalition will have three minutes. And then we will have closing comments from the floor. So with that, we will start with the linnton neighborhood association. Please come forward. Both linnton neighborhood association and the working waterfront coalition will have five minutes each. Please state your name for the record and you have five minutes. The machinery in front of you, the red, yellow, and green should be fairly self-explanatory. When it gets to the red it's time to stop.

Edward Jones: Mayor Potter, members of the council, I am edward jones. I live in linnton, 10250 n.w.110th. I am directly up the hill from the linnton feed and seed. I am a member of the linnton neighborhood association. Now, linnton has always been an industrial neighborhood. We understand our industrial neighbors and we acknowledge their concerns. But in linnton's case, those concerns are unjustified. We offer our history as proof that the recreation of linnton is compatible with the continued health of our industrial neighbors. Many of us already live closer to them than any of the proposed development would be. We have made it work. And linnton's presence is the city's future. Increased density is both a land use planning goal and an unavoidable reality. Things aren't going to get further apart. And there are challenges to that and there do need to be rules and we are not opposed to industrial sanctuaries. And today's issue is not a test of that policy. This resolution is merely an acknowledgment by the council that the planning commission reach the right decision when it decided that the comprehensive plan was never intended to foreclose the recreation of downtown linnton. We seek a long promised and end lesley discussed adjustment, not a repudiation of the policy. You are not being asked to approve a massive residential development on the waterfront. You are being asked to confirm what everybody involved has known for years, that linnton is different. As I said, it's not news. It was acknowledged years ago, both by the city and by the predecessors of the very industrial users who now ring their hands and proclaim the end of industrial life as we know it if the council approves this resolution. The restoration of linnton has been on the city's agenda since the early 1960's. 2001, the city council left the industrial property north of the st. John's bridge out of the industrial sanctuary, out of the giles lake industrial sanctuary precisely because its inclusion would have prevented fulfillment of the city's historic commitment to linnton. The industrial users participated in those discussions. Of course, those companies are mostly gone. Bought out by new companies

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with new issues and new lawyers and no apparent concern about breaking faith with the neighborhood or the city. The issue here is not about breaking faith with the industrial users, nor is it merely about honoring those ancient commitments to the neighborhood. We agree that history, by itself, is not enough and it's not our intent to suggest that old promises justify bad policy. This resolution makes good sense today because it encourages bold thinking about the waterfront, both the working waterfront coalition and "the Oregonian" want you to find other ways to help linnton. Well, another 40 years of doing nothing is not another way of helping linnton. If there are undiscovered ways to reconcile the waterfront coalition and the neighborhood, then approving this resolution will get them on the table. This resolution doesn't foreclose industrial development but it does provide a powerful incentive for the waterfront coalition to stop whining and start participating in linnton's rebirth. If you reject this resolution, you are not going to get industrial development and industrial jobs. You are going to get 20 years of gravel pit operations and then a windfall to whichever speck later stiffed the millworkers and purchased the property at the artificially reduced industrial zone price. On the other hand if you approve it, the workers are likely to get a fair price for their property and linnton gets an opportunity to rebuild its commercial center. We're not asking for a tram. Or a streetcar. Or for high rise condominiums. We just -- right. We just want a chance to offer some creative alternatives to the gravel pit. And to ignore the years of process behind this resolution is to undermine the city's commitment to civic governance. Council should acknowledge that preserving flexibility is the right approach and that that's precisely what this resolution does. We urge you to approve it. It's both the right thing and the smart thing to do. Thank you.

Potter: Commissioner Adams has a question for you.

Adams: So you mention that by approving this you think that, if there were other options it would get them on the table? Did you mean --

Jones: Approximately, well, if it stays i.h., what's the incentive to do any negotiating, to do any serious talking? Have we gotten anywhere? Nowhere because the industrial users group simply hasn't brought anything to the table except no. On the other hand, you approve this, e.x., now, there's something to talk about. And if there is a possible resolution, and I will tell it neighborhood association doesn't think you are going to get them to go anywhere except no, but we are sure prepared to talk. We have spent 40 years doing it so far.

Potter: Before we have the next guest, this will be the last time I will ask to have the doors cleared. If you folks do not stand out of the doorway we are going to have to remove you so, please, comply with our regulations and laws. Could you open up the door for circulation on this side as well, please. I would like the working waterfront coalition representative to come forward. Thank you for being here. Please state your name when you speak and you have five minutes.

Ann Gardner: Thank you. My name is ann gardner. Thank you for the opportunity to provide the jobs perspective on this important conversation. Let me begin by calling attention to the briefing book we provided to you earlier. The cover sheet lists our issues by number with corresponding tabs to back up reference material. Throughout the evening you will be hearing from folks about many of these issues, protecting industrial land, safety, land use conflicts, and the upside down redevelopment economics. Unfortunately, it appears to us that so far in this process, that many of our issues have been dismissed by some others as irrelevant, some might even say our issues are myths. But I have participated in land use conversations in both the public and private sectors for most of my adult life and if these issues are irrelevant, then, so, too, must be Oregon state wide planning goals, the regional growth management plan and the city's comprehensive plan. Portland and Oregon are nationally recognized for their sound land use planning practices. And while neighborhood plans need to be respected, they must not trump adopted statewide land use planning goals and the regional and local comprehensive plans that excellent these goals. The property that we are talking about tonight is served by the harbor. The highway, the railroad and the olympic pipeline. As "the Oregonian" editorial board said, if this isn't prime industrial land, what is? So it is

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curious to us how we have come to this point in the conversation where we're having this land use debate in council chambers. I have a great deal of respect for the linnton community. They are organized and tenacious and they are committed to their ideals. Unfortunately, however, some of their fundamental assumptions have to be unfounded and we need to take some time tonight not only to discuss the issues I mentioned above but we also have to take the time to reflect on some of the assumptions of the neighborhood plan. Let me quickly name three with which we have specific concern. First, the working waterfront and linnton is not abandoned. As I have already said, this is where the harbor, the railroad, the highway, and the olympic pipeline come together. Virtually every gallon of petroleum used in Oregon arrives here first. From here in linnton and well bridge almost every day almost 6 million gallons of fuel is distributed through a highly specialized supply chain to meet Oregon's energy needs. Just because you and I don't see this happening does not mean nothing is happening in linnton. Quite the contrary. Our second concern, we must also remember that linnton did not lose hundreds of homes when the highway was widened in the 1960's. Nor did it lose a mixed use waterfront. It lost its main street. So it doesn't follow that building housing on an industrial site is an all-purpose economic tonic for linnton. And we know from experience that hundreds of new residents at this location will have little patience for the challenges of living in an active industrial area, sandwiched between dozens of petroleum tanks with daily unit trains and growing traffic just a block away. Finally, from our perspective, linnton appears to be quite lively and not a dying community at all. Its own 2000 neighborhood plan says, the linnton neighborhood is an area which has undergone drastic changes in the 1980's. The former mill town and blue collar area has been -- has become a residential neighborhood for Portland's artists, professionals and managers. The average household income has jumped from \$15,000 in 1980 to over \$37,000 in 1990. Professionals specialists, and managers have become the predominant occupation group in linnton in the last 15 years. Those were quotes from their plan. Now, clearly, some residents do have a vested interest in the mill site but this is no longer a mill town. The question then is whether new residents and existing residents with new preferences should overrule years of state, regional, and local planning efforts. In closing, we ask that you carefully consider both the long and short-term need to protect the industrial sanctuary in linnton and wellbridge and the waterfront workers it employs. Over the years the city has wisely understood there is an important role in this community for a strong working waterfront. And that industry sanctuaries preserve and protect prime industrial land but for incompatible uses to allow industry to thrive and maximize prior investments serves freight mobility needs, because of the significant role the Portland harbor plays in the overall economic health of this city, region, and state, it is fundamental that the revitalization of the linnton community does not harm this critical resource and does not compromise the greater good. Thank you very much.

Potter: Thank you.

Gardner: Four seconds left: [laughter]

Potter: Any questions?

Adams: What do you think the chances are that the size of this issue --

Gardner: The conversations have been underway, commissioner, as you know. The working waterfront initiated mediation and there have been four sessions and to say that it's been difficult would be an understatement. But from our perspective as long as the question of housing in linnton is still open and on the table, we will not be able to reach an agreement. The issue for us is adding housing into the industrial sanctuary. If the issue of housing was taken out of the table, I think there are a number of points that we can agree on. And so that's what we're asking for you to take that off the table.

Potter: Folks, you are blocking the doorway again. Please step out of the way. Thank you very much. We will now call bill wyatt, director of the port of Portland.

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Bill Wyatt: Mr. Mayor, members of the council, first of all, my hat is off to you. Got a long night ahead of you and I appreciate whatever the outcome. I appreciate your commitment to having this at a time that everybody can come and participate and, again, I know it makes for a very long night for you. I am here representing first of all, I guess I'm a registered lobbyist represent the city or the port of Portland and filed a report and happy to do so. The planning commission's recommendation here to change the underlying comprehensive plan from heavy industrial to mixed use is really the issue here as far as we're concerned. And we are very concerned with what this would mean to the industrial sanctuary policy, which in this part stick area we consider to be very important and I think there's an additional feature of the planning commission's letter to you that really raised the concerns and indicates to us what the direction could likely be. And that is a letter which explicitly calls for creating measures to curtail so-called noxious industrial uses in linnton which for those operating industrial facilities sounds an awful lot like the beginning of the end. And I think that really underscores the sentiment of the working waterfront coalition. I want to talk about three items, make three basic points to you. One has to do with safety. I think that the staff presentation here was illustrative. The map here is, says it better than anyone could. And I respect my friend ed jones who said there are neighbors closer to these tank farms today than those in the plywood site would be. The question is do you really want to introduce the potential for more? This is a safe business. The history has been strong in terms of tank farms. Unfortunately, it doesn't take much to create a cat trough. There have been examples of that, recent examples of that and I know you will hear more about that as we go on. Not only is this a safe activity, but the potential for danger certainly exists. We at the port are sensitive to that. Just Sunday night, one of our facilities was involved in what could have been an absolutely catastrophic tragedy as a result of housing that was placed close to what is essentially an industrial use over the course of the last 20 years. So we really are sensitive to the introduction of housing to what are otherwise industrial uses. The other concern obviously has to do with the erosion of the industrial waterfront that's an issue that I know you will hear more about. And address that. This is a unique area in a couple of respects. Yes, it's a job generate. But this is a service provider to the entire region and it isn't going to be moved. There underneath these tank farms is a vast web of pipelines that equities our region, and our state, and, yes, even our airport. All of the jet fuel for p.d.x. comes from this facility via a direct pipeline connection. So these facilities are not going to be easily moved. And the notion that they are somehow dying or going out of existence I think is one that is really unlikely to occur and it provides, as I said, a very important service to the entire region which says to me that we should be careful, extra careful in its use. So we're very concerned about introducing that much new housing across from terminal 4, which is experiencing its own rebirth. Toyota just invested \$40 million in that facility, and even though it's a relatively quiet activity, it generates its own potential conflicts and we are working on many of those with the aid of city staff at present. Finally, the unanticipated infrastructure cost, something we know very well, infrastructure is a major part of what we do. The portions of the infrastructure which I think create the most concern are things like the overpass for the railroad which are very, very expensive and add to the burden for development here. But from our perspective very, very important because this is a rail corridor that is going to experience considerable increase in activity as a result of this new facility being developed in shells. So thank you. -- so thank you. [laughter] yeah.

Saltzman: The Sunday night incident? I didn't catch that.

Wyatt: The plane crash at hillsboro air show. We own the hillsboro airport. Every time the city of hillsboro plats a new residential facility close to the airport, they get a letter from me saying, hey, it's an airport. It's dangerous. Let's be careful. Same thing is happening in Vancouver. They are turning all -- I can understand the pressure and the desire to do that. But they are creating immediately under the flight path of p.d.x. All of this new high-density residential housing. They

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get another letter from me which I am sure they are getting sick of. But that's what happens when you introduce potential conflict to these industrial uses.

Saltzman: Thank you.

Potter: Yes?

Adams: You and I have known each other quite a while. I think we are not -- [inaudible] but the terminal 1, the fact that -- as good a water-related --

Wyatt: I would disputed that.

Adams: Not as good?

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

Adams: Why don't you talk to me about why --

Wyatt: There are others here to talk about terminal 1 but the basic story on terminal 1 is this. It was an old facility. And it became obsolete. It's too narrow to use as a modern marine terminal to be blunt about it. And in addition, I think it was 1980, when the city adopted the central city plan, which we are now seeing bloom in full, and I think in a very positive way in the pearl. But if you just look at all of the uses that now surround terminal 1, having a dense industrial facility there isn't something that rings out. So you are correct, I wasn't the director of the port. The commission, the port commission decided to close the facility because it just wasn't functional as a marine terminal and then, secondarily, and I might add with the aid and encouragement of the city, to convert the zoning to a more mixed use type of facility. And that's what's happened and so I guess my -- the corollary there from my perspective, we are not rigid idealogues on the topic but the central city plan isn't going to impose that same kind of mixed use development in this area. So that's our concern. You are dropping it in the center as opposed to this large push from basically all directions.

Potter: You are blocking the aisle. Please remove yourself from the aisle. No. I don't mean get closer to the edge. I mean leave.

Wyatt: Thank you.

Potter: Thank you, bill. Are there any elected officials who wish to provide testimony on this issue here? Mr. Greenlick.

Mitch Freeman, State Representative: Mayor Potter, commissioners, i'm sorry I didn't give you advance notice. I just flew in from the south. Been an hour ago. I am state representative mitch greenlick. I represent house district 33 which includes linnton in the northwest industrial neighborhood and the headquarters of the port of Portland and union station. I served, I am finishing my second term in the legislature. I served on the land use committee, both of my sessions and was vice chair in this just past session. I serve on the transportation committee associated issues around industrial use and alternate modes of transportation, I have been very close to my hard. I have been involved with this linnton process since the beginning. I served on the planning group that came to the conclusions it came to, and I am here to strongly support the recommendations of the planning commission. I worked very hard to create industrial shovel-ready industrial land in this state. I took some bad votes and lost my 100% rating with certain organizations because of my willingness to work hard to create industrial land because I think we need shovel-ready industrial land. We need the jobs, we need the commerce it creates. We also need to create the multimodal transportation facilities that support them. But frankly, this 35 acres in linnton has a far higher social use in a mixed use application than it could possibly have in any purely industrial use. It's really not a very strong industrial site. I toured the industrial sites all around the state. Nor do I believe changing the zoning in this land from i.h. To e.x. In any way violates the land use planning goals of the state, especially goal one, that of citizen participation in the process. This land has the potential for creating the kind of community that charges our imagination. When people want to live that close to industrial use, ask my constituents who live near esco or schnitzer steel or the northwest industrial neighborhood. That's some of the prime

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residential land in this area. I have the vision that communities like linnton and all the way out along the river ultimately can be the heart of a dynamic growth in this community in the way that can again keep the development of the residential development in the city and keep it strong and it seems to me it's, this is a very important use. I sat in on the first of the mediation discussions, and I have been surprised by the intensity, almost a jihad kind of intensity that the industrial interests have brought to this one tiny 35-acre site that basically right now serves as a place to drudge -- to dump gravel from dredging to be carted away. This site is not a modern industrial site. In fact, mr.

Wyatt terms it, points out how t-1 couldn't be used as a major marine site, neither county linnton site. This is not going to turn into a major terminal. Somehow, the sense that because there's industry around it, because t-4 is developing and I recently met with the port to discuss with them the environmental cleanup of t-4 because it's a very important thing to be happening for our community -- I simply don't see the social value of holding this as a potential industrial site as opposed to letting the market create the opportunity for this to be a mixed use development that can create the kind of marvelous residential community in the future. Thank you very much for listening to me and if I can do anything to help the process, I would be very happy to do that.

Leonard: I have a question, representative greenlick. And can you hear me?

*****: Yes.

Leonard: Sorry? How's that? That work. Good.

Freeman: Usually not much problem hearing you. [laughter]

Leonard: Nor you.

Freeman: Nor me. [laughter]

Leonard: But as an elected official, you get, I know, a lot of complaints from a lot of citizens on a variety of subjects because I was honored to be in the same position you are at one point. And I just am wondering what you anticipate the complaint level to be if we allow housing on this site, folks move in there, with it's not even brought up the issue of two tank farms on either side and the olympic pipeline going underneath and a train track that carries hazardous materials behind the site, but just the activity and the noise that's consistent with industrial uses, what do you say folks moving into that site and want you as a state representative to do something about that?

Freeman: My district runs from the river to north plains. So I have a variety of constituents that come to me with major complaints. The major source of complaints that I have right now from constituents is the inability to drive on highway 26 and 217 in order to go to and from work. I occasionally hear about emissions from esco. I occasionally hear about noise but none of it compares to the problems of getting to work right now. Seems to me one of the things that makes linnton such a spectacular potential site and for the current change in the nature of the linnton community to being a more white collar rather than a blue collar community is it takes away that kind of concern. People who move in are going to understand that there's a tradeoff. And what they are trading off is living near industrial uses, some people might consider that even an attraction. Watching what goes on on the waterfront is kind of fun to me. But trading that off for the ability to be near downtown and near the east side and in a way that it would be enormous advantage. So while I imagine I might hear some complaints over time, although either term limits or age will take me out before it's a problem -- I imagine my successors will.

Leonard: It will be there problem.

Freeman: It will be their problem. But it's nothing like the problem I have dealing with unincorporated Washington county which is almost half of my district and their inability to get to work it's unfortunate you don't have hayden island in juror district. [laughter]

Freeman: I used to have sauvie island but I lost that.

Leonard: It's quite different because one would think what you just said would make sense, that a person moved into a site like that they would understand the conditions they moved into. But I think mr. Wyatt could give you a lesson, too, on what the neighbors think about the airplanes that

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fly over hayden island. Most of whom I would argue have been there since p.d.x. Started operations along the columbia river. But it doesn't stop the coalitions and the committees to shut down the airport nonetheless. But thank you very much.

Freeman: Yes, commissioner. Sometimes life gets a little complex. I noticed that.

Potter: Thank you.

Freeman: Thank you very much.

Potter: Paul schlesinger, did you wish to make a statement at all to the group? Ok. The Portland business alliance, greg peden?

Greg Peden: Mr. Mayor, commissioners, I am greg peden. I represent the Portland business alliance. Thank you very much for the opportunity to speak with you this evening.

Potter: Could you speak up please?

Peden: You bet. In addition to supporting the testimony by ann gardner and bill wyatt, I am going to add a little bit to that and try to be succinct. First the intent of industrial sanctuary is to protect and preserve the prime industrial land of the city. This policy has worked very well for the city. The Portland harbor industrial land study completed by steve coons and the planning bureau if you haven't seen that document it's a very well done document, and could does to steve for doing that work. Found it in the absence of the sanctuary policy Portland would lose a significant amount of industrial land base. At a time when the region and the state are focusing on providing adequate land it would be imprudent to convert this prime industrial land to other uses. This is particularly important for sites within the Portland harbor. The harbor's waterfront land is a fi night resource that cannot be replicated elsewhere. It's one. Oldest industrial districts and home to many industries which make up the foundation of our economy. Industrial users within the Portland harbor support tens of thousands of family wage jobs. According to the bureau ever planning study, one in eight jobs in the region are tied to the Portland harbor. Further, and more recently, the Portland harbor redevelopment strategy again being led by steve coons and the planning bureau, has recently found that there has been over the last 18 months, a half a billion dollars of private sector investment in the harbor. I would suggest to you that that suggests the sanctuary policy is working for the city, that the harbor is thriving, and growing and it's something that we need to continue to protect. Though the recommendation of a comp plan change would not immediately converted this site to mixed use, it would set in motion a policy direction that is at odds with the long term viability of the Portland harbor as a competitive gateway for Oregon businesses. Further, that change would do little to the linnton community given the significant financial gaps in costs and infrastructure as mentioned by the planning bureau. While the appropriate action is to revitalize the linnton neighborhood converting land to mixed use residential is not one of them. The Portland harbor, its industrial lands and freight infrastructure is too critical to the economy of the city, the region, and the state to risk creating conflicts. Please retain the current industrial zoning. Thank you.

Potter: Ready to hear from some city personnel. First the fire bureau, assistant chief john klum.

John Klum: Good evening, mayor, council, fire marshal for the city of Portland. Can everybody hear me ok? Great. First of all, I would like to make the opening statement that fire recognizes this as a zoning issue. If the zoning was to change to allow residential development or proposed residential development, that we would handle it in the same process as we do with other residential developments within the city. Using primarily the international fire code and specifically nfpa article 30 which addresses set back issues with the tank farms. Saying that, if residential component of a zoning change to allow residential component was proposed on that, fire's primary concern is going to be access, ingress and egress primarily. A lot of different components. It's a challenging site with its relationship to the two adjacent tank farms for the north and south. But also the active rail line so we would hold firm our position that we have the capabilities within the international fire code specifically section, appendix d to where we would hold firm on having an

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overpass primarily for the safety of occupant was the developed emergency evacuation plan. If we were to have an incident where the rail lines were blocked, that would be our primary and only way that we could get people out and fire apparatus in. It is doable. We would also require redundant surface access on the ingress and egress access points, as many as practically or possible as far as the site will allow. Getting back to the relationship with the nfpa 30 specifically, is that there are suggested guidelines and requirements that are based on statistical data. Some of the setbacks are completely defined, for instance, with the relationship to the tank farms. It's half the diameter of the tank to maximum 175-foot. Fire would work with the through the development or approval process to increase those setbacks as much as possible. Recently, you probably were briefed about an incident that occurred in England this June, 2005. They had a significant tank farm event to where they had a similar situation where the setbacks were 400 feet. Originally the important take -- particular development had a safety zone of approximately 400 meters but they allowed some commercial industrial buildings to be cited within the 400 feet. When they had their significant event, although it -- they are infrequent. We consider it as a low frequent, high-risk event. There was damage incurred to adjacent properties. But with an effective evacuation plan they were able to evacuate all civilian personnel without fatalities. There were injuries. But keep that in mind on a per tick incident such as a tank farm incident, those are complex issues for our incident managed system to address. Primarily with those we will be focusing on getting the people out, whether it's the workers in, if an industrial facility is cited on that site or if it is a residential component. Take in mind that these particular incidents take time. They're not, they're not addressed the same as a normal structure fire to where it's a matter of hours for a greater alarm to be begun or controlled. These things could last days primarily because we can't take appropriate defensive actions other than addressing the exposure issue and contain the fires to the particular tank systems. We have to get available calculate the available phone that is required to successfully one-time shot to put out these fires. The tank farms could do have built-in protection features with phones and containment and issues like that to where they can, not to sound like a broken record but our main concern is going to be able to get people out when the fire apparatus in. Saying that, we would approach this objective consistent with what we would do with other high or low frequency, high risk areas that we have in the city.

Potter: Questions?

Saltzman: You mentioned the requirement, you would require redundant access?

Klum: Yes.

Saltzman: Does that mean you would require overpasses at more than one --

Klum: No. Clarification, commissioner. Is that if fire would hold firm line for an overpass if there was a residential component on the site.

Saltzman: One overpass?

Klum: One overpass. What I meant by redundant was we would want a minimum of two other access, surface access. Primarily, the reason for that is that the adjacent of the active rail line. Not that you could in potential have a rail incident there but also you could have ingress, egress blocked at the surface by normal train traffic or a train blocking the tracks. So that would be a requirement.

We would probably lessen our position or we would lessen our position if there was an industrial application on the site just based upon the density of people.

Adams: Your requirement for an overpass would occur at the time that a single residential unit was built? At the time possibly be rezoned? Or after a certain concentration and number of residential units or do you know?

Klum: Well, actually, commissioner, that's a very good question. Because it's my understanding of what planning is recommending is an amendment to the comprehensive plan to engage in dialogue to look at and address the infrastructure issues for that particular area. And that's where my position as fire marshal on my other experts in the field would want to engage early dialogue on that. Work

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around with what is proposed. If there's interest in there. Primarily, it would be based upon the density. And that would be a variable. If they were only to site a dozen condos and 500 feet plus set backs from there we would probably lessen our position on the overpass.

Adams: Thank you.

Potter: Other questions?

Leonard: I do. So does the -- this is kinds of an unusual process in that we are not actually voting to amend the zoning code and comprehensive plan we are making a recommendation. When we get to the point where that were actually to occur does the fire bureau make recommendations as to whether or not to amend the zoning code on particular issues like this?

Klum: Actually, that would be planning's responsibility. We would have input on that.

Leonard: So would the input be to the extent as to what you testified to or would the fire bureau go so far as to make a recommendation whether or not this would be a good idea?

Klum: Well, again, commissioner, I think that the message would be, would be consistent with what I just said. In other words, fire would establish its position about what we feel are the minimum requirements for us to even support, to support going forward with that. A lot of that would be dependent on the conceptual plan would be for the site depending upon what actually is proposed as far as density issues and so forth.

Leonard: And the specific gravity of gasoline lighter or heavier than air?

Klum: Gasoline is lighter.

Leonard: Do you have a concern --

Klum: Excuse me. Gasoline's heavier. Ethanol is lighter. I'm sorry.

Leonard: Lightly walk through that with you. I am a commissioner.

Klum: You were talking vapor density. I was talking specific gravity.

Leonard: So the issue of the homes being closer to the tank farms, they are across the street and up the hill.

Klum: Correct.

Leonard: And as we know, it isn't the liquids the burns, it's the fumes.

Klum: Correct.

Leonard: So the fumes if they escaped, would not go across st. Helens roads and up the hill. They would find the lowest possible place they could get themselves to. Housing development. So I just wants to make sure we are clear about this. So that it doesn't appear that we're inconsistent because for those that don't have this background that may not understand this subtle distinction but it's important, there's less of a concern having structures close to these tank farms that are higher than tank farm than are those that would be at the same level or lower.

Klum: That's correct. And the tank farms have containment components in there. Also the tank farms do process a substantial amount of ethanol, too, so you would still have the lighter than air.

Leonard: So you would have an issue with those disbursing according to how the winds --

Klum: Yeah. It would depend upon prevailing winds.

Leonard: Do we know if that's afternoon issue in terms of houses?

Klum: I haven't looked at the existing houses. I know what the prevailing winds are during the certain seasons but I haven't looked at their relationship as far as what the existing residential components is.

Leonard: Is the ethanol, that is a separate storage facility or is it mixed with the gasoline?

Klum: I can't answer that, commissioner. It's my understanding that it is separate but there is some mixing that goes on somewhere in through the process. Depending upon certain time of year specifically, too.

Leonard: You remember the last time we had an incident anywhere along st. Helens road with gasoline and --

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Klum: Yeah, actually we had an incident that I was on two incidents in probably the last 10 years. One was actually down in linnton. It was relatively small tank but it had viscous tar bunker oil type of things in there and when we arrived on that particular scene the suppression system had contained the fire and it was a matter of basically controlling the situation, letting it cool down. The other significant event that we had was at I think it was unocal and I think it was off 60th off of front avenue there by the transfer station. And they had an incident where there was a substantial release of gasoline that there was no fire associated with it but it was more of controlling, controlling the vapors on it.

Potter: Chief.

Adams: I didn't ask the question of you earlier but since you are here, get your professional sense of -- if this was to be rezoned residential, compared to other places in the city where residential and industrial uses, residential, petroleum, butt up against each other, how unique would this be compared to other petroleum and/or industrial uses adjacent to resident?

Klum: That particular area is unique. And that's another reason why that we are so adamant about the overpass issue. Because in other application or most other industrial residential applications in this city that you have the ability for egress points north, south, east, and west. This one here basically the river's going to be impractical for high density evacuation. Evacuation route north and south obviously you are going to be, it would take a pretty comprehensive evacuation plan. It could be doable depending upon where the incident is. It might not be practical either. So that limits this for that west side as a primary one that we can really count on.

Adams: How dangerous or how much concern should it be placed in your professional back -- the tanks issue but there's the pipeline that runs through there. [inaudible] how much of a concern [inaudible]

Klum: We have that application or that condition in other areas of the city as was previously mentioned earlier is that they have a main line that goes to p.d.x. And there's a residential component along that route. They had a significant event up in northern Washington a few years back. And it ended up being a serious incident. But they're very rare. S and usually some human factor, whether it's an excavation or something like that. They have built-in design features. My primary obviously my number one concern is more of what the surface operations are and primarily just being, having to limited to ingress, egression and for the railroad tracks.

Potter: Thank you, chief. Is there anybody here from the Portland office of emergency management? We will now go to the testimony of people who have signed up and here's how it will occur is that we will first we will invite two people up at a time, Karla, and the first two will be in support of the planning commission recommendations, and then they will alternate back and forth between support and oppose every two people. How many people do we have signed up to testify?

Moore: We have a total of 78.

Potter: 78 people. I think you are starting to get the picture here, folks. This is going to take a while.

Moore: Mayor, we need to hear from p.d.c. first.

Potter: Oh, ok. Sorry about that. I thought we were all through people. Portland development commission.

Andy Welch: Good evening, mr. Mayor, commissioners, andy welch, Portland development commission.

Potter: Speak up.

Welch: Sure. I am here representing bruce warner, executive director of the Portland development commission. My apologies for my informal attire but I am matching the trend here many it's very warm. I want to be very brief in my comments and echo the comments that we provided in writing to the planning commission on may 30. That's a part of your record. We still believe in and support

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wholeheartedly that the zoning should remain an industrial zoning. Heavy industrial zoning. We at the same time we acknowledge and applaud the efforts by the linnton community in creating a vision that helps them to see how they can be a complete community with a range of uses and create a level of vitality. With that said, clearly, this industrial site, with the facilities that it has adjacent contiguous marine facilities, pipeline, rail are invaluable economic assets that we strongly urge the council to maintain those assets as valuable tools for economic development in particular industrial economic development at this site. I think you've heard and will hear a lot of information about various compatibility or incompatibility of land use. Clearly there was a range of studies that were conducted by the city of Portland planning bureau in conjunction with the Portland development commission that looked at financial feasibility for a range of three options in particular. One of those being a primary residential option. However you look at numbers and however optimist I can one is in assessing the financial viability there clearly is a multimillion dollar financial gap in any residential project due to many of the issues that have been raised before about infrastructure and compatibility. Perhaps most importantly is the issue of competitiveness. Competitiveness for the city of Portland in the region, competitiveness for the region itself and the competitiveness for this region within the northwest and the west coast. There was a study that we worked on in 2003 that stated pretty clearly that there was a supply gap of almost 2,000 acres of industrial land by the year 2025. Clearly, there is not a supply -- enough supply to meet that demand. That's well established and industrial lands atlas that was just completed last year. In so as we talk about market dynamic and allowing the market to take control of the destiny of this site, what we know is that residential development, residential uses are particularly viable as a housing director of p.d.c. particularly viable in this marketplace. What we also know is that the siting of industrial uses is always and will always be a negative siting issue. We are not going to create more marine land. We are not going to create more industrial land. We may be able to reuse some existing industrial land down the line but what we have is what we have. And I think very important that we not lose cited of the important industrial lands in the quality jobs that are produced. With that, I appreciate your time, happy to take any questions if you have any of me.

Potter: Questions? Thanks, andy.

Welch: Thank you.

Potter: Two at a time. The first two in support.

Moore: The first two are kerrigan gray and dr. Charles grossman followed by richard arrasmith.

Potter: You have two minutes. We have 78 people did you say, Karla?

Moore: Total.

Potter: That's a little over two and a half hours of testimony. With people coming to and fro it will be closer to three hours. I ask you again, if you, please do not repeat the previous testimony of other people. Just new testimony.

*****: I understand we have three minutes.

Potter: Two minutes. Otherwise that will expands it up well beyond.

*****: Sure. I will try to cut to the chase then.

Potter: Thank you.

Kerrigan Gray: I'm kerrigan gray. I live at 5119 n.w. Harbor drive. Linnton is railroad friendly. We like our railroad. The astoria line once part of the spokane railroad, Portland, and seattle area repair ray has benefit part of linnton for a hundred years. We used to have a railway station. Passenger trains stopping daily. Taking people to work in Portland and out to the coast. Perhaps some day we will see a reestablishment of passenger rail carrying work freres st. Helens, scappoose and down to union station. Current rail traffic is about 60 rail cars a day according to the pnw's statistics. With the building of the new ethanol refinery to be located in the growing down river energy cluster rail traffic is expected to increase. The new lng facility may increase it. They are expecting 100 car trains. We will raise about every other day they will raise the speed to 45 miles

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an hour through current, through linnton over the 20 to 25 the currently do. In comparison freight trains now close the gates for about a minute when they go by. The expect 100 car trains at 45 minor will cause the gates do down for two minutes. In comparison at the steel bridge you wait 16 to 18 minutes four times a day as it is blocked by freight trains. I have been down there when it happens. I have seen people talk to people who have seen people climb over the slow moving trains because they are impatient but nobody is asking for an overpass there. At 45 miles an hour, you are going to have an accident with the gasoline tankers at the unprotected virtually unprotected crossings. You need to build an overpass anyway. So it's time to remove these 36 acres from the sanctuary and approve the planning commission's things. Recommendation. Thank you.

Potter: We have your written.

Gray: Yeah. Makes more sense.

Potter: I understand, sir.

Gray: Any questions?

Potter: Thank you.

Charles Grossman: Mr. Mayor, mr. Commissioners, I am charles grossman. Live at 9507 n.w. Roseway avenue. That's linnton, 97231. In a couple of weeks, I will have lived in this house for 50 years and when we moved in, it was a great place to come and live. We raised a couple of kids. They went to school in linnton. And everything was great until 1962 rolled around and the department of transportation decided they needed to make a four-lane highway. Not for the linnton people. But for the people beyond. So they destroyed half of the city. The hillside. You probably all know this history but I wanted to really get into a bit of history which you may not know. And that is after half of the city was destroyed, linnton city, village, whatever you want to call it, john kenwood, then the executive director of the Portland development commission, came out and talked to us at the linnton community center, and said, you know, you guys will be linnton would be eligible for a grant and you could rebuild. And we talked to all of the business people in the area, and all but one agreed to come in to a shopping mall. We hired an arc text. We had some studies done and we found that we could really, the community could support a small shopping center. That was fine. I was coming back from chicago on an airplane sitting in coach which is where I usually sit, and a man came out from first class, stretching his legislation I guess 'and turned out to be ira keller. And ira keller stopped and said hello and I chatted with him for a few minutes while he stood in the aisle and I sat and at the last minute I said to him, may I ask you a about the linnton development project? Over my dead body he said. So it was quite clear he was not in favor of it and he sat on john kenwood for it for coming out and offering us. They he hired a research firm from chicago and spent \$10,000 of taxpayers' money to get a report that shopping center could not fly. When we asked for --

Potter: Your time is up. Your time is up.

Grossman: Time is up?

Potter: That's what that little red light means.

Grossman: You don't want to hear the rest of the story?

Potter: No, sir.

Grossman: That's fine. [laughter]

Potter: Perhaps the next person.

Grossman: Thank you anyway for the opportunity and I am here to because I think you should be for the people of linnton for a change instead -- I am a businessman but instead of being concerned about business only. [applause]

Potter: Please, no clapping Karla: Next we have richard airsmith and carolyn skinner. They will be followed by walter cole and karien gray.

Caroline Skinner: Ply name is caroline skinner, 2420 n.w. Quimby street.

Potter: You have two minutes. Please proceed.

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Skinner: I strongly oppose residential development in linnton. I feel qualified to say that because I live in a dense urban residential neighborhood very close to the industrial sanctuary near the river. 90 years ago as both uses started up we did not have the zoning that we now have. I am here to tell you that heavy industrial and residential north compatible. It won't be smart to combine these. I have lived at 54th and quimby for 19 years down wind from a found de. I am sorry we have haven't kept state rep greenlick up to date on our struggles. We have met nearly once a month for almost 10 years including two federal hearings. We have begged d.e.q. To work with us to protect our health. They say there's essentially nothing they can do. The north end of our northwest neighborhood has experienced a high rate of turnover due to the negative effects of live so close to heavy industry. People pay large amounts of money for expensive new residences. After they move in they find they are bothered by noise, dirt, and health effects including asthma at their new location. This is not something they want to advertise to prospective new buyers. For almost a decade northwest neighbors throughout nwda's health committee we have tried to work out conflicts between residential and industrial uses to no avail. Esco operates legally under its title v federal permit. We are stuck with it. All we can agree on is that it makes no sense in this day and age to site residences next to heavy industry. We know better than that now. The high cost of infrastructure for a homer williams pearl or type development in linnton would not be a good investment. I agree with the editorials in "the Oregonian," Portland tribune, bill wyatt and ann gardner. Access to the river would be great with a boat rank and a place for how many powered crafts such as canoes, commercial or lighted industry but please don't put homes next to heavy industry. Please do put biofuels. Walter cole and kerrien gray. Let's go to donna huntsman. Thanks for being here, folks. You each have two minutes.

Kerrigan Gray: I'm kerrigan gray. I live at 9511 n.w. Harbor boulevard, linnton, Oregon. Gentlemen of the council, mixed uses zoning is the popular choice for linnton waterfront. We recommended e.x. Zoning. The river renaissance project on page shows the majority of the groups responding favored the mix of land uses. Willamette river conditions report of october 24 page 5-26 states "redevelopment of the mill site would be an intriguing opportunity to reconnect linnton to the river front and create a new center of activity in the community. The planning bureau's linnton village study of august 2005 on page 50 states the housing option "best optimizes potentially value of land and development." the planning commission during may 2006 recommended creating the potential for mix of uses on linnton's waterfront. Year after year studies recommend rezoning linnton's waterfront for mixed uses. Everyone wants linnton's waterfront rezoned for mixed use. Everyone except out of town owned businesses. I urge to make the logical choice. The popular choice and rezone linnton's waterfront area to e.x.d. Thank you for your consideration. Thank you.

Donna Huntsman: Donna huntsman, 10624 n.w. 4th, linnton, Oregon. I am a very recent resident of linnton. However, I am a fourth generation Oregonian. These are my observations. The residents of linnton are not making this a not in your backyard issue. They have moved, lived, moved into, co-existed with the industrial nature of this area for many, many years. They are nearly asking for a fair shake, a compromise of co-existence of both industrial and residential and what is best use for the 35 acres being discussed. Nor does their intent to be appear to be an us versus them debate. It really rests on the linnton village study which was prepared by the bureau of planning in july of 2005. They made four recommendations. They were represented by, they had representation on both sides of the issue and the recommendations were that mixed use was an appropriate piece of looking at what's needs to happen in linnton and the planning commission also voted as stated early 6-3 in favor of creating a potential for a mavericked uses including nonindustrial uses. Thank you for consideration. Thank you.

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

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Rob Mathers: My name is Rob Mathers. Address 5880 N.W. St. Helens Road. The company I work for, Kinder Morgan Energy Partners, comprised, has two of the nine terminals that comprise the Linnton Energy Cluster along the industrial northwest reach of the Willamette River. Kinder Morgan operates several dry bulkers terminals and operates a 114-mile pipeline originating in Portland and ending in Eugene, Oregon. The petroleum terminals in Linnton are parts of the critical infrastructure that's used to supply virtually all of Oregon's refined petroleum products. There are numerous links in the supply chain in the Pacific Northwest. But the energy cluster is literally the heart of that network and that green bull's eye on that diagram to the right shows where the energy cluster is in the petroleum distribution system. The energy cluster infrastructure is all concentrated along five miles of the Willamette River as indicated on the other map to the left. There's a yellow highlighted area there. The investment in this infrastructure amounts to several billion dollars, and the infrastructure is unique, irreplaceable and unmovable. Petroleum terminals owned and operated by Kinder Morgan each have been in continuous operation for over 90 years. The terminals were built away from population centers for reasons of safety, security, and livability. Housing units located at the Kinder Morgan terminal were removed from the site about a hundred years ago for the same reasons. Today's Linnton wants to recapture something that never existed. High density residential development on the waterfront. As one of the two representatives of the Working Waterfront Coalition who has been involved in mediation sessions with the Linnton Neighborhood Association, I better understand and appreciate the needs and desires expressed by the neighborhoods. So long as residential development is off the table so long as the city of Portland comes to the table, and so long as the neighborhood association acts in good faith there's every reason for the coalition to be at the table to achieve a mutually beneficial outcome.

Darrell Stonehouse: I am Darrell Stonehouse. I am the lead operator, safety coordinator with Kinder Morgan at the Linnton and Wellbridge facilities. I would like to discuss our operation down there which I think some people don't realize what it is. We have a 24-hour, seven days a week operation. We have two ways of receiving and distributing product. We have pipelines. The Olympic Pipeline, we also have the Kinder Morgan pipeline that goes all the way to Eugene. We also have barge traffic and ship traffic. Problem I can see here is the noise that our machinery does make when we are transferring product. We have pumps in the yard. We also have pumps on the barges and on the ships. Now, at 24-hour operation we don't have control over when the barges or the pipeline is going to ship product to us. It's 24-hour operation. So the noise level, I see, if there is a residential area within 400 feet of our terminal, is going to have noise. It's going to probably be loud and I can see complaints coming. And if the complaints keep coming and there is a restriction on our pumping time, or our distribution time, that this could cause a loss of revenue and/or possible losses of jobs at our facility. Thank you.

Potter: Thank you, folks.

Moore: Darcy Weller and Tom Wilson. They will be followed by Leo and Michael.

Potter: Thanks for being here, folks. Please state your name. You each have two minutes.

Darcy Weller: My name is Darcy Weller. I live at 9259 N.W. German Town Road and I am one of the original land use committee members for Linnton. Thank you, Mayor, and Councilors, for giving us the opportunity to speak to you tonight on this issue of great importance. There seems to be a fallacy that there is little available industrial land in Portland. And that the 35-acre Linnton site is of significance to heavy industrial use, to the latest industrial district act in the northwest district there are 1,034 acres of underutilized or vacant property. The industrial property. The total of the northwest industrial area is 17 acres. The area of all industrial, all industrial vacant and unimproved lands in Portland is 3,880 acres and all other potentially underutilized or unoccupied land or vacant land on, unoccupied land is 2,480. Opportunities are also been overlooked. West Hayden Island. Which is owned by the Port of Portland is not in the atlas. It's currently not indexed by the city. This 1,900-acre plot alone would meet the projected demand

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for industrial and land envisioned for 2025. This large area with deep draft access on two sides has been planned for a terminal facility, rail yard for decades. It's a better location than linnton which has very little draft. Another area that should be evaluated is the Portland ship area on swan island. It's existing docks make it a better location for barges and related facilities than linnton because linnton has little water depth. Conflicts between rail and truck traffic and a growing, nearby growing residential area. Brownfields, another area that include 1,240 acres are large areas along the willamette. Not available for new industrial use because they are contaminated. The atlas seems to make the assumption that contaminate the sites will be available forever. That's wrong. They need to be cleaned and put back in the stacks base. An example of that property is the 100-acre site north of linnton. Big opportunities for industrial land expansion. I won't be able to finish.

Tom Wilson: Mayor, commissioners, my name is tom wilson. I am a resident of linnton. I want to, during from 1990s until the completion of the neighborhood plan I was the chair of the land use planning committee and I want to talk to you about the process. The land use planning process in linnton was started in 1993, in the spring after a big fight in the fall over a proposed power generation site along the waterfront in linnton. Neighbors got together and says this isn't the way we want to do business. We sedona like these neighborhood fights. So they said let's sit down and make a plan, put together what it is we would like to have. Potential developers could see that plan and know what we would support and what we would oppose. And the process went on from 1993 until the year 2000. The committee recognized that we had residential, commercial, and industrial elements of the linnton neighborhood. All of the elements of the neighborhood were invited to participate. Objective of the committee was to work through what the vision was and if they were disagreements to continue to work on those disagreements until we reached consensus on what was a good solution. Members of the business community participated as well as residents and commercial. All three terminal managers, g.a.t.x. Term manager and the arco terminal manager were participants in those discussions. Helped us work out solutions to the problems. When they, when the process ended, we found that there had been 96 meetings for planning, there were held involving 835 attendees and put them together the meetings lasted one and a half to two hours, came to over 2,000 hours of community effort to put together the plan and we believe then that as a result of that, we have a vision from the residents and from the people in linnton for the area of linnton. Thank you.

Moore: Leo, michael, and they will be followed by doug polk and kelly weigle.

Potter: Thanks for being here, folks. You each have two minutes. Please state your name when you speak.

Leal Sundet: I'm up? My name is leal sundet I am the president of the international longshore and warehouse union. I represent approximately 850 full and part time longshoremen and biennium who work the docks in Portland. They are largely located in forth Portland in the st. John's and fulton. Local 87 membership works, lives and shops in north Portland. We pay close attention to the politics of the neighborhood both from a sense of responsibility and from a sense ever entitlement. North Portland is a collection of blue collar neighborhoods that have embraced the fact there's also home to heavy industry. Much of it waterfront connected. Heavy industrial is what brings the jobs to the citizens living in north Portland. Development issue today cannot co-exist the center of the industrial base of activity along the river. It's foreign to the neighborhood character that exists today. Cha character being one the heavy industry community is integral to the life blood of the neighborhoods. The linnton plan essentially is import a touch of northwest, north Portland. It would be like mixing oil and vinegar and would serve as a cancer that would slowly undermine the vitality of commerce. Local spores of the expansion of the pearl. The docks at terminal 1 were underutilized and they were not conducive to local shipping. They supported south waterfront. The push to rezone made sense. They are markedly different from the linnton proposal.

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They were pushed to expand out from already dominant neighborhoods that required expansion for economic interest. Linnton has none of those same characteristics. Its plan represents an importation into the center and establish dominant industrial community with a written has no economic interest to the city. Locating high end housing and related community in the center of heavy industry will bring action for noise, light, dust, and traffic abatements. We urge the city council to stop speculation today and confirm they remain zoned as today. There are buyers out there that want to bring new compatible industry to the properties. Let the process work. Protect our scarce riverfront properties.

Michael Abendhoff: Hello. My name is Mike Cull. I am with B.P. and as you probably know B.P. owns and operates the Linnton delivery terminal. The Olympic pipeline and the Arco retail stations in and around Portland and in Oregon. We have a long history notice Portland community. We are a long time resident of Linnton, close to 90 years, which predates probably many of the homes that are there and our major supporter of the Linnton community center. We take great pride in our operations and in being a good neighbor. You hear a lot tonight about public safety and I can tell you from firsthand experience that that's B.P.'s number one priority. We do everything we can to ensure workers and community safety. However, no industrial business can say with 100% certainty that they will never have an incident. This is the exact reason communities develop zoning. Just as you protect citizens you must protect industries from inappropriate encroachment of incompatible uses particularly residential use that could affect their ability to operate. The best means for protecting these industries from incompatible uses and assure their continued regulatory conformity is to maintain the industrial sanctuary. The recently mandated biofuels in the city of Portland. Although we play not agree on through implement, B.P. believes and supports biofuel growth. There's no location better suited to handle the growth of this new industry than Linnton. Its access to the energy cluster, rail, highway, pipeline, and the water make it a natural choice for a biofuels terminal or blend building facility. Some people are using the words heavy industry and refinery to scare residents. There's not been a new refinery built in the U.S. in the past 35 years and I doubt if we will ever see a new one. What we will see are bioprocessing facilities which look more like our terminal than a refinery. Coming from the Midwest, I have seen some of ADM's large plants and they look nothing like a refinery. I have a few pictures here he will submit. You can take a look at. I strongly encourage you to keep the industrial sanctuary December 12th and allow us to work well community on plans that include a wide range of business uses. Thank you.

Potter: Thank you, folks.

Moore: Next we have Doug Polk and Kelly Weigle. They will be followed by Judy and Doug Weiss.

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

Doug Polk: My name is Doug Polk. I have been a resident of Linnton for 32-plus years. I would like to speak to the question of policy direction. I spent two years in the late 1990's working with four, three adjacent neighborhood associations to determine which industrial zone lands in our neighborhoods should be preserved for long-term industrial use. This was the result of resolution 35534 that was passed by city council unanimously in July of 1996. And as we all know, resolutions are one of three purposes is to elicit policy recommendations. So the question of whether this is just the beginning of finding out about what policy has been is been going on for some time and I thought I participated in a group that was helping to make policy recommendations. And that was followed by ordinance number 176092 in November of 2001 that was passed unanimously by city council, two of whom's members are present today. That ordinance resulted in the Giles Lake industrial sanctuary plan in which the boundaries of the Northwest industrial sanctuary, those industrial zone lands within our neighborhood associations were determined fit and proper for long-term industrial use the boundary line was drawn at St. John's bridge. The Giles Lake industrial sanctuary is 2,156 acres. I got that information from the

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bureau ever planning geographic information service this morning. It is not been given in any of the background material thus far. The 748 acres of that 2,000 acres was seated by the linnton community association to the northwest industrial neighborhood association in 1993. Thank you for this opportunity to talk to you.

Potter: Thank you.

Kelly Weigel: Now they know. They will get ready. Hi. My name -- that's all right. My name is kelly weigel and I live at 10249 n.w. 109th in linnton. And I live in Portland all my life. I lived in linnton for about the last 10 years. I want to thank you for scheduling this meeting for the evening when folks in our neighborhood could come out and participate. That makes a big difference. Obviously, this is a controversial decision and I think part of what makes it complicated is that there are opposing views as to how significant this 35 acres actually is. It's interesting to me as a community member to see how industry, how corporations have kind of drawn a line in the sand around this 35 acres. How significant really is this piece of land? As Doug just shared, the whole northwest industrial area is about 11% of the entire industrial part of Portland. And is it as critical as some would like to claim it is? And I just wanted to share an exempt from a letter that metro commercial -- commissioner rex burke holder shared with mayor Potter November 2, 2005, regarding metro's consideration of this pocket of land. I am writing to share this information with you to ensure that you and the city council are aware that there was a decision made not to seek protection of this particular piece of property under the rsi language of the regional framework plan and this was done at the request of the city of Portland with the support of many industries and economic development interests. The determination was made that the Portland region did not need this particular property to meet its industrial land needs and that the city's contemplated rezoning for mixed use development would help meet the regional goals of providing sufficient housing and proximity to jobs." so as we have heard, there are many bodies involved in land use government. Many of those bodies have said this is not a critical land to promoting preserved industrial uses and as we all know economic development is more than just heavy industry. Thank you.

Judy Johnson-Bari: My name is Judy Johnson Bari. I work for Sterling Savings Bank and I am a member of the northwest industrial neighborhood association. I have been involved. I have been a board member for the past eight years. About a year ago I attended a briefing on disaster preparedness and was struck by how little I knew about what the businesses in the northwest industrial area would do in the event of an emergency. One thing led to another and I now chair the emergency preparedness task force. The task force includes eight businessmen and women who are working hard hand in glove with the city's emergency planning staff to prepare our district for what could be the unthinkable. In our planning work, we have come to better understand the importance and the vulnerability of our district. With my limited time to testify, I would like to say that with, that the working harbor is critically important to the Portland and Oregon's economic vitality. The district is served by rail, water, national highway system, and the olympic pipeline. But these attributes for our economy are also present risk especially for our residential development. In particular, we are concerned about locating housing in close proximity to fuel storage facilities. It would be unthinkable to put a fuel storage facility, say, in Mt. Tabor. It makes as much sense to create even the potential to put housing near the state's sole source of petroleum. Nina is months away from completing our disaster plan. The plan is, will always be dynamic, amended as new information is developed. But our efforts to date have helped enhance our awareness of how best to plan and minimize in the case of a disaster. Be it man made, fire, or earthquake. In order to redo you say the risks for both residents and workers alike we strongly recommend against the housing in the waterfront along the olympic pipeline.

Doug Weiss: I am Doug and I represent a group of approximately 60 Linnton Plywood Association shareholders. Assumed the management of the Linnton Plywood due to the fact they were refusing to pay \$1.5 million owed them in the procedures of the association by law. These shareholders

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have also been excluded from any discussion making process of the association. The result of that lawsuit is a settlement agreement signed by both parties stating that if linnton plywood was enabled to be profitable for a designated time period and attempt to pay the debt in a timely fashion, it must close and lick quit date with the intent being to pay the debt that these shareholders have been waiting for and pay taxes on as much as 20 years ago. We feel they have not only not lived up to the agreement, but have used this money as a bank to operate at a loss during several years prior to closing. In fact, only 10 of the 42 members that were working when the association closed have any money owed to them in the and the other 32 are overadvanced and in debt to the association for over \$300,000. Laws are prohibitive of this kind of acting and it cannot be considered accidental since it occurred over several years of operation. This creates quite a conflict of interest between 42 shareholders with voting power and very little money owed to them with the remaining 80 or so shareholders many of which are elderly which have no voting rights but are waiting for approximately \$2 million of tax free money. Obviously, the 42 working mechanics have the most to gain by rezoning the property in order to get a higher price especially when the situation is further money by the fact the association's bylaws were changed just before closing to divide the proceeds from the sale of the property and buildings between those who work since 1991 instead of equally among all shareholders as outlined in the previous bylaws. By doing so, approximately two-thirds of the shareholders will receive very little money or none at all from the sale of the property and buildings. We feel these by law changers unfair at best and possibility illegal and intend to pilot in court if necessary to have them reversed. We are against any zoning changes and this property and buildings should be sold as soon as possible to honor the settlement agreement and avoid more legal action.

Potter: Will you make a copy of that available to the clerk? Thank you.

Moore: Brian hoop and jeannie longley. They will be followed by doug white and al zimmerman.

Potter: Thanks for being here, folks. You each have two minutes. Please state your name when you speak.

Brian Hoop: Ply name is brian hoop. Live at 10249 n., 1089th avenue. And I want to speak a little bit more on the issue of brownfields. I believe there's not a shortage of industrial land in the city of Portland. There's only shortage of clean, uncontaminated industrial land. I want to point out that industries should be taken responsibility to help clean up land and by cleaning up the land they, I believe we can make more industrial land available for resale. I think a number of these brownfields sites are not clearly acknowledged in the 2004 industrial district atlas that has been referred to several times. I want to point out specifically the 30-acre harborton site owned by p.g.e. Enron in linnton as an example. Its contaminated. They are hold be on to it. They are getting tax breaks. They operate one piece of equipment on it and the rest of the acreage sits strewn with litter and junk and blue tarps. This is an example of a broader city wide issue that there is industrial land available. It's just contaminated and there needs to be a big are policy discussion about how we make that land available for development for heavy industry. Another point as a community organizer and neighborhood organizer that you all probably know me as, I have never seen a better model of civic governance of a community of a neighborhood association being actively involved in the history or in creating a vision for their neighborhood. And I think that needs to be acknowledged that there are many community activists across the city looking at this issue and waiting to see how the city responds to this example of citizens trying to stand up for creating a vision for their community. And lastly, as a former union organizer who has organized a new local with s.e.i.u. I want to say i'm also in support of workers and I think we need to recognize that the plan, one of the plans that has been proposed would create 300 new jobs. I think it was one of the plans endorsed by the planning bureau. I am not -- I am not sure exactly which plan it was. But

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light industry and warehousing jobs would actually probably create more jobs that exist right now on this site.

Potter: Please go ahead.

Jeanne Longley: I'm Jeanne Longley. I live on n.w. Second street. I would like to address the concern that residents down by the river are going to be hostile toward industry. And I will address this concern as a social scientist who post grant had work focused on culture and group decision-making. Like Brian I am just amazed at the culture that we have seen in Linnton of cooperative decision-making. Tom Wilson described an incredible process and, of putting together the plan and Doug Polk as well, talked about the neighborhood associations that work together to draw the line around the Giles like industrial sanctuary. As a social psychologist it's just mind boggling to see a community work together like this. Where everybody wins, none at expense of anybody else. It's only when -- and we get along very well with the industrial folks who come to our meetings all the time. We work out all kinds of problems. It's only their superiors that seem to want to be threatening lawsuits and hiring lawyers and lobbyists. We can't afford to do that. We don't want to do that. We want cooperative culture and I believe that if we can have a flexible zoning that we could be a model for Portland of incredible industrial residential cooperation. Or we can be a devastating failure. It's really up to you.

Potter: Thanks for being here, folks. When you speak please state your name for the record.

Douglas White: My name is Douglas White. I am with the Columbia Corridor Association. I am a board member and treasurer. And I think I will make this real helpful for everyone here. Ann Gardner. We support definitely everything that Ann had to say today. I have a lot to enter into testimony. We have already sent a letter. I will hand a copy of the letter over and I think that will suffice for tonight's testimony. I would like to say that the Columbia Corridor Association has a great deal of empathy for the Linnton community. We would ask the city to continue to work with the Linnton community and come up with a solution but we do not support this proposed modification or adjustment. I would also like to ask you to take look at the letter dated July 10 by Council President David Bragdon of Metro and ask to you take quick look at that. And that's the end of our testimony.

Potter: Thank you.

Al Zimmerman: My name is Al Zimmerman and I am a conductor for the Portland and Washington railroad. I have been with them for 13 years. And I have been the conductor on the Linnton switcher for the nine years we have been operating the Astoria line from 1997 through the present. Portland and Washington railroad is a regional short line operating. They have 522-mile system operating in western Oregon. And we are both a freight and switching operation. In Linnton, we, in 19 -- excuse me n. 2005, we handled almost 20,000 carloads through the town of which approximately 25% were hazardous materials. Our customers in the Linnton area that we provide service to that take hazardous materials are B.P. Arco, Valero, Trumbull asphalt, field and marine marketing and copper industries. Also as mentioned previously, we have the potential to double our traffic through Linnton in the coming years due to the ethanol plant that's going to be going in at Port Westward out in Clatskanie. And that will be 100 car unit grain trains coming through town and then ethanol coming out of the facility going back to the Portland area. A lot of these products cannot be hired -- cannot be handled by highway because of their weight. So the railroad and barge will be most likely the way they will to v-to come out. The Linnton plywood site is valuable to us because we do, we use it for our switching. We not only have through trains, through Linnton but we do a lot of switching for different customers in the Linnton area. And as I said most of our carloads in the Linnton area are hazardous materials. Ethanol.

Potter: Your time is up.

Zimmerman: Ok. Thank you.

Potter: Thank you.

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Moore: Next we have dan, and susan lacefield. That was susan lacefield. They will be followed by steve, and southern garber.

Potter: Please reads the next one.

Moore: Richard parker.

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

Dan Dishongh: Yes. My name is dan dishongh. Good evening. We are talking about the linnton site which has been 35 acres which has been mentioned here. We have taken a little bit of time and energy to look at the site. The site is actually consists of a buildable 25 acres. It has a narrow range of about 280 feet, to the widest point of 481 feet. So I think that the linnton village plan is a very good plan for this particular site. It's not too conducive for industrial use. It's too long and narrow. Thank you.

Potter: Thank you.

Richard Parker: My name is richard parker and I have been a shareholder at linnton plywood for 38 years many I bought my share to provide income for my family, and to provide retirement norm coleman for my wife and myself. During the first years, we did very well financially. But in the 1980's and 19 90's it became increasingly difficult to make a living in the forest products industry. Although the company had continued low-wage, the company paid its bills on time. Although linnton may be able to limp along in the late years, it was one of the first to join the e.p.a. Cleanup fight. We are not now and have never been a contributor to the superfund, to the pollution there. One thing that I would like to make clear is that I have been in that area since 1950 and that property next door to our mill, the 15-acre open piece, has been available for heavy industry ever since, and nobody, it's still empty and it will be empty, anybody that buys it now and heavy industry, it will just have it for a short time and do the same thing that we would like to do. Thank you very much.

Potter: Thank you, folks.

*******:** I would like to show you some pictures. Excuse me. Of the beach in front of the mill is a wonderful sand beach. It's one of the last remaining beaches on the willamette river. I would like to have you people look at these pictures and there's no concrete walls or anything. This is a sand beach where you could take your family down for a picnic.

Potter: Please give those to the council clerk. Thank you.

Moore: Next we've steve and soren garber followed by susie and lucille.

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

Steve Siewell: My name is steve. I am live 484 n. 6th street St. Helens. I work for the Portland western railroad for a little over 13 years. And I have been the locomotive engineer in linnton for the past nine, mostly for the past nine. I just want to remind the council that the pnw has submitted a letter already pertain to the testimony of myself and my colleague. And all I can add to the testimony that my colleague gave are my concerns about safety. In the last, in the nine years we have been operating business has increased significantly. And we're hauling a lot of dangerous, hazardous materials through the linnton area. It's stuff like denatured alcohol, asphalt, fuel oil, there's other combustible liquids and anhydrous ammonia. And you know, having said that safety from the president of the railroad all the way down to me is our number one concern. And we do, take every precaution we can in the areas that we can control but that are under our control but it's the areas that we can't control. And it's that we have to guard against. It's everything from terrorism, act of terrorism to the motorist that backs up, drives ranted gates in front of me and which happens almost every day. I no exaggeration. I have had a lot of close calls in the last nine years. We have to guard against that and protect against that. And I don't know that piling high density housing a block or less from the main line is offering that type of protection. One other correction

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to some earlier testimony there are no 45 minor miles an hour trains going through linnton or will ever be. The highest proposed speed will be 25 miles an hour and more than likely it will be 15 miles an hour or less as they operate now. Thank you.

Sorin Garber: Mayor and commissioners, my name is sorin garber. Aim transportation consultant. I have been working for the office of transportation on its freight master plan. Also a resident of Portland and I am removing my thumb drive here. Be she happy to know I will not be presenting a power point because it would just be repeating a lot of what's said so I have a few things to say. You have heard a lot of numbers from the industrial atlas that was prepared boo industrial land availability and there are two numbers very compelling to me. One report states that there are 143 acres that are completely unconstrained that are available. That means shovel-ready. And in that 143 acres at the plywood site. The other numbers the demand for 1900 acres. So our demand for our industrial spaces is outweighing our ability to serve it. Also the site is served by five transportation modes. I caught railroads, too, because class one and class two. Linnton is a very important major west coast intermodal hub just south of this area. The burlington northern operates two switching yards which service puget sound down to do bay area. This allows our region to reach distant markets and other sites that would have similar characteristic would be 100% dependent on trucks. It's also important to note the economic output from our sector industries is expected to double by the year 2030. And the Portland regional alone ton acknowledge will grow to 522 million tons. And employment will double. Also in conclusion, I wanted to mention that this is not like the pearl district where railroad operations were abandoned. Railroad operations are very, very much active here and this also no l.i.d. To finance the public infrastructure like we had planned in the pearl district. And the finally working with pdot I know their complaint line is full of complaints from residents who are being woken up at night by truck noise and vibration and railroad noise and vibration. Thank you.

Potter: Thank you, folks.

Moore: Susie and lucille. Ok. And also right now ross come up. They will be followed by tom deshane and rob rich.

*******:** I am going to read a statement from my mother after --

Potter: Please state your name.

Suzy Sivyver: My name is suzanne and I am representing my mother, lucille who is 89, almost 90, and she wanted to come tonight but at the last minute she couldn't. Her statement. To whom it may concern, I have owned my property outside linnton for over 50 years. The industrials have continued to take more and more of linnton and have already almost destroyed the town. Please don't let them totally kill it. Please let people live there again." so I felt compelled to represent her because she couldn't make it physically. And then on behalf of myself, my mom and dad have owned in growing up in north Portland, 1111 -- 11552 n.w. St. Helens road property. It's one of those houses, houses on northwest st. Helens road. And as a landlord's daughter I was the december tigidar natured cleaner upper after renters in between renters. I spent many a night there since I have grown up. I swim down in the river. Beautiful beaches. Great interface. And I have raised my kids swimming in that river and access to the river. Right there in linnton. And we don't have too many green scales. Thank you. I hope you enjoy the picture. Remember the moment? Mom says to say hi.

Potter: You tell her hello for me.

Ross Folberg: Hello. My name is name is ross folberg. I am a linnton resident and currently the linnton neighborhood association president. I guess I think it's unfortunate we couldn't have had this discussion six years ago when the same industrial people that are now opposing us were helping us draft this plan. And it would have been nice if we could have done that before b.p. And kinder morgan purchased arco and gasx who were in support and signed off on our plan. I want to address a few things that were said tonight kind of clarify a few issues. First is with this energy

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cluster. A lot of the industrial people are putting together linnton and wellbridge in this cluster and making references to things as if it was done in linnton when, in fact, they are done in wellbridge. The airport pipeline is in wellbridge. Not linnton. Kind are morgan currently it's my understanding their truckloading bay in the linnton facility is actually nonoperational. It's the truckloading bay in wellbridge that's very active. And the -- I would also like to address a few things with risk. The we really have worked well with the tanks. We feel they are safe. We have gotten along with the people that on site. They have been very supportive of our neighborhood and our community center and we very much appreciate that. But there are a few things to point out here. There are lots of laws and rules as the john the fire marshal pointed out to protect our safety. We are currently at less than 400 feet. My house is 230 feet from a tank. There are houses 130 some feet from tanks. The pipeline that goes through linnton to eugene that means it passes through Portland. In fact, in Washington, the same pipeline, there's 175-foot right of way abutting sun side is an elementary school, the other side is a apartment complex. The paper line goes through the middle of that. They have had no problems. Things are perfectly safe. The trains the same trains go by the wal-mart in st. Helens. Those trains also go by the downtown area of terminal 1. So any of the issues of safety you really with trainings especially it seems you would really have to address these same issues of down at terminal 1 and I don't see that being done. I think it's my time I up. I only have two minutes. If there's any questions you might have I would be happy to answer.

Adams: You are the president? Right?

Folberg: Yes, sir.

Adams: Do you agree with expert testimony -- [inaudible] to be installed -- [inaudible]

Folberg: No, I do not. And for several reasons. One, it is constantly pointed out about two public rail crossings. However, the third rail crossing is owned by the mill which if it was sold, it would be allowed to be a rail crossing to where those residences. In terms of like crossing and access, again, this same rail line goes by wal-mart in st. Helens. And I am positive that there's a lot more traffic than we would ever get going through there. There's lots of other examples in Portland where there is much higher density than what we would have with no rail crossings. In addition, the water, although it may not be the most effective way to evacuate, it is an opportunity. And the fire boats are just a few minutes away and if, in fact, one of the fire boats that I believe, I think it's less than five minutes away, its novel, I guess, can spray almost the entire depth of, in terms of shortest part of that, the site for the rail tracks.

Adams: Fire department said that as a condition of -- [inaudible]

Folberg: One thing to keep in mind here is that I know that part of issues with the overcrossing is because of oftentimes this leads to the city being obligated to pay for it. I think what we are really asking as a neighborhood is, let the market decide. Let it be e.x. And that in no way requires a financial obligation on your part. In other words, let the zoning be e.m. And if somebody can't come with a feasible, viable plan that satisfies all the rules and requirements that are there for the protection of the people, then, tough luck. I guess what we are really asking is the opportunity to pursue this. Unless it's e.x., a developer is not willing to put -- unless off chance, I guess what i'm saying to pursue something, why would they bother putting the resources continue pursue it? All we are asking for the e.x. Is allow in a sense the market to have that opportunity. The ultimate kind of, sense it allows the most vie built absentee with the property be it industrial or be it mixed use or whatever. And like I sid none of this, they talk about all the shortage but none of that requires you guys to pay for that. So.

Potter: Thank you, sir.

Folberg: Any other questions? Thank you again for your time and making an evening meeting.

Moore: We have tom deshane and rob rich. They will be followed by kristen roberts and marty gordon.

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

Robert Rich: Good evening, mr. Mayor and city council. My name is robert rich. I work for shaver transportation company 4900 n.w. Front avenue. I have earned my employment on the working waterfront for 27 years. 21 years at shaver. We are a neighbor of the industrial corridor. We are heavy industrial designated facility ourselves and for the record we support the remaining i.h. designation for this property. And that's our comments for this evening. Thank you.

Tom Dechenne: My name is tom dechenne. I am a commercial and industrial real estate broke we are norris best and simpson and have been for 25 years many I am here as a representative of the Portland freight advisory committee. You folks probably remember we testified and you passed the Portland freight plan, if you will. A few earlier this spring. The freight committee, while we sympathize with the linnton neighborhoods's desire to have a viable neighborhood, we do not support the idea of housing on this industrial land site. There are a couple of items that I would like to address and that is big picture that hasn't, I don't believe has been addressed yet this evening, is in regards to the urban growth boundary as it relating to industrial lands as a practice decision, daily, of industrial lands, there's a lot of numbers bounced around as far as what, how many acres are available. I can tell you from a practical standpoint, we deal with users every day and there, at a large shortage of industrial lands and specifically I think the numbers have been alluded to and they vary all over the place but suffice to say 200 or 300 acres usable today are in short supply. The other thing die want to mention is in regards to long-term values of that urban planning, urban growth boundary land use planning and concept plan is to maintain balance. I receipt pete -- repeat that balance of, you know, those uses becomes very critical in that balance. It is my opinion that the price fluctuation, the value fluctuations of residential versus industrial lands ought to be looked at long term, not short-term. 1980 whether I started industrial land prices were about double compared to residential. Now they are completely opposite of that. That's only in 25 years. Long term I think that balance becomes very important. Recommend that you keep the zoning as industrial.

Potter: Thank you.

Sten: I have a sense that there hasn't been much -- [inaudible]

Dechenne: Point well taken. If it was that exciting, I mean, if it was hots on the mark, full, right at this moment, or the last few years because our industrial manufacturing economy has been down, it's slowly coming back as you well know. To answer that question, I think you really have to look at the overall picture. Not just Portland but the metropolitan area. We have industrial lands south along i-5, north along i-5 out in the industrial areas. I think if luke at there piece, there's no question about it. There isn't, the last few years there hasn't been a big keen interest for a 35-acre potential user. I think when you look at the overall picture long term, the attributes that have been alluded to here earlier, rail, water way, heavy industrial zone, it's very difficult or to find those properties even five, 10 acres. You are talking about northwest and so on. And I think that's where the long-term vision becomes very, very important. You look long term this is only a stone's throw, it's within the city but stone's throw from downtown. And I think as our economy picks up, that becomes a very usable piece, 35-acre piece that will have not as a distribution center, but as a manufacturing center. And I think that's really the key component. I can go on and on but I think that's --

Adams: I had a question. You mentioned the potential rail adjacent use or water-related use of the industrial land. Maybe you don't know the answer. [inaudible] given that this is proximity of a superfund site, [inaudible] the depth here and I -- [inaudible] 10 feet which is relatively shallow for [inaudible] given the fact that the rail is travels on rail is continuing to [inaudible]

Dechenne: Physically, how deep and wide it is?

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Adams: That and the direction of rail traffic is going on the back, shallow and to dig it out, superfund site is full of fraught with all kinds of [inaudible] what would be some examples of [inaudible] given that reality of the water and the trends with rail?

Dechenne: That's -- not a simple answer, commissioner. But I think that --

Adams: Bev to come up with un.

Dechenne: But I think in regards to that question if I am understanding what you are really saying the fact that it, because of the environmental concerns, if you will, is it very, compatible or is it marketable given the costs that might have to do to clean it up? I am not, I don't know all the specifics of the site in regards to the environmental issues specifically. I can tell you from a broad standpoint that many of our lands and it was alluded to here earlier. The brownfields have certain cost associated with them to make them compete with shovel-ready sites. And this, while this one - I don't know. That's a tough one. I don't know how much it would cost and i'm not answering the question direct. But I guess --

Adams: What kind of -- let me see if I can -- [inaudible] what kind of tenants would you pitch for this site?

Dechenne: Well, bear in mind, 35-acre tenant, it would not be a distribution company. The infrastructure of the transportation, those are going to be along i-5 north and south Portland and so on. Where this does come of great value is for manufacturing firms. And we had a discussion with the planning p.d.c. as well as the planning commission here within the last six months in regards to sites, not just 35 acre site bus five-acre site, a Sten-acre site. Those are in very, very short supply around the whole metropolitan area and those are where I can see those kind of users, user that needs 50,000 square foot building, not a 300,000, not necessarily a 300,000 square foot plant. But those are where the demand becomes stronger and if you look at Portland's economy I think that's where the family-wage jobs were over the long history of our community, where growth has occurred. We get big hits once in a while but the stuff that really happens day in and day out before somebody's looking for five acres, they need, 50 employees and want to expand to 70. Those are the heart of the matter that we have a hard time finding sites for.

Adams: Thank you.

*******:** Any other questions? Thank you very much.

Potter: Thank you.

Moore: Next we have kristin roberts and marty gordon. They will be followed by rebecca woods and lydia neal.

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

Kristin Roberts: Yes. My name is kristin roberts. And my address is 10470 n.w. second street. And I own a condominium in the old linnton elementary school which is located on the hillside just across highway 30 directly above the mill site. Tonight I would like to speak to sort of the veiled proposals I have heard regarding turning that site into a possible biodiesel processing plant. And I would like to draw the council's attention to several newspaper articles that I have read recently regarding the catastrophic hazards that we could face with a biodiesel plant in Portland. On june 6, the Portland tribune ran a story entitled "fire puts biodiesel under scrutiny ." and basically, there was a huge fire in canby and an explosion that was an old barn that caught on fire. It was biodiesel, and the canby fire district captain stated that the fire was burning with such tremendous intensity that they actually thought that it was some kind of a huge petroleum fire. And it said in the article that the incident is now promoting state environmental and fire officials to study whether this alternative fuel should be classified as hazardous material or waste. Now, I have heard a lot of comments tonight about the dangers of possible petroleum blowing up in and we live by those tanks for 12 to 15 years and we have never had an incident. We are not afraid of the tanks. I am terrified of these biodiesel plants. There was another huge explosion that killed one person and injured two

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other individuals in new plymouth, idaho. This happened on july 7. 10 area fire departments had to respond and nearby residents were forced to evacuate from their homes. A state police spokesman stated that the destruction of the new facility was a real blow to the community. At the same time, the fire burned again so intensely that firefighters worked for over four hours just trying to extinguish the flames. And 15 to 20 homes and businesses near the plant were evacuated and rail cars had to be moved to get them away from the heat. The idaho state police said that it was necessary to dispatch the entire i.s.p. --

Potter: Your time is up.

*******:** Sorry.

Potter: Thank you.

Marti Gordon: My name is marti gordon. My husband and I are the developers of the linnton school complex which again sits above the site in question. I think one of the concerns through the years of these talks and concern of the commission is the compatibility of residential which is very necessary for this project to go forward, as the linnton community would like to have it. All of the people who are in these high end condos are very aware of all the industrial uses that are existing before their purchase. Maybe 10, we have had turnovers recent purchase in the last few months. We are also aware, as builders and contractors, that this residential usage is very vital. It would be the element that would fund the infrastructure that would be necessary thereby not require, the city to do so. Also if we have the buffer area in light industrial, it would support 70 1500 square foot incubator store front spaces and we know as experienced developers of these projects that 3.2 employees is the average number of jobs created in each 1500 square foot unit. This would provide 220 on site jobs. An estimated 50 to 60 more jobs would be created from the retail, commercial spaces and this would add up to 280 on-site jobs in this linnton area. If the zoning of heavy industrial with no restrictions remains, our community and the city of Portland could end up with a much less than positive future use of the linnton property. I want to you consider a photograph that I will leave with you which suggests the kind of blight on our waterfront that would not help the community or the city of Portland as the plan which we have in mind would do. Thank you for your consideration.

Moore: They will be followed by glen gordon and steve voorhees.

Rebecca Woods: Good evening, mr. Mayor, commissioners. My name is rebecca woods and I am speaking on behalf of the commercial real estate economic coalition creek and one of its 15 affiliates, the national association of industrial office properties. And both creek and naop strongly oppose to remove the designations from the linnton waterfront area. Specifically creek and nap have the following concerns. Industrial growth, the supply of industrial land adjacent to key freight corridors is limited and therefore must be preserved. Smart growth principles apply to industrial land just as commercial and residential. By locating industrial jobs adjacent to transportation corridors, we both reduce people and freight trips and maximize the use of industrial infrastructure as sit, jocks, business which generally are industrial in nature, that bring revenue in from outside the region provide the greatest growth potential and multiplier effect for our economy. Harbor behaviors expanding with commitments for more than \$4 million in current and future investments.

These businesses provide family wage jobs investment income, tax revenues and support of local vendors. In addition the harbor houses the state's energy cluster which accounts for approximately 90% of Oregon's incoming fuels. Finally, compatible uses, an underlying assumption of our land use laws is a separation of ngo compatible uses. The city of Portland has adopt and industrial sanctuary policy which has protected the industrial uses in our city from conversion to other uses. A decision to rezone linnton challenges the foundational principle of Oregon's land use system as well as being incompatible with the city's long standing industrial policy. Thank you.

Potter: Thank you.

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Lydia Neill: Good evening. Lydia neill with metro. I am here this evening representing council president david bragdon. He asked me to appear this evening and to reads some exempts from the letter he had sent to you on july 10, 2006. This represents the opinion of president bragdon himself and not the entire metro council. This issue has not been brought before them as a full council. As you know the city of Portland has been very vocal in regional debates in our chamber about industrial land supply and the vital issues of job retention and job creation. City of Portland has generally taken the position in the metro council proceedings that we should minimize the urban growth boundary expansion and suburbans and that the generally stated view is that the city's industrial job growth should be maximized on existing sites already locate the within the ugb. We have worked with your city to target freight and transportation improvements to those existing in industrial areas that have prime industrial characteristics. The metro council bears responsibility for assessing the supply and demand for residential, commercial, and industrial land inside the urban growth boundary as well as freight access to those lands. President bragdon's opinion the conversion of industrial land inside the urban growth boundary particularly at a site that has unique multimodal characteristics such as deep water port, heavy rail and pipeline access would be difficult or impossible to replicate in other parts of the region, particularly the suburbs. And the implications of removing land from industrial classification such as described would have consequences for our regional economic base and for our future ugb expansions. While our council is not taken a position on the zone change before you, it is, it being a local issue, I personally urge you to measure the consistency of your actions today with the city's past advocacy and infrastructure expenditures dedicate the towards retaining my paying industrial jobs in and near the core of our region and particularly knows along unique arteries of international trade. Thank you very how much for your time.

Potter: Thank you.

Moore: Glenn gordon and steve voorhees. They will be followed by wayne kingsley and howard worth.

Potter: Thanks for being here, folks. You have two minutes. Please state your name for the record.

Steve Voorhees: My name is steve voorhees. I am a linnton resident. Linnton is a historic community. It is right there within yards of the willamette river and yet it is a community that is effectively denied any access to that river. You have heard it has beautiful beaches. It has a largely undisturbed area of waterfront. And it is suitable for farm or -- far more than those open that oppose the linnton plan suggest. It sits just north of Portland's crown jewel, the st. John's bridge. It has a beautiful view of a working port. And yet what is it used for currently? It's a gravel pit. And an empty plywood mill. And we are told that somehow, this site is so critical to the industrial interests that the plan and desire and aspirations of a community should be ignored. The linnton plan deserves your support and I wholly hope you will give it. The opposition to the plan is well funded. It is brought in high-powered lawyers to influence your decision. It is choreographed a presentation. The petroleum tank farms, b.p., west coast and kinder morgan, have adopted the no can do strategy of fear. We have heard about fire, job loss, we have even heard the word "terrorism" thrown around. And yet these are the same people, while claiming this overriding interest in safety, according to the planning bureau, they send 162 fully loaded tank trucks across unregulated railroad tracks in the linnton neighborhood seven days a week. The 35-acre site represents linnton's last and only hope to become more than a strip of stores dotting highway 30. Let this community have a small piece of the river back. And vote for the linnton community's future.

Glen Gordan: Yes, members of the commission, my name is glen gordan. I reside at 10450 n.w. Second. I am a real estate broker licensed with the state. I have been a developer for over 40 years. I have done commercial as well as industrial-type developments. I haven't heard it discussed or

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thought about tonight, I guess, but the thing seems to me that the most important point that we need to consider and you should think carefully about is the fact that the site sits today exposed to anything that can fit. There is no regulation right now that will protect the sit. There's no public hearing. There's no conditional use. You can put anything you want on this site as it is today. The race that's going on is to get the site in industrial use, used because it's a good buy, because it doesn't require streets, it doesn't require street improvements, any of the things that need to be done to protect the area. For some reason there's an interest in knocking the residential because of the traffic impact and all the ruckus of the train tracks. What the in world would heavy industrial site do if it were trucks and trailers? Peak traffic hours with no improvements, remember, there's nothing to make you, to enforce improvements. The site can, if it's done properly, work very nicely with a mixed housing. I was on the commission that met with the p.d.c. And the proposals that they offered us to review were absolutely crazy. The one that had residential use in it had 37% parks. I mean, come on. They are not developers and the numbers that they developed were absolutely off the charts. If you attended that meeting and then you listened to the testimony that's given about the report, you would think you went to the wrong meeting. This job for this site can produce as much as 280 to 300 jobs. It doesn't make any difference if it's a hard hat or a soft hat. It's a job. It's people who drive cars. This site needs to be remembered to be important, not just to the linnton area, it's very important to the city of Portland and anybody who travels on highway 30. If you want to jam up the traffic just put a bunch of truck and trailers on that street. The lady that said don't mix --

Potter: Your time is up.

Gordon: One last comment, please.

Potter: Your time is up. Thank you.

Moore: Next we have wayne kingsley and howard worth. They will be followed by jeremiah weiss and sarah. Position thanks for being here, folks. Please state your flame when you speak and you have two minutes each.

Wayne Kingsley: Wayne kingsley. And I am a director of essentially site industrial council and I am testifying in behalf of the council. Mayor Potter, commissioners, I am here today to testify against the manning commission's report on changing the linnton comprehensive plan. I have traveled on behalf of the city and the region promoting this area as great place to live and work. When conversations about the area get beyond our renowned reputation for livability and sustainability and down to serious discussions about locating industry here, I talk about our industrial sanctuaries. Most people, most serious people, have heard about them because the concept is unique to planning as urban growth boundaries. They are the analog of wildlife refuges or another endangered species. Industry and its accessory activities. They also provide a haver for something else endangered, stable well paying jobs. People from around the world admire our foresight in providing and protecting places for industry to thrive. I think the rest of the points have been made and I yield to mr. Worth.

Howard Werth: My name is howard werth. I am employed by gunderson which is a locally owned company that actually got its start in linnton in the 1920's and is actually a textbook example of the case for the industrial sanctuary n1985 gunderson was acquired from f.m.c. At the time there was only 65 employees. At that the time we used to kind of joke when we were involved that if we didn't make it they could always make it into apartments. However, the zoning laws wouldn't allow that. Today we have over 1300 employees, produce rail cars over 5,000 rail cars and barges a year. And we launch at least four to five marine barges a year. Gunderson strongly opposes the comprehensive zone change that would remove the industrial sanctuary for the linnton waterfront. The proposal has serious, several serious implications. First the comprehensive land change is inconsistent with city policy. Portland has consistently believed in protecting the character of its industrial lands. One of the significant findings of the costco decision in 1995 it was that decision

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protecting the character of the industrial sanctuary are a matter of faith and even though changes occur, Portland must be clear that it wants to keep industrial jobs in the area. Converting the linnton site from industrial use would be an indication that the industrial sanctuary can not only give way in linnton but elsewhere in the city. Second, the underlying assumptions of Oregon land use policy is the separation of incompatible uses. The proposed zoning change is contrary to that assumption. Again going back to the costco decision in 1995, first and foremost we recognize and respect the mandated that the industrial sanctuary be preserved for business that is by their nature must be segregated from other uses not for the benefit of other uses but for the successful operation of industrial businesses located there by right. Portland through prior council action has widely created the industrial sanctuary policy. This is consistent with, that is consistent with protects its character. It may be easy to look at linnton decision in isolation but it is not. It goes to do core of the city's faith and commitment to maintaining industrial lands, economic base and work harbor.

Potter: Thank you.

Adams: You are both very smart. A couple weeks ago the city council took out of sanctuary land surrounding the fred meyer had [inaudible]

Kingsley: I don't think i'm qualified to comment on whether council makes good or bad decisions and certainly not an area that's outside of the -- outside of the central east side. I don't know. We did not, the best of my knowledge central east side industrial council did not testify one way or the other on that so I would prefer not to take a position on that.

Werth: Again, I can kinds of he can doe what wayne said. We weren't following that close low but given the matter of the direction I would say no.

Potter: Thanks, folks.

Moore: Next we have jeremy weiss and sarah. They will be followed by ed tomkey and rob thomas.

Potter: Thanks for being here, folks. Please state your flame when you speak. You each have two minutes.

Jeremiah Wise: I am jeremiah wise. I'm a linnton resident 20 years. 9737 n.w. Roseway. I coach a basketball team down at the linnton community center. The idea of a park in linnton just sounds so wonderful, first off. A place for the youth to go and maybe a track or a baseball diamond a place to toss a frisbee, a place to go with your friends. Growing up in linnton as 20 years, not having that, although I love the community center, the baseball court, the outreach has for the community but not having a place for youth to go in linnton, you know, you can live with it. You can get by. You can go to st. Johns. You can go, you know, a few miles down the road. You can go to downtown Portland but it's still nice to dream of having a park or maybe something besides 7/11 where you can go and pick something up at the store. And not only that but, you place a railroad track right around the corner from the linnton community center. And any hazards that might provide whether carrying hazardous materials or whatnot I don't think that's going to change a youth or anyone's desire to play basketball at the community center regardless of how close it is. So here in support of my team with the community center. I am representing them and I am saying that a park would do wonders for linnton.

Sarah Heinicke: Hi. My name is sarah. I reside the 8996 n.w. Mills just south of the linnton neighborhood. Over the years, linnton has been passed over, ignored, abused and cajoled. Neighborhood association could rightfully be here before you now with a huge list of demands. The point I would like to address is the recommendation to keep the zoning heavy industrial and to allow a future develop tore go through a quay see judicial process when a project is proposed. This will seriously hamstring linnton's ability to ever implement its vision. E.x. Zoning will entitle the land essentially tee it up for the possibility of development, a developer at minimum is looking for a local municipal support of his or her proposal leaving it up to the developer to incur the cost in uncertainty of a quasi judicial process to deter most and would probably deter most developers from

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ever taking that long. The linnton waterfront has tremendous potential and tremendous roadblocks. Of course, one of those roads blocks being the current zoning. Another is contamination and lack of in place infrastructure and others. But linnton is not asking for much. No, urban renewal area so no foregone tax revenues for the city. Not a local improvement strict. No brown field cleanup or undue infrastructure funds. All it is asking for is to have the entitlements already in place so that if a developer is willing to take on all of those risks, the market, the infrastructure costs, et cetera, before going vertical, the city has already entitled that development to occur. Given the long list of wants and needs from other neighborhood associations that would like the right to right previous wrongs and have asked for much more this request seems not only modest and reasonable but fair and at least you could do. Thank you.

Potter: Thank you.

Moore: Next we have ed tom key and ron thomas and they will be followed by bill and ben tate.

Potter: Yes. Hi, folks. Thanks for being here. State your name and you have two minutes.

Ed Thompke: I am ed I apologize for taking up so much your time and you your patience tonight. I am an attorney. I represented the 60-member linnton plywood group who sued the managed that doug weiss spoke with. He was one of the members of that group. I submitted some written testimony about it but question I have is linnton plywood doesn't seem to be here tonight. As the largest landowner doesn't that make I wonder why? I would suggest the answer is because the majority of their shareholders and owners don't support the managed position, which is espoused by a couple of people who live in the linnton neighborhood. I may be wrong but that's what my take is on it. If the group gains control and they have talked about going back to court which no one likes to do, then, all of this make come to naught and again I apologize for the time that you would have wasted. Commissioner Sten asked a question about interest in the property. I personally have directed several people to, who are interested in buying at least one of them has bought on the waterfront, and they got no response. They were sort of turned away by the linnton managed group. If the land is vacant now but I would suggest it's intentionally vacant because this has been in the works for a long time and they would, the management group wants to realize the much greater gain that they perceive rightly or wrongly could be realized from the bigger development that they envision. So again, I think there is a lot of interest in the property. I have learned of two others that whom I didn't send there. Third thing, stan is one of the shareholders. He is in the back of the room. He sent a postcard with me that I submitted from 1909 that shows the plywood mill which at that time was a lumber mill. It's been there for 100 years and he wanted you folks to see that. And it's an industrial site then and it's still should be now. Finally, my law firm has been involved in brownfield redevelopment of several sites in the harbor. All that does is affect the price. It does not stop people from developing in the super fund site. Thank you.

Ron Thomas: I'm ron thomas, a former shareholder. I live in vancouver. I have a number of concerns basically about society and the way things are affected. I hope the council is not mesmerized by words such as renaissance principles which garner crystal ballrooms and saturday night waltzes and a resurgence in the educational system or linnton rebirth which brings back mules and horses, and barges coming up to the river. You realize that the present linnton and the past linnton residents won't be occupants of these residential areas and I would ask, what is the linnton community done now to address their back door neighbors forest park? I have biked in forest park. I have hiked in forest park I every seen linnton residents on the trails and I think the same thing that this beach --

Potter: Excuse me. [laughter] hey. No comment.

Thomas: That's my experience. The beach access is more suitable for an old mack suicide stampede race where horses and men drive down the slope to get to some prize at danger to both the horses and the riders. Recent activists I know down in the kalama river basis tried to shut down all farmers and. Their reasons they pollute. And they don't need farmers and ranchers because all that

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stuff's available in the grocery store. You will find the same thing when these people move in next to a tank farm. We don't need that because the gas station has what we need. The airplanes get their fuel at p.i.r. And you will have people object stock living next to these things. And I just beg you not to put a residential area in there. Also I would just ask that you can't influence linnton's management or practices but I would ask that you not stand in the way of a willing buyer and a willing seller that does the best for the community, for wage jobs, for the Portland greater metropolitan area. Thank you.

Potter: Thank you.

*******:** Question.

Adams: How would you know you encountered someone from linnton jogging or riding a bike in forts park?

Thomas: I stop and seek and where are you come? What gets you here? How are you enjoying this? Is this your regular routine? I don't want walk in silence. I try to be friendly. Try I to great people. I try to engage enemy in conversation.

Potter: You had to ask.

Thomas: I am really a nice guy regardless of what the impression you got. [laughter]

Adams: I'm sorry I asked. [laughter]

Thomas: Been nice to know you. [laughter]

Moore: Next we have bill and ben tate. They will be followed by don sparks and jerry englehart. Bill and ben tate.

*******:** I know this is going to look oddball after what you heard.

Leonard: You have no idea what we see up here. That is nothing:

Ben Tate: My name is ben tate. I am lived in linnton for the last 10 years, approximately. And I have dealt and built in linnton for the last 15 or so years. Many projects. How I came up with this here was basically off the commissioners. And it seems like we have gone a lot of these fears and everything like that. It's kinds of like I am clear back two commissioner hearings ago. I took this off of what the commissioners said that they wanted the Portland development guys out at p.d.c. to come up with because they wanted diversification. They wanted to see mixed use. And I didn't take mixed use as the way they're presenting mixed use today as just great big old condos, mixed right next to, you know, jack hammers going off somebody building something next door. They were talking like a buffer zone with light industrial on the outsides. They did contemplate. They liked the idea of live-work possibly. So I put live-work. That was their buffer zone that they seemed to be satisfied with. And I put store fronts on one side of the live-work for commercial and light industrial. But then when they got through that, of having their buffer, that's where they went to mixed uses. And I remember commissioners absolutely stating not just big, tall, and putting all residential in. They were talking retail, you know, retail marketing, store fronts, different type of commercial type businesses also in there. They wanted like mainly a downtown is how I took it. So anyways, that came up with that. And it -- i'm just saying that's all. Never mind.

Potter: Thank you, sir.

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

Adams: You were great. Don't worry.

Bill Marinelli: Good evening. My name is bill. I am a linnton survivor. I grew up in linnton. My family worked and made money in linnton. Supported the city of Portland since 1890 through 1989. I believe that the city should become whole again and I have some pictures showing you the high density of the city up through 1976, which I will leave with your people. Thank you very much for the opportunity. Believe me, it can be done. There is a park that's not being maintained. It should be maintained. The railroad had four passenger trains every day going through the city in addition to freight. We survived. I am here to prove it.

Potter: Thank you.

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Moore: Next we have don sparks and jerry englehart. They will be followed by todd clark and phillip thompson.

Potter: Thanks for being here, folks. State your name when you speak and you have two minutes and you are first.

Don Sparks: Ok. I am going to have to ad lib because much I was going to say has already been said. My background, my name is don sparks. I live in 10242 n.w. 1089th avenue directly above the core of linnton. My background is 28 years in the coast guard reserve and I patrolled the waterfront as port securityman and investigations. Spent 14 years as a volunteer firefighter, another year you are on an ambulance. The public safety issues I think have been well addressed by the fire chief and mr. Sender. I have also spent a year on the clackamas county board of adjustment which was replaced by a hearings officer. We heard variances and temporary permits and that's where I became more familiar with processes involved in zoning and changing zoning and so on. Linnton village, I will speak for this issues that are kind of outside the immediate subject, but they relate to it. Behavior approaching \$1 million that has been spent or will be spent in linnton. There's a half million dollar project, the linnton project which will go to bed according to rich newlands on the 27th. But some other things are going on that I can tell you that linnton's I feel for you because linnton is nothing but a problem. They are leaking sewers. The sidewalks get overgrown. And it's going to be tough to make it better because it's on a hillside and I have watched this for 20 years, that the things the city and others have done. Thank you.

Potter: Thank you.

Jerry Englehardt: My name is jerry englehardt. I represent kinder morgan on regulatory issues and I would like to share some firsthand knowledge and experience on some of the things. I have been in the pipeline and determine natural industry for 389 years now mostly in operations and engineering. But in the last 10, 15 years have been associated focusing on community relations and issues similar to this. And I would like to share some things that have been happening. Recently in the past year and a half our street terminal in st. Pedro, a very similar situation you have here in the port of los angeles, heavily industrial area surrounded by refineries, and 10, 15 years ago, 20 years ago, housing was allowed to be in that area. There were some occasional odors that were brought about, this is a bunkering facility. And the facility, the product that we handle for others, mad some odors occasionally. Bottom line was forced to close in the last year, 17 jobs were eliminated. I'm sure that when that zoning change was played back in the beginning, they didn't have any idea that this would be the ultimate outcome. That was not their purpose. But it was a very significant stip and what ended up putting that facility out of business. It was quoted here I think earlier someone said at the beginning of the end. Another example, one of the people talked about, their successors would be having the problem and not them. I think that's very true. When I was involved in a similar situation trying to get some new tanks permitted, in san diego, the community groups were very open oh possess the. They were talking in terms of the traffic issues and noise issues and so forth. They were quite not only critical of industry and our company but critical of the zoning process and the zoners that had passed the laws and passed the regulations to allow this in the beginning. So it's kind of a lose-lose-lose situation so I would offer that public policy should take this into account and not have administration be able to void this kind of situation. We have got something else to put in the record which we will.

Potter: Thank you.

Moore: Next we have todd clark and philip thompson. They will be followed by greg madden.

Potter: Aren't you at the wrong hearing?

Moore: Is there a todd clark?

*******:** Only hearing I have been to for free for a long time.

Moore: How about david ward. David ward. He's coming.

Potter: Thanks for being here, folks. Please state your name. You each have two minutes.

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Philip Thompson: My name is philip thompson. I live at 5942 s.w. River ridge lane in Portland. I was a resident of north Multnomah county/suburban linnton for about 14 years. And during that time, I became interested in and served as an ex officio member of the planning group. And they have discussed the process, process was really open, really wonderful, and i, too, wonder where all these people who oppose it were at the time that we got approval of these things. But I also did the original plan that has become sort of the subject of the plan district and it's important that I think it's important that you do not only approve this zone change but you recommend a plan district and I think it's very important that buffering take place, not only landscape buffering, 50 feet or so but light industrial up to 200, 400 foot distance on each side. This provides jobs. There's still room for park, not a park. A civic square is what we really -- a little grass in it. And then we provided a housing and commercial area in the center much like riverplace, about the same scale as riverplace, actually. The first riverplace. And one of the last point I want to make is that the planning staff at the time that this was going on was encouraging housing and worried about the metro planned densities for the city and the committee took that too hard and that's one of the reasons that they proposed housing there. I still think it's a good idea but that's -- thank you.

David Ward: My name is david ward. I live in linnton. I have lived there 27 years now. And I read yesterday in the Oregonian editorial urging this council to save this precious key industrial site from the well-intend but misguided efforts to improve livability in our community through zone changing. I felt I must respond when speaking here tonight. What I find curious is calling this site parts of an industrial sanctuary. A sanctuary as I define it is a place providing refuge or asylum as in something needed protection. What we have here is an industrial monopoly. As I look down river from the fremont bridge to kelly point, approximately 10 river miles I see little else but industry on both sides of the river. I see loading docks, retaining walls and the mighty banks of a river that has been left damaged by that very same industry. Except for cathedral park, you would be very hard pressed to find a residence, a coffee shop, a park, or even any river access on the lower willamette. What's needed in linnton is an oasis from the industrial monopoly. An oasis as I define it is a refuge or a pleasant relief. The linnton plan would provide that pleasant relief from the almost total domination of Portland's river by industry. In the 1960's half of linnton was converted from residential light business to pavement. And with the promise in return of development to fulfill that promise you can do that now. Help linnton realize this vision. Give us a chance for an oasis. Thank you.

Potter: Thank you, folks.

Moore: Greg madden and howard heert, I believe it is. And following them will be john shaw and janice.

Greg Madden: Also a copy of our previous letter dated september 13. Also in favor of keeping the industrial zoning the same. Just as a quick comment, as a business owner, I have a metal fabrication shop many it's heavy industrial. It's stinky. It's noisy. And it's not very pretty sometimes. And just talking about me and the employees, actually. But it is -- it is something that needs to be separated from neighborhoods areas. I volunteer my time for the willamette industrial urban renewal area. I am working on that committee to help develop that. And I see it, elimination of these 35 industrial acres as a contradiction to a committee that's trying to develop more industry into the city of Portland. And I see that as something that I think the commissioners and yourself should take a look at as far as where are we going with the city of Portland and what are we committing to for industry and living wage jobs in the area? Thank you.

Potter: Thank you.

Jim Goodrich: My name is jim goodrich. General manager of schnitzer steel scrap recycling business. We sell the recycled scrap to steel mills, found andres and where it's made into new products. This year we are celebrating 100 years of business in Oregon. We also try to be good neighbors by participating in community activities. With respect to linnton, specifically, we attend

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their neighborhood meetings, keep abreast of their issues and also support their community center programs. Our operation is located in an industrial manufacturing area. Unfortunately, we can't support the request to change the comprehensive plan to allow housing on the old linnton plywood site. Industrial land is in scarce supply. We can't give up even 35 acres, especially when it is prime like there is. We can't support a proposal to put people in residences in an industrial workers in close proximity. It's simply isn't safe. We do, however, committed to continue to be a good neighbor, continue to support their efforts, as we have done in the past. Thank you for your consideration.

Potter: Thank you.

John C. Shaw: Of course, replacement of the infrastructure, sewer, and water for those businesses would come at a much lower cost at that time. Since then, infrastructure costs have been, elevated and financial burden has become considerable. At the time of demolition those businesses owned by and operated by linnton families it was obvious that the only place to rebuild would be towards the willamette and improved access across the railroad would be needed. Again, this was not addressed in a timely manner and costs have become an issue brought on by the city's procrastination. Over the extended period of time the revenues lost by the business owners, their families and the community amount to millions of dollars. Without counting accrued interest or business expansion and growth. Monies from these revenues would have applied to the infrastructure has is normal in a healthy community. The current water supply for linnton has been losing pressure gradually to the point at this time that we have basically 30% of the former pressure. This pressure is not enough to put a fire out with without the serious aid of a pumper truck. This is especially applicable to all the linnton hillside residences and anything in the forest park proper. Portland water bureau currently is going to be decommissioning the old wooden reservoir, adding pumps, and they are working on the process of upgrading that portion of the infrastructure. As for the sewer portion of the infrastructure, linnton pumping station currently is running at 115 to 120% beyond capacity, as no latitude for any additional flows and basically the taxpayers are not getting their money's worth at all. Thank you.

Janis Secunda: Hi, you guys. I'm jan. Well, I think Portland has got itself painted into a corner. You guys inherited a promise. And I have heard a lot of people here tonight who are speaking about the economy and whereas I appreciate that. I understand it. And so on. I think the real treasure of a city and the real economy of a city is the people and what I see by living in linnton is that the people there are dedicated to being, excuse me for this, I am the first person to say it, loving toward one another. They care for themselves. They care for the community. They care for the whole city of -- of Portland, we try to be as supportive as we can to everything that Portland does. That is positive. And we are actually asking your help in -- we are asking you to help us to have Portland fulfill its promise to linnton. I wrote you guys some letters and I sent you some pictures and I promised that I would -- I don't know if you got them. And I promised to bring you bigger pictures tonight. I will stay over if you want to to look at them or work it out somehow. In the pictures we see that Portland, that linnton was established before the oil companies came in. The oil companies insinuated themselves right next to our homes and businesses. I have proof right here. And they were comfortable with doing that at the time. So I mean they made their commitment. They made their bed so now they have to lie in it. They can't just continue to make inroads into a community. And then completely disorganize and destroy the community. So we need your help to stop that. Got 10 seconds so I am going to ask you to help us with the e.x. And to help us with furthering realization of our dream and vision. Here's a copy of that letter I wrote you guys. I don't know if you got it. I have the pictures. I will stay over.

Potter: Thank you.

Moore: Scott burgess and phil grillo. They will be followed by daniel o'brien and art wagner.

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Potter: Did somebody leave their glasses up there? They're right at the corner of the council clerk's desk.

Scott Burgess: Good evening. Mayor Potter and city commissioners. I am Scott Burgess. I am going to read a letter from our company president, d. Birch, who unfortunately was out of town today and could not be here. I will read the letter. Dear Mayor Potter and commissioners, as a new business and property owner inner northeast -- northwest Portland, and as a member of the working waterfront coalition I urge you to preserve the industrial sanctuary and Portland 7 north harbor area. On behalf of my partners, our employees and our clients, I urge you not to convert prime riverfront industrial property to residential uses or at least not to do so with a plan to replace it. Industrial sanctuary is vital to the economic vitality and diversity of Portland and needs to be protected. Advanced American Construction is a heavy civil union contractor working throughout the western United States since 1983. However, most of the work you are doing is marine construction diving and industrial services work is in the northwest and primarily along the Willamette, Snake, Columbia River system. Location is critical to our business. Over five years ago my partners and I began looking for industrial property on the river anywhere in the Portland, Vancouver, Metropolitan area to consolidate and expand our business, then locate there in Oregon city and Vancouver. In November 2004, AAC purchased a 7.5-acre d.e.q. declared orphan site in the Portland harbor under the St. John's bridge. On May 8, 2006, we opened for business in our new 42,000 square foot headquarters shop and marine facilities at 8444 N.W. St. Helens Road in Linnton. Our long and difficult search for property speaks to the critical importance of preserving Portland's inventory of industrial zoned riverfront property. From constructing the Katz Esplanade to helping Portland improve its marine facilities to rehabilitating the Burnside Bridge to invest next city of Portland A.A.C. has committed to Portland's future. I believe the financial risk in over \$6 million investment A.A.C. made to bring jobs to services of Portland will be worth it. I would appreciate the city council's support of protecting our investment and the community resource which is the industrial sanctuary in the Portland harbor. Sincerely, d. Birch, president."

Phil Grillo: Mr. Mayor, members of the council, I am Phil Grillo. I am a land use attorney and I am a member of the working waterfront coalition. I am here tonight on behalf of the coalition and on behalf of my clients Kinder Morgan, B.P., Valero and the Olympic Pipeline Company. I would like to talk to you about a direct honor for moving forward. You have heard a lot of testimony tonight about the context of the situation. But I want to talk to you a little bit more about trying to build consensus. As you know, before the planning commission made its decision the coalition approached the Linnton neighborhood association to initiate and initially fund a mediation effort. We have had four sessions so far as you have heard already, those have been tough sessions. I have been involved in a lot of land use mediation over the years, and it's not unusual for that to be the situation. Many times you need many more sessions than four to really just get past some of the initial issues. These sessions are important for a number of reasons. One is certainly that they rekindle some of the lines of communication that were not very good over the past few years. They also give us a better understanding of the interests behind each of our positions. And in the end we hope that this will provide not only us but the city an opportunity to elaborate on a shared vision for Linnton. But I have to tell that you through the mediation one thing has become completely clear. And that is that residential use on this 35-acres is the lynchpin issue. What I am going to do is share with you here, I am good to go pass these out, a few guiding principles that we are certainly willing to talk about more with Linnton. We have not been able to get to that point in the mediation session yet. We intend to be working with John to bring him into the mediation session too help us look creatively at some solutions but we really need the city to help be a partner this and we would like you to participate in the mediation and to use that as a vehicle for trying to find a redevelopment strategy here that does not depend on the conversion of industrial land. There are

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other ways to give linnton much of what it wants and the way to do that is not through litigation but there are collaboration. Thank you.

Potter: Yes.

Adams: What are some of the ways that [inaudible]

Grillo: Let me just give you two or three quick examples. First, we certainly believe that we can work with the linnton neighborhood association and the city to create an opportunity for linnton residents and the public to access the river at 107th avenue and to also to create opportunities for commercial and industrial uses there. In other words, to help create a bit of a main street on 107th that leads to access to the river. That's probably the most important thing that we can do. That can be done without having to change out of the industrial sanctuary. Second, we think that we should focus on redevelopment and improvement of existing employment and commercial lands that are already existing in linnton. They are lands that you know that exist that are zoned in that way along the highway. There are ways and we have stalked with john some about this already, to do a much better job of using that land and to deem with parking and other issues. The final thing is, and as a planner, I think this is important, is to create better opportunities for linnton hillside residents to safely cross the highway. In order to access these existing commercial employment and industrial lands. So those are just three things that we that I that we can talk about. But again until we can get past this lynchpin issue about residential use, we are not able to really get to that discussion. We have been trying to get there. But as long as the linnton residents know that there is an opportunity for residential use, the discussion is not going in that direction and that's why we need your help.

Adams: Industrial land -- [inaudible]

Grillo: Industrial land between highway 30 and the railroad?

Adams: Industrial land according to that map between highway 30 and the railroad? [inaudible] what are your feelings about that?

Grillo:: Honestly, I don't have a feeling about that either way. That's something that seems to me certainly is something can be looked at through that process. I don't, you know, that is a very I think isolated piece of the industrial area, that area is probably what maybe almost a half block deep. It's very narrow in there. That's something that I am certain that we can at least look at. Those right kinds of things that I think that through this kind of collaborative process we can actually get to and I just want to you know that I am a big believer in this kind of process and I will do everything I can in my power working with the coalition to help that.

Potter: Thank you.

Moore: Next we have daniel o'brien and art wagner. They will be followed by shelly rideout and paul pope.

Potter: Thanks for being here, folks. Please state your name and you each have two minutes.

Daniel O'Brien: My name is dan o'brien. I live at 10460 n.w. Second street. Mayor, council, my wife and I and 15-year-old daughter moved to linnton only four weeks ago. Before that, during a span of 20 years, we have lived off belmont, near powell, and west slope, and the two addresses in inner northwest Portland. I grew up over the hill from linnton there cedar mill. Despite or in spite of the pipelines under the streets, the tank farms, the railroads, the noise, you know, whatever, that's, that attracted us to the area. He we love it. I ride my bike to and from work every day on highway 30. Tractor trailer rigs pass me. Maybe it's the narrow streets but people in linnton still wave at one another when we pass. I drew applause on my first neighborhood meeting simply for showing up. It seems so clear to me that this old neighborhood once visited by lewis and clark should be able to control its destiny, to reclaim an important piece of land that would geographically make the community whole again. I trust you have already haul a chance to visit linnton. I hope you have been able to walk behind the decoy tavern and the linnton community center, and look toward the river and see what we feel so strongly about. That is the land needs to be part of the neighborhood. The land could do far more good to the community than a business

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can do for its stakeholders. In my opinion, this issue shouldn't really be about preserving industrial land or economic development. Or more rail traffic, et cetera. It should be about core values and the intangibles of giving neighbors and families what they have been asking for for a very long time. If the city of Portland truly values the individual and community building and fostering quality of life above all else which I believe it does, then the city of Portland will do the right thing.

That is, make a great community even better. Please grant the possibilities. That's all we ask. It's mixed use. Do it not only for the people of linnton but for the city ever Portland. Portland will be better for it. Thanks for your time.

Art Wagner: My name is art wagner. I'm a longshoreman. I've been working on the waterfront for 45 years. Just before that I helped install kinder morgan's pipeline that goes to eugene. I warned them it was going to fail at the santiam river and it did. And you know what? Our local took our young president and got some. Guys down here saying, look, they will put condominiums over there and complain and you will lose your jobs. That's what that was about. They haven't researched anything. Working waterfront did it and they should get their own companies buy this property telling them what they are telling you. These companies should be embarrassed about what's being said in their names. Thee are highly successful companies. They try to deceive the planning commission into thinking kinder morgan tank farm was bustling with trucks. The only truck that's used it in over a year is the security guard's pickup. Now they are trying to make you think it's a good site for biodiesel plant but it's not. The site's too narrow between the railroad and the river. It's against the tank farms on both ends and on the shallow side of the river. I have provided you with a chart of the river so you can see just how shallow it is. It's too shallow for ships and it's low tide it's too shallow for barges. The infrastructure here can't be upgraded. There isn't enough room for the rail sidings that would be needed for a viable business that would use railroad and that's what the only thing that kind of thing that would be work there. And if it was twice as wide it wouldn't be wide enough. Again, I challenge them to a debate and have them come and have their bosses listen. Now these guys are saying, o. We'll take palm oil from linnton by barges. That would be way too costly. This strategy was hatched by incompetent strategists at best. Thank you.

Potter: Thank you.

Moore: We have shilo rideout and paul hope. They will be followed by pat wagner and nicole davis.

Shilo Rideout: I might have signed up on the wrong list. I think we are sort of on opposite sides of the table. I think it's kind of all been said. If you care to you can read what i've written. I'm sorry. My name is sheila rideout. I own property at 11033 n.w. Front avenue. There basically in the middle of it. So I have a stake what's going on down here. The main thing I guess that I would point out is the same thing I brought up at the last commission meeting. It seems as though the oil interests would just as soon rip out rest of the town. Maybe throw some tank farms up on the hill. We seem to be forgetting that there is a town here. This 37 acres is part of our town. Ok? And although it is industrial currently, we don't obviously believe that that's the best and highest use of that. And that's just about all I can say other than what's already been said.

Paul Pope: Good evening. I spent a lot of time writing this and I want to read it out loud. My name is paul pope, plant manager 2141 n.w. 25th. I got to say you heard from carolyn skinner who lives across the street from us. We strongly oppose the comprehensive zone change. Talk about putting housing next to industry it sets up a conflict. My plant abuts the residential neighborhood so I had my difficulties firsthand. I work there every day. Conflicts, now matter how good intentions are and how much money is spent on improvements. Some neighbors expect industrial companies have to no impacts and this can't happen. The outreach from the community is going to get worse if we put house next to industry. It won't matter who was there first. In the end

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everybody loses. You have seen it before. I have seen it where I work. Heavy industrial and residential don't work. I submitted a letter with more details. Thanks.

Potter: Thank you. Thank you, folks.

Moore: Next we have pat wagner and nicole davis. They will be followed by john beardsley and bob short.

Potter: Thanks for being here, folks. State your name when you testify. You each have two minutes.

Nicole Davids: I'm nicole davis and I live at 9889 n.w. Hogue in linnton. I hail from mississippi avenue. I own bold skies studios, a design build and development company. My interests are two fold. On the one hand I am a small business owner. So I have been listening to questions about whether that particular property is really of interest to other developers and I am here to say, yes, it is, both myself and other cronies. I think the largest obstacle in place is the zoning because given the current economy, no independent developer can front the build to do the speculation that's required for spec work on this job. I am a residential perspective I love the action. I love the animation. I didn't come to linnton expecting pristine, silent experience. I wanted the freight trains. I wanted the ships. And I think that neighbor who comes to linnton is going to expect that. I also think the boundaries of Portland are expanding. And people will come. Linnton is a geographical and historical gem. It's destined to happen. Infrastructure change has to be made. I know player Potter has invested a lot of energy into long term thinking and I feel like the linnton village plan is in alignment with that long term thinking. I think it needs to be a public private partnership. I don't think anybody is negating the importance of jobs on the waterfront. This is not about alternative energy or condos. This is about a win o-win situation. Thank you.

Pat Wagner: My name is pat wagner. I live the 12941 n.w. Newbury roads. All we are in linnton is people that care deeply about each other and our community. And we don't have control over other people's jobs. We don't have control over are or any clout to rally unions against anybody. All we do have is the truth. And the truth is that what we want in linnton can work. People that have been to linnton and seen linnton say it can work. The city says it can work. State representatives says it can work. Our metro commissioner rex burkholder says it can work. People that most of the people in this room that are saying it won't work have never been to linnton and still they start -- until they started fighting us. Then they came. And you know, all we are trying to do is fix where we are. The companies in this room have enough money to fix the entire city and clean up the whole willamette river. You know? And I would, it would be nice if they would just let us fix where we are. Thank you.

Adams: A question. [inaudible]

Wagner: Well, our linnton land use plan does not specify a number of housing. It doesn't specify - it has goals and the -- and, you know, we want development. We want a town center. And we will take whatever it takes to get that, whoever will do that. We will greet with open arms. If it makes -- if we need a railroad overpass, we will help raise the money to get it. We will do whatever it takes to get what we need. We will not fight -- I don't know what but safety issues? They need to be addressed. Yes. We will do whatever it takes.

Adams: [inaudible]

Wagner: No. We have not. Locked into any certain number -- excuse my voice. I am very tired tonight. So but, no, we haven't locked into anything. We would like to see housing units, enough housing to justify the amount of money that would need to be spent to make this, the place safe for what john the fire marshal says needs to be done, and usable and we would love a little park. We would love, you know, to get down to the river. Right now there's razor wire and there's -- the stairs we made ourselves and we tried to maintain. The industries dump grass down there on purpose so we can't use them. So we would just like a little bit -- and I am sorry i'm rambling. That is your question?

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Saltzman: I wanted to ask you, pat, what it if the requires a thousand units and requires height limit adjustments upwards? To make it --

Wagner: The linnton neighborhood plan doesn't put any numbers on the households. The linnton neighborhood plan put a height limit of 45 feet. It was an arbitrary number that we grabbed out of the number just from our best guesses thinking that the mill was 50-foot high and knowing that the city varies the height like 20 feet like if you see it's a 45-foot height limit that would allow 60 feet or something. Whatever it was. But that knowledge. So that was -- there was no limit on the housing. And there was a height limit but the thing that's important about the linnton neighborhood plan is the goals. And the goal of the payday lend plan was to not lock the views of the people on the hill. If you look, from the hill, you will see that with good design, it could easily be done.

Saltzman: Even if it required 20 story buildings going up on south waterfront?

Wagner: The linnton neighborhood plan does not specify certain amount so i'm saying if that's what it took to trigger the public-private partnership to get a developer interested, if that was the critical number of units, a thousand units and it required towers like we are constructing in south waterfront would that change your opinion about residential?

Saltzman: No. But I'm saying if that's what it took to get a public private - -

Wagner: The only -- the linnton neighborhood association made the decision to stand by the linnton neighborhood plan. It was a discussed decision. It was a rational decision. And it was done not by a vote but by consensus. And that's what we will do. We will stand by our plan. But in reality, no developer would do that. Because I have discussed with it homer williams himself. It wouldn't work. There's another developer that's interested. He does a lot of developments in Washington that is in the process right now of negotiating with the mill guys. And does not want me to say who he is. But he came in and gave me a note tonight. And he says that what we want can work. It can work to put a development in there to protect our views and he's been doing a lot of homework on the thing.

Saltzman: How many units did he mention?

Wagner: I didn't ask. He just came in just now and gave me the note that said no. Our land use plan doesn't say a number of units.

Saltzman: I saw you shake your head no. If it involve would minute towers to make it pencil --

Davis: I don't think of that that's not the only option.

Wagner: It's not.

Davis: That would good design you can maximize density and create a thriving commercial and give a hard back to the town. Not have it detract from the. [gavel pounded] graph each that's what good design is about and commercial brings money as well as industrial. So I think --

Saltzman: Ok.

Potter: Thank you.

Moore: Next we have john beardsley and bob short. They will be followed by james and doug Adams.

Potter: Thanks for being here, folks. State your name when you speak. You each have two minutes.

*******:** We don't have to hit this, do we?

Potter: It will -- should do it by itself.

John Beardsley: Mayor and councilors, my name is john beardsley. I am a Portland developer. I have been a developer for 40 years plus. I like to tell you that I don't see this property as a dare elect property. At least the 25 acres that belongs to linnton plywood association. In fact, I made an offer to purchase this property in -- I made two offer, one in april and one in november --or september of last year. I wrote commissioner Adams to tell him of my interest in the property when I became aware after having made an offer of the linnton plan that had been ongoing. I wasn't aware of that. I was attracted to the site by a sign on the highway. And I tried to pursue the

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purchase of the property unsuccessfully. I have done due diligence on the property. I think I can answer your questions in regards to d.e.q. issues, e.p.a. Issues, but I see, for the property, I don't see residential. I don't see mixed use. I see continuation of the industrial use. The property in response to commissioner Adams, between the highway and the rail, could well be retail. Maybe some residential there but surely the property that is within the rail loop has to stay industrial.

Adams: What kinds of tenants would you see?

Beardsley: Definitely alternative fuel. There's an upswell of demand for that. The paper mischaracterizes. I am a developer. I don't know much about biodiesel or ethanol but I would do is acquire the land and lease it to those companies because those companies invest in their own businesses predominantly. They don't invest in land. And that's what I do.

Adams: [inaudible]

Beardsley: It has odors, certainly. To say -- it is regulated in the scale that is contemplated for this site or any site that would access the pipeline. The accidents that happen in canby -- I don't know the one in idaho. The I know the one there canby was a farmer's own jerry rigged biodiesel facilities. It surely wasn't regulated.

Adams: Thank you.

Bob Short: I'm bob short. I'm request northwest. I am also a member of the working waterfront coalition and my company operates the gravel pit which has been mentioned hire tonight. And I would like to talk about that just a little bit. Actually, it's not a gravel pit. It's a sand yard. And what we do there is, under permits from the corps of engineers we dredge, do maintenance dredging of the columbia river channel and we bring the sand here and we pump it off and we dewater it and sell it in the market. We use the site because it's close to the market. It's a river-dependent industrial site on the linnton plywood property. It's viable. It's -- we continue -- we would like to continue to do that practice there. It works for us. And it's there also because there's a market for the product that goes through there and because the site is well suited for that. Doing the sand facility is kinds of a land intensive operation. We have about 10 and a half acres. It requires space for the dewatering and the storage of the materials so there aren't a lot of place that is are this close to the market where you can do that. And one thing I would like to point out is that every ton of sand that's on the barge on a river is not on a truck on the highway. So as close as you can get to it the market, you know, the sand is going to come here anyway. It's a question of whether it's going to come in on the river or it's going to come in on a road. As long as the demand is there the product will be there to meet it and I just thought in this debate that's one little thing that's been overlooked is there a viable river dependent industrial use on that property. Thank you.

Potter: Thank you, folks.

Moore: James g and doug Adams. They will be followed by tom hardy and lee johnson. James g and doug Adams. Greg mccooy on northwest arbor view. Greg? Laura. Ivan mclean. Brian lightcap.

Potter: Thanks for being here, folks. When you speak, please state your name and you have two minutes.

Brian Lightcap: Go ahead. I'm brian lightcap. I live on northwest newbury road. I guess I can make my comments by thanking mayor and council for having us this hearing. I can also say, where was the industrial support for retaining those industrial waterfront lands down by the dock side restaurant? Hmm. Those lands were all given up for residential. Wonder why those industrial lands weren't so important then? I don't know why they're important now but those got given up for residential. I can say there is a community center there now. A long standing neighborhood there. Reflect the fact there is a community there worth slowing down for. There is new residential development that indicates the growing urban vitality. That vitality needs appropriate infrastructure support. This mixed uses plan was developed by all the local community stakeholders. The value and respect the planning process and that needs to be supported. That's been said many times. If

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support of this plan is not upheld, it will send a chill amongst citizens, trust their views could be heard by this lengthy process. It makes citizens feel that the industrial stakeholders don't need to participate or weigh in during community planning process. They can come in later and people wanting, gee, what happened here? That's basically my concern. Other than the fact that I can say, aside from the fact plan that we are talking about, I must admit that the sand and gravel is a good site but that doesn't necessarily mess up the plan. Kind of mixed my message but that is a unique site for that only.

James Garibbo: My name is james g and I live about 10 miles north of linnton. For about 30 years I always go through linnton almost every day. Most of my testimony has already been said. But die want to add not only that it's shallow there, die have a map. I think somebody already gave it. It's basalt rock which would be hard to dredge and the super tuned site on the river would be stirring that u for me personally, the st. John's bridge is like the golden gate bridge. As you are coming into Portland, it's a beautiful sight. But you really don't have a good view of it. And there's no really, there's no river access on the west side. I mean for -- I don't know exactly but I would say 20 miles. You really can't get down to do river and you can't get a good view of that bridge. And I think it would be really important for linnton and for the city of Portland to at least have access to that beach and a view of that bridge because as you are coming in from the north that us your welcoming spot for the city of Portland. And I would love to go down there but it's all public -- I mean not public, it's private. And that's about all I got to say on it.

Potter: Thank you.

Moore: Next we have tom hardy and lee johnson.

Potter: Thanks for being here, folks. Do you know the drill?

Tom Hardy: Good evening. Mayor and council, my name many tom hardy. I am a pipeline operator. I work for kinder morgan but I don't come here representing kinder morgan. I come here representing myself and my own concerns. I have been concerned about this process since it began. I operate a high-pressure fuel pipeline like the one that runs through linnton. And while the operation of pipelines generally is very safe, that business is conducted in a remarkably safe way, the potential of a hazard is of deep concern to me personally. And what has concerned me most, and I know that these things have been mentioned earlier, in fact, by one of the commissioners, but guess lean vapors are indeed heavier than air. They do go to the lowest point. They will generally speaking, go down -- I mean in the linnton area, if the pipeline were to rupture, those vapors would go down to the area that is being considered for residential building. And they are toxic in their own right, and they are also explosive. And so for me it is a public health issue. An overpass would not be a viable means of escaping that. One spark can ignite a vapor cloud and getting away by the river is also not viable in my estimation. Thank you.

Lee Johnson: Good evening. My name is lee johnson. Mr. Mayor, commissioners, I am the president of jet delivery service located at 6225 n.e. 112th avenue in the city of Portland. I have a company of 99 people and I have been in business about 29 years. Our business moves goods, freight, where freight trucking company. We move both component parts and finished products for hundreds of businesses throughout the west. We have offices in Portland, seattle, eugene, san francisco, we provide overnight services to those particular customers with high value, time sensitive products. Because our business operates in these communities, we observe how land use and transportation policies affect business operations here and elsewhere. We deal with landlords and buildings in those locations as well as here in Portland. I know how futile it is to try to get a zone change in the city of Portland. And I can appreciate your efforts here because I know it's impossible or almost impossible. Here in Oregon, we have long-term commitments that help the business plan for the future. We also separate industrial activity from housing for good reasons. It's safety. And it's also noise. Some businesses need to be able to operate 24/7 without interfering with what I would call neighborhood livability. It's a bad idea to put residential folks in the

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working harbor. Near an active railroad near millions of gallons of fuel where trucks are coming and barges and going all hours of the day and night. We need to keep this economy strong. Keep the harbor viable 24/7. We need to keep the industrial sanctuary and place in Linnton. Thank you for your consideration.

Potter: Thank you, folks.

Moore: There is a Colby baron, I believe it is? Colby? Next we will have Keith and William Kitchen. Keith or William. What about Colin Nelson or Charles Maddox? Anybody sign up who didn't get called? That would be it then. [laughter]

Adams: They agree on something: [laughter]

Potter: We want to give a stunt to both the Linnton neighborhood association and the working waterfront coalition. You each have three minutes to wrap up any comments you would like to make. Anybody from the Linnton neighborhood association like to have a three-minute wrapup? Please come forward, sir. And the working waterfront coalition. You each have three minutes.

Ed Jones: I am Ed Jones, back for the Linnton neighborhood. There have been some talk from both sides about these sessions where some resolution of these issues has been attempted to be reached outside the context of the city's hearings. And what I hear from Phil's side is neighborhood won't talk as long as they think there's a possibility of residential. Now, our view is, if there wasn't a possibility of residential, they wouldn't even come around to talk to us at all. Because that's what's got them to the table. Is the possibility that they have to deal with this residential issue. If they knew this zoning wasn't going to change, they wouldn't give us one minute of their time. It would just be like it's been in years past. Or nothing ever happened. Now where there's a real possibility, or so they fear and I hope legitimately that there's a real possibility of a residential move here, now we are at the table. So if you tell them that the residential is off the table, they're gone.

Grillo: Phil Grillo on behalf the coalition. Clients I mentioned earlier. It's an interesting proposition that my friend Ed presents to you. What I can tell you is this. I have practiced land use law for almost 20 years now. And what I have here, what we have here is a situation where the residential use issue is what separates us. We know that this old debate is not going to go away if we don't stay at the table and try and deal with a collaborative solution here. If you take residential off the table, and as Ed suggests, we then simply walk away from negotiating table, then, Linnton neighborhood association has every right to come back to you and say, look, we can't get anywhere.

We know better than that. This coalition is not going to sit here and misrepresent that to you and I am not going to put my reputation at stake and tell you we are doing this for false pretenses. We are prepared and have been prepared to negotiate in good faith with the Linnton neighborhood association and we will. What we have to do is deal with the residential use issue and that means keeping the industrial sanctuary policy in place. That's what really drives this discussion and that's what will get us forward into some meaningful solution for Linnton. I just want to close by pointing out that there are a lot of things that can, in fact, happen that are part of the Linnton neighborhood association plan that have nothing to do with changing out of the industrial sanctuary policy and I think that you know that you have any questions I will be happy to answer that. I see the time is getting close here.

Leonard: I -- I would like to say something, I may regret saying this but I do have concerns about the safety of this project. Overriding concern. But I have to say I don't think it helps the process to suggest there's something to talk about if you don't think it should be housing. Strikes me as just a little disingenuous to suggest [inaudible] I will just tell you I am leaning against not supporting it. I don't think it's helpful to lead people on by [inaudible] some ray of hope out there for something that frankly [inaudible] clearly want to have housing. You are suggesting somehow that you should continue some process to do something when, in fact, I don't think you can support having housing. [inaudible]

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Grillo: I will. We can't support housing. Housing is not something we can negotiate. Housing needs to come off the table so that we can look at other ways to redevelop linnton without having that redevelopment strategy be based upon housing.

Leonard: What are you talking about? What do you negotiate then?

Grillo: What we negotiate in is about getting to the river. River access. What we negotiate about is parks. What we negotiate about is giving linnton back a main street which is what it lost in the 1960's.

Leonard: [inaudible]

Grillo: We have laid those issues out not only have we laid those issues out, we have had a couple of sessions with john to talk about them. We have talked about this and we are prepared to meaningfully negotiate over those issues. So there are ways to do these kinds of redevelopment strategies. This is not an easy site. It's not an easy site to develop for residential and it's not an easy site to redevelop for other uses but there are ways to do that and the problem is that we are not able to get to those issues meaningfully because the residential issue looms. We at least need a chance to be able to get into those issues and that's why we have offered to bring john in. We wouldn't do that if we didn't think that we had some opportunities to do something that's not just feasible but that's exciting. This has to be something that the neighborhood can get behind. But if the -- if the -- the neighborhood is really looking at is, pick a number. 400, 500, 600 units of housing that's not --

Leonard: That is a nonstarter for the neighborhood? Is the bottom line for you, you have to have some housing? Can you not find yourself --

Jones: I'm not saying we won't talk with these people.

Leonard: But about understand they are come --

Jones: We know -- we know where they're coming in. My question is, and excuse my cynicism. That's the only the housing threat that even has gotten them where they are.

Leonard: I understand that. That's clear. That's what -- what I am asking is, is saying they're willing to discuss the park, access, does that interest the linnton neighborhood enough to sit down and discuss that?

Jones: We have never been afraid to sit down and talk. We have been doing it for many, many years. Our point is that if it's going to move off just talk, we need to bigger stick and that's what we are asking you for.

Leonard: I'm trying to figure out what your position. I am not hearing --

Jones: On what?

Leonard: I'm asking you, what I heard him saying, maybe it's might that clear to you.

Jones: Oh, no, we have known for a long, long time --

Leonard: I didn't hear that until just now. Which I appreciate you -- what I hear -- let me ask my question. What I heard him saying was, we can't negotiate housing on this site. We will negotiate access by -- [inaudible] park, soy that the neighborhood has access. Is that a premise under which you can sit down and discuss?

Jones: We will talk with those people about those issues. But we are going to be back here talking to you about housing.

Leonard: I think that's as far as i'm going to get. [laughter]

Jones: So we'll talk.

Potter: Thank you, folks. Council will take this matter up on august 24 at 2:00 p.m. We will take no public testimony at that time. We are adjourned until next week. Oops. Oops. Up until july 25 is written testimony? Excuse me? July 26 at 5:00 p.m.? Written testimony. Excuse me. Did you want to finish something off, gil?

Kelley: No. Just if there were any questions the council had for us. Happy to take those communications.

Adams: I need to digest. I am sure I will have questions.

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Potter: We are adjourned.

At 10:18 p.m., Council adjourned.