



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **4TH DAY OF APRIL, 2007** AT 9:30 A.M.

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

Commissioner Adams arrived at 9:47 a.m.

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

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

CONSENT AGENDA – NO DISCUSSION	Disposition:
Mayor Tom Potter	
Office of Government Relations	
320 Authorize contract with Ball Janik LLP for representation in Washington, D.C. on matters that pertain to the relationship between the City and the federal government (Second Reading Agenda 302) (Y-4)	180854
Police Bureau	
*321 Authorize settlement between the City and the Portland Police Association regarding wage claims (Ordinance) (Y-4)	180855
*322 Authorize a \$25,000 agreement with Success Academy for administration and staffing of the Youth Gang Outreach Program (Ordinance) (Y-4)	180856
*323 Apply for a \$35,000 Oregon Department of Transportation Multi-Agency Traffic Team enforcement grant for officer overtime (Ordinance) (Y-4)	180857
Commissioner Sam Adams	
324 Authorize payment to Ensign and Associates for specialized executive consulting services (Second Reading Agenda 304) (Y-4)	180858
Office of Transportation	

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<p>*325 Authorize the execution of a Lease Agreement with PAR, LLC for air rights over a portion of SE Clay Street for use as a pedestrian skybridge (Ordinance) (Y-4)</p>	<p>180859</p>
<p>326 Authorize an Intergovernmental Agreement with the City of Milwaukie to partner on a SmartTrips individualized marketing project (Ordinance)</p>	<p>PASSED TO SECOND READING APRIL 11, 2007 AT 9:30 AM</p>
<p>327 Grant revocable permit to Portland Center Stage to close NW Davis Street between 11th Avenue and 12th Avenue from 6:00 am to 11:00 pm, May 19, 2007 (Ordinance)</p>	<p>PASSED TO SECOND READING APRIL 11, 2007 AT 9:30 AM</p>
<p>Commissioner Randy Leonard</p> <p>Water Bureau</p>	
<p>328 Authorize an Intergovernmental Agreement with Mt. Hood Community College to conduct Occupational Safety and Health Administration 10 hour courses for safety awareness training (Ordinance)</p>	<p>PASSED TO SECOND READING APRIL 11, 2007 AT 9:30 AM</p>
<p>Commissioner Dan Saltzman</p> <p>Office of Sustainable Development</p>	
<p>*329 Accept a \$52,700 grant from the State of Oregon Department of Environmental Quality for construction and demolition waste reduction efforts at The ReBuilding Center (Ordinance) (Y-4)</p>	<p>180860</p>
<p>*330 Accept a \$15,750 grant from the State of Oregon Department of Environmental Quality for The Oregon Center for Environmental Health hospital electronics recycling and environmentally preferable electronics purchasing initiatives (Ordinance) (Y-4)</p>	<p>180861</p>
<p>Parks and Recreation</p>	
<p>331 Apply for a \$275,000 grant from Oregon Parks & Recreation Local Government Grant Program to rehabilitate and develop Gilbert Heights Park in outer East Portland (Ordinance)</p>	<p>PASSED TO SECOND READING APRIL 11, 2007 AT 9:30 AM</p>
<p>Commissioner Erik Sten</p> <p>Bureau of Housing and Community Development</p>	

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<p>*332 Amend contract with Housing Authority of Portland for \$113,602 for the Fresh Start Landlord Guarantee Fund program, Relocation Program and provide for payment (Ordinance; amend Contract No. 36903) (Y-4)</p>	<p>180862</p>
<p>REGULAR AGENDA</p>	
<p>333 Replace the Business License Law chapter of the Portland City Code (Ordinance introduced by Mayor Potter and Commissioner Adams; Second Reading Agenda 298; replace Code Chapter 7.02) (Y-4)</p>	<p>180863</p>
<p>Mayor Tom Potter</p>	
<p>334 Appoint Michelle Rudd to the Portland Planning Commission for term to expire on January 13, 2011 (Report) Motion to accept the Report: Moved by Commissioner Leonard and seconded by Commissioner Sten. (Y-4)</p>	<p>CONFIRMED</p>
<p>Office of Management and Finance – Business Operations</p>	
<p>*335 Pay claim of Don Bake (Ordinance) (Y-4)</p>	<p>180864</p>
<p>*336 Pay claim of Myesha Lewis-Turner (Ordinance) (Y-4)</p>	<p>180865</p>
<p>Office of Management and Finance – Purchases</p>	
<p>337 Accept bid of Parker Northwest Paving Company for the NE 135th Ave and Prescott Court Local Improvement District and NE 117th Ave project for \$547,839 (Purchasing Report - Bid No. 106925) Motion to accept the Report: Moved by Commissioner Adams and seconded by Commissioner Leonard. (Y-4)</p>	<p>ACCEPTED PREPARE CONTRACT</p>
<p>Office of Management and Finance – Technology Services</p>	
<p>338 Authorize five consecutive years of on-call services for updates in reports and other customizations as required to the Cayenta Utilities Software (Ordinance)</p>	<p>PASSED TO SECOND READING APRIL 11, 2007 AT 9:30 AM</p>
<p>Commissioner Sam Adams Office of Transportation</p>	

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*339	Authorize an agreement with Portland Streetcar, Inc. for design and civil engineering services related to the Portland Streetcar Loop Project (Ordinance) (Y-4)	180866
*340	Authorize an agreement with Portland Streetcar, Inc. for development and transportation management planning services related to the Portland Streetcar Loop Project (Ordinance) (Y-4)	180867
*341	Amend Intergovernmental Agreement with Oregon Department of Transportation for the federal Transportation Growth Management grant for Inner Powell Blvd Streetscape Plan-US 26 from the Ross Island Bridge to I-205 (Ordinance; amend Contract No. 52692) (Y-4)	180868
342	Assess benefited properties for aerial tram improvements in the Portland Aerial Tram Local Improvement District (Second Reading Agenda 314; C-10009) (Y-4)	180869
Commissioner Randy Leonard		
343	Authorize a \$250,000 grant to the Portland Rose Festival Association for Rose Festival 2007 Centennial Celebration costs (Second Reading Agenda 315) (Y-4)	180870

At 10:14 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **4TH DAY OF APRIL, 2007** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Leonard and Sten, 3.

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

<p>344 TIME CERTAIN: 2:00 PM – Accept Staff Report and Recommendation and Order of Council for Lahti & Sons, Inc. Measure 37 Claim (Report introduced by Mayor Potter; PR No. 06-180929)</p>	<p>Disposition: CONTINUED TO APRIL 11, 2007 AT 2:00 PM TIME CERTAIN</p>
<p>345 Accept Staff Report and Recommendation and Order of Council for Mattie C. Baker Measure 37 Claim (Report introduced by Mayor Potter; PR No. 06-181218)</p> <p>Accept motion to approve the Claim and adopt the Staff Report and Order of Council: Moved by Commissioner Sten and seconded by Commissioner Leonard.</p> <p>(Y-3)</p>	<p>STAFF REPORT AND RECOMMENDATION ACCEPTED; ORDER OF COUNCIL ACCEPTED</p>

At 2:28 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS 5TH DAY OF APRIL, 2007 AT 2:00 P.M.

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

Commissioner's Adams and Leonard recused themselves at 4:31 p.m. for Item 347.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Pete
Kasting, Chief Deputy City Attorney; and Ron Willis, Sergeant at Arms.

<p>346 TIME CERTAIN: 3:00 PM – Allow funds to be used for homeownership for households with incomes up to 100% Median Family Income under certain conditions and adopt Income Guidelines for the Affordable Housing Tax Increment Financing Set Aside Policy (Ordinance introduced by Mayor Potter and Commissioner Sten; amend Ordinance No. 180547)</p>	<p>Disposition:</p> <p>PASSED TO SECOND READING APRIL 12, 2007 AT 2:00 PM</p>
<p>347 TIME CERTAIN: 3:30 PM – Appeal of Mount Tabor Neighborhood Association against the Hearings Officer's decision to approve the application of Alex Banks, Twyman & Banks LLC for a Zoning Map Amendment from R5 to R2.5 in conformance with the Comprehensive Plan designation, 8-lot subdivision, Planned Development and Adjustment at 2251 SE 76th Avenue (Previous Agenda 296; Hearing; LU 06-121502 ZC LDS PD AD)</p> <p>Motion to amend findings: Moved by Commissioner Sten and seconded by Commissioner Saltzman. (Y-3)</p> <p>Motion to deny the appeal and uphold the Hearings Officer's decision with modifications: Moved by Commissioner Sten and seconded by Commissioner Saltzman.</p> <p>(Y-3; Commissioners Adams and Leonard recused themselves)</p> <p>Motion to direct the Portland Office of Transportation to proceed with the City Council initiated street vacation to remove the one-foot that has been dedicated and to work expeditiously in the next months: Moved by Commissioner Sten and seconded by Commissioner Saltzman. (Y-3)</p>	<p>DENY THE APPEAL AND UPHOLD HEARINGS OFFICER'S DECISION WITH MODIFICATIONS</p>
<p style="text-align: center;">REGULAR AGENDA</p> <p style="text-align: center;">Commissioner Sam Adams</p> <p style="text-align: center;">Office of Transportation</p> <p>348 Amend the Transportation System Plan and Comprehensive Plan to ensure that the documents remain current and to incorporate new policy language (Second Reading Agenda 319)</p> <p>(Y-4; Commissioner Leonard absent)</p>	<p style="text-align: center;">180871 AS AMENDED</p>

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Commissioner Randy Leonard

S-349 Appoint a Work Group to propose revised City Charter language for the November 2007 Election to fix a flaw in reforms to the Fire and Police Disability and Retirement System that unfairly deprives disabled police officers and firefighters of medical coverage after they are required to return to work and ask the Legislature to remove Sections 2 and 3 from Senate Bill 560 to allow the City of Portland to refer these changes to the voters of Portland (Resolution)

Motion to accept the substitute resolution: Moved by Commissioner Leonard and seconded by Commissioner Adams. (Y-5)

(Y-5)

SUBSTITUTE
36497

At 4:53 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.

[The following is a rough-draft transcript only. The text is the byproduct of the captioning of this program. The text has not been proofread and should not be considered a final transcript.]

APRIL 4, 2007 9:30 AM

Potter: Asking a question of the community, is how are the children? The reason we ask that is we know communities that take care of their children and people, those communities are successful and healthier and better. So what we do is invite some each week to talk us to. We have jesse rainwater, who happens to be a senior at david douglas high school. Jesse, could you come up, please. Says her favorite subject is government. Wow. I'm impressed, jesse. [laughter]

Potter: Thank you for being here, and let us know what you would like from us.

Jessie Rainwater: On more than one occasion I have been called a goody two shoes or nerd or miss perfection, and the list could go on and on. At first I was completely bitter that people would so carelessly label me with such difficult terms. It was hard enough being a freshman in one of the state's largest high schools, but already always called a label that I never asked for nor felt like I belonged to. But as time went on and I slowly climbed the seniority level, I started to accept these terms. Who really care physical one or two people felt like I was a nerd or called me a goody goody, and slowly these hurtful terms morphed into terms of endearment, four years later i'm the student that is maybe too compulsive drawing a straight line or staying home on a friday night to study for an english exam. I can only credit one influence for allowing me to be so comfortable with my status, my bitter sweet habits and my overall awkwardness, and that is the state's largest high school, david douglas. Don't take me wrong, my parents have always been there for me, and they are my strength and wisdom, but let's face, it anyone's parents who would rather have a nerd from a child than a rebel without a cause, but the place that I had trouble with being comfortable with myself was the same place that I was so quick to label me. So quick to bombard me with stereotypes. It was a place that I spent six hours a day, five days a week. But david douglas allowed me to realize that I was all these things, and most important, it was ok to be them. At this times, such as the national honor society allowed me to embrace my energy. David douglas has one of the most illustrious atmospheres I have ever been to. There is awkwardness, potential, stress and motivation, support and pressure. So many other things that I can't even begin to describe. I have no doubt that other schools possess most of these traits but the way in which david douglas welcomes and accepts those conflicting qualities and allows each student to be comfortable with whatever path they choose is unlike anything that I have ever experienced. High school truly is the best and worst times, it is hard in the, and the majority of it is about wrongful judgment. For the most, the most valuable thing I know to take with me is that it is ok to be the awkward one, after all, high school is only four years of life. And honestly, I hope they are not the best four years. I have higher expectations for the rest of life. If there is one place that I have to spend the four awkward years in my life, hands down, it would be david douglas high school. Thank you.

Potter: Thank you. You will be attending Portland state university next year?

Rainwater: I will.

Potter: And you are on the national honor's society and with stars.

Rainwater: Yes. I'm a team leader for stars.

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Potter: Could you tell us a bit about stars?

Rainwater: Sure. The original [inaudible] and that is an acronym that we use for the little, like the middle schools, so we teach it in seventh grade and then again in 10th grade, and in tenth grade, it is students talking about responsible sexual assault, so, Um, there is two team leaders and a guider, and we go into middle schools and we teach a four-week session that just talks about, about responsible sexual assault decisions and being able to say no without hurting anyone's feelings, and the consequences of having early sex.

Potter: Ok.

Rainwater: It's really fun.

Potter: Thank you very much.

Rainwater: Thank you.

Potter: You are very mature for your age, and it's nice to know that there are folks like you out there. Let's give this young lady a hand. [applause]

Potter: Thank you, jesse. The city council will come to order. Please call the roll. [roll taken]

Potter: I would like to remind folks that prior to offering public testimony, a lobbyist must declare which entity he or she authorized to represent. Do we have any communications today?

Moore: No, no.

Potter: Ok. Does anybody wish to pull any items, any commissioners wish to pull the items from the consent agenda? Is does anybody wish to pull items from the consent agenda?

Moore: You had 323, and we need four.

Potter: 323 will not be pulled.

*******:** It will not? Ok. We won't be able to vote on this until commissioner Adams arrives. We need four people for consent.

Potter: We'll move to the regular agenda. Please read the first item. [item 334 read]

Item 334.

Potter: Michelle, could you come forward, please? The bureau of planning and I are recommending michelle rudd for appointment to the Portland planning commission. Miss rudd has over a decade of experience as a land use attorney and extensive experience in the community and professional activities. She's been involved with the you are began land institute, the Oregon chapter of the american planning association, and the columbia river girl scout council. She'll bring land use knowledge to the commission along with her passion for the city, the community, and fairness and equality and a strong understanding of practical and economic considerations. We will be planning four additional candidates for confirmation of council, if any of the council members have any suggestions of good folks, could you please let me know? Meantime, michelle, welcome to city council and I want to thank you for your willingness to serve.

Michelle Rudd: Thank you very much for the opportunity. I'm very excited to be able to serve the city in this function. I became interested in planning When I was an undergraduate in civil engineering, and I had to take a distribution requirement, and I took it in planning, and discovered that I liked that more than the civil engineering, which is not the best position to find yourself in, spring semester of the senior year I ended up going to law school with a joint degree of planning because I wanted to be a planning lawyer, not just a lawyer. And i'm, I had the opportunity to serve as the assistant city attorney for jurisdictions in california and cover planning commission and city council meetings, so i've been on the city side of these issues, and then since moving up to Portland, been primarily on the property owner side of these issues, so i'm, i'm excited to do this for the city, and to now be involved in formulating policy and helping the city go forward. My husband spent time in the active duty in the navy and we lived in connecticut, new york, hawaii, and upstate new york, and Portland, by far, has been our favorite place to live. We love it and, and plan to be here a very long time so anything we can do to make it better for everyone, we hope to do.

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Potter: Thank you very much, michelle. We need a report, I mean, we need a motion to accept the report. So move?

Leonard: So moved.

Sten: Second.

Potter: Please call the vote.

Leonard: Thank you, michelle. It's great to have you onboard, and a few years back I pushed to have planning commission meetings televised on the local cable access, and while as I was being disingenuous, saying I did it for the community, but I will actually share with you I watched a lot of them on cable, so i'll see you on tv. Aye.

Adams: Well, god bless you. [laughter]

Sten: Well, while I didn't help appoint you, I think you have a terrific background, and I think that Portland, sometimes is accused of planning too much, I don't think we really can do that, although sometimes you can plan too slowly, and we have a whole bunch of, of issues that I think will come together the next few years so I think it would be a good time it add a new set of eyes, and you will be working very hard so I appreciate, it but we'll be updating the central city plan and taking some new approaches and calling in david douglas and areas that I think have not gotten their share, so I think it will be a really -- I hope it will be one of those moments where the work you do over the next two or three years will pay dividends for a couple of decades if we get it right so thank you for being willing to do it. Aye.

Potter: Thank you, michelle. I think it's citizens like you that really make Portland a great city, and with your skill sets, knowledge and background, I think it's going to really add tremendously to the value of the planning commission, so thank you very much. And I will vote aye, too. Thank you. Moving back to the consent agenda. Any commissioners wish to pull items from the consent agenda? Please call the vote.

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

Potter: Aye. Item 333.

Item 333.

*****: I skipped over that, sorry.

Potter: That's fine. [item 333 read] Please call the vote.

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

Potter: Aye. Please read item 335. [335 read]

Item 335.

Potter: That's item 335? Ok. Do we have anybody from staff? Yes.

Randy Stenquist: Do you have any questions?

Potter: Any questions from the commissioners? Thank you. This is emergency vote. Is anybody here to testify on this matter?

Moore: I didn't have a signup sheet.

Potter: Ok.

Potter: Anybody who wishes to testify on this matter? Please call the vote.

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

Potter: Aye. Please read item 336. [item 336 read]

Item 336.

Potter: Thank you. Please call the vote.

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

Potter: Aye. Please read item 337. [item 337 read]

Item 337.

Jeff Baer: Good morning mayor Potter, i'm jeff baer, the director of the bureau of purchases, and before you is a purchasing agent report highlighting our, our selection process for the northeast 135th avenue and prescott court l.i.d. And the northeast 117th avenue project, and this is to request

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approval for to award the contract to parker northwest paving in the amount of \$547,839.29. And just to highlight a couple of issues related to our city policy. One is that they are in full compliance with our equal benefit requirements, and they also have highlighted a 4% of the estimated subcontracting dollars for, for awards to minority women in emerging small business, and with that, i'll turn it over to representatives from, from the Portland department of transportation and the water bureau. I think that they have some comments they would like to make

Leonard: Before tom, from the water bureau, speaks, I just wanted to -- I saw this item, and I want to take the opportunity to show the council just real briefly what's happening on northeast 117th avenue. That's the, the location of the city's really not first, but first or second developing hydro park, which is heretofore was Chain linked off from the community, and now the chain-link fence has come down and we have a walking path that's being created, and the road that abuts the east side of the property, 117th avenue, to the old hazelwood headquarters is, is, has not been paved, and so the water bureau is, actually, paying the complete cost of having it paved, and, and all the necessary improvements, so tom, I asked him just to put together just a brief snapshot of that so the council could see what's happened out there so far.

Tom Klutz: Thank you. My name is tom klutz, property manager for the water bureau, and first I want to thank commissioner Adams and your staff, mainly andrew and liz for working with us. It has been a complex project, and we worked with a number of bureaus from various pieces of it over the last year and a half, and it is coming to fruition, and it's an outstanding job that they have done, so I appreciate your helping. Also, commissioner Leonard, thank you for the forethought on bringing down the united community, igniting the communities in creating this hydro park process.

We started this thing about a year and a half ago, and hazelwood was really our first one, and our biggest one, four-acre parcel that has undergone several changes, so let me just show you briefly what we have done on this. So, in the first picture, what we have done is, I would like, Like the commissioner said, we have taken down fences. We created an open space where this was fenced off. There was a well house there that we decommissioned, and we put park benches in there. We put picnic tables in there, and basically, opened up the space for the community to enjoy. What you see is kind of a sidewalk that has come into the walking path, which is a quarter mile walking path, which the neighbors use and enjoy on a regular basis. Also we created our own little sign package.

We have done hydro park rules, which, and various signs for the location. This is wind gust one of them that we made up, to kind of emulate what, what the parks department does, as well, but to really create what can and can't be done at the site. Jenny has been working on our signage project and has done a wonderful job with color and creation of these signs. Another sign next to it is showing us our hazelwood facility, and has the logo, and that's at the, at the entrance of the park. And --

Adams: Is that a whole big field?

Klutz: That piece there is probably about 2.5 acres of just an open space. Previously there was three or four fences along that area.

Leonard: So i'll refresh the council's memory, the reason the water bureau keeps this property is there were two wells. One was right in the middle of, Basically, where you are looking at now, and we determined we didn't need that. He commissioned it, but there still remains a well that, that is part of our emergency programs so that if we ever had a catastrophic event and lost our conduits, whether they be from columbia, wellfield along the columbia river or from bull run, we have heads in strategic places where you could go to the well heads to go to the water. And, and the well would run on, on auxiliary power, generators, so that's the reason the water bureau can justify doing this is because they need that, that well head.

Klutz: Going back to the first slide, it's the building to the right of the tank and below it. You could see a building with a white top on it, and that's where the pel currently is, the one in use. Another thing that we have done is taken this old building, we're still working on some issues on the

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frontage of, it but we have taken the Portland neighborhood office and have put members in there to work and reside and to be head of our 13 coalition, the coalition of 13 neighborhoods, so -- as well as on the inside, we made a nice meeting space, upgraded the rest rooms, and the, the kitchen space so when they have these meetings, they have a nice place to visit. Or to, to work and, and do their, their nightly meetings, and we use them for a variety of, of activities. We, we, obviously, any meeting that comes up in those communities, it's a great space To use and they book it, the actual people there book the meetings for the people coming in

Leonard: Is again so I can explain, they used to be in the outer southeast precinct [inaudible] and they were paying a couple thousands a month. We don't charge them [inaudible] but what we ask in return is for them to be our eyes and ears on the property, to schedule events on the property to allow the building to be used for our community, and to basically be the caretakers of the facility.

Klutz: Part of the activity that is we have done there is we had a, back in september, september 28, we had a big leaf maple. I don't want to say this is the best sight of the commissioner, the bad guy, but it's part of our events of, of planting this big leaf maple for, for the community garden, or of the garden folks that are in there, the villa garden club, and so we had an event in september, and this is part of that planting. Also we've improved sidewalks around, around, so far, two sides of the facility, and when we do the road project, it also includes some sidewalks improvements on northeast 117th, but we've actually not only taken the sidewalk and, and had it go just along our facility, we have ran it all the way down to the corner and, and have done some a.d.a. ramping and that type of thing on the other corners, as well. And we work with b.l.m. to do that. Also we have had to improve our parking as a result of the use that we have had there. We but the together a paver type of parking lot because the soil had issues in terms of trying to put cement and asphalt in it so we worked with pavers. It should be done today, they started on monday, and, and again, another thing that, that predicates better parking and movement through the property. And also what we've done, the last thing is we created a water conservation garden, the entrance to this building, and, and they have just started the process of putting in a paver, there will be a fountain in the middle there and there will be some plantings in the front of the building, and, and, that will fill up that space, and it's kind of, the cornerstone and like a little, one of the things that we did when we moved the [inaudible] in there, we wanted to do a project that would set off the place, and this is a nice touch at the end. It's completely like I said, a water conservation garden. That's all I have

Leonard: Ok. Thank you.

Klutz: Thank you.

Andrew Aebi: Andrew aebi project manager for the street improvement project. The only thing I would add to what tom said is that we took two relatively small street projects, northeast 117th avenue but also the northeast 135th avenue and prescott, and we combined the construction into a single contract, took two small projects, made it into a good sized contract, and i'm pleased to report that the construction budget for northeast 117th avenue was the result of the Efficiency, appears to be 127,000 below budget, and of course, the water bureau will see those, and the northeast 135th avenue and prescott court l.i.d., the construction there is 67,000 below budget, and the property owners will be happy to see those efficiencies so we were able to see financial efficiencies from combining two projects. I wanted to highlight that for council.

Potter: Questions from council? Anybody sign, sign up to testify?

Moore: No one signed up.

Potter: Is there anybody here to wishes to testify on this matter? This is the report. I need a motion to accept.

Adams: So move.

Leonard: Second.

Potter: Please call the vote.

Adams: Great work, aye

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Leonard: Commissioner Sten told me after he got word that I was going to be assign the water bureau, that it would be one of the most uplifting experiences I would have on the council, and I thought he was kidding, and it has been, it has been just a -- I have just very, very, I am very impressed with the work of the water bureau, the work ethic, and this is an example of that kind of thing, and that the water bureau does. I have learned all the time, so I want to thank, to thank tom and jerry and andrew, thank you for your work. This is a great program, and it's also a very nice one to hear that its coming under Budget, as you guys have been able to cause to happen so thanks again. Aye.

Sten: I agree, it's a great piece of work, and we have -- it's going to make everything work better, and it's also -- we have to be creative to find ways to get open space and parklands and the park efficient neighborhoods. We don't have land as scarce, hard to find, as is the money to buy it, so if we take land we have and make it work, that's traffic so great work. Aye.

Potter: I want to thank commissioner Leonard for his leadership on this and the water bureau, folks there that made this happen. This is a good use of space and in a park deficient area of Portland, so this is one of those win-wins for the community, and, and I really appreciate the effort, aye. Please read item 338. [338 read]

Item 338.

Matte Lampe: I'm matt lampe with the bureau of technology services. We're here really as the people who coordinate all the and manage the software contracts for the city. Julie from the revenue bureau, is very involved with the project, and will talk about any specifics.

Julie Shervey: Good morning. Julie with the revenue bureau, and the business division. As you all know the customer information system that bills for watered and sewer was implemented almost a year ago. April 10 will be the first year. We'll mark the first year with this implementation, we have not only gained a stable platform to provide basic billing services, but to provide additional information and features to our internal customers, as well as enhanced features to our utility rate payers. The objective of the agreement that we have before you today is to create a more effective and efficient process of additional service that we require from cayenta canada. These would be on-call services that would provide us with expertise and customization to enhance our data collection and our reporting now that we actually do have a system that you can, you can collect the information on and retrieve it, we are overwhelmed with the request to do that from many of our businesses. The other is to develop -- it will also pay for development and changes to the functions and the features within cayenta. I think that, especially with the water bureau customer services as, as they change policies and procedures, is that we need to stay in step with them and be, being able to configure their needs is a high priority. This would also cover another example of the modification to interfaces on an as needed basis. A recent example of this is the modification that, that we, we did to the cayenta system to match up with the city's payment gateway to allow us to do electronic bill payments. The services we were talking about, able to use a work order. It will outline the statement of work, the deadlines, and the deliverables and the cost. The priority of the changes that we receive on a daily, it seems as though a daily but maybe weekly basis, um, to this pointed have been determined with, with, by our advisory committee. The advisory committee for the c.i. is made up of members of water b.e.s., the revenue bureau, and b.t.s., and, and [inaudible] the advisory committee has a list of projects, some of them small, some of them large, but we expect on this contract to really handle some of the smaller odd hock requests, and I jotted down just a couple of the examples that are existing on our list right now, one of the things that we want to, to make fully operational is, is with our automated call distribution for the call center and the water bureau is to have what we call pop-up screens so that, that as the calls are coming in, it recognizes the customer and it pops the customer's account up, which would be a time saver for the call center. Another one is, a request that we have had from d.e.s. To, to look at, at a tiered extra strength program on their fees, and those are just possibilities but it gives an example of the work

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that we would be looking at in cayenta, further developing the product for us. The revenue bureau will manage cayenta's work for the on-call orders, and the contract does have the support of our advisory committee and water and did e.s., incorporated this into Their budgets. One --

Adams: The money comes from water and d.e.s.?

Shervey: It does. Most of the costs are shared but if it is something totally specific to one bureau, then we allocate the cost accordingly. Is.

Adams: This is outside the scope of the original contract?

Shervey: The original contract was the implementation contract, we're now a year out, we are finalizing that one and what we're looking for is, is in moving forward, is that we have a maintenance agreement, which we came before council a couple weeks ago, and --

Adams: It is outside the original contract?

Shervey: Yes. It's for future services.

Adams: Thanks.

Shervey: One note I wanted to make about the contract with cayenta is in full compliance with the equal benefits ordinance.

Shervey: Good for them. Canada usually is a little bit ahead of the united states. [laughter]

Adams: I'll let you take the calls. [laughter]

Adams: You are right.

*****: Thank you.

Potter: Is there any questions from the commissioners? Is there anyone to testify?

Moore: I did not have a signup sheet.

Potter: Anyone here who wishes to testify on this matter? Ok. It is the quote of the day.

*****: I think the quote of the Month.

Potter: Moves to a second reading. Thank you.

*****: Thank you.

Potter: Please read item 339.

Item 339, 340 and 341.

Adams: And mayor, with your indulgence the next three items just to keep in mind if we can move through them relatively quickly, the 339 spends federal money, as does 340 and 341, odot money.

Moore: Do you want me to read all three together?

Potter: Please. [items read]

Vicky Diede: Good morning, for the record, i'm vicki diede with the office of transportation and the city's project manager for Portland streetcar. I will speak briefly to contrast items number 339 and 340. These are two contracts that are related to work for the Portland streetcar loop project. The design and civil engineering is services, and transportation and management services. With me today are representatives from u.r.s., who will be doing the work as bob post, for the design and civil engineering and tom bennett from p.b. Place major league, who will do the development and transportation management planning services. There's a couple unusual things about these contracts. One of them is that the contracts are with Portland streetcar, inc. directly so we can continue that important relationship that's worked so well for us. Portland streetcar, inc. is required to accept the results of the city's solicitation process. The second unusual thing is that it is federally funded through corridor studied money with those funds made available to the city through an intergovernmental agreement with more, and as such, because it's federally funded, the city operates under metro's disadvantaged business enterprise program, which is a federal requirement. And the metro and federal transit administration agreed upon aspirational goals for the two contracts, is 4.42%. The u.r.s. contract realizes 7.78% for d.b.e. participation, and the p.b. place major league represents 5.01%. Both firms are completely in compliance with the equal benefits program. And then just briefly i'd like to just report on a bit of progress that we've made related to the future federal small start funding for the loop project, which is a, a program in the, in the safety

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[inaudible], which is the federal transportation building, congressman blumenauer was so instrumental in getting it going.

*****: They notified us on march 20 they, that they considered the application final and that they would be submitting it to congress to attend a review period. They told us that they would tell us when they did that, and we haven't heard recently but I would assume it will be on the agenda when they come back from their easter break.

Adams: Our project, our Streetcar project was approved by the f.t.a. to go to congress for their consideration, and it's the only streetcar project in the united states that was forwarded, so this is, this is fantastic news. Great news. Spent a lot of time in Washington, d.c.

Diede: And the application is about four feet tall, at least. [laughter]

*****: I don't know if anyone has any questions, I would be happy to answer them.

Potter: Questions from the commissioners? Thanks for all your work on this.

*****: Thank you.

Potter: Is there anybody -- do we have testimony, a signup sheet?

Moore: No one signed up on those, 339, 340 or 341.

Potter: Anybody here who wishes to testify on 339 and 340? And 339, emergency vote, please call the vote.

Adams: Aye

Leonard: Really great work. Thank you. Aye.

Sten: I agree, aye.

Potter: Aye. 340. Is there a signup sheet on that?

Moore: There was and no one signed up.

Potter: Ok. Please call the vote.

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

Potter: Aye. 341. Is there any information on that?

Adams: 341 amends a contract with odot related to intersoutheast powell reconstruction from the ross island bridge to i-205. It's very routine. We have a long presentation about it, though, if you want it.

Potter: I think randy would like to hear it. [laughter]

Adams: Approximately three hours, we break in the middle for lunch. [laughter]

Potter: Did anybody sign up to testify?

Moore: No one signed up.

Potter: Anybody here who wishes to testify on this matter? Emergency vote, please call the vote.

Adams: Thanks, greg, aye

Leonard: Because of the great presentation, aye.

Sten: Aye.

Potter: Aye. Is please read item 342. [item 342 read]

Item 342.

Potter: Second reading vote only, please call the vote.

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

Potter: Aye. Please read item 343. [item 343 read]

Item 343.

Potter: Second reading vote only, call the vote.

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

Potter: Aye. We are recessed until 2:00 p.m.

At 10:14 a.m., Council recessed.

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APRIL 4, 2007 2:00 PM

* * * [roll call]

Potter: I'd like to remind folks that prior to offering public testimony to city council a lobbyist must declare which entity he or she is authorized to represent. Please read the 2:00 p.m. Time certain.

Item 344.

Chris Dearth: I'm Chris Dearth the measure 37 program manager. We have had to make a change in the claims that are considered this afternoon. The attorney for Mr. Lahti called me just a couple of hours ago, said he had concerns and questions about the order that our city attorney has drafted for this claim. They agree with what we're trying to accomplish, they just had question and concerns about the wording and the order. I agreed we should bring it back next week when we have another hearing. It's short, should be noncontroversial, so rather than try to work it out on the fly here, I'd rather work it out before we bring it to you. With your permission I will move the second claim.

Potter: Is that ok? We'll hear that next week. Please read item 345.

Item 345.

Chris Dearth: Thank you. Before I launch into that one, I wanted to bring up to date very briefly on the status of measure 37, because I know you've been reading about it in the paper, the legislature is addressing it. We're fast approaching our 180-day deadline on this huge surge of claims we've received in December. Those will come due in May. I want to bring you up to speed on where we are and how we're managing our claim load, which is significant. Since measure 37 claim in to play about 2½ years ago, we've received 92 total claims for about \$260 million total. Almost half of those are against our environmental protections, about a quarter, 24, have been brought against our sign and billboard regulations. 14 have been brought against our industrial and commercial zones, and nine have been brought against other regulations, including a number of them which are claiming against all regulations that have been placed on their property since they purchased it. So you haven't seen any of those yet, but we will be bringing claims to you over the next couple of months. How we've disposed of these to date is, we have taken your directive to heart and we have worked very hard with claimants and persuaded 35 of them to place their claims on hold and stop the 180-day clock so we have time to work them through the regular process. And I should let you know that B.D.S. deserves a lot of the credit for this, along with B.E.S., PDOT, and others. We have a true interbureau effort here in working with these claimants and trying to sort out their problems outside the measure 37 process, and we've been very successful at that, and 35 of them have placed their claims on hold, so we don't have to bring those claims to you in the next couple months. Nonetheless, about 29 are still active and pending, and those you'll be seeing in the next two months, April and May. 20 of those are signed claims on which we don't see much way to work them through the internet process. They request a kind and size that's not allowed. There's no way we can work through that, so you'll be seeing those in mid May. Another seven claims have been withdrawn, those are successes where we've persuaded folks that they could get what they

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wanted and they have withdrawn their claims. The claim this afternoon is brought by matie baker. Her property is located in the brooklyn neighborhood of southeast Portland. It's located on southeast milwaukie between boise and cora, it's outlined in a very light red outline. I'm not sure you can see that. It consists of five lots. To summarize, it's brought by matie baker. The location is in the 4200 block of southeast milwaukie avenue. Submitted december 4 just at the deadline. The compensation demand is \$1.3 million. And the preferred resolution is compensation or waiver of the challenged regulations. Our measure 37 analysis goes through these six items which i'll walk through one by one. The ownership of this property, lots four and five were purchased in july of 1954. Lot three was purchased in may of 1965 by lloyd and matie baker. Lloyd and matie baker again purchased lots one and two in august of 1965, and therefore the ownership dates back to july of 1954 and may and august of 1965. The regulations challenged by mattie baker include this multidwelling zone r1 zone, imposed on the property in 1981 when the city adopted its comprehensive plan. The zoning on that property was changed from a general commercial zone, which it was when they purchased it, to an r1 high-density residential in 1981. This is indeed a land use regulation subject to measure 37. It was enforced in february of 2003 through this preapplication. So next we look to see whether the use of the property has been restricted and the zoning map you can see on the left there shows the zoning on the property, the baker property, in the 1960's when they purchased it it was c2, a general commercial zone. In 1981 you can see on the right hand zone map it was changed to r1. So indeed many of the uses that were allowed under the general commercial use, c2 at the time of purchase, were taken away, were restricted under the r1, and so in our estimation the use has been restricted. Next we look to see whether there has been a reduction of value as a result of this restriction of use. The claimant claims a loss of \$1.3 million, but she hasn't submitted a market study or an appraisal, but nonetheless, it's our estimation that it's more likely than not because of the restrictions on the property that the value of the property has been reduced by at least one dollar, and therefore for measure 37 purposes it has been reduced in value. So to summarize for you, we conclude that the change in zoning from general commercial to multidwelling residential, has restricted the claimant's use and reduced the value of the property. Mattie baker does have a valid claim. So our recommendation to you would be to grant the claimant's claim and provide for these two items, first to allow the claimant the ability to immediately develop the property as allowed under the general commercial cg zone, which would have been allowed when she purchased it. Second, to not apply the comprehensive plan designation of r1 as it is currently to allow her to apply, and this is her choice, to allow the claimant to apply to rezone the property under the regular process to general commercial. And that's her option. Whether she does that or not. And if she chooses to do that, she would have the general commercial zoning applied to the property permanently and could be transferred to a subsequent owner. But that again is her choice. So that's our recommendation. I would be happy to answer any questions if you have any.

Potter: Thank you. Will the claimant please come forward? Are you mrs. Baker?

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

Potter: Thank you for being here, mrs. Baker.

Mattie Baker: I just want to thank the city council for reviewing 37 measure. And also we approve of the staff that recommended our claim. As it was stated, we bought the property in 1954, and then in 1980 it was changed from c2 to r1, and it's been a long, long struggle trying to get our zone c back. And I just hope that the council will approve the recommendation of the staff.

Potter: Thank you, ma'am. Is there anyone signed up to testify on this matter?

Moore: We have three other people signed up.

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

Adam Tischler: My name is adam, i'm a neighbor of the baker property. I'm also the chair of the brooklyn action corps. This is nice we're all sitting at the same table here. It couldn't have drawn

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up better. We are here because we agree with the property designation. Milwaukie avenue runs right through the heart of brooklyn, and it's our main street. But almost the entire thing from the south -- from our commercial designation area by powell boulevard, after that ends south is zoned residential. And it's really impacted the a-- the livability in the neighborhood, and landowners, as you can see. This is unusual because I think in a lot -- you hear measure 37 and people get scared, nervous, and frankly, when we got the mailings, neighbors were scared and nervous. We didn't know what this meant. We're happy to see the designation as a commercial designation. Lance will talk a little more about what we'd like to see, but we do want to open a dialogue, not just with the bakers, but with the city, about our milwaukie avenue. We have lots of storefronts that are zone the residential -- zoned residential, and landowners come to us all the time telling us people are knocking on their doors or calling them saying they would love to utilize that area for a coffee shop, hairdresser. But these storefronts that look out on milwaukie avenue are curtained up and used for residential living. It doesn't make sense when you look to our south you have west moreland and sellwood, these vibrant neighborhoods along the same road. It's milwaukie avenue. But for some reason back in early 1980's, the city designated as a residential area. Sort of designed to be a bedroom neighborhood. And it's not working. It doesn't fit with the modern Portland image. One thing we would like is to be able -- we were just discussing this with mr. Baker -- is to be able to discuss these sort of options. Measure 37 has serious constraints, but to be able to discuss options when this comes up, this mailing that I got was sent out on march 7. It's april 4. You're talking about a volunteer organization trying to be able to spread the word to neighbors in a timely fashion. Our friends in the neighborhoods who are on the internet can read the blog post and we try to reach out through email, but this is no way to reach out to the neighbors. We're fortunate we had a dialogue with neighbors earlier. A very good dialogue about this very issue. That's one problem i'd like to see rectified. The neighborhood wants to have an opportunity to discuss this not only with the land holders like the bakers, but also with the city, to rectify ha what is really a misuse of the neighborhood. Thank you. I'll pass it along to lance.

Lance Lindahl: My name is lance, I live at 4904 southeast 16th avenue and i'm the vice chair of the brooklyn action corps neighborhood association. I had the privilege of working with four other graduate planning students from Portland state universe on a plan for milwaukie avenue as it passes through the brooklyn neighborhood. One of our top concerns was to find out why this area is underutilized, even though very development is happening in other areas. The property today has much in common with other properties in this area. The existing zoning designations match neither the buildings that are there nor what the property owners would like for what the neighborhood would like to see built. Several warehouses have been zoned for residential use. This makes it difficult for the owners of the properties to find new tenants. This portion of milwaukie avenue has been designated as a main street. The in addition -- in addition, this is a major transit street served by number 19 bus line and the proposed light rail line to milwaukie, the city of milwaukie, will run a few blocks from this area. Milwaukie avenue has become congested by automobile traffic in recent years, and the area is lacking in crosswalks, bike lanes, and traffic signalization. Therefore it's my opinion the automobile zoning designation of cg is not the best fit for this neighborhood a better alternative is the property in question be given a doaneu zoning designation that promotes mixed use development. Zoning as commercial storefront would create consistency with the historic commercial heart of brooklyn to the north. Zoning it as cm, commercial mixed, would allow for mix use development. The opinion presented by the bureau of development services is banned on the crista nursing center plan and the brooklyn neighborhood plan. These plans are out of date and no longer affect the priorities of those in the neighborhood. At the time it was draft there'd was no zoning designation for mixed use. We are here today out of -- to ask you to encourage the bureau of planning to work to reexamine the zoning issues in our neighborhood.

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Right now it's our fear the way the zoning is this is just the beginning of a wave of measure 37 claims in this neighborhood. Thank you for your time.

Potter: Thank you.

Jerry Baker: Good afternoon. I'm Jerry Baker, son of Mattie Baker. First I'd like to thank the staff of the city of Portland for helping us through the measure 37, especially Chris, you've been very helpful and we appreciate that very much. If the city council does accept the recommendation from the staff, we plan on immediately applying for an occupancy permit under the commercial and also applying for a commercial zone change. After that process we hope to find a developer. Putting retail on the bottom. And then in the process of that going on, we hope -- we plan on sprucing up the existing buildings and leasing it out. So in closing, we just hope that the city council approves the staff recommendations going back to its original commercial zone and from the r1. Thank you.

Potter: Thank you, folks, very much. If we have your name and phone number, I'll make sure we have someone from our planning bureau call you.

Tischler: You should also have copies of this p.s.u. project.

Potter: Yes, we do.

Sten: I have a -- it's an educated guess, it may be wrong, there's a few areas in town, we talked about this at the council, I can't remember the exact context, where essentially I think we are making bad decisions based on a good policy which is a no-net loss of housing. So with the no-net lost housing policy, we need to revisit it. It comes from an era when we were losing a lot of housing. So the planning bureau is under instructions never to rezone anything that's housing, because at some point the theory is cities were seeing trends where you basically lose so much housing. Other places than theory you basically have inner cities that not enough people lived in. I actually think even as a housing person that the policy is almost silly at this point, because it's pre-empt can all the housing units into the river district, south waterfront, and places. And we're in no danger of not getting -- if anything, people argue about us putting too much housing in place. I think we need to go back where we're holding on to housing units. At the time you could have envisioned I think, I'm just guessing, you could envision this stretch in Milwaukie losing its -- losing a lot of its residential piece, which would be the flip side of the problem you're having now. But I think we're past that and I think we should be able to update this. I think it's having consequences, where you say, here's an obvious area in a thriving residential, very attractive inner city neighborhood, that they need storefront commercial and our no-net housing policy is what's behind us. I need to look into it, but I think that's what it is.

Tischler: Can I quickly respond?

Sten: Absolutely.

Tischler: When Lance's group was doing the project, we held an open house. We had a tremendous turnout by any neighborhood standards. We had a good turnout, not only for the open house that p.s.u. grad students were holding, but also for a subsequent general meeting. And I think whenever the initial planning designation were made in 1991 and 1991, it might have been the will to have residential housing. I can tell you not only as a neighbor but also as the neighborhood association chair, it's relatively safe to say there's an intense desire to see our commercial storefronts revitalized. So I'm not just speaking as two people involved with city politics and with neighborhood politics, but just as residents I feel confident telling you we're here representing the neighbors' wishes.

Potter: Good. Thank you, folks, for coming in.

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

Potter: Is that all? Further discussion? I need a motion to approve the claim and adopt the staff report and order the -- as an order of the council decision.

Sten: So moved.

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Leonard: Second.

Potter: Please call the vote.

Leonard: This was a good discussion, and I don't know that we've ever had a discussion like this where neighbors actually came in to support returning a prior designation to a piece of property, but what this has done I think is made us all aware that in addition to the inequity of the property involved, that we should look at restoring at least a mixed use of committed kind of development along milwaukie which makes a lot of sense to me as well. Aye.

Sten: Aye.

Potter: I have a lot of fond memories of brooklyn. I was a police officer there in the mid 1960's and actually joined the brooklyn action corps back in the late 60's. I think you've made a good case, and I appreciate you coming in, mrs. Baker, and your son. I vote aye. [gavel pounded] it's done. Recessed until 3:00 p.m. tomorrow afternoon.

At 2:28 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.

APRIL 5, 2007 2:00 PM

Potter: City council will come to order.

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

Potter: Here. [gavel pounded] please read the 3:00 p.m. time certain.

Item 346.

Potter: Commissioner Sten.

Sten: Well, thank you, mayor, and I am going to ask bruce warner and andy welch to come up and help me present these. This is, i'll just, before we get into the numbers and the decisions, just take a minute to reflect this is the last piece and a historic step forward for Portland. We have decided as a community, with the full concurrence of the city council and the leadership, I should add. I want to thank mayor Potter particularly and all the commissioners to dedicate 30% of tax increment proceeds to affordable housing. And the logic for those of you who are entering this discussion which won't be people in the room but maybe on television, for the first time, is that essentially Portland has reached such a level of development and in many ways success, whenever we bring urban renewal to a neighborhood what we are beginning to see is displacement. And it's hard to find places for people to live, affordable housing is becoming worse and worse as an issue and we need have a structured response and this is really what I would say a first step in what I would consider a constructive response. We still have work to do to find other funding sources. There's hope at state they are going to get more involved. I believe for some time that we theodore to have a regional strategy for affordable housing and have supported a small fee on real estate to do that. This alone is not the answer but it is a tremendous step forward we have in our control. All the things I have talked about so far we need somebody to act that has not yet acted. And I think the p.d.c. commission and under the leadership of its director we don't have time to wait for the other solutions. We passed the 30% set aside some time ago, and as is often the case, the real issue is what does that mean? And so what these income guidelines are today is our first attempt to come back and I want to say that I think we will need look at these annually and probably adjust them a little bit to make sure that things are working as we would like. But our first attempt to say here's how the money should be spent and as you dig into these and ask these guys to walk us through what you will see we have in each district, about 75% of the money, if luke at the minimum amounts, budgeted to say you have to spend this amount for the very poor and this amount on home ownership at least which are the two kind of brackets of affordable housing and then within the guidelines that p.d.c. would have the discretion to spend the rest of the money. And we made one major distinguishment--- two things I want to say from the original proposal. It went out to the community. We spent a lot of time with the commission and the housing, housing development commission as well and the two changes we propose for maybe the first draft that people saw is, we made a distinction between the neighborhoods, urban renewal areas and the downtown urban renewal areas. Essentially the numbers are in here and we can walk through them if people would like but essentially we have supported more homeownership in the neighborhoods and lents and central east side, interstate, and a little more of the very low-income in the downtown area where the income, higher income is already in place. That's one piece. We also have, when the council passed its set aside legislation last spring, we defined affordable housing as an 80% of immediate

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family income as the top. That remains the top under this proposal. What we have made an exception in the neighborhoods and will count housing up to median income, for families with children for larger -- so the idea is to give more flexibility and more support. To the family housing and the idea that people with larger families probably need a little more help even in an income level where perhaps single people and couples can make do. We tried to give some flexibility there. I expect that one of the conversations that's still really ongoing that we need to think about is do we have enough and the right amount for home ownership? With we will hear testimony on that. I don't want to prejudge that. At the numbers we are at we believe if the commission pushed the homeownership spending to what these income levels would allow, you would probably see in the range of 23, 24% of the money going into homeownership. That would represent roughly speaking the range of 600, 700% increase of what p.d.c. has done in the past. You would also see, you would also see -- we will have to look at the numbers but a much higher percentage of the units being produced going to homeownership. They take a little bit less money so if you spend 25% of the money on homeownership you end up getting half your units being home ownership because they are less expensive to help higher income people. We still need to work on the balance. I would say on the homeownership question that my challenge back to p.d.c. will be to get the homeownership programs working better. To be blunt I don't think we have got them works as good as they canning so I think there's plenty of room in these guidelines to improve those to get a major increase in the a units produced and the amount of families who can buy a home. The percentage increase in the amount of very low-income rentals that will get built is smaller because they cost more but they will also see quite a large bump. And so I think these income guidelines are very good starting place. Certainly people have worked very hard to get to them. I would say we will hear lots of different testimony today there's, we are in that spot where most of the interest groups are happy and not everybody -- and nobody is completely happy which is usually about how it goes when you try and spend a buck which is what we are doing here today. I will turn you the over to you and I want to thank the commission staff for their work and specifically on the front end so I don't forget thank margaret backs, the city's housing coordinator and has worked very, very hard on this package. Mr. Warner.

Bruce Warner: Good afternoon, mr. Mayor, members of the commission. Bruce warner, executive director, Portland development commission. It is a pleasure to be here. I will make a few very brief remarks and turn it over to andy to go through details. Commissioner Sten hit most of the highlights of this. What you have before you is a culmination of a number of months' work subsequent to the adoption of a set aside policy by our board and you in october of 2006. And what I think is important, the income guidelines are meant to provide certainty but also they also provide flexibility in terms of how the monies are to be expended. And I also want to acknowledge the hard work of everybody who has been involved in putting this together. I feel the need to recognize Leah Greenwood who is in the audience. She is about five weeks away from having, giving birth to her first child and was doing all this while she was I think probably dealing with morning sickness and other things. So she's to be commended for her work on this one. And I think as you know this is a very important issue for the city of Portland. As commissioner Sten also mentioned these guidelines do not meet everybody's expectations. But they do balance the available resources with needs and a very, very good way. The bottom line, as you all know is we need to find additional resources to fund affordable housing both rental and ownership throughout the city and the state of Oregon because the price of homes continues to rise and the rents continue to rise throughout the nation. And the region. I applaud the work that was done. And the outcome. It's a good piece of work. And obviously, I believe that you should wholeheartedly support it and again what I will do now, unless you have questions of me, is I will turn it over to andy to walk through some of the details.

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Andy Welch: Great. Thank you, Andy Welch, Portland Development Commission. It's my pleasure to be here as well. We have made an immense amount of progress in what seems like a long period of time but actually it's been about six months since the commission first adopted the policy and we have worked through 40 community stakeholder meetings, urban renewal areas, affordable housing groups, housing community development commission, public partners such as the housing authority, a range of public workshops, where we literally honestly received so much input across the entire board, it was very comprehensive and we feel really fortunate to have taken the amount of time that we could over the last six months to do that work. And we think most of our stakeholders feel like they have had an opportunity to put their positions on the record and we're happy for that. The adopted guidelines do complement the implementation plan from February 23. We feel like, given all of the competing housing policy objectives in the community, in the public arena, that the income guidelines strike an appropriate balance and a delicate balance between the funding of rental housing and home ownership. Commissioner Sten talked about that. Bruce Warner talked about that and I will talk a little bit about that in a minute. I think that our commission, the Portland Development Commission at the time when they authorized and approved these income guidelines, really wanted to focus on five remaining issues, if you will, that came up in the guideline discussion and the public meetings. And I will go through those really briefly if I might. First of all, there was a clear request from our commission to engage the city council to work on legislative issues associated with the expenditure of tax increment finance outside of unusual renewal areas. And I know the commission would love to engage with you on that at any point in time. Secondly, we as an agency, the city of Portland, obviously, we are jointly committed to closing the minority home ownership gap. Mayor Potter, Commissioner Sten, co-chairing the operation home, that's an area of distinct interest for the commission and our commission will want to continue to engage to see how we can maximize resources flowing to the wealth creation for minority communities through homeownership. Partner resources, I feel I need to be completely frank, of course, about the reality of the necessary resources that need to come to bear from our other partners. Oregon housing, tax credits, section 8, and a range of other financial resources that need to be bundled together for us collectively to be successful on serving the hardest to house population in particular, those populations that make less than 30% of median family income, which give or take is \$13,000. The commission was particularly outspoken as were many community members around what are we doing for housing for middle income? For work force housing? The commission once again looks forward to engaging in the city perhaps in a work session setting to talk about some of the broader city housing policy objectives and how the two bodies, the city of Portland and the Portland Development Commission, can jointly work to find comprehensive solutions for all the housing policy goals. And with that, I just would like to say that we are pleased to go into any level of detail that you might like to with regard to the income guidelines themselves. I am not going to suppose what questions you have so I am not going to take you through anything. I will just respond to your questions and ask perhaps Lee and Margaret backs to come up if we have some detail would questions at your discretion. Thank you.

Saltzman: I guess I'll ask this question and it may be directed to you, Andy. Commissioner Sten. I know when the P.D.C. first adopted this policy, a few months ago --

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

Saltzman: There was considerable concern that perhaps -- at least by two of the P.D.C. Commissioners there wasn't enough commitment to home owner share particular in the 61 to 81% income range.

Welch: Right.

Saltzman: So what's changed? Has anything changed since this rule was adopted?

Welch: Well, clearly --

Saltzman: I mean change towards any sort of a homeownership in that 61 to 81%?

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Welch: That's correct. We've, it's been a priority of ours from day one to maximize the, this set aside for our commission to make sure that we get the specific policy objectives and outcomes in this guidelines, and as I mentioned before it's a delicate balance between residential and homeownership. What we have done we have gone back to those areas where the focus of homeownership is appears to be stronger. And more of a priority. The neighborhood-based u.r.a. - - lents, gateway, interstate corridor particularly, the first three in par -- we are actually combing through our budget to see how we can allocate additional resources for home ownership above and beyond the numbers that you may have seen in aggregate and we think we are going to be able to do that by about another eight to 9% additional resources that we see right now. But I wouldn't sit here and characterize that the commitment of the two commissioners you mention and the p.d.c. commission as a whole that their commitment to homeownership is soothed. They are continually looking for more resource, more resource development so we can fulfill our obligations that the commissions assume with regard to minority home ownership and home ownership in general.

Sten: There was a change. In addition, I think the original proposal on the neighborhood urban renewal areas was a cap of 30% home ownership that's been moved up to 40. It's a minimum of 20, maximum of 40. Whether it's 20 or 40 is at the discretion of the commission. And I want to point that out because a lot of this has been directed at me and I will be a little bit appointee here. I don't set the commission's budget. Even if the charter amendment pass we will review it. So whether it's going to be at least 20. Whether it's 20 or 40 is up to the commission to budget. But we move up from 30 to 40 on the neighborhood ones.

Saltzman: In terms of the commitment of set aside for home ownership in that income guideline?

Sten: Right. If you look at neighborhood urban renewal piece --

Saltzman: 20 to 40%.

Sten: If you add up the minimum, 35% minimum for the very poor. 20% minimum for the working poor. 31 to 60. The 31 to 60 can be used for home ownership. So the community has to work with the p.d.c. To come up with strategies to get people from 31 to 60 homeownership but ever time you do that it counts.

Saltzman: Ok.

Sten: And then the minimum at the homeownership is for 61 to 80 at least 20%. So if you add up that column, at least 75% of the 100 is prescribed. It's politico 35% very poor, 20% to 80% and 20% to that middle ground of working poor. That leaves 25% that the commission, once it meets the minimums, can spend on anything it wants. And it could theoretically spend -- it could theoretically spend 21%. So it could spend 40% on home ownership at 61 to 80. And that would still leave 30% you could spend at the 31 to 60 in which home ownership is an eligible activity. So depend how -- there's been a lot of confusion. This is technical stuff but depending how the commission chose to budget its resources, it could spend easily 50% of the money in 40% on 61 to 80 and 10% on 31 to 60 on home ownership in the neighborhood u.r.a.'s where people are focused. We did not give as much flexibility for the homeownership in the river district and south waterfront because I don't believe these areas are going to be as successful as housing people trying to get in home ownership basis and therefore I see them as better places to be more strict on putting to low-income people. Because I think, I think if we -- if we push more to home ownership in the neighborhoods we have to push somewhere else where we can get more low-income units, very low-income units and I think that trade off ever more homeownership in the neighborhood, very low-income units in the south waterfront and river district is a reasonable tradeoff. There still is a line item for 61 to 80% in north macadam for the home ownership category so there's still the ability to spend a fifth of funds downtown in homeownership. That was a tradeoff.

Saltzman: So in the neighborhood urban renewal areas which is the first group, once the p.d.c. Commission meets the minimums in each category there's an additional 25% discretionary

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allocation, which they can allocate any way they want but I think from what you are saying that the commitment we know is to move it more towards homeownership and 61 to 80%?

Sten: That's the call they have to make. It's going to be a difficult call because there's a lot of competing interest out there. There are maximum so you can't put -- so maximums actually tighter on -- you could only yacht another 15% if they wanted to, to the very low-income housing. That's the kind of the deal with the neighborhood. You are never going to have x-amount of very low-income. They could add another 20%. But the category below that the 31 to 60 and we have made homeowners out of people at 60% of median income and those are some of the people whose lives will change the most. There's nothing stopping the 31 to 60 line item from being home ownership. That is a tough are thing to get through but that's, part of why I didn't want to say you could spend all of the funds on 61 to 80 because I want to challenge us to get people at 55, 60% of median into home ownership. And I think that's a worthy goal.

Saltzman: Ok. Thank you.

Potter: Other questions? Thank you, folks.

Sten: Just to be clear I said this at opening but not everybody is here. When I was use theeing 61 to 80 for the full potential 40%, they can go up to 100% of median income as long as they are families.

Potter: I think that's reflected.

Sten: I wanted to be clear for people who were not here yet we put that up there. We can go up to median income for people with kids.

Potter: How many folks are signed up to testify?

Moore: We have 11 so far.

Potter: Please call the first three.

Moore: First three are monica beamer, jan wolf and steve weiss.

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

Monica Beemer: Good afternoon. My name is monica beemer and I am executive director of sisters of the road. We are at 27-year-old nonprofit calf pay located in old found, chinatown. On behalf of the more than 40 member organizations and hundreds of individuals that make up affordable housing now, we would like to thank you, mayor Potter and commissioners Leonard, Adams, Saltzman and Sten, for establishing this historic commitment to housing. Today is a victory for working people, for seniors, for people with disabilities, people experiencing homelessness and all of the other Portlanders at risk of being priced out of our great city. This set aside will provide unprecedented resources, housing people with the lowest incomes and the greatest need as well as making a giant leap forward in the commitment of funds for homeownership in Portland. Sisters of the road is a loving community of men, women, youth, and children both housed and houseless. We build authentic relationships with each other over a cup of coffee, sharing a smile or the story of our day. Through community we commit ourselves to stand up for each other's rights and dignity and without exception. And every day we see hundreds of men, women, and children who do not know where they are going to sleep that night. Everyone deserves a safe home to go to. Everyone deserves their dignity. We are extremely thank 2348 that you will make a stand today for the basic right of housing for all Portlanders. The entire council, the Portland development commission, and all of Portland should be extremely proud of this set aside. It's often easy to blame people for their circumstance or to overlook the great needs of those with the lowest incomes and the lack of political clout. But with wisdom and compassion and vision for making Portland a city for all, you have taken a just and powerful action today with the set aside from all of us we thank you.

Jan Wolf: I am jan wolf representing the league of women voters. Thank you very much, mayor Potter and commissioners. We are pleased to support the income guidelines for the affordable housing tax increment financing set aside policy before you today providing an adequate supply of

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housing affordable to low-income households has become increasingly challenging in the face of stagnant wages and increasing housing costs. Dead cases a portion of funds to this purpose gives the city one more resource for meeting a growing need. City council and the Portland development commission deserve a great deal of credit for working together to develop a proposal that devotes a significant portion of the set aside resources to two high priority areas: Housing for people earning under 30% median family income and closing the minority house -- home ownership gap. This is an especially important policy decision because urban renewal districts are funded by property taxes that otherwise would have gone to basic services, benefitting the entire community. Last year, approximately 50 million was diverted from the county, city, and schools to pay for projects within the 11 urban renewal districts. In other wordings, we all support that spending by doing without some level of basic services. Dedicating a portion of that money to address the city wide need is a wise use of these resources. The set aside is a historic accomplishment but this policy work -- but making this policy work so that we actually build the needed housing will be the true test of the set aside success. We need look no further than south waterfront affordable housing targets compared to the actual units produced to date to know that your dill against will be required to see this policy through. We appreciate the many hours p.d.c. Staff devoted to providing detailed analysis and keeping interested community members informed throughout the process. Once again, the leak thanks council and the Portland development commission for working together to make this policy real. Thank you.

Steve Weiss: Good afternoon. My name is steve weiss. I am a board member of the community alliance of tenants. I want to congratulate all of you for the passage of a 30% urban renewal housing set aside and offer our support for the income guidelines you are considering today. Thanks to this set aside, low-income people will be able to stay in their neighborhoods and enjoy the benefits of urban renewal. The set aside will provide affordable housing for low-income families and will provide opportunities for the children in those families to remain in their neighborhoods and attend Portland public schools. It will also allow low-income elders and persons with disabilities access to the affordable and accessible housing many of us so desperately need. I know the value of such housing. As someone who is both a senior and a person with a disability -- with disabilities, I have been in subsidized housing for a dozen years. It has stabilized my life, and has enabled the volunteer advocacy work that I do. For the lack of such housing, I have known people who have fallen into deep despair and a permanent state of depression. For most of these folks, a good housing situation is at least as therapeutic as any medication. Thank you for being a champion of low-income people whose voices are often unrecognized and unheard. 20 years from now, Portland will look back at the set aside as one of the wisest investment of public funds the city has made. When you invest in housing opportunity the city and its people thrive. Thank you.

Potter: Thank you, folks.

Moore: Next are chelsea brown, ben nelson and nick sauvie.

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

Chelsea Brooks: Good afternoon. My name is chelsea brooks. Thank you, mayor Potter and members of the city council, for passing this historic housing set aside. As a person who grew up in north-northeast Portland I have seen firsthand how urban renewal can change a community. This set aside will make a real difference. I am sure everyone here agrees that hard working people should be able to afford housing and still have enough money for things like groceries and other basic necessities. I know I do. Let me tell you a story about one my dearest friends. She is a single mother of two children under the age of eight. This remarkable worm works well over 40 hours a week ass homosexual health aide serves some of the city most vulnerable a job she highly values. Even with the number of hours she works she still struggles to keep her head above water at times of taking care of her most basic necessities, food, diapers, baby formula. In fact, more than half of

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her monthly income is spent on rent alone not to include her other utilities and the rising cost of health care coverage for her and her children. She often struggles to make ends meet. What's ironic she works extremely hard to give her children what they need but many times the hard work she puts in just isn't enough. My friend is not alone. Two days a week I work at sisters of the road, an organization that serves people meals at a low cost. Over the course of the year I have been there, I have met a number of people who are in the exact same situation. They are working hard only to still be living on the street or struggling to hold on to the housing they already have but are struggling to afford. Nobody should have to choose between whether they have a roof over their head or whether to feed their families. This set aside demonstrates that the city council gets it. Hard working people should be able to afford housing and still have enough money for their basic necessities. Thank you again for creating the set aside and standing up for hard working people. Thank you.

Ben Nelson: Good afternoon, mayor Potter, commissioner. My name is ben nelson. I am a member of laborers local 483. And I work for international union. Glad to be here today and I want to thank you first off for your concern in this issue and leadership and support. That story that chelsea just told really hits home. The working poor problem in this entire country and certainly in the state and this city is growing. It's a problem that's increasing. The gap between those that have, those that do not, rich and the poor continues to grow. It has been for decades. Everybody knows it. One of the key pieces to give folks out of some of those cycles of poverty is obviously affordable housing. My job full time is to build our union, build our organization, the working labor movement. And that's my passion. It's, I think it's incredibly important. We need to be working and fighting hard for people to have good jobs so they can enter the market and afford a market rate housing. But the reality is that working families today, a lot of them don't have that opportunity. They don't have jobs to provide that level of income to be able to do it. This might be the union janitor or hotel clerk or a nonunion wal-mart worker or a labor neither field. I run into laborers every day who are making around eight, 10, 12 bucks an hour. Seasonally and that's probably not enough to cut nit today's housing market. So it's a privilege and honor to be here and I thank you for your support and leadership on this issue. Makes me proud to be in Portland to know that people are concerned about this issue. Thank you.

Nick Sauvie: I'm nick sauvie, executive director of rose city community development. Rose gives people a secure place to raise families and feel like part of the neighborhood in outer southeast Portland. I would like to thank you for your leadership on this issue and I am here to testify in favor of the 30% set aside and the income guidelines. My experience is primarily in the lents town center urban renewal area and here are three relevant numbers. 31, 92, and two-thirds. Only 31 affordable rental units have been funded since the beginning of lents urban renewal in 1998. Almost every year money budgeted for affordable housing is gone unspent in lents. We need to do better and I think this set aside will help. 92% of rose tenants are working but two-thirds of them earn poverty level wages. This is the reality of today's have and have not u.s. Economy. These numbers tell part of the story but this is about the lives of real people. People like ken and shirley, they moved out of the Oregon state hospital when it closed. They have lived independently in a rose home on southeast 93rd for the last 12 years. Katie and kevin live in a house at rose designed for family child care providers across the street from woodmere elementary school. They have three children and they also take care of four more. Len and willie may have lived at lents village senior apartments since it opened in 1996 because their resident is a affordable. They don't have to worry about getting by on a fixed retirement income. According to p.d.c.'s 2006 lents housing study update the neighborhood has many I didn't tell cal housing needs. Only 25% of residents can afford the average home in lents. Almost half of the residents pay 30% of their housing and almost half of the housing stock is substandard and 17% is in poor condition. This is why the affordable housing set aside is so important because it gives people in lents left behind by the real estate

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market the opportunity to succeed. I am pleased that the city council and p.d.c. Commission have stepped up to make sure affordable housing does not get lost among the other city priorities. So thank you.

Potter: Thanks, folks.

Moore: Next are jay, marvin mitchell, and jim mcdonnell.

Potter: State your name when you speak and you each have three minutes.

Jay Theimeyer: My name is jay theimeyer and I am here to read a letter from sandra, a residents of lents. Dear mayor Potter and commissioners, my name is cassandra garrison. I live at 8318 southeast knapp. I am a resident of lents and land Leonard of several properties in lents. All those properties are rented to section 8 families or low-income working families. I learned how important stable affordable housing was as a welfare mom using section 8 housing while attending college. Today I am a community leader who works with and for policies that positively impact the lives of low-income people and vulnerable families whose voices are often unrecognized and unheard. I should add sometimes drowned out. Despite what you may have heard from people who claim the resident the lents neighborhood they do not represent me or my neighbors' views on affordable housing. I began attending lents neighborhood association meetings and to my dismay found that the members of the association, in fact, did not represent the view of the residents. The neighborhood association lacked the socioeconomic diversity that is represented in lents. After several years of fighting the predominant belief of the neighborhood association president and many of the neighborhood association members who believe "poor people bring the blight to lents," I stopped attending and began working on community projects with residents in my area. I am very happy and very proud that you agreed to passage of the 30% set aside. I feel I can speak for my neighborhood coalition of friends who want to thank you and are very grateful that council the dedicate these funds to help house our most vulnerable: Clean office buildings and work in low-wage jobs but they are also the seniors and the disabled living on fixed incomes. My biggest concern about how urban renewal is happening in lents is the concern for the low-income families who live there like my tenants. My tenants live in lents, lived in lents long before I came to the neighborhood. They raised their families there. Their children attend kelly school, are a part of the sun school program, and go to boys and girls clubs. The set aside will provide opportunities for my tenants to stay in the neighborhood. The benefits of the sit aside will be great for the residents there, neighborhood that is home mostly to working families earning low wages and seniors relying on fixed income. Thank you for being the champions you are for the city of Portland.

Marvin Mitchell: I am marvin mitchell. I am the advocate for julie westhouse which is a have in the neighborhoods. I want to thank you, mayor, and the council, for what you are doing with this set aside to help low-income families. In the five years I have worked at julie west, I have seen the effects of the changing area where seniors and people with mental illness and people with disabilities are forced to move and it really complicates their lives because they have to spend then more time finding a place to be, moving around, it deprives them of a lot of their familiar surroundings and it disorients them. The set aside is a great tool to help working families and individuals cope with these challenges as the cost of living goes up. We've lived, after Portland, in l.a. And chicago and san francisco, and we came back to Portland because of this diversity. We live in an area that has a number of small two-bedroom houses, all the way up to five and six-bedroom houses and the diversity of socioeconomic and demographics really makes for a vibrant neighborhood. And I would like to see Portland continue on that track to be an important, vital city. So you should all be grad lated for your leadership on this and as it goes forward we will see the results of this benefitting all of the people of Portland.

Potter: Thank you.

Jim McConnell: Mayor Potter, members of the council, my name is jim mcconnell. I am a member of the housing community development commission and I am speaking for that group

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today. Members of the commission have been very much involved in the development of both the set aside policy and the guidelines and hcdc has voted to support the guidelines as presented today. We believe they strike the right balance for several important affordable housing goals. First they provide for developing and preserving safe and decent rental housing for families whose wage v. Not kept pace with rent inflation and for people on low and fixed incomes particularly elderly and people with disabilities. Secondly, they promote home ownership for very low-income families and other households. For low-income households that pay too much of their income for rent and for people who are striving to become homeowners for the first time. The guidelines could increase by 700% the amount of funds that p.d.c. Devotes to home ownership thus they support our goal of closing the minority home ownership gap. People of color are disproportionately represented in the target populations we have talked about in the low-income categories. Hcdc wants to thank you, mayor Potter and commissioner Sten and your staff, for your work on the income guidelines and we extend our thanks to all members of the council for your support of the set aside and of the guidelines. We think the p.d.c. Staff and the commissioners deserve thanks also for their hard work and for the transparent process this they used at arriving at these agreements. As commissioner Sten said earlier, we need to be vigilant about the numbers and tweak them as we see whether we are getting success and good outcomes and hcdc stands to assist the council and p.d.c. in assessing the success. We would welcome the opportunity to collaborate with the staff of p.d.c., the council, and the city auditor to develop a list of key measures that the community could reasonably expect p.d.c. to track and measure success. Hcdc would like to track and analyze the data every two years and report back to council on the effectiveness of the income guidelines. And we will work with your staff to so if we can do that. Thank you.

Potter: Thanks, folks.

Moore: Our next three are richard ellmeyer, ruth adkins and cheryl roberts.

Potter: Thanks for being here, folks.

Richard Ellmyer: My name is richard ellmyer and I am here today to oppose this resolution. Which, if passed, would significantly increase the percentage of public housing clients in my neighborhood, portsmouth, beyond 35%, which would be the level reached after the remaining public housing units are completed this fall at the remodeled columbia villa. Shoot very real possibility of the former john ball school property, the decommissioned army reserve center and the soon to be closed collar reason don't school become public housing percentage of public housing clients in the portsmouth neighborhood could reach 60% or beyond. Public housing equals means test plus government subsidy plus rental agreement. P.d.c. deceived the city council, voters and taxpayers by using the inaccurate and misleading form affordable housing 19 times in this resolution and not once used the correct term, public housing to accurately describe the roughly \$111 million or 68% of the tif allocation of government subsidy then requiring citizens to pass a means test leading to a rental agreement. In other words, public housing. On february 28 p.d.c. Commissioners voted against this resolution. Commissioner kadri then cast p.d.c. staff to gather information by neighborhood on the location all public housing clients that are subsidized and administered by any government agency within p.d.c.'s area of influence. This assignment should involve about half a dozen phone calls on p.d.c.'s part and a matter of minutes to export the data from computer files by the agencies involved. It has been five weeks since commissioner kadri requested this data for public distribution. To date p.d.c. cannot or will not produce a single record in their possession. This is a clear indication of p.d.c. staff's willful negligence, gross incompetence or more likely a cover up ordered by senior p.d.c. Management. A demand for this data has been made under the Oregon public records law which eventually will lead to the truth of the matter. Unless commissioner kadri has been told to back off or keep his mouth shut, and he is prepared to risk his credibility and become the subject of public ridicule, commissioner sal kadri most certainly would be expected to publicly ask and very soon why he and the public haven't been given the

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authentic accurate, complete, and timely data he requested. There is no public support, none whatsoever, for a policy of unlimited neighborhood concentration of public housing. There is overwhelming public support for equitable distribution of public housing. Elected officials, appointed officials and others that vote for or endorse the use of taxpayer dollars in support of public housing expenditures without sufficient credible public housing client location data, on which to justify a morally and politically defensible division are in de facto support of the discredited and abhorrent public policy of unlimited neighborhood concentration of public housing.

Ruth Adkins: Good afternoon. My name is ruth atkins. I am a candidate for Portland school board in the may 15 election. And I here to express my strong support for the 30% set aside and the income guidelines and thank you for this wonderful new policy as a potential school board member and taxpayer, parents of three children in Portland public schools and a Portland resident I want to express my support. Too many of our families are being forced to leave Portland and our schools for the suburbans because there isn't enough affordable housing to go around. Schools and surrounding districts are overcrowded and are looking at having to build new schools at huge expense. While schools in Portland are facing closure, consolidation and a downward spiral and decline. We know that a major cause of declining enrollment in Portland schools is the lack of affordable housing. We must stop this cycle. I am very excited about this great step forward today. Children cannot succeed in school or in life without a place to call home. We currently have 1400 homeless children in Portland public schools. This is simply unacceptable. Moreover Portland cannot thrive economically unless we have a strong public school system. We must take action now to ensure that our city is family friendly, diverse, and livable for all. As a school board member, I would champion a positive, proactive approach city wide effort to increase enrollment in Portland public schools. The area's school districts, the city, metro, and the county can and must work together in direct partnership, plan for our common future and for the future of our children by including our schools and our urban planning efforts. An essential part of that is to focus our political will on increasing affordable family housing. Thank very much. Whether I win or lose I look forward to working together on our common goal which is a livable and family friendly city with great public schools for all our children. Thanks.

Cheryl Roberts: Good afternoon. My name is cheryl roberts. And I am here on behalf of the african-american alliance for home ownership. I want to start out by saying thank you to p.d.c. staff and commissioners for their support in affordable housing and home ownership of funding and allocations. I am going to lead a letter here. Dear mayor Potter and commissioners, members of the city council, in order to achieve the city of Portland's goal to close the minority home ownership gap, the african-american alliance for home ownership recommends one-half of the 30% set aside of the fif funds be ear mark for minority home ownership with the continual rise of the Portland real estate market, minority families are consistently being priced out of the market. We must dedicate funds that will help these families achieve self sufficiency and begin to realize that old american dream of building wealth and owning land, a piece of the rock. According to the Oregon benchmarks, a report on the progress of Oregon's racially and ethnically diverse populations from 1990 to 2004 homeownership rates for african americans and hispanics dropped by about 2%. The current rate for home ownership between these two groups is approximately 35 and 36%. Thus significantly low are than whites and asian pacific islanders who have a 64% home ownership rate. We are talking about Oregon. All of Oregon's racial and ethnic groups except asians, pacific islanders own homes at a low are rate than their national count are parts. I was asking the city council to hold the commission accountable to close the gap by insisting on an addendum to their recommendation that would ear mark 50% of the tif fund set aside as resources for minority homeownership activities. It's time for the city to step up to the plate. Stop the continuation of segregated housing finance and make it a priority to close the racial gap in home ownership by

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supporting 13,000 new minority home buyers. Reverse an inequity that exists for a Portland minorities and insist that operation home, the city of Portland's initiative, put their money where their mouth is. Not just become another round of roundtable of lip service and a waste of time for so many dedicated housing professionals. And we should, and how should we allocate those funds is very simple, gentlemen. Down payment and buy down assistance, home buyer counseling and education, and partnerships that assist minority developers who support minority home buyers. We are confident that you will all do the right thing. Thank you.

Potter: Thank you.

Moore: Our last two are sal kadri and bertha ferran.

Potter: Commissioners, welcome to city council. Nice to have you here.

*****: Thank you for having us.

*****: Come to the mountain.

Potter: If you would state your name for the record had you speak.

Sal Kadri: I'm sal kadri. Portland development commission. I see both bertha and I voted against this particular resolution for the following reasons. One, and by way, that has been mitigated now and so on. I support the 30% set aside for affordable housing, both for rental and home ownership. I see the p.d.c.'s job is to create jobs, well paying jobs, create wealth for the areas that we are responsible for meaning the urban renewal areas, and the way you do that for creating wealth is to help create home ownership for families and individuals so that they will have something as they go -- grow older in terms of techty and the third one is, of course, to have a business of your own. And hopefully small business and one that is diverse and is available to all ethnic minorities. So we need to take care of, in this particular resolution, I support the set aside that is there for the zero to 30% m.f.i. We need to take care of those who are economically the most vulnerable in our society. While we do that, we need to then save those who are about to get into that area by helping them own homes. So my part of the appeal to you is that you look at this in the framework that says that those folks who are just about 100 or less, up to 40% and so on, are not able to now afford to buy a home because the average home now is about \$280,000. So you need to have quite a bit of earning power and down payment in order to be able to afford. And bertha has come up with several different options to be able to make it more affordable for those folks who are in the bracket of anywhere from 50 to 100%. And that would then feed the dream of all residents of Portland, which means that I want to own a home. City of Portland has only 50% of the -- 57% of the folks who are homeowners, which is the lower than the state of Oregon. So justification and uplift or general tri-fay indication and uplift is going to happen by definition of all of the urban renewal areas that we go because we develop things in there and so on. So what we would like to see is that those folks who are renters in the urban renewal areas, go into homeownership as we go and develop so that they will be able to stay there and not have to depend on affordable rental homeownership. Because they don't have to move out, if you will. The other part from the school district and so on is that when you have homeownership, you have more likelihood of being, shall we say, long term resident of the area and that helps the students and. And the other area I would like to implore upon you is - - and andy welch mentioned that to you, is that tif set aside for affordable housing should be available to spent everywhere in Portland and not just the urban renewal areas. And I implore upon you to go to the state as part of your legislation to make that happen. I believe it is not there. And I expect you to make that change.

Bertha Ferran: Thank you. I'm bertha ferran. Most of Portland development commissioner and sorry I was late. I am being grandmother for the weekend. I wanted to also state, kind of supplement where sal was saying the reasons were I felt that I could not support the resolutions as it was done. However, I am here to ask you to help and support p.d.c. As we work to transfer dollars into the home ownership position up to the 40% that we are allowed in the urban renewal areas. So that we can definitely use some of the programs that we can develop to give affordable to those

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folks between the 60 and 100%. There are programs that can be done in order to chief the goal. For example, right now p.d.c. will be going to the state and asking for over \$20 million to create a mortgage great certificate program, which is a federal program that does not really cost the city any money, and it will afford new homeowners to get 20% of the interest rate -- interest that they pay on their homes as a tax credit on their tax return, on their federal tax return. That, if you equate that, it's equivalent of about a \$40,000 of a price on a home. So when you start layering subsidies there is opportunity to do that. Between the 60 and 100% of m.f.i. And also I would encourage also the city council to please putting in the legislative agenda that we can use t.i.f. Outside of the urban renewal area because sometimes there are areas within the city that are not on the urban renewal areas that could have potential for affordable housing that we cannot do the way we have it right now. Are there any questions that you want to have for us?

Saltzman: I would like to ask you. So you both oppose the resolution a couple months ago but you are now in support of it? Is that because there's additional flexibility or statements from us that we want to see home ownership on the higher end of the level? For the 60 to 100%?

Ferran: I would encourage that city council would support p.d.c. As we find dollars within the budget to be able to go between the 20 to 40% homeownership to be able to go to the higher level and not the lower level of the equation. And also, for example, in north macadam and in the river district, if you were to use different approaches, at 20% level, you can create homeownership, even in the high cost areas.

Saltzman: So that's one area. Clearly there's a disagreement.

*******:** Yeah, one --

Saltzman: Those two areas.

Kadri: Yeah, those are the areas. One of the ways that we can balance our approaches is to, whenever we have rental affordable housing project, we can have a certain portion of that for home ownership. Meaning, say, 100-united project is going on. We have 25 or 30 or 40 of those for affordable home ownership. So those folks when they are able to get better jobs and so on, have ability to get there. They can get into homeownership. And that's one way to, shall we say, help folks migrate from putting rental into affordability. And lots of projects are available now where, after 15 years, if the person is there, renting, are able to then get into homeownership at a very, very affordable level.

Potter: Thank you, folks, very much. I appreciate your advocacy. Is that the end of the testimony?

Moore: That's all.

Potter: This is a nonemergency. It moves to a second reading. I didn't know if any of the commissioners here wished to make any statements before we move to the next time certain. Please go ahead.

Adams: Thank you, mayor. I want to thank commissioner Sten and mayor Potter for their leadership on this issue. I want to thank the p.d.c. commission and the staff at p.d.c., including the housing department for your work on this. Margaret, for all of her great tire letters work, hcdc and all the community advocates that have really helped make this possible. You know, I am very happy to continue to support the 30% set aside at a time when we are seeing an escalating cost of living here in the city of Portland led by rising cost of housing and we are seeing lagging waging increases in the city of Portland compared to the region and at the same time, enduring cuts from the federal government, cuts to the federal government housing programs. I am proud to be part of a city council that is willing to take extraordinary efforts locally to try to bridge that gap and to try to address the issue of gentrification in this city. I like the fact that the flexibility among the urban renewal districts to allow for putting together an ownership, rental, an ownership sort of rental balance based on unique needs of the district. I like the fact up to 40% of the home own -- 40% of the 30% could be for home ownership in some districts. And I like the city's pursuit of being able

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to use t.i.f. dollars outside the e.r.a. So we don't have an overconcentration in any one part of the city. I continue to support getting good information on where these houses are going and how that compares to homes going and how that compares to our policy. We will continue to pursue this but this is a huge leap forward for the city of Portland. I will be proud to support it when it comes up for vote and I want to thank everyone involved in getting us to this point today.

Potter: Further statements?

Saltzman: I would like to thank commissioner Sten and the p.d.c. and all the advocates for your work on this. I think as you know from the questions I have been asking today I am interested and committed to seeing more of that 61 to 80% going towards homeownership. And I hope that the p.d.c. commission will figure out thousand make that happen. I am also very supportive of what the african-american alliance of home ownership is suggesting. I think I have learned we can't target resources per se to minority home ownership but the extent we can target homeownership as a category we all understand on this council and certainly this audience the tremendous benefits in terms of having owning the largest asset that most of us will ever own in our lives is our house. And all the dividend that that pays from homeownership in terms of investment in the neighborhood and being able to do other things. So I think that that's got to remain a focus here of our urban renewal efforts and I hope that the commission will reflected these comments in its future decision-making. I will be pleased to support this next week as well.

Leonard: Ditto.

Sten: I will just briefly -- I just briefly make a couple of comments. It was good testimony. I didn't want to leave it without any comments. It's actually factual and I was going to mention this in my opening that poverty has declined in every single urban renewal district so we have to have a policy that looks 10, 20 years out as well as right now. And I think likelihood is very high that poverty will continue to decline if the commission, say, in the neighborhoods spent, lieutenants take lents for example, 35% which is the minimum on the very poor, that would produce 50 units over the next five years. It's a drop in the bucket. So you know, if you spent the minimum on home ownership you get 55 units and the maximum 115. If you look at these spending patterns what you will see at the end of the day however the commission and I really did want to point out they have to balance this as the commission balances this money, you are going to get about half the actual units are going to be homeownership and half of the actual units will be rental because you get more homeownership units per dollar because you are serving more people at higher income. Those will add up to important numbers but its several units in each urban renewal district and it's not enough.

I think what we have done now is we have come together, we have had a good argument throughout this about exactly how the income guidelines should be spent. I think this is a good package. It has enough for everybody whose advocating for different issues to move forward and the challenge we have in the next 12 months all of us, not once this council acts is we got 2 make these programs get more leverage, more reach and push and then take our united front, come together around these guidelines and go out as we did at state and get more resource. I do believe we can actually get these units up from where they are. I would also say that on the issue of the minority home ownership strategy, there is not enough money but there is plenty of money in this budget to make substantial progress. To some extent substantial progress isn't enough because the numbers are terrible on these issues. The council does have budget requests in front of it from mayor Potter and myself to get some general fund money 'place which can be then used for outreach, organizing, counseling. I actually think the issue is as much one of getting people ready and organized in their own community which means we have to fund some of the groups like the african-american home ownership alliance more aggressively and that is not actually something that the tax increment funds can do because they can only be spent on actual project. I want to point out there's corollary pieces here. I will be happy to support more money into some of these project as soon as we get some of these systems working better. Some these pieces right now we could put on

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unlimited money and it wouldn't solve problem. I think bev had the right debate around these i. Now I hope we can come together. There's plenty of room under these to make big progress and next year say, hey, we are moving so much more gradually in some of these areas now, what should the allocations be? I think we can get there. Again, I thank you mayor Potter who helped me get this through and my colleagues. It's a great feeling.

Potter: I'll just close by saying I really appreciate the work of commissioner Sten, his leadership, margaret backs, the folks at p.d.c., staff. I am very impressed with your staff. Kay in and day out they do a great job. To the community who came in to testify today, I want to thank you. I think that this really isn't a versus situation, rental versus homeownership. I think we have to have a mix of both. What that right mix is I think next year can help us through a year's efforts, see where we need to apply more resources. I think the changes that have been made to this make it more accommodating and likely the other commissioners that have spoken I want to see the upper ends of those percentages put towards minority homeownership. We have made a commitment as a city to find 13,000 additional opportunities above and beyond what's being done to, for minority home ownership. I encourage the p.d.c. To consider some of the ways of providing for homeownership that have been suggested by commissioner ferran and commissioner kadri in terms of revolve, loan that could be used, pay downs and other ways to encourage and provide support for this kind of effort. It's going to be a long term effort. I see this as just one piece but a very strong piece for our community. And like the other commissioners we will be looking for other ways to increase home ownership. I see renting as a step towards. If we can develop programs that take renters and make them homeowners, I think everybody will be better served. It reminds me it's very similar to what we are shifting in our thinking about homelessness from providing temporary shelter to permanent supportive housing. I see this in a very similar vein. So I appreciate everybody's efforts. And I think that this is going to be a good thing for our city, for our citizens, for all the people who live here. So we will be voting on this. What is the date that we are going to be voting?

Moore: Come back next thursday, in the 2:00 p.m. session.

Potter: 2:00 p.m. so it does move to a second reading at this time and thank you all for being here. Thank you all. [applause] please read the 3:30 time certain.

Item 347.

Potter: Half between that one block to the other. And that --

Leonard: Karla sent me mail.

Adams: Could we do 348, 349 and then the time certain?

Potter: You think the Saltzman will move fast? Ok.

Adams: Mine is just eye.

Leonard: Ernie, how are you doing? Good to see you. Thank you.

*******:** Can I bring a future citizen here?

Leonard: You did what I suggested. Twyman & banks. Comprehensive plan.

Potter: If you can take your conversations outside.

Potter: If the commissioners could return to their seats I would appreciate it. We are going to. We are going to go to the regular agenda to pick up those two and return to the 3:30 time certain.

Moore: Ok.

Potter: First turf have some commissioners.

*******:** Here's one.

Potter: Go ahead and read item 348.

Item 348.

Moore: Amend the transportation system plan and comprehensive plan to ensure the do you means remain current and to incorporate new policy language.

Potter: This is a vote only. Please call the vote.

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

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Potter: Aye. [gavel pounded] please read item 349.

Item 349.

Potter: Commissioner Saltzman.

Saltzman: Thank you, mr. Mayor, members of the council. Currently pending to the Oregon state legislature is a bill which contains provisions that apply only to the city of Portland's fire and police disability system or commonly known as the fpd&r system. Senate bill 560 would man indicate changes without input from the voters of Portland regard building medical coverage in the fpd&r system. While I do believe coverage in the system for injured officers who were you are return to work is one that needs to be addressed, I can not support, nor do I think most of the council, support provisions in a state legislative bill dictating or preempting how the city of Portland's voters may feel about this subject. We have a long history of opposing issues that preempt local government's prerogatives. This is a local issue. It's an issue which the voters of Portland should decide. And I cannot support the legislature doing an end run around the voters and taxpayers of this city. This resolution calls on the state legislature to remove the provisions of senate bill 560, sections two and three, which single out the city of Portland's fpd&r system. I do, however, firmly believe the city needs to address the issues raised in senate bill 560. The issue of continuing medical coverage in the fpd&r system is of continuing importance to individual officers, to the city and its return to work efforts. Currently in the fpd&r system officers who are injured in the line of duty lose continuing medical coverage for those injuries if they return to work. However, officers who never return to work and remain on disability retain medical coverage for their work-related injury. Obviously, this creates a disincentive for injured work officers to return to work and appears fundamentally unfair to injured police officers and firefighters. And I believe that fixing this inequity is the right thing to do. Simply said senate bill 560 is the wrong way to do it. I believe the council should immediately begin to work with the police, fire, and commanding officers associations to craft language to refer charter changes to the voters in the november 2007 election. And in addition I believe that in crafting that language we should respect the will of the voters when they overhauled the fpd&r disability system last year and commit to not reopening claims made under the old voter reform -- excuse me -- to not reopen claims made under the old fpd&r system. That's an issue for my particular opinion. Know commissioner Leonard will offer a substitute resolution which I will support and talk a little bit more about that.

Leonard: Thank you. I would move the substitute resolution that was just distributed for the one commissioner Saltzman.

Adams: Second.

Saltzman: Here's a bunch of copies.

Potter: Does the city attorney have one?

Leonard: I am not sure. Probably not. This is hot off the presses. Probably an hour and 20 minutes ago. This, as commissioner Saltzman indicated, this is a resolution that I think will have the unanimous support of the council. But I do think it's important in the light of, in light of some of commissioner Saltzman's remarks to frame this issue so that there's a better understanding of how we got here. Commissioner Saltzman has acknowledged for some time that this was an issue that needed to be addressed. And I appreciate that. But after I learned about this amendment last week, based on an inquiry from the Oregonian and began asking, I also learned that there had been some maybe misunderstanding between commissioner Saltzman and the firefighters and police officers of Portland relative to the timetable of when this would be resolved. And based on what it felt like according to those that I talked to was some inaction they felt they had no choice but to go to this legislative session. And ask that the legislature consider the issue of whether injured officers are, and firefighters should have medical care for injuries sustained on the job. And the result is where we are today. Which I think is a good place to be, that we have, as different offices discuss this issue, next week and come up with language as I indicated literally up to just before this council

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hearing, shannon o'callaghan from commissioner Saltzman's office was gracious enough to put this all in one document and I think this presents a resolution we can all support. And the difference, really the only significant change is that as opposed to the original resolution mr. Saltzman spruced, which prescribed a specific resolution, this resolution asks that this task force go off, do its work, bring back the recommendations to the council and then at this time, the council can debate the nuances of what they recommend to us. I can agree a modify or reject based on what we think at that time. Thank you.

Saltzman: I would say that I support this resolution because it does I think the -- several items. First, it does unequivocally put the city council in opposition to senate bill 560 sections two and three. And authorizes our government relations folks to follow those instructions accordingly in salem. Second, it does commit to getting changes on the november 2007 ballot. It does so by creating a committee whose commission is mentioned here in the resolution and that committee is charged to come back to council by may 31 with its recommendations. So it contains everything in there that I wanted to see. And I think it's, as I said, we may disagree what the committee recommends, as I just stated a second ago. You know, I believe we should respect the will of the voters and make it retroactive or not reopen claims that are older than january 1 of 2007, which was the effective date of the overhaul of the fpd&r system. And I state that potentially because there's a significant liability to taxpayers broadening that decision. And secondarily under the old system I think all of us recall that the claims approval rate for disability was upwards of 99%. But having said that, that's my own personal beliefs. And I want to see this process work. And one way or the other those beliefs, other beliefs will be brought out as we put a product on the november ballot.

Potter: Further discussion. Vote on the amendment.

Moore: Testimony? Ed hall.

Potter: I thought we were going to vote on amendment so they would know what they were testifying on.

Moore: Do you want to take the testimony before we bring in the substitute?

Potter: I think they should know what they are voting on with the amendment. It will be a very specific thing that they can discuss. Let's take the vote.

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

Potter: Aye. [gavel pounded] how many folks are signed up?

Moore: Just one. Ed hall.

Potter: Thanks for being here, mr. Hall.

Ed Hall: You are very welcome. Good afternoon. Ed hall, Portland firefighters association. Mike my remarks pretty brief. But stand by for any questions that you might have. But first off I am happy that this is going to be referred. The men and women. Portland firefighters association have always been behind the idea that this would be referred to the people of Portland. The history behind this, where it brings us today as I think most of you remember, started well before last november of 2007. This issue was identified before that time. These questions were raised. There was no end run attempt. Like I say the men and women of the Portland firefighters association are honorable public servants. They respect the people of Portland and they enjoy serving those people of Portland. But we waded through november -- waited through november. Nothing. Through the wintertime. Nothing came to me and like I say, there are things that needed to happen. There are people who are out there who are being ill affected by this and it needs to be addressed. It needs to be addressed sooner than later. And so november is the date. We are happy to have it out there. We are supportive of that and we are supportive of the language being removed from senate bill 560 as it pertains to medical equivalency of city of Portland's fire and police officers disability fund so if you have questions for clarification I would be happy to take them. You are very welcome. Thank you.

Potter: Discussion? Call the vote.

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Adams: Well, I am a strong proponent, having a strong proponent of reforms, common sense reforms to fpd&r but I think that this, and I think that this work group is consistent with that. At no time did I seek to unintentionally or nor do I think that the city ever sought to support an unintentional cause of loss of medical benefits for firefighters or police officers who return to work. So I think that this work group is really important and I look forward to considering their work when it's brought forward to us on the by the may 31st deadline. I want to thank you for bringing this forward both of you and aye.

Leonard: And I second all those remarks but I do need to point out shannon's work on this because I am short staffed in my office right now. We find ourselves trying to do too many things at once and she stepped in and helped bring this together. Thanks very much, shannon. Aye.

Saltzman: I, too, want to thank shannon callahan for her defendant work on this issue both in getting the charter reforms approved in 2006 or getting them drafted but I also know that this work group does call for members of council offices. So I expect all five of us to have a role in this. Aye.

Sten: Well, we had no choice but to have a role. Thanks to my team for helping on this. You know, I think, and I can it's good spirit that commissioner Saltzman does. I think it's dangerous to get too deep into guess whack the voters wanted and didn't want. I really think it was advertised as the firefighters and police who have pretty high popularity ratings chose not to have very explicitly that if a person with a bad back was required to go back and do desk work they would lose lifetime coverage of that bad back. I am not so sure it would have passed as easily as it did. And my recollection of the conversations are that the firefighters and police said, which I agreed with, let's get the reform passed and then fix this after. And so I think that's where we are today. I think we do need to fix it. I think this is potentially a major league flaw in the disability system because if -- if we require people to do work that they can do with existing disabilities but then they lose the ongoing disability coverage they are going to do the natural thing and fight placement. And once they start fighting placement now you are into a situation where we are not working together to reform something. We are in an adversarial situation and things start going to court. And I think there are some contractual issues on this. I think the fact that everyone's come together and that commissioner Saltzman you can help figure this out is terrific. I don't think it was bad faith on either side. In fact, I think that, I remember this being pointed out every step of the way and the concern being, when we were doing the work last year it was a tricky issue. Unfortunately, it's not any less tricky issue and we have given ourself whatever it is, 59 days to figure it out. But I think sometimes there's nothing like a deadline to get something done. And I will look forward to coming up with something that hopefully everybody can support and we can send out to the voters and if we can't get there at least something that we can get to the voters and get the issue resolved. I appreciate everybody's efforts and we are on our way to a much better system that's much more accountable and it's a good feeling. Aye.

Potter: Echo the sentiments of the commissioners. I vote aye. [gavel pounded] are you folks leaving? Can we just hear the reading and have you --

Adams: -- officially excused? Yes. Just.

Potter: Please read the 3:30 time certain.

Item 347.

Potter: Before we begin the proceeding both commissioner Leonard and commissioner Adams were not at the other meetings and are going to be recusing themselves. Thank you.

Leonard: Thank you very much.

Potter: Staff.

Stephanie Beckman: Thank you. My name is stephanie beckman. I am a city planner with the bureau of development services. And this is a continued hearing from march 22. So we will be continuing the consideration of the appeal as was just read. I am going to go through some just

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basics as to where we are today and give you an update as well as present some findings. Again, the appellant was the Mount Tabor Neighborhood Association. Applicant, Alex Banks with Twyman and Banks LLC. As I said before this is a continued hearing to essentially on March 22, the applicant and appellant presented a preliminary agreement to address some. Their major concerns and got preliminary direction from Council accepting that agreement. There was a continued hearing to allow them to finalize the agreement and come back today to see if findings were ready to be adopted. The, my understanding is that has occurred. The neighborhood association did provide a letter that should have been included with the Council packet distributed yesterday that indicated their agreement with changes to the proposal. And I will go through what those are in just a minute. There is one other party that also submits Adler that wasn't necessarily in agreement with the changes and asked for additional conditions. And I will go into that as well. I am going to go through a few slides just to remind you what we are talking about here. First, the hearings officer approved a zoning map amendment to convert the site from the existing R5 zoning to R2.5 zoning. That was in conformance with the Comprehensive Plan designation for the site. Divide the site to create eight lots for attached houses. A plan development review for a specific building designs with modifications to narrow lot standards and site setbacks on two lots and then an adjustment to tree preservation requirements to allow removal of the one nonexempt tree on the site. This shows the proposed zoning on the site of the R2.5. You will also notice where the site is located. About a little over 300 feet north of Southeast Division. It's got frontage on both Southeast 76th and 75th. You can see 75th is kind of a narrow roadway on the west side. Also important to note is that Southeast Sherman terminates at 75th at the southern portion of the site. This is a site plan showing what was proposed and approved by the hearings officer. Again, there are eight lots. Four fronting on 76th and four fronting on 75th. There is a seven and a half foot dedication for a public pedestrian connection on the north side of the site. That was one of the main concerns that was brought forward in the appeal. Other issues that were brought forward were the number of units proposed and the agreement between the applicant and the neighborhood asked that one lot be eliminated on the 75th side there would only be three units facing 75th. And also that the pedestrian connection on the north side be eliminated. Both of these changes would allow some. Other issues to be addressed including allowing more on street parking as well as opportunities to preserve trees on the north side of the site which would otherwise need to be removed due to the pedestrian path being installed. This is a grading plan which shows the trees in question. There was an adjustment approved to allow removal of tree number one which was the only nonexempt tree on the site. The trees along the property line were exempt from the regulations. However, Council provided some direction that with elimination of the path, they would like to do that in order to save those trees. As I mention would earlier, the neighborhood association and applicant have reached an agreement to address the main areas of concern which included the number of units proposed, parking impacts, and the location of the pedestrian connection. I have provided findings that are consistent with the agreement and preliminary Council direction and those were distributed yesterday to Council as well as to all the parties in question. Those findings would uphold the hearings officer decision and make the following modifications and those were also laid out in the memo that you would have received and I am going to run through them real quickly now. They acknowledge the reduction in the number of lots from eight to seven. With three fronting on Southeast 75th. They include findings to eliminate the public pedestrian connection on the north side of the site based on the necessary offset from the existing street alignment with Southeast Sherman. The terrain on the site with significant slopes. And impact on trees on the north property line. A condition is also added to vacate a prior one-foot dedication along the north side of the site. That was done in an anticipation of that pedestrian connection being allocated there. Additional findings were also added regarding parking impacts reflecting the increased on street parking that would be allowed with these changes. And conditions are added to ensure that the final design will

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result in on street parking on southeast 75th. That requires a little bit more dedication to the street as well as a driveway design that would ensure that an actual parking space would be provided. There were also some findings and conditions related to additional tree protection mazers for trees located on the north side of the site. As I mention would earlier, the neighbor to the north did still have some concerns and submitted a letter a requesting additional conditions protecting trees on his property. The findings provided do address this issue but don't recommend any additional conditions. It's important to note that the zoning code doesn't normally -- doesn't normally regulate trees on an adjacent property. That's currently something that's left as a civil issue between property owners to work out outside of the land use process. In this case, there are approval criteria under the plan development adjustment that could provide an opportunity for counsel to add additional requirements based on impacts to neighboring properties. However, based on the information in the record, the location of the trees, and lack of any information saying that they actually will be impacted, additional conditions related to that aren't recommended at this point. And those are also included in the council findings on pages 26 and 27. There was an additional letter provided today from the adjacent neighbor which asked for some fairly minor modifications to some of the conditions. It's dated april 5 from carrie richter, who is the representative for the adjacent neighbor and I wanted to address that quickly. The conditions are b-9 and 10 and there's underlying text where that was requested. I believe you should have a copy of that passed out today. This party is asking for some changes to ask that the applicant be required to provide revised plans and the arborist report to the neighbor and the neighborhood association, 10 days prior to submitting it to the city. I don't really have any major issues with that. You may want to hear from the applicant if they have concerns. I don't think it's necessary because this information will be part of the public record and there is a notice sent out in the final plat is submitted. So they would have the opportunity to come in and view the file and see all of the information. I would recommend that if you are inclined to include language like this, that you perhaps remove the requirement to provide it at least 10 days ahead because that's something that's difficult to enforce and may be just require that they provide the information to the neighbor as requested. The other changes that were requested was, the condition basically lays out that the applicant would provide an arborist report and tree preservation plan prior to final platted approval for review and approval by the city. And it includes protection measures that could be included and this was the idea was to provide some sort of parameters which might be requested to preserve these trees but that would be laid out by a qualified professional such as an arborist. So the sentence reads "protection measures could include but are not limbed to arborist supervision, excavation by hand or air spade, special foundations and therapeutic care." and she was requesting that it be changed to "must include." I would like to request that should remain as "could" and that a qualified professional would make that determination. As I mentioned earlier, there were -- there was some preliminary direction from council at the last hearing. Although there weren't any final decisions made, so the alternative space in council still remained to deny the appeal and uphold the hearings officer decision as originally issued to uphold the hearings officer decision with modifications or to overturn the hearings officer decision. The findings presented today could be adopted and I believe that would - - that would resolve the matter. If you would like significant changes, then, we would need to come back for adoption of findings. And that concludes my presentation. If you have any questions.

Potter: No. Any questions?

Saltzman: Did you, on the arborist, you said there will, under the current conditions, there would be an arborist report?

Beckman: Yes. What's written here, ms. Richter has basically written off the language in the proposed council conditions and has, the underline is and strike through is what she has added and is recommending. So the arborist report and tree preservation plan would be required. Basically what they are requesting is that a copy of those plans be provided to the neighbor and the

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neighborhood association, essentially just to give them the chance to review it and I guess comment before those could be submitted to the city.

Sten: This is really good. And I am totally happy to hear testimony from both sides. Before we do that I was going to suggest that I am -- I would be comfortable with going with the staff recommendations with, and I would be glad to hear if people don't agree with this, with the adding the conditions that are requested with the changes that stephanie recommended on the 10 days and the "could." I don't think, I don't think we can enforce the 10 days. And I wish we were lightning quick but you have plenty of time to review them if they are provided the same time that we get them. So I think that's fair. And I think the code is probably better word. So I would throw that out as a suggestion to maybe if that works save both sides sort of having to make their case for or against. Feel free to come up and testify. I wanted to throw that out as a starting point, not to dampen the testimony.

Potter: Thank you.

Potter: Would the appellant like to come forward first. And respond to commissioner Sten's recommendation.

Carrie Richter: Good afternoon. My name is carrie richter, an attorney at garvey Schubert and barer. I represent lee schneiderman, the property owner directly north of the subject property. I would like to just thank commissioner Sten for acknowledging the need for notice because nobody has seen this seven-lot plan yet. Nobody knows what it's going to look like. And nobody has seen a landscape plan. The applicant did not submit a landscape plan identifying any protection measures as required by the code. So we would like to have an opportunity to participate in that. And I realize the city does send out a little card that says the final plat has been submitted but that oftentimes goes overlooked. And I am not, you know, I don't know when this is going to happen. So I think that's important. I just want to reiterate for the record that the record does contain identification of the trees and where they are located on the property and there are photographs of these trees and their size. And there isn't an arborist record in the report. The staff is correct that where the roots extends on these properties. But I would like to implore the applicant to do everything because these are huge trees. And I was reflecting upon that when I looked up there and saw those trees. They are huge trees. And they deserve protection because the council has decided that the trees deserve protection more than the path. And if you are going to lose the path and keep the trees, we got to keep the trees. And not come in after the fact and say, sorry, the trees went down. So that's all I have. I thank the council for their time.

Potter: Mount tabor?

Dave Hilts: Mayor and council, mount tabor neighborhood association, dave hilts, land use chair. We have worked with the developer and the neighbor and we have come to the agreement. We feel good about it. In the spirit of collaboration, I am sure that we will get a chance to review the site plan and I am unconcerned with having it be something slip through without our knowledge. And I have already received a site plan, preliminary site plan from the developer which shows the reconfiguration from four to three on 75th street side. And I would also like to take -- thank the mayor and council for taking the time to actually consider this single lot issue in our neighborhood.

But with the upcoming revisiting of the comp plan and zoning code that is underway, this is one of the issues that we have been up against with in-fill development in our neighborhood that is out of context with our neighborhood. And so I think this is a good compromise. And I would like to see more developments like this in our neighborhood that take place in a collaborative way where the actual developer and the neighborhood speak to each other instead of don't talk to each other and then appeal the council. So thank you very much.

Potter: Twyman and banks?

Alex Banks: Good afternoon, mayor, members of the council. I don't really have anything to add other than I think commissioner Sten, your suggestions are fine. As everyone has said we have

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come to an agreement and I think we are ok with that. We have never been, never intended to withhold information from the neighbor or the neighborhood association, as I had said in the last meeting. We went to the neighbor association voluntarily at the beginning of the process and went to them again so we have no issue with sharing the information. I would just like to maybe understand a little bit better about what the implications of sharing that information would be and if, for example, something isn't agreeable to the neighborhood, to the neighbor, what say do they have beyond this to impact the development further? I'm kind of trying to draw a line. Are we done? I don't know if someone can answer that for me.

Potter: Staff?

Beckman: Stephanie beckman, bureau of development services. My understanding is that it would just be a requirement to provide the information and then we would be measuring, we would be reviewing that information and, of course, we always allow someone to provide comments and input on it. But we aren't going to be reopening the application at that point. We are going to be looking for, you know, information provided and make sure that it looks like it's still in substantial conformance with what was originally submitted. And we would use, one of the elements to the condition about the tree protection was to involve the city forester at any issue where one of the trees actually needs to be removed that the city forester would have to review that information and be in agreement with that was a necessary course of action.

Potter: Does that answer your question?

Beckman: Yes. I believe so. Any questions? Thank you.

Sten: Looks like a good development.

Potter: Do we have to actually amend --

Pete Kasting: You could amend findings as suggested by commissioner Sten.

Sten: I would move we do what I outlined earlier.

Potter: We have that down on paper. Right? In form?

Saltzman: We have the letter here.

Kasting: We have substance of it and we can incorporate that.

Beckman: I have it.

Saltzman: Second.

Potter: Call the vote.

Saltzman: Good work on everybody's sides. I am very pleased to learn more about the, your development company. Sounds like you have very good principles and very pleased to hear that. Aye.

Sten: It was a little rocky here but this is the way it should work and I think it's a better development and we were able to interpret things but you are primarily able to work with the staff and come to a good agreement. So congratulations and thank you. Aye.

Potter: Aye. [gavel pounded] now do I have to ask for a motion to accept the hearings officer with council modification?

*******:** To adopt the council findings as amended.

Saltzman: Second.

Potter: Call the vote.

Saltzman: Aye.

Sten: Aye.

Potter: Aye. [gavel pounded] we are adjourned until next week. Not yet.

*******:** Mayor Potter, members of council, office of transportation. I apologize. There's one minor nuance that's still remaining. I ask the council do make a motion and direct transportation to proceed with the city council initiated street vacation to remove the one foot that that is been dedicate the we will work expeditiously to move this in the next months.

Sten: Moved.

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Saltzman: Second.

Potter: Call the vote.

Saltzman: Aye.

Sten: Aye.

Potter: Aye. Thanks for know. Now we are adjourned. [gavel pounded]

At 4:53 p.m., Council adjourned.