



CITY OF  
**PORTLAND, OREGON**

OFFICIAL  
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **5TH DAY OF SEPTEMBER, 2007** AT 9:30 A.M.

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

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.

<b>COMMUNICATIONS</b>	<b>Disposition:</b>
<p><b>1037</b> Request of Brian Thomas to address Council regarding solution to recovery housing bottleneck (Communication)</p>	<b>PLACED ON FILE</b>
<p><b>1038</b> Request of Dave Nadal to address Council regarding qualifications for office, PGE and land use directions (Communication)</p>	<b>PLACED ON FILE</b>
<b>TIME CERTAINS</b>	
<p><b>*1039 TIME CERTAIN: 9:30 AM</b> – Authorize Intergovernmental Agreements with local governments to accept funding for a new regional Green Development Resource Center to be housed in the Office of Sustainable Development (Ordinance introduced by Commissioner Saltzman)  (Y-4)</p>	<b>181252</b>
<b>CONSENT AGENDA – NO DISCUSSION</b>	
<p><b>Mayor Tom Potter</b></p> <p><b>Office of Management and Finance – Business Operations</b></p>	
<p><b>*1040</b> Pay claim of Daniel A. Peterson (Ordinance)  (Y-4)</p>	<b>181233</b>
<p><b>Office of Management and Finance – Human Resources</b></p>	

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<p><b>*1041</b> Change the salary range of the nonrepresented classifications of Emergency Communications Supervisor and Assistant Emergency Communications Operations Manager (Ordinance) (Y-4)</p>	<p align="center"><b>181234</b></p>
<p><b>*1042</b> Create three full-time positions and one part-time position in the Bureau of Development Services (Ordinance) (Y-4)</p>	<p align="center"><b>181235</b></p>
<p align="center"><b>Office of Neighborhood Involvement</b></p>	
<p><b>*1043</b> Authorize a Grant Agreement with Elders In Action to provide services and advocacy for older adults in the City (Ordinance) (Y-4)</p>	<p align="center"><b>181236</b></p>
<p align="center"><b>Portland Office of Emergency Management</b></p>	
<p><b>1044</b> Revise Evacuation Annex to the Basic Emergency Operation Plan to identify the plan as City policy (Resolution; amend Resolution No. 36512) (Y-4)</p>	<p align="center"><b>36530</b></p>
<p align="center"><b>Police Bureau</b></p>	
<p><b>*1045</b> Extend contract with Lil' Rookies to July 30, 2009 and increase compensation for day care services (Ordinance; amend Contract No. 35342) (Y-4)</p>	<p align="center"><b>181237</b></p>
<p><b>*1046</b> Authorize agreement with A&amp;E Television Networks to film docu-reality footage (Ordinance) (Y-4)</p>	<p align="center"><b>181238</b></p>
<p align="center"><b>Commissioner Sam Adams</b></p>	
<p align="center"><b>Bureau of Environmental Services</b></p>	
<p><b>*1047</b> Amend contract with GSI Water Solutions, Inc. for CERCLA and Risk Assessment technical assistance at the Portland Harbor Superfund Site (Ordinance; amend Contract No. 36324) (Y-4)</p>	<p align="center"><b>181239</b></p>
<p><b>*1048</b> Authorize a price agreement for polymer flocculant for the Columbia Boulevard Wastewater Treatment Plant (Ordinance) (Y-4)</p>	<p align="center"><b>181240</b></p>
<p><b>1049</b> Revise the Sanitary and Stormwater System Development Charge Methodically to correct fixture reference (Ordinance; amend Ordinance No. 181006)</p>	<p align="center"><b>PASSED TO SECOND READING SEPTEMBER 12, 2007 AT 9:30 AM</b></p>
<p align="center"><b>Office of Transportation</b></p>	

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<p><b>1050</b> Set a hearing date, 9:30 a.m. Wednesday, September 26, 2007, to vacate a portion of SE Kelton Street west of SE 28th Avenue (Report; VAC - 10040)  (Y-4)</p>	<p align="center"><b>ACCEPTED</b></p>	
<p><b>1051</b> Set a hearing date 9:30 a.m. Wednesday, October 3, 2007, to vacate portions of NW Quimby St and NW Aspen Ave (Report; VAC - 10041)  (Y-4)</p>	<p align="center"><b>ACCEPTED</b></p>	
<p><b>*1052</b> Amend Intergovernmental Agreement with Oregon Department of Transportation for the East Columbia Blvd-Lombard St Connector Project (Ordinance; amend Contract No. 52077)  (Y-4)</p>	<p align="center"><b>181241</b></p>	
<p><b>*1053</b> Authorize application to Environmental Protection Agency for a \$100,000 grant for the Sunday Parkways pilot project (Ordinance)  (Y-4)</p>	<p align="center"><b>181242</b></p>	
<p><b>*1054</b> Grant revocable permit to Kingston Bar &amp; Grill/Portland State University to close SW Morrison St between SW 20th Pl and SW 20th Ave; and SW 20th Pl between SW Yamhill and SW Morrison St from 8:00 a.m. to 8:00 p.m. on 9/8/07, 9/15/07, 10/6/07, 10/27/07 and 11/10/07 (Ordinance)  (Y-4)</p>	<p align="center"><b>181243</b></p>	
<p><b>*1055</b> Grant revocable permit to Roman Catholic Archbishop of Portland/St. Stanislaus Parish to close N Failing St between N Interstate and N Montana Avenues on September 28, 2007 through October 1, 2007 (Ordinance)  (Y-4)</p>	<p align="center"><b>181244</b></p>	
<p align="center"><b>Commissioner Randy Leonard</b></p> <p align="center"><b>Bureau of Development Services</b></p> <p><b>*1056</b> Authorize an Intergovernmental Agreement with the State of Oregon on behalf of Portland State University for the use of parking permits and access at the 4th Ave Garage and provide for payment (Ordinance)  (Y-4)</p>		<p align="center"><b>181245</b></p>
<p align="center"><b>Water Bureau</b></p> <p><b>1057</b> Authorize transfer of assets for the McCoy Park decorative fountain from Portland Parks and Recreation to the Portland Water Bureau (Ordinance)</p>		<p align="center"><b>PASSED TO SECOND READING SEPTEMBER 12, 2007 AT 9:30 AM</b></p>
<p align="center"><b>Commissioner Dan Saltzman</b></p> <p align="center"><b>Office of Cable Communications and Franchise Management</b></p> <p><b>*1058</b> Grant temporary revocable permit to Clearwire US LLC, to use the City Streets to provide wireless broadband Internet access services and establish terms and conditions (Ordinance)  (Y-4)</p>		<p align="center"><b>181246</b></p>

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<b>Parks and Recreation</b>		
<b>*1059</b>	Authorize payment to Pioneer Courthouse Square, Inc. for operations management (Ordinance)  (Y-4)	<b>181247</b>
<b>1060</b>	Authorize License Agreement with Portland Rose Festival Association for operation of the Rose Garden Store in Washington Park (Ordinance)	<b>PASSED TO SECOND READING SEPTEMBER 12, 2007 AT 9:30 AM</b>
<b>Commissioner Erik Sten</b>		
<b>Fire and Rescue</b>		
<b>*1061</b>	Authorize Permit and Right of Entry Agreement with Port of Portland for access through Port property (Ordinance)  (Y-4)	<b>181248</b>
<b>*1062</b>	Accept \$5,000 donation from the Fireman's Fund for the purchase of workout equipment to improve firefighter fitness (Ordinance)  (Y-4)	<b>181249</b>
<b>*1063</b>	Authorize Intergovernmental Agreement with Portland Community College for advanced cardiac life support training (Ordinance)  (Y-4)	<b>181250</b>
<b>*1064</b>	Authorize an Intergovernmental Agreement with Metropolitan Service District for maintenance of a computerized mapping system for Portland Fire & Rescue emergency response vehicles not to exceed \$25,000 (Ordinance)  (Y-4)	<b>181251</b>
<b>1065</b>	Authorize an Intergovernmental Agreement with the City of Gresham for the joint operation of Station 31 (Ordinance)	<b>PASSED TO SECOND READING SEPTEMBER 12, 2007 AT 9:30 AM</b>
<b>1066</b>	Apply for a \$691,763 grant from the Department of Homeland Security for Portland Fire & Rescue (Ordinance)	<b>PASSED TO SECOND READING SEPTEMBER 12, 2007 AT 9:30 AM</b>
<b>REGULAR AGENDA</b>		
<b>Mayor Tom Potter</b>		
<b>Bureau of Fire, Police Disability &amp; Retirement</b>		
<b>*1067</b>	Authorize contract with Marsh USA, Inc. to provide disability management consulting services to the Bureau of Fire and Police Disability and Retirement of the City of Portland (Ordinance)	<b>REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</b>
<b>Office of Management and Finance – Business Operations</b>		

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<p><b>*1068</b> Authorize charitable organizations eligible to participate in the City 2008 Combined Charitable Campaign (Ordinance)</p>	<p align="center"><b>REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</b></p>
<p><b>*1069</b> Amend contract with Fidelity and Deposit Company of Maryland, surety for RB &amp; G Construction LLC to provide additional construction services for the remodel of Fire Stations 15, 24 and 43 (Ordinance; amend Contract No. 37513)  (Y-4)</p>	<p align="center"><b>181253</b></p>
<p><b>*1070</b> Pay claim of Ebony Williams, minor (Ordinance)  (Y-4)</p>	<p align="center"><b>181254</b></p>
<p><b>1071</b> Adopt findings and grant an exemption from the competitive bidding requirements in ORS 279C and City Code Chapter 5.33 for the potential redevelopment of the 10th and Yamhill garage (Ordinance)</p>	<p align="center"><b>PASSED TO SECOND READING SEPTEMBER 12, 2007 AT 9:30 AM</b></p>
<p align="center"><b>Office of Management and Finance – Human Resources</b></p>	
<p><b>1072</b> Create a new nonrepresented classification of Portland Streetcar Operations Supervisor and establish a compensation rate for this classification (Second Reading Agenda 1016)  (Y-4)</p>	<p align="center"><b>181255</b></p>
<p><b>1073</b> Change the salary range of the nonrepresented classification of Law Office Administrator (Second Reading Agenda 1017)  (Y-4)</p>	<p align="center"><b>181256</b></p>
<p><b>1074</b> Create a new represented classification of Development Services Technician Trainee and establish an interim compensation rate for this classification (Second Reading Agenda 1018)  (Y-4)</p>	<p align="center"><b>181257</b></p>
<p align="center"><b>Office of Management and Finance – Purchases</b></p>	
<p><b>1075</b> Accept the report Sustainable Procurement Strategy 2006-2007 Progress Report: A Joint Effort by Multnomah County and the City of Portland (Report)  <b>Motion to accept the Report:</b> Moved by Commissioner Adams and seconded by Commissioner Leonard.  (Y-4)</p>	<p align="center"><b>ACCEPTED</b></p>
<p align="center"><b>Commissioner Sam Adams</b></p>	
<p align="center"><b>Bureau of Environmental Services</b></p>	
<p><b>1076</b> Authorize an Intergovernmental Agreement with Portland State University to coordinate Community Watershed Stewardship Grants (Second Reading Agenda 1028)  (Y-4)</p>	<p align="center"><b>181258</b></p>
<p align="center"><b>Office of Transportation</b></p>	

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<p><b>1077</b> Grant revocable permit to Restaurant Services, Inc. to close SW Stark St between 10th Ave and 11th Ave on September 2, 2007 (Second Reading Agenda 1029)</p> <p>(Y-4)</p>	<p align="center"><b>181259</b></p>	
<p align="center"><b>Commissioner Dan Saltzman</b></p> <p align="center"><b>Office of Sustainable Development</b></p> <p><b>1078</b> Accept the report on the Franchise Agreement for Residential Solid Waste, Recycling and Yard Debris Collection (Report)</p> <p><b>Motion to accept the Report:</b> Moved by Commissioner Leonard and seconded by Commissioner Saltzman:</p> <p>(Y-4)</p>		<p align="center"><b>ACCEPTED</b></p>
<p align="center"><b>Parks and Recreation</b></p> <p><b>*1079</b> Authorize an Intergovernmental Agreement between Portland Parks and Recreation, Multnomah County Drainage District, and Peninsula Drainage District No. 2 to make improvements at the Columbia Children's Arboretum (Ordinance)</p> <p>(Y-4)</p>		<p align="center"><b>181260</b></p>
<p><b>*1080</b> Extend contract with Fred Gast, Jr. Architect to complete the Lents Little League relocation project (Ordinance; amend Contract No. 33724)</p> <p>(Y-4)</p>	<p align="center"><b>181261</b></p>	
<p><b>*1081</b> Authorize pass-through payment to the Portland Children's Museum to cover 75% of the costs for an air conditioning system at the building (Ordinance)</p> <p>(Y-4)</p>	<p align="center"><b>181262</b></p>	
<p><b>*1082</b> Authorize a \$49,778 grant to Linnton Community Center for operational costs (Ordinance)</p> <p>(Y-4)</p>	<p align="center"><b>181263</b></p>	
<p align="center"><b>City Auditor Gary Blackmer</b></p> <p><b>1083</b> Assess property for sidewalk repair by the Bureau of Maintenance (Second Reading Agenda 1034; Y1063)</p> <p>(Y-4)</p>		<p align="center"><b>181264</b></p>

At 10:54 a.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 SEPTEMBER, 2007** AT 2:00 P.M.

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

Commissioner Leonard arrived at 2:07 p.m.

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

<p><b>1084 TIME CERTAIN: 2:00 PM</b> – Adopt the update of Transportation System Development Charge rate study, establish an updated fee schedule effective January 1, 2008 (Ordinance introduced by Commissioner Adams; amend Code Chapter 17.15)</p>	<p><b>Disposition:</b></p> <p><b>REFERRED TO COMMISSIONER OF PUBLIC UTILITIES</b></p>
<p><b>1085 TIME CERTAIN: 3:30 PM</b> – Amend contract with The Latino Network and provide for payment of an additional \$72,310 for the continued development and implementation of the Diversity and Civic Leadership Academy for the period July 1, 2007 through June 30, 2008 (Ordinance introduced by Mayor Potter; amend Contract No. 37318)</p>	<p><b>PASSED TO SECOND READING SEPTEMBER 12, 2007 AT 9:30 AM</b></p>

At 3:52 p.m., Council recessed.

September 6, 2007

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **6TH DAY OF SEPTEMBER, 2007** AT 2:00 P.M.

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

Commissioner Sten left at 4:37 p.m.

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

<p><b>1086 TIME CERTAIN: 2:00 PM</b> – Declare intent to provide City funding to construct the Portland Streetcar Loop Extension Project and to partner with the Tri-County Metropolitan Transportation District of Oregon to provide for funding of operations (Resolution introduced by Commissioner Adams)</p> <p><b>Motion to accept amendments to the first NOW, THEREFORE, BE IT FURTHER RESOLVED to read the City Council commits to provide tax increment funds not to exceed \$27, 182,474 and add a new WHEREAS, a third party analysis shall be completed by November 15, 2007, which examines cost estimates, identifies, and quantifies risks, and suggests methods to manage and control those risks, and a third amendment on the RESOLVED relating to parking meters, BE IT FURTHER RESOLVED that the City Council intends to provide the \$1,228,351 from parking meter revenue to support Streetcar operations:</b> Moved by Commissioner Sten and seconded by Commissioner Saltzman. (Y-4)</p> <p>(Y-4)</p>	<p><b>Disposition:</b></p> <p><b>36531</b> AS AMENDED</p>
<p><b>1087</b> Create a local improvement district to construct streetcar improvements in the Portland Streetcar Loop Extension Local Improvement District (Second Reading Agenda 983; introduced by Commissioner Adams; C-10025)</p> <p>(Y-4)</p>	<p><b>181265</b> AS AMENDED</p>
<p><b>1088 TIME CERTAIN: 3:00 PM</b> – Initiate a period of public comment on the proposal to change the name of Interstate Avenue to César E. Chávez Boulevard (Resolution introduced by Mayor Potter, Commissioners Adams, Leonard, Saltzman and Sten)</p> <p>(Y-3)</p>	<p><b>36532</b></p>

At 5:00 pm, 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.

**September 5, 2007**  
**Closed Caption File of Portland City Council Meeting**

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

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

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

**SEPTEMBER 5, 2007            9:30 AM**

**Potter:** Good morning everybody. Welcome to the portland city council. Before we begin the official proceedings, normally we have young folks come in and talk to us about issues of importance to youth and children. But because this is the first day of school for many Portland schools, we won't be having any young people, but we've got some folks to talk about a very important program that the city is involved with, the black parent initiative. We have three individuals, pastor fred woods, marcus mundy, and pastor andre young. If you folks could please come forward? I want that thank you folks for your involvement in your community and with your churches.

\*\*\*\*\*: Guess i'm first. Thank you and good morning. My name is marcus mundy, i'm the president and c.e.o. Of the urban league. The urban league of Portland supports the efforts of the black parent initiative and especially today's regional version. I'm extremely proud to have participated in taking my three children to school this morning, although my 16-year-old didn't want me to walk her in.

\*\*\*\*\*: [laughter]

\*\*\*\*\*: Many staffers of young professionals, volunteers, and many participated in this as well as many organizations throughout Portland, the b.p.i., the coalition of black men, african-american alliance, the black fraternities. Many others participated.

\*\*\*\*\*: And i'm proud to participate myself. I have a quote here. The talmud teaches us that, when you teach your son, you teach your son's son. That's what this initiative and the work of b.p.i. means to me today. By black fathers engaging on a continual, continuous basis with our children, we're going to make our children better educated, have a more stable home environment. We do our job when we support our children. This is particularly important as we acknowledge and why it's important to have this body acknowledge the most important resource we have left, and that's our children. Our efforts today and every day with our kids will make them have a rich, rich education. And I wanted to take a moment to thank the black parent initiative. Who wouldn't support a group whose reason to exist is to empower we african-american parents who support greater levels of parental engagement. Every parent who attends is expected to sign b.p.i.'s parent pledge committing to support his or her child in stronger academic achievement. Euripides said almost 2500 years ago that the gods visit the sins of the fathers upon the children. We must use events like today to act as a catalyst for change both fundamental and resounding lest our own sense of apathy and ignorance be visited upon our beautiful, beautiful children. None of us in Portland can afford that to happen. I thank the black parent initiative for its efforts in reminding our community today of the criticality of black fathers. Again, the urban league of Portland is proud to have partnered in this worthwhile effort. Finally, since we're here in this great chamber of this great building in front of this august body, I will leave you with the words of my former mayor, tom brady. He said city hall must be a beacon for the people's aspirations, not a barrier. So I hope this

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city hall continues to support the efforts of the urban league and the black parent initiative. Thank you.

\*\*\*\*\*: Hi. I'm pastor young from hyland christian church, and we too thank b.p.i. For this great event along with the council. We at hyland christian center support the efforts of the million father march, and i, too, walked my three children to school this morning, and my first grader did not want me -- [laughter]

\*\*\*\*\*: She said, daddy, I got it -- to walk her to class. But it's something that the men around the community, the african-american men, are grabbing hold to the concept and marching their children to school. I believe that there have to be strengths and stability. With those two coupled, it equals success. With the strength of this movement of the million father march and the african-american males walking their children to school but not only the african-american males but all males walking their children to school and being with them on the first day equals success. Equals success for the simple fact that the children understand that "i have a father that I can lean on." my daughters know that they don't have to go through someone else, that they can count on their dad to be there. It shows strength in the home, strength in the community, and strength in the educational environment. It meant a lot and spoke volumes today for me to walk into the school with my children and for them to know that they don't have to depend on no one else but they have their father that they can call on. Thank you.

\*\*\*\*\*: my name is pastor frederick woods from calvary christian church. We are in total support of this initiative. Successful education process starts with parents and families and community. On today, with the men walking their children to school, I just really encourage that this initiative continue to move forward, that it's not just one day but that it's an everyday thing. The national center for education statistics show that fathers' involvement in their children's school, it didn't matter if it was two parents, a single father or are a father that wasn't necessarily in the home but participated in the support and interest of the student. It showed that the students fared better with their peers with fathers that were involved. The students were more likely to participate in a curricular activity. They reported that students from sixth through 12th grade were less likely to be suspended or expelled. And also, in addition to being a pastor, i've worked with the school district in delayed expulsion as a counselor as a facilitator, and then also my experience has been with adjudicated youth working in addictions and mental health. In all those areas in working with young people and families and with many times mostly adolescent boys, they will always want men in their lives. And what I found was those that have positive men in their lives, they were more successful. They did better. Someone that was coaching, encouraging, and supporting them. Just as an example, I had a young man on my caseload when he was 15. I put a lot of time and attention into him. When I met him, he was a blood. He was involved deeply in the gang. He was drinking. On this past week, I just performed his wedding, and also he just purchased a home. And it consisted of me spending quality time, encouraging him, supporting his education efforts, and showing him he could do it. I support this initiative and ask the council to support it, because it's definitely needed with our community black and latino youth.

**Potter:** Thank you, folks, very, very much. Appreciate your efforts. And thanks for walking your children to school this morning. I was at reiki school this morning and saw literally hundreds of parents with their children. One of the folks said, what is the secret to keeping our children in school? I said really it's a combination of parents and teachers. So thank you so much for being here, and thank you so much for what you do for our community.

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

**Potter:** And I see in the audience charles mcgee, the president and c.e.o. of the black parent initiative. He came up with this concept and has really championed and led the process of creating it and making it happen in our city. So, charles, thank you for your efforts. City council will come to order. Karla, please call the roll.

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\*\*\*\*\*: [roll call]

**Potter:** Commissioner Sten will not be with us. His family is ill, and judging by his voice on the phone, he sounded kind of ill himself. So he'll try to get in this afternoon. I would like to remind folks that, prior to offering public testimony to city council, a lobbyist must declare which lobbying entity he or she is authorized to represent. We'll start with communications. Please read the first communication.

**Item 1037.**

**Potter:** Thank you for being here. Please state your name when you speak.

**Brian Thomas:** Brian thomas is my name, and I thank you, mayor, for having me here and the city council. Mayor, you're familiar with me. I'm a chaplain at the Portland rescue mission, and i'm on the pulse of our community of recovery downtown, and i'm part of your initiative for ending homelessness. I have a proposal that really can help the bottleneck. Many of you know -- and some maybe not -- that as we work with recoverees and get them into city housing, they're ready to take the next step but, because of their financial past and their inability to rent on their own or have a dream of buying a home, it causes a lot of problems in their own lives to bottleneck. And my proposal which I gave you on august 10th shares a process. I'm a minority business owner, and I have a marketing agreement with northwest business advisors in clackamas, who has been around for 20 years in regular society helping people to restore their credit. It's not debt management or debt counseling. It's none of that. It's a credit score driven work that we do to address inaccurate information on the credit bureau reports, which raises their credit score, which gives them an opportunity to own a home someday or low interest financing for a car or a credit card. So I want to talk about what I call project restore, and i'm going to run through a lot, 'cause i've already given you the information. But this proposal applies 20 years of proven success in today's society, so this is not a new thing. I can develop measurable results in that i'm going to be working with individuals in recovery because i'm a life coach and a counselor and drug and alcohol certified counselor. So there will be some counseling involved within this proposal, and i'm looking for someone to fund this. I've already contracted in with the c.c.r. and governments.com and government.org, and i'm already signed up as a minority business owner and also through government.com, and so i'm able to be privy to any funding, and i'm asking you all to help with this because of the mayor's initiative. We need the funding. This will help in a way that we continually move people through and not get them caught up at the end, because that's generally what causes relapse, when people lose their hope of ever being a homeowner or getting out of the recovery system. I'm giving you a fact sheet today, and that fact sheet tells you a little about me, that i'm a vital part already of the mayor's team. It talks about being registered as a minority businessman. I'm a drug and alcohol counselor. I'm well-known and trusted in the community, as you know, mayor, and i'm already working with people and have given proven results to help end homelessness. I'm working with some agencies. I'm shared my proposal with a number of resources, northwest credit resource, char chienne, sam brown, sarah goforth, and i've gotten rave reviews that this is a quality service that can really help move people out of the housing and into their own homes or apartments. Again, this is not debt consolidation and involves no connection with their finances or income for those that we serve.

**Potter:** Mr. Thomas, your time is up.

**Thomas:** My time is up? And then it's totally up at this time? Can I ask for 60 seconds?

**Potter:** No, sir. We have a very long meeting this morning. We need to get on with it.

**Thomas:** Please read my information. And i'm looking to get in contact with you all here in the soon future. Thank you for your time.

**Potter:** Please read the next.

**Item 1038.**

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

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**Dave Nadal:** Dave nadal from Multnomah village neighborhood. I'm going to defer p.g.e. and land use to another month and speak about qualifications for commissioners, mayor. However, on p.g.e., I do want to mention that i'm sure you're aware that a lot of people are dependent upon electricity, not just for electricity and lights. They also use it for their heat. A lot of landlords have taken away the old steam heat from units and put in vitalized electric metering systems, so it really becomes a matter of life or death as to heating bills. Anyway, i'm hoping that all of you run again, particularly mayor Potter. I think you're all the friendly, down to earth kind of people we need in public service. We need to all to ward off what would seem the next generation of city council candidates, and i'm speaking of slick, overprofessionalized types that can speak not just out of two sides of their mouths but probably 20 or 100. Probably the least offensive of these would be jim francesconi, but the types I believe we need to keep away from our seed. Two years ago, I delivered letters supporting tom Potter and sam Adams mostly because I had higher hopes for tom's citizen organization for land use. I've perceived the mayor as unable to perceive oh reaction to grassroots citizens' discontent with land use details. Most of liberal minded thinkers and need to grow creatively and not just mainly through boxy or high-rise residential developments. However, most of you councilors, though lacking in local land use creativity, are far better than if we had a lawyered-up overprofessionalized city council. All of you, and tom especially, please run again and campaign hard and furiously to keep our city friendly, down to earth, and listening to citizens. If there was more hope for a mark lakeman or mark dixon on a city council, I might go for that, but there has been little success with neighborhood candidates. However, what I would hope you all would realize is that high-rise residential towers and other large, boxy, high-density developments actually entomb the city in automobiles permanently. They're one of the faster forms of new automobile generation that could be devised. Through underground parking, residents relate to the world primarily through their automobiles, and they don't create friendly community atmosphere on the ground. A good example might be the southwest four court and fountain auditorium area high rises that went up 30 or 40 years ago. Some who lived in those in the early years thought there would be this great, friendly atmosphere below, but it didn't really do that. To this day, especially after dark, those are mostly foreboding areas without much personal or community feel at all. And, mayor Potter, I really hope you run again. I know there's a lot of division, but I really think up the character to continue to be the best mayor available.

**Potter:** Thank you, sir.

**Nadal:** You bet.

**Potter:** Move to the consent agenda. Do any commissioners wish to pull any items from the consent agenda? Does any member of this audience wish to pull any item from the consent agenda? Hearing none, please call the vote.

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

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

**Item 1039.**

**Potter:** Commissioner Saltzman?

**Saltzman:** Thank you, mr. Mayor and members of council. I'm very excited to bring the green development resource center multigovernment proposal before you today. Before us are some intergovernmental agreements that will fund this long-awaited green building resource center. The office of sustainable development has been providing technical assistance to Portland residents and businesses, but the regional need is growing, so metro, clackamas county, Washington county, and beaverton and the city of Portland will team up to extend the assistance for residents, businesses, and developers in the region who are seeking information on green building and sustainable site development the practices. Initially the main service of the resource center will be a free e-mail and phone hotline for residents to inquire about strategies and financial incentives for building-related energy efficiency, construction waste reduction, storm water management, and resource

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conservation practices. The hotline and e-mail service will be staffed by one person and will be housed at the office of sustainable development. So here to speak more about this is Susan Anderson, the director of the sustainable development office, Metro Councilor Rex Burkeholter, and newly elected Clackamas County Commissioner Len Peterson.

**Susan Anderson:** Good morning, Mayor, Council. Susan Anderson. As Commissioner Saltzman mentioned, today with me are Metro Council member Rex Burkeholter and Clackamas County Commissioner Len Peterson. Many of you were on this Council and some of you weren't, but seven years ago, we started the office of sustainable development. As a part of that, we began a green building program with a very huge goal of actually trying to transform the very way that people build in Portland. Many people had no idea what we were talking about at that time, but times have changed, and in just seven years we now have in Portland more than 170 lead buildings, certified or under way, going on in the Portland area and more than 800 earth advantage homes that have been built. So with this more widespread knowledge and interest in green practices, the demand for technical information and for resources has really grown exponentially, but it's not just been in Portland. For years, we've received requests from Hillsboro, Lake Oswego, Clackamas County, and other places asking questions about green buildings, and we've done a good bit of help. But after a point, we could only talk to them so long and kind of beg off and say, well, we're just really the city of Portland. But that has changed. So today, after quite a bit of work bringing everybody together, we've built a new partnership with Metro and Clackamas County and Washington Counties. Together we're creating the new green development resource center. It will be a place where developers, builders, business owners, homeowners, renters can call and ask their green building questions. Last year we had more than 1500 requests for information. Those ranged from 10- or 15-minute phone calls to several hour kinds of long consultations. This new partnership will enable us to expand the service so that the hotline will be the place where you get the easy questions answered, and then they will then be turned over to other green building specialists for more difficult issues. People who call the hotline will be able to identify local vendors. They'll get quality technical assistance and unbiased information. In turn, we really know that this will help and continue to spur demand for local architects, local suppliers, engineers, builders who actually sell quality sustainable construction materials and practices. Over the years, one of the things we've really realized -- and I know that this Council has realized -- is that sustainable industries is a very strong part of our economic development strategy. As the market has grown, there has really become a private supply of specialists who are now available to do the work that just seven years ago we could only do. That's really changed. Now we begin to give people who call us just a little bit of information and push them out the door to private contractors, to private people who have the technical expertise that they need. So it's really become an economic engine within the community. So we very much look forward to this new regional operation, and we thank our partners very much for joining us.

**Lynn Peterson:** Good morning. I think the last time I appeared before you was as 1000 Friends advocate for transportation, so I appreciate being back here. It's been a long time. I just want to thank the city of Portland in taking lead on this. The city of -- Clackamas County is actually going to be making a huge announcement in two weeks at the state of the county announcing our own office of sustainability seven years after you have already created yours, and we are looking to you for help and support on that. And so we really appreciate this initiative to move forward, because the green building resource will actually help residents, business, and governments find ways to reduce energy use, create healthy spaces for people to live and work, conserve resources, and minimize the quantity and toxicity of construction and demolition waste. As you may know, Clackamas County is not just going to have an office of sustainability. We're walking the talk. We have a lead certified building up on our campus and will actually be the first county campus that's lead certified. So we're really moving in this direction, and we're also looking at increased transit use as we move

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everybody and consolidate everybody into the hill in Oregon city. So we're really trying to move that forward. We also had a green ribbon committee that recently made some recommendations, and we're recognizing that clackamas county has its own cluster of economic green that we can support the region with, and that is from manufacturing, supporting the region with the wave generation with Oregon iron works and streetcar production but also in a.g. We are still on track to keep a.g. We really want to make the connection to the urban area in terms of the slow food movement and making sure the organics are getting to market as fast as they possibly can. So we're really very interested in working with you and having these resources available to our cities, to all of our cities in clackamas county who have made sustainability their number one goal to work on, and we do need the resources here, and we need easy access to metro. So thank you so much from our citizens and from our county. Thank you.

**Rex Burkholder:** Good morning. Rex burkeholter, metro councilor. I represent the northern half of the city of Portland. We're really excite to be a part of this. I think it's another step in the direction of providing -- making this whole region a more sustainable area by providing information that's necessary to people and resources, and i'm really excited because of the seven years of experience that city of Portland's as of sustainable development brings to this process and the fact that we can leverage that to help out the other two-thirds of the region. All we have to do now is jump over the river to clark county, and we'll be really great. There's a lot of hunger out there and interest in this issue of sustainability. Climate change is a key one, the issue of fuel uncertainty, energy uncertainty, and the issue of environmental preservation and conservation is a very strong hunger out there in the citizenry, now translating through our local governments and looking for how can we provide resources? Many of your partners out there are fairly small and don't have a lot of resources, the smaller cities, to be able to take on projects like this. And so having access to the experience through a collaborative process like this, the experience of city of Portland, will be really helpful for those groups, and metro is very excited about helping that along with our grant, a small grant here, \$72,000, to help this get going and then helping support this overall. Similarly, to the metro tracking hotline, which now gets over a million contacts a year, either by e-mail or by phone, it's this resource where people -- it's really important that people have one way to get ahold of this information. And so having one central contact point will be very helpful in this one here, and it shows that value of collaboration which of course is why the citizens of the region created metro was the idea of we're all in this together, and we should be working together on solving some of these big challenges that face us. So we're very proud. I just want to finish up with that statement there. And we're really excited about this step and we're looking forward to continuing that and looking into how to expand those services, expand the collaboration among the various jurisdictions in the region so we can become a truly sustainable region in the future. Thank you.

**Saltzman:** I want to particularly acknowledge -- I had a very good meeting last week with clackamas county chair martha schrader and was informed about the impending office of sustainability but also a lot of interest in clackamas county residents and businesses in doing more in a sustainable way and doing it in a way that benefits the bottom line, too, as well as preserving the environment. It was really exciting. I haven't seen this type of conversation coming out of clackamas county in a long time. So we're really excited with the new leadership and the new emphasis that your citizens are showing you. It's exciting once again to have governments in addition to metro and Portland showing their interest in this and showing their interest by contributing to this hotline and resource center. Thank you all for that.

**Potter:** Thank you very much. Do we have a sign-up sheet?

**Moore:** We did. That was all who signed up.

**Potter:** Emergency vote. Please call the vote.

**Adams:** Well, thanks to commissioner peterson and counselor burkeholder and o.s.d. And the leadership of commissioner Saltzman. This is great. Aye.

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**Leonard:** And I echo that, and I really believe that this whole effort that really started in the office of sustainability as an -- is an economic development issue. It's not just good for the environment. It's good for our economy. It's going to create jobs for this region that other areas of the country are not going to get. And we will prosper from it on a variety of sustainable fronts. I'm really excited to see clackamas county and particularly metro partner with us because it is a regional effort.

Thank you. Aye.

**Saltzman:** Good work, and I think this really will help so many people that I talk to with lots of good questions. I seldom have the answers, and I often refer them to sustainable development office. To be able to now say there's an e-mail address or a phone number you can call and speak to a credible source for that information, I think, is going to make it a lot -- make a lot more actions happen out of just thoughts and hints of what I should do in the future. I think people are now going to cross that line and actually do the thing. There's a lot of pent-up demand, I think, to do the right thing. Good job. Aye.

**Potter:** I think this is an extent example of a region that will partnership between urban and rural partners to build a stronger region. I really applaud commissioner Saltzman, office of sustainable development, clackamas county, Washington county, and metro for the hard work that you folks did putting this together. I especially want to thank metro and counselor rex burkeholter for the financial contributions towards funding this project. It's a important project. It's going to be an exciting future. I vote aye. Thank you. Move to the regular agenda. Please read item 1067.

**Item 1067.**

**Potter:** Good morning, linda.

**Linda Jefferson:** Good morning, mayor and council members. Linda jefferson, director of the fire and police disability and retirement. And i'm here today to ask that you authorize the contract for marsh u.s.a. To begin the disability consultant work that's prescribed in the chapter 5 of the city charter.

**Potter:** Any questions from the commissioners?

**Saltzman:** What's the time line for the study?

**Jefferson:** The time line is actually a two-year contract. The first phase of the contract will be to develop benchmarks. The subsequent phase will be to do a more in-depth audit of the program and to see how we're progressing and moving toward the best practices for disability management programs.

**Saltzman:** I'm assuming marsh has substantial experience in this.

**Jefferson:** Yes, they do. And they actually put together a very good team -- a local team -- to work on this project, and i'm very confident that they'll do the job that was expected of them.

**Saltzman:** Great. Thanks.

**Jefferson:** Any other questions?

**Potter:** Thank you, linda.

**Jefferson:** Thank you.

**Potter:** Anybody signed up to testify?

**Moore:** We have one person signed up. [names called]

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

**Bruce Feathers:** Bruce feathers. For the record, I am a minority business owner. I am on the board of directors for the Portland urban league, and i'm an advocate for minority women and emerging small businesses. I've been an integral part of the mayor initiative b.i.p. 13 and others who supply diversity programs and things that we've worked hard in. I have worked tirelessly as a volunteer with city officials working on this particular problem, and we have had some significant gains. The problem and how it relates to this particular contract, in and of itself, I don't have a particular issue with this contract. I have a particular issue with this prime contractor. And let me state this. Historically, large prime contractors in our city, particularly some large construction

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companies and others who have dominated city contracts, have a tendency to respond to city r.f.p.s by including minority businesses or emerges small business in their proposals. Later on, they abandon those small companies when they renew. Marsh is one of those companies. In another instance, featherlight was a subcontractor to marsh in a recent proposal that we both won with the city, and they have not --- renewed but in fact have abandoned featherlight. So it's a concern of mine that, on the left hand, as an end-user customer and marsh being a vendor, that we would approve a contract, although different, although separate, but at the same time allow them on the right hand to abandon small businesses with the exact type of thing that we're working against in these programs that we've been actively working with. Our director of procurement, jeff bayer, for the city, is very aware of this situation. It has been brought to his attention, and he supports the small business in this initiative, and you have a gentleman with the city, mike reiner, who signed the contract and allowed this to go forth. So I have a problem, and this is the kind of problem that, if we don't -- historically we leave it alone and don't say anything, but this is the activity sometime that large prime contractors, what they do. On the left hand, they'll win a contract, use a small business, and then abandon them later. And then, on the right hand, they come to the city for other contracts and you know nothing of it, and so it gets approved. I think we need to look into -- look into what I just explained. I'm not belly aching. It's documented. Your people know about it. They've questioned marsh, and they basically ignored both the city and our request.

**Leonard:** I really appreciate, mr. Feathers, you making that observation, because i'd never heard of this phenomena before. But I don't understand the part -- and I just need you to explain the logistics to me -- where the contractor will team up with minority-owned businesses and then disband them later when it's renewed. What is the renewal, and how do they disband the partnership?

**Feathers:** There's a city form that all prime contractors sign on certain r.f.p. Requests. Those requests from the city ask them -- and they get extra points for including emwsb firms on a particular contract.

**Leonard:** I'm familiar with that.

**Feathers:** There's a subcontracting form that they document who that particular vendor would be, and then they submit that. Then it's approved, and they win the contract. We were with them for two years providing services. Ok? And then at each renewal, when that contractor renews the contract, the contract -- the contract team is the prime contractor and us or whoever the subcontractor would be.

**Leonard:** So when they do a renewal, they need not come back to the council for this process?

**Feathers:** No. They are require by procurement to have a solution, a diversity solution, and they submit it on the initial contract. So each renewal --

**Leonard:** Each renewal has to come here?

**Feathers:** Not here. It goes to the city manager.

**Leonard:** Then how do they get it renewed if they haven't got the partnership?

**Feathers:** Of an error in the city management which, again, has been well understood by your procurement department.

**Leonard:** I'd like to hear from jeff baer on that point.

**Feathers:** Ok.

**Leonard:** You may want to wait.

**Feathers:** Ok.

**Leonard:** Can you give us your perspective?

**Jeff Baer:** For the record, i'm jeff baer, director of the bureau of purchasing services. Traditionally we do an r.f.p. In that we have 15% of the points associated with diversity and mwsb utilization through the process of which we evaluate the merits of the proposals based on that. I think, as mr. Feathers brought out, in this regard, marsh was awarded a contract, and we have been reviewing that issue specifically that, if they have identified that they're going to use a particular subcontractor

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and then we actually follow-up to make sure that that continues along -- and i've actually -- I have a number of different discussions with the project manager on that and have --

**Leonard:** The manager from marsh?

**Baer:** No. From bureau of environmental services.

**Leonard:** Is what mr. Feathers testifying to accurate?

**Baer:** The issue that we have is that it -- I believe there are three options, and i've posed those to marsh. One is to resign the subcontract. Second one is to renegotiate that subcontract or to request a substitution of that subcontractor which somebody else.

**Leonard:** I'm just trying to get my mind around what i'm hearing here, and i'm just asking is the phenomena he is describing correct, which basically sounds like the contractor games the system to get the contract and then, at some point down the road, cuts off the minority contractors and then continues on with the contractor without a minority? Is that an accurate phenomena that he is describing?

**Baer:** I don't know that we've ever done any analysis to see if that's happened. I know that seems to be the case here with this contractor.

**Leonard:** That's what i'm asking about, on this one. Is he describing factually what has happened? I'm just looking to see if this is an issue that you confirm is a real issue.

**Baer:** I think the intent with marsh -- and there was some change in their management. That the I know tent that we had seen from the previous was that they would continue the subcontract relationship.

**Leonard:** I understand. But i'm asking have they ever done what he's described here? Have they ever signed a contract, had the minority -- had the ewsb, got 15% points in it and then severed the renewal minority contract?

**Baer:** That's where we're at currently.

**Leonard:** And that's happened?

**Baer:** There is not a signed contract at this point.

**Leonard:** Because that's happened?

**Baer:** Yes.

**Saltzman:** You're working with them right now on this renewal of this b.e.s. contract?

**Baer:** Correct.

**Leonard:** I will say -- and thank you. I know we hear a lot of complaints that are driven by different things, and I don't often necessarily like to get in the middle of it, but this sounds pretty straightforward, and i'm not prepared to support this contract today until it is straightened out.

**Baer:** And we have -- in full fairness to marsh, we have been actively engaged in trying to get them to resolve this issue.

**Leonard:** Then in all fairness to mr. Feathers, it sounds like if we hadn't done that, they were gaming the system, and I don't appreciate that, so I can't support this today.

**Potter:** Further questions?

**\*\*\*\*\*:** Just to be clear --

**Adams:** Just to be clear, mr. Feathers, you had a subcontract on this particular contract with marsh with fpd&r or you had a subcontract with marsh on a contract with b.e.s.?

**Feathers:** B.e.s.

**Adams:** And that contract hasn't come forward yet?

**Feathers:** That contract, we participated in it for, I think, a year or two.

**Adams:** I guess my question is to jeff. That contract has not come forward tour renewal yet, the b.e.s. contract?

**Baer:** It would not come back to the council for renewal because it has autistic renewal clauses in it.

**Adams:** Since that's my bureau, you'll come back to me before you renew that.

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**Feathers:** They already renewed. That's the problem. That's why i'm here. Without me.

**Adams:** So you're using this opportunity about marsh even though it's --

**Leonard:** It appears they come to us, do what they know we expect them to do and what you hold them accountable for, commissioner Adams, and then at the renewal change horses. A bigger understanding has to be reached with that contractor before i'll approve contracts with them in any bureau.

**Adams:** And I would agree with commissioner Leonard.

**Feathers:** Not only have they, if I may, not renewed. The real issue is internally staff allowing the renewal to occur. That's really tough when we are working so hard to do what you have allowed us to do in terms of mwsb procurement and those kinds of things and then middle management and staff actually impede that process when actually the process is going pretty well, by the way.

**Leonard:** What do we need to do to change that?

**Adams:** If I could just interject a question before you answer commissioner Leonard's, how is it that the contract gets renewed for approval by staff if it's different than the original contract having developed a subcontractor? Is that not substantially different enough that an automatic renewal would be foreclosed as an option?

**Baer:** A professional service contract, which is the case here, the contract is between the city and the prime contractor, and we don't -- if it's disclosed -- and I think bruce mentioned the first tier subcontractor disclosure statements where it identifies those mwsb partners. Then we do contract compliance monitoring on those to ensure that they carry out those obligations. And in this case -- and that's what we've done. We posed three different options to them to continue to comply with those requirements.

**Adams:** On the b.e.s. contracts?

**Baer:** Right.

**Adams:** Which option did they choose?

**Baer:** I'm not sure i've heard back which one they've chosen.

**Adams:** So the b.e.s. contract is still in lay.

**Baer:** Correct.

**Adams:** I thought you said a minute ago it had already been renewed without mr. Feathers.

**Baer:** Well, it had been renewed, and this is the remaining issue to resolve before it continues on.

**Adams:** I see. The decision has not been made. The final decision has not been made.

**Baer:** The contract between the city and marsh I understand has been renewed, and then this issue came up, and we are trying to resolve this --

**Leonard:** But it was renewed without the minority relationship. So if you renewed it without getting that into the contract, what leverage do you have to get them to agree to that now other than that i'm going to vote against every one of their contracts that comes before us until this is straightened out.

**Baer:** We do have a 30-day termination clause.

**Leonard:** The council has been very, very clear about its goals, and I understand the staff is working hard and doing a great job, and these seem like new things to the staff, but they're very important to the council.

**Adams:** Especially when i've made a big deal about this issue for two and a half years. Is the decision on renewals made by you in purchasing or by the b.e.s. staff?

**Baer:** It would be made by the b.e.s. staff. And I can call up with you to provide some additional information on that.

**Adams:** And i'll follow up with my staff. Thanks for bringing this issue to my attention.

**Saltzman:** I guess we haven't quite resolved something. Is there a point to holding this up until this latter issue with b.e.s. gets resolved?

**Leonard:** There is for me.

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**Adams:** There is for me.

**Feathers:** And let me say me.

**Leonard:** That's a majority. That's three.

**Feathers:** This is -- this is the behavior of large prime contractors not only in this city but throughout our country where they perform in instances where diversity solutions are required and expected, and they don't perform on those but there's no consequences for lack of such performance, and they can go to the same customer with another contract and not be held accountable. That's what creates a problem for us going forward in this city on improving procurement from minority women and emerging small businesses. So that point to me is a salient one and one that needs to be spoken very loudly.

**Leonard:** And you've delivered the message well. Thank you.

**Feathers:** Thank you.

**Adams:** Thank you.

**Saltzman:** Well, I guess -- i'd look to the mayor, but I would suggest we set this over for two weeks and then bring it back and tell us how things turned out on the b.e.s.

**Leonard:** My vote is going to be contingent upon some written agreement with them on this subject, this particular contract. I do not like people that game our system, and I don't like doing business with people who game our system. So you may fix an item on a contract. That will not resolve my issue until there's a broader agreement approach as to the city's policy and expectations of people we pay money to to do work for you have. I will not approve these kinds of contracts given what i've heard here today and your verification of it, which I appreciate very much.

**Potter:** Since this is an -- I would like to pull it back to the mayor's office since this is an emergency ordinance and then begin those very discussions and then bring it back at a future date. This particular requirement was made with the charter changes last november, so we do have to proceed with it, so i'd like to be able to move as quickly as possible to try to get this issue resolved.

**Adams:** I think we could send a message from this commissioner back to this contractor that i'm going to support the mayor's direction out of courtesy to fellow commissioner in charge of trying to keep fpd&r going but, if it wasn't for the time line needs of fp&r, I would rather have voted no on this to send a message back to this company.

**Potter:** I think the message will be sent.

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

**Leonard:** Thank you.

**Potter:** Hearing no objection, we'll pull this back to the mayor's office. Please read item 1068.

**Item 1068.**

**Andrew Scott:** Good morning. I'm andrew scott with o.m.f. O.m.f. is in charge of coordinating. The 15 listed charitable umbrella organizations and all their member organizations will participate in the 2008 charitable campaign. All 15 of these umbrella organizations comply with the city's eligibility requirements, and they are the same as those that participated in the 2007 campaign. In 2007, we had over 500 employees who donated over \$209,000 to various charities. The 2008 campaign is scheduled to run for three weeks starting in mid october, and I would be happy to take any questions you might have about the campaign.

**Potter:** Any questions?

**Saltzman:** I do have a question. You know, a lot of employees give these a lot of money, and we never receive or very episodically receive actual acknowledgements that these organizations for tax purposes of the money that we have given. It's only if you're smart enough to remember to hold your last pay stub of the year you have any documentation of the cumulative amount of charity you've given to these charities. Like I said, some of them, one or two of them, do send a letter acknowledging your contributions. And so, as a result, my suspicion is many employees are

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foregoing tax credits because they don't file them. They don't get the regular form that all other charities send in the way of a receipt. And i've brought this issue up before, and i've always heard, you know, we'll do something about it, but yet it doesn't seem sue change. So what do we do to do something about it?

**Scott:** My suspicion is that there might be a couple things going on, and we can certainly talk to the charities about that. On the form that employees fill out, there's a space for the employee to put their name and address if they want to be acknowledged, and we actually get a number of those back without the name and address. We can only assume that the employees want to donate anonymously. They're not really anonymous, but to the charity they are. Or perhaps they forget. One thing we can do is work with our bureau representatives to make sure employees know to fill that route if they want to receive acknowledgment. I think most people probably do for tax purposes. And then talk to the charities themself, and I can talk to them about making sure that they're gathering all that information and sending acknowledgements out. I think you're right it is important.

**Saltzman:** The line saying do you want to have your name listed for acknowledgment will doesn't say acknowledgment for tax purposes.

**Scott:** That may be something we can improve on the form.

**Saltzman:** I think generally I do want my name printed in their newsletter as a contributor? I'm sure a lot of employees don't really care. But I do want to receive an official receipt from that organization saying i've given -- you know -- x hundred dollars to them in this calendar year, and that doesn't happen. You have to be -- you have to remember to hold your last pay stub of the year. And I wager that a lot of people don't do that. And therefore they're giving up tremendous tax credits against their income.

**Scott:** And I think you're right. I think that's something we can probably improve on the form. Like I said, i'll follow up the charities.

**Saltzman:** In the spirit of setting this over until we do have a concrete solution in place --

**Leonard:** Does it interfere with the charitable campaign?

**Scott:** It would need to be approved before the campaign starts. We're planning to start in mid october. Let me just ask, would you set it over until you sort of see the form or until we talk to the charities or both?

**Saltzman:** See the form, get an indication that each charity will in fact send a separate letter to each donator, each contributor by the end of the calendar year saying "thank you for giving us \$300 to --" this is your official tax receipt notice.

**Scott:** I think as long as it's approved as an emergency before the campaign starts, we'd be ok.

**Leonard:** And it starts again when?

**Scott:** We haven't set a firm date. It will run for three weeks probably starting in mid october.

**Leonard:** I just wonder if we could approve this and then ask that you go out and do this and come back and report. These are a lot of good charities. I don't want to -- I mean, there may be a certain reason why -- I don't know what it would be that they're not doing it.

**Scott:** My suspicion is that the charities are very grateful for our campaign and generally step up to pretty much anything we ask, so my suspicion is that they will be happy to confirm in writing that that's something they will do.

**Saltzman:** I'd rather have --

**Leonard:** The city, when it sends out the wages and all that, could they include all the line items that you've had deductions for? Is that a problem?

**Scott:** I'd have to talk to payroll about that.

**Leonard:** Because I would rather not try to burden charities that may not have the wherewithal to take on this extra task if there's another way to accomplish commissioner Saltzman's reasonable request.

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**Scott:** I think our payroll department is able to list the total number of deductions. Whether they can break it down by line items -- 'cause city employees have dozens of deductions for various things, so I don't know how administratively difficult that would be.

**Leonard:** You can find out.

**Potter:** So you're asking to have it withdrawn until that's done?

**Saltzman:** Yeah. I've raised this issue in the past. This is not new. And I think this is the time that it's poised to get the attention of all the respective people and organizations that need to make this right. And we have till october. It's only september.

**Potter:** If it comes back as emergency ordinance, it really won't slow things down.

**Scott:** As long as it's approved before the campaign starts.

**Potter:** Since you've asked for this before and it hasn't been done, I think that's a reasonable request. Is it ok to bring it back? Ok. Thank you. Withdraw that and work to address that issue. Please read the next.

**Item 1069.**

**Rich Attridge:** My name is rich atridge. I'm the project manager working on again half of Portland fire bureau for the remodel and seismic upgrades of fire stations 15, 24, and 43. The ordinance, before you ask approval, should do two things. One is to amend the construction contract by an additional \$32,045 for construction services for the remodel of the three fire stations. The second is to give o.m.f. authority to further amend the contract not to exceed \$300,000 for anticipated work needed to complete these three fire stations. Change order 22 represents 26.3% of the original construction contract, which was 2 million \$350,000. City code requires that any amendments to the original contract over 25% be approved by council, so that's my change order -- that's why change order twice in front of you. The additional cost to complete the three stations beyond the change order twice estimated at \$233,000. The ordinance asks for council to approve o.m.f. the authority to further amend the contract up to \$300,000. This will allow for the completion of the work in a timely manner if the estimated cost should exceed \$233,000. The contract was originally with rb&g construction, but they defaulted on the contractual obligations with the city. They're a -- their surety company has agreed to take over the contract and is actually undergoing -- is undertaking the completion of the work at this time. So normally the amendment to the contract would have been with rb&g but now it's with fidelity company of maryland. The fire bureau is anxious for the construction work to be completed so they can occupy the stations, and we're confident that the surety company will move forward with the construction as quickly as possible. Thank you.

**Potter:** Tell us what happened.

**Attridge:** With the surety company and the --

**Potter:** What happened in order for them to give up?

**Leonard:** Why did rb&g --

**Attridge:** Oh. Default?

**Leonard:** Yes.

**Attridge:** The contractor stopped working. Pulled their employees and stopped working. So it immediately sent the project into default. They're in bankruptcy at this point.

**Potter:** So who actually does the work then? Does this new holding company hire new workers or how does that work?

**Attridge:** Surety bond has hired howard s. Wright construction to complete the remaining work on the fire stations. We're probably about two months away from completion. One of the stations, 24, is in fact operating at this time. There is still some remaining work to be done at that station. The other two stations, 15 and 43, are not in at this time, and we probably have about eight more weeks of work on those stations to complete to get them operational.

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**Leonard:** So there is that issue, but the change order -- what does the change order reflect? Does it reflect doing work that --

**Attridge:** The change order reflects work on services that have been completed and people are waiting to get paid for that work.

**Leonard:** Ok. So this isn't, like, doing additional work.

**Attridge:** Yes.

**Saltzman:** And this money is in the bond?

**Attridge:** It's in the bond. It's covered through the fire bond.

**Potter:** Further questions? Thank you. Is there anyone signed up to testify on this matter?

**Moore:** I did not have a sign-up sheet for this one.

**Potter:** Is there anybody here who wishes to testify on this matter? Please call the vote.

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

**Potter:** Aye. Please read the next item.

**Item 1070.**

**Bill Manlove:** Good morning, mayor, commissioners. My name is bill manlove. I'm an attorney in the city attorney's office. The ordinance before you approved the settlement of the -- a lawsuit brought by the parents of a 14-year-old girl, ebony williams. I believe all of you have received the memo from risk management which describes the incident and the litigation history in detail. Briefly, though, ms. Williams was detained by a Portland police officer. She was a suspect in an assault. She was also handcuffed and transported downtown from the location where she was detained. And the handcuffing and transport was the result of a miscommunication by certain police officers back at the downtown office. Risk management and I have evaluated the risks and costs of going forward with this litigation and compared those risks and those costs with the amount of the settlement, and we are recommending approval of the ordinance. I'm here to answer any questions.

**Potter:** Questions from the commissioners? Thank you.

**Manlove:** Thank you.

**Potter:** Anybody signed up to testify on this matter?

**Moore:** No one signed up.

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

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

**Potter:** Aye.

**Manlove:** Thank you.

**Potter:** Please read item 1071.

**Item 1071.**

**Jeff Baer:** Good morning. I'm jeff bayer, the director of the bureau of purchasing. With me is dave logsdon from the office of management and finance. This is a request to adopt findings and grant an exemption from the competitive bidding requirements for the potential redevelopment of the 10th and yamhill garage. I just want to add some additional testimony to indicate that the findings as drafted are correct as outlined that the city's negotiation will not require the expenditure of any funds other than employee time. However, i'd like to provide some additional information into the record that the result of these negotiations likely do require some changes in structural upgrades to the garage and most likely seismic reinforcement the so that the garage can accommodate additional floors. The direct negotiation over the cost of those changes with what is now the only interested developer will result in substantial cost savings or the traditional low-bid contracting method. As you know, the low-bid method could result in having a contractor responsible for the seismic retrofit who is separate and independent from the original developer, but splitting construction responsibilities between two contractors on this project doesn't make construction sense and likely would not be the method chosen by the private sector. Splitting this

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responsibility could result in miscommunication and errors that lead to additional construction cost.

Splitting the responsibility would make the city liable for the design of the retrofit as far as the contractor is concerned and, in contrast, if the developer redesigns the retrofit, he would be responsible for the success of that design. Splitting the responsibility would increase the developer's risk and could lead to additional cost to the city over the remaining construction.

Again, splitting the responsibility would not permit the developer to make those design changes to the development that could result in design changes to the seismic reinforcement. When a single contractor is in charge of both designs, changes can be more readily made in a timely manner, and the impact of those changes is likely to be better understood. So in contrast, the low-bid method requires the city to advertise a specific design and that pay additional money for changes to that design leading to change orders that could drive the project cost up. Whereas the seismic contractor would not necessarily know why the design changes were made nor have the sense of the overall project in mind and any other changes to the garage that might be contemplated by the developer would have similar results. So, with that, we're asking the council to adopt these additional actual findings when making its decision whether or not to warrant this exemption request. With that, i'll turn it over to dave.

**Dave Logsdon:** I think jeff covered it pretty well. I think one of the concerns had been we're going to enter into a multimonth process where carol investments is going to need to spend substantial amounts of money in order to design a project that would include the retrofit to the garage and, in order to do that, they have the certainty that -- you know -- we have the contracting exemption in place as we start that process, important in providing them the comfort to go ahead and make this investment in project development. And as we discussed, I think three weeks ago, when we had the intergovernmental agreement before the council with p.d.c., at the end of this negotiation process, if we do have a development that meets the city's and p.d.c.'s goals, we will bring that agreement to the city council for approval and so that you will see all the details of the project at that time.

**Potter:** Questions? Thank you, folks. Is anybody signed up to testify on this matter?

**Moore:** No one signed up.

**Potter:** It's a nonemergency and moves to a second reading. Please read item 1072.

**Item 1072.**

**Potter:** Second reading. Call the vote.

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

**Potter:** Aye. Item 1073.

**Item 1073.**

**Potter:** Second reading. Call the vote.

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

**Potter:** Aye. Item 1074.

**Item 1074.**

**Potter:** Second reading. Call the vote.

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

**Potter:** Aye. Please read item 1075.

**Item 1075.**

**Jeff Baer:** Good morning. For the record, i'm jeff baer with the bureau of purchasing and to my right is stacy foreman with -- in our office as well. I want to thank all of those who have been involved in this very successful venture. It's truly been a multibureau effort that we've embarked on and with strong support from o.s.d. We've really been able to lead by example and not only on a local level but also on a national effort as well that we truly are recognized for our efforts in sustainable procurement and it's not unusual for us to be contacted by different public agencies around the country and to ask question about what we're doing and how we're doing it in regard to our sustainable procurement pursuits. This progress report represents a number of key areas that

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are all embedded in it and also gives an indication of where we are taking this to the next phase of this. With that, you may recall that the 2002 sustainable procurement strategy was intended to be a five-year strategy. We've achieved that mark and, with that, the procurement steering committee is recommending that we develop a policy to come back to council for adoption later on this year. We're working on that to take us to the next phase of this process. With that, I'll pause, and if you have any questions, I'm glad to answer those. And also Stacy Foreman is here to address questions, too.

**Potter:** Questions?

**Saltzman:** I was just wondering about, under laundry, uniforms, things like that, do we have a dry cleaning vendor for the city? And, if so, do we --

**Baer:** I don't believe that we do. I think what the process, if I remember correctly, is that those uniformed officers and employees actually choose who they want to go through for dry cleaning services.

**Leonard:** And pay for it themselves?

**Baer:** And pay for it themselves. We had put together a nonperq campaign to look for alternative laundry suppliers who don't use the perchloroethylene.

**Saltzman:** We do have a brochure?

**Baer:** We have a flyer we've sent out to different employees and also to have it posted to give them sources where they can actually go that launderers don't use that.

**Potter:** Further questions? Is there anyone signed up to testify on this matter?

**Moore:** No one signed up.

**Potter:** This is a report. I need a motion to accept and a second.

**Adams:** So moved.

**Leonard:** Second.

**Potter:** Call the vote.

**Adams:** Great work. Thank you. Aye.

**Leonard:** Thank you. Aye.

**Saltzman:** These are great successes. I do want to -- I really think it's helped build a foundation of many of the city's other sustain that ability efforts. I want to thank all the staff who have worked to make the sustainable strategy a success, and particularly I want to thank Jeff Bayer and Stacy Foreman for their efforts. You truly have produced something that is looked to by many other cities across the country and counties. You should be proud of that. Aye.

**Potter:** Aye. Thank you, folks. Please read item 1076.

**Item 1076.**

**Potter:** Second reading. Call the vote.

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

**Potter:** Aye. Please read item 1077.

**Item 1077.**

**Potter:** Second reading. Call the vote.

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

**Potter:** Aye. Please read item 1078.

**Item 1078.**

**Potter:** Commissioner Saltzman.

**Saltzman:** Thank you. Our residential solid waste and recycle collection system has been franchised since 1992 and the 10-year agreements have been reviewed at five-year increments since then. September 28th, council directed the sustainable development office to begin the residential franchise review. O.S.D. is here today to bring reports back to council on the residential franchise solid waste and recycle collection system. I'll turn it over to Bruce Walker.

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**Bruce Walker:** Thank you. I'm Bruce Walker, the solid waste and recycle program manager for the office of sustainable development. With me today is Jennifer Porter, who leads up much of our work in the residential sector. O.s.d. has reviewed the residential franchise system performance and determined that it is meeting the goals for waste reduction in recycle, customer service, and cost effectiveness. The system review was guided by principles that were adopted by council back in February, as Commissioner Saltzman mentioned. Some of those principles are encourage a range of company sizes, advance the city's goal in reducing waste and increasing recycle rates, provide exemplary customer service, ensure efficient and safe operations, and implement environmental best practices. In the report before you today, o.s.d. recommends the continuation of the residential franchise system. O.s.d. expects to bring back a final franchise agreement to the council later this fall for your complete review and analysis. So what we're asking today is that you accept this report and that we will be back to you later this fall for further work on this topic. And we're here to answer any questions you may have.

**Saltzman:** Jennifer, did you want to add anything?

**Jennifer Porter:** No. We think the system has proven to be exemplary across the country. A lot of other cities looking to Portland for work in this arena, so we're looking forward to moving ahead and getting the agreements finalized.

**Potter:** Other questions? Is there anyone signed up to testify?

**Moore:** No one signed up.

**Potter:** Is there anyone here who wishes to testify? It's a report. I need a motion to accept and a second.

**Leonard:** So moved.

**Saltzman:** Seconded.

**Potter:** Please call the vote.

**Adams:** Aye.

**Leonard:** Actually, based on the success, there are some of us interested in expanding this program many to commercial sites. So thanks. Aye.

**Saltzman:** Yes. We've heard that. We're working on that. Aye.

**Potter:** Aye. Please read item 1079.

**Item 1079.**

**Potter:** Commissioner Saltzman.

**Saltzman:** This is an exciting partnership between some of our drainage districts, Multnomah county drainage district, peninsula drainage district number two in the Columbia Slough watershed and Portland Parks. The Columbia Children's Arboretum is a 28.8-acre relatively undeveloped park that needs some help. Urbanization has caused a substantial reduction in native plants and biodiversity. This agreement will allow the drainage districts to remove culverts that have caused flooding and to improve the trail system. Grants are providing partial funding as well as work of numerous volunteer organizations. B.E.S., the East Columbia Neighbors' Association, and the city will be providing \$25,000 from the Parks Capital Improvement Budget. It's a good project, and I urge its support.

**Potter:** Anyone signed up to testify on this matter?

**Moore:** No one signed up.

**Potter:** Please call the vote.

**Adams:** Aye.

**Leonard:** Well, we don't get a chance to talk about the drainage district very much, but I've worked with them in the past, and they're great. A lot of people aren't aware it's a separate governmental entity in the city, not B.E.S. that provides the services, and they are a great partner on these kinds of projects and have done a lot to restore the Columbia Slough as well on their own. So this is a great partnership. Aye.

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**Saltzman:** Aye.

**Potter:** Aye. Please read item 1080.

**Item 1080.**

**Saltzman:** This is a housekeeping item that will allow this important relocation project of the lents little league fields to be completed. No additional funds are involved. This action merely extends the time on the existing contract.

**Potter:** Questions? Is there anyone signed up to testify?

**Moore:** No one signed up.

**Potter:** Please call the vote.

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

**Potter:** Aye. Please read item 1081.

**Item 1081.**

**Potter:** Commissioner Saltzman.

**Saltzman:** This is an important capital project that the city council wisely funded in this year's budget, and that is to help replace the heating, ventilation, and air conditioning system at the children's museum. It's a great example of utilizing money from our general fund to help leverage private donations. A new cooling system will be installed in the building and, as I said, for \$430,000, \$300,000 of which comes from these budget-approved funds. The remaining has been raised by private donations and grants to the children's museum. If anybody has been up there lately in the summertime, they know it's an hvac system that comes back to the days when the children's museum was the original omsi, and it's hard to keep people and kids cool with the old system. So we need a new one. I urge support.

**Potter:** Questions? Is anyone signed up to testify?

**Moore:** I did not have a cypress up sheet for this one.

**Potter:** Anyone here wish to testify to this matter? Please call the vote.

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

**Potter:** Aye. Please read item 1082.

**Item 1082.**

**Potter:** Commissioner Saltzman.

**Saltzman:** Support for this grant continues the city's partnership with the linnton community center, and important resource and institution in the linnton neighborhood. These are ongoing funds to pay general operating costs of the center as directed by the council in this year's budget. I ask for your support.

**Potter:** Any questions? Do we have anybody signed up to testify?

**Moore:** No one signed up.

**Potter:** Please call the vote.

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

**Potter:** I think this is a great program the linnton community provides its children and it's certainly water think of our support. Aye. Please read item 1083.

**Item 1083.**

**Potter:** Second reading. Call the vote.

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

**Potter:** Aye. Recessed until 2:00 p.m. [gavel pounded]

At 10:54 a.m., Council recessed.

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

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

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

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**SEPTEMBER 5, 2007            2:00 PM**

**Item 1084.**

**Kathryn Levine, Portland Office of Transportation, continued:** this map shows expenditures by district and also looks at leverage. I want to highlight a couple of points. The leverage factor is the highest in the central city. On average, s.d.c. funds made up 3% or less of a project's cost. That is in contrast to far northeast and southeast, where s.d.c. funding per project was over 40%. If you compare the expenditures to the collections on the previous map, you'll see that for six districts, fewer dollars were spent there than were collected. While more dollars were spent than collected, particularly in the central city.

**Sten:** If you're getting hit with this the first time, could you back over -- go back and sort of say that again?

**Levine:** If you look at the map showing the collection, you'll see, for example, that the north-northeast, southeast, far southeast, far northeast, the amount of s.d.c. collected from development was close to or exceeded \$6 million. In each district. It was lesser amounts on the west side of the river, and what may be surprising is even a less amount in the central city compared to any of the east side districts. On the next map, which is looking at expenditures, how much money was spent. S.d.c. dollars -- you can see the graphic of four numbers in each district, the lower left shows the dollar amount of s.d.c. dollars expended, the upper left shows the value of the project. In other words, that's how much we leveraged to build projects in that area. The amount of leverage varied considerably, and perhaps not unexpectedly. Central city as a center can leverage more funds than other districts, so to build projects in other districts, we need to spend more s.d.c. Dollars to fully fund those projects.

**Adams:** Again, just to make sure everyone is clear, in far northeast it was 5.9 million collected during these nine years, and it was \$1.3 million expended?

**Levine:** That's correct.

**Sten:** So when folks in east county raise --

**Adams:** When folks in east county raise suspicions they were getting shafted, their suspicion were correct.

**Levine:** Yes.

**Rick Williams, Chair, Advisory Committee:** I guess it's my turn to tell you how the committee dealt with this issue. Real quick summary again is, we began our discussions with the question on the table that \$16 million of s.d.c. funds went to central city projects in the last 10 years. That leverage, \$600 million in projects, which was great. But the central city's contribution, actual cash contribution was around \$4.5 million. So that -- going into the committee properes, we were torn by that. Being a central city representative, wait as a tough position for me to be in. So we just began with the premise that our goal with this next 10-year process is that our goal would be that as an area contributes money into the s.d.c. fund, the goal would be to give them that amount of money back to help fund their projects. Now, all of that is dependent upon the ability to leverage. So we

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didn't want to hamstring staff and say, we're now going to sit on this money in this pot because we don't have leverage. We're not going to spend it. It's our goal. We thought in -- all after sudden beginning there we got a lot more consensus at the committee level than I think we would have gotten. A couple things about that. We've asked, with this goal in mind, that a process be established with more -- for more regular reporting and monitoring of the progress and the actual activity in the fund. What we learned is 10 years later we find out the disparity had occurred. So our group is more than willing to meet at any time to get report backs to see if the goal is being met. Secondly, there was a lot of decisions about equity, about modal equities. Consensus was we tried to spread the type of projects around. And we land on consensus and I think our project list reflects that. There were members of the committee who would have more money spent on vehicular movement projects, other members of the committee who would have none of that and would spend all the money on non-- on alternative mode programs. So I think even though we had descent on both sides of the issue, the overall consent was the project list you have and the recommendations we have reflect a good balance, money in, money out is equity, the type of projects are equity will be distributed across the city, and there would be a monitoring and reporting system in place that would allow us to track the program, staff has the flexibility to move to leverage.

**Adams:** Northeast was treated equitably over the past -- roughly equitable over the last nine years, and downtown, the central city got a lot more in s.d.c. Spending than they put into it, and everybody else in the city north came closest after that? You're guess far southeast and north came reasonably close and the rest were pretty disparate?

**Levine:** I think that we tried to look both at the specific s.d.c. dollars, but also what was the value of the projects built? Some of the districts north, for example, we didn't expend as many s.d.c. dollars there as were collected, but the value of the projects built was considerably more.

**Leonard:** Was it matching funds?

**Levine:** Yes, and because there are certainly regional freight and industrial areas there.

**Adams:** Why has the city historically not kept more contemporaneous track of where this money goes?

**Levine:** I think it's gotten easier for us over time, now that the various reporting systems have been consolidated. I know all of the information about our assessments and collections have just within the last month or two been loaded into the city's tracks system, so that we could report comprehensively. That was not something we were able to do with the advisory committee members. The date we assembled here with the results of people going through different softwares that were used over different periods of time in assembling the information.

**Saltzman:** I'm looking at a table, 3.2, 3-2. These are the projects being proposed with this current new s.d.c.

**Levine:** Yes.

**Saltzman:** Thanks.

**Levine:** And we will talk more about the project list. When looking at the reason for the disparity in amount collected and expended by district, we looked at discounts and exemptions. The program includes a handful of them, and at the top of the list is the transit oriented development discount, or t.o.d. I'll talk about that more in a moment. The s.d.c. also includes three others that are not recommended for change. There is an affordable housing exemption that is consistent with the city's other s.d.c. Program exemption, the s.d.c.s and environmental service water and parks all contain that exception. There's a qualified public improvement credit, that's available, we're required to have that under state law if a developer builds additional capacity. And there is -- there is a graded or sliding fee scale that was implemented in 2003-2004 to address small business concerns. So none of the bottom three are proposed for change. A bit of history about the t.o.d. as I understand it, in the mid- to late '90's there was discussion in salem that led many people to

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conclude that the transportation planning role would be amended to require transit oriented development incentives, and this discount was included in the city's adopted s.d.c. program. Also -- ultimately the incentives were not made a state requirement. If you look at the discount as forgone revenue, it is a third again as much at \$13 million. As we anticipate in net revenue over 10 years. We anticipated \$36 million. There are two levels, a discount available. They're based on location, development density, and closeness to transit. And the next map shows the financial results of implementing the t.o.d. discount. This map shows where the t.o.d. discount has been realized across the city. You can see it's primarily obtained in the central city.

**Saltzman:** So we estimated \$36 million and forgone revenue over 10 years and there's only been \$13 million?

**Levine:** There has been -- we anticipate \$36 million of collections, net revenue to the program. The amount that has been discounted, if we had collected without the discount, would be an additional \$13 million.

**Potter:** The one showing the t.o.d. discount shows central city at \$9.76 million discount, but when it showed what they generated, it's like \$4.9 million.

**Levine:** Right. The actual --

**Potter:** -- bigger discount than what you actually generate?

**Levine:** The t.o.d. discount as it currently exists does provide a greater discount.

**Potter:** How does that represent back into that area, the discount? How do they receive that additional money?

**Levine:** I can show you in the next slide what the calculation means. We tried to bring it down to a very specific development level. If you were a developer, you were developing residential condominiums, which is the example on the left, you would normally pay \$1,268 per unit, or per door for capacity increasing improvements through the s.d.c. If you obtained the lower level t.o.d. discount, it's close to \$800. With the highest level of t.o.d. discount, it's \$455. That is based on today's rates. For the highest level of discount it's based on location. It can be achieved with f.a.r. and closeness to transit. Most of the discounts I believe are at the highest level of the transit oriented development discount.

**Potter:** I'm trying to wrap around -- my mind around the idea that the assessment was under \$5 million. The discount was over \$9 million. How does that -- if this is a system development charge, you're getting money back.

**Williams:** Let me give it a try, mayor. You add the two numbers. What had happened, if the t.o.d. discount wasn't in place, the \$5 million and the \$9 million, projects that occurred in those t.o.d. zone would have paid \$13 million. I'm sorry -- \$14 million that. Would have been their assessment. Because of the discount, they only paid the \$4.9. So it wasn't like they got more discount than they were assessed. The total assessment was a larger number. The discount totalled the \$9 million, only \$4 million in the pot.

**Potter:** So the actual amount is the \$4.9. And when the actual -- you add in the nine other million, that is what they would have paid had they not received the discount.

**Williams:** Correct.

**Levine:** This is just an attempt to bring that down to a real world example.

**Potter:** Ok. The s.d.c. for a single family home is \$2,000, approximately, to put 90 context.

**Adams:** The reason why, if you could expand a little bit, on the committee's perception of -- is that because -- is that ok? Is that fair? Is that because we're -- there is more opportunities in the central city, or because the products being built outside the central city are not meeting the policy objectives for transit oriented development? Is that a good thing or a bad thing, or a natural product?

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**Williams:** I want to reground us in where the t.o.d. came from. 10 years ago there was an expectation the state might require it. So therefore it was put into the -- so for whatever reason that was, the t.o.d. was put into place. When the committee came in, we immediately landed on the issue of equity. It was just the money in, money out. Then we saw the projects that were being funded with s.d.c. money, a lot of that money to fund even some of the central city projects, which got a great deal of leverage, was still coming from other areas. I think the t.o.d. discount could have had merit, but another thing we determined was that the amount of the discount in some cases up to 90% of the fee, was not correlated to actual trip reduction. Because the project is located somewhere, it doesn't mean 90% of all the trips are not going to happen. And so the 90% discount, there was no basis in sort of, there's a relationship between this discount and the actual number of trips that are being reduced. We had even talked about, ok, let's allow discounts, but let's correlate them to actual trip reduction. So, for instance, if 50% of the trips in downtown are an alternative mode, maybe the discount should be 50%. But that led us to the realization -- then we could apply that to the whole city. 5% trip reduction, 5% discount. But the problem was, every time you discount you lower the amount of money that goes into the pot to fund this list that began of three, 400 projects that we only have money for 41 projects. Which then leads to, ok, just raise the fee and give the discount. And it just became really from the committee's point of view, a lot of help from the consultant, maybe t.o.d. has served its purpose, and are we at the point now where if we don't give the discount, are we going to create an environment where developments -- to certain areas. And the studies that we were shown indicate that we don't need that anymore. The developments are going to lap. This is a part of development. It's a normal cost of development. It's not -- it's going to hurt a little bit, but it's going to put more money in the pot for everyone, hopefully it will stay our goal of equity so that people put money in, they're going to realize that money back in projects in their districts, which should translate into greater value for their projects. It was a tough issue for us, but again, we landed on, if we give the discount, we're take money away from ourselves, if we give everybody a discount, we're probably going to raise the fee. So it's best to put it across the board, everybody pays the fee, and strive for the goal of modal equity. To lessen the blow, committee came to consensus that, let's phase it out. There's projects in the pipeline now who may have already been accounting for the discount, so we're recommending a four-year phasing out of the t.o.d. discount. It wasn't a decision that says, we don't realize that it's difficult sometimes to develop in the central city, but we think s.d.c. Is a small part of very, very large projects. And so we -- our recommendation is to phase it out.

**Adams:** To ask the question from the other end, are there not enough products, are there not -- is there not enough development outside the central city that we're not seeing more transit oriented development discounts happening, or is it the game -- rules of engagement were set up unfairly that there isn't enough -- there aren't enough transit districts or adjacent transit in order for this territory of the s.d.c. To -- of the city to even get a discount?

**Randy Young, Henderson Young and Company:** Let me help with the answer. My name is randy young, from henderson young and company. At the privilege of leading the consulting team's effort on this, i'm back after 10 years, it was the the same team that did the original s.d.c. 10 years ago. If you need a little ancient history, my gray hair will help alittle bit here. The direct answer is, primarily the other areas of the city are not producing the t.o.d. discounts. You're right about the rules of engagement. The downtown had a much larger and an automatic provision. The other areas had to earn them. Also, the character of the development in other areas of the city didn't put in a land use category that was the type of land use that would earn as much of a t.o.d. discount, and other areas of the city are not as close to the transit system in order to qualify for the transit orientation based on distance. So all of these things together led to that emphasis in the center city. T.o.d. specific numbers and mechanisms were developed locally by staff and consulting team, but after we did the right things, state backed off and went, never mind, so at least Portland in the

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unique position of having this discount, you'll notice a number of communities around us have transportation s.d.c.'s and don't have much going on in the way of t.o.d. discounts, because they didn't have to. State didn't make them after all. So we may have done the right thing for a while. I agree with rick williams' assessment, it's possibly a policy that has outlived its usefulness. It probably was a good thing 10 years ago, not so necessary now.

**Adams:** If I could, then move on, unless council has more questions, why do you feel certain of that? Why do you feel certain -- why did your committee feel certain it's outlived its usefulness? This is a city of transit oriented development, it's my passion, everyone up here on the council, just the idea that we would be eliminating an incentive to provide for more development around transit. I mean, are you really sure?

**Williams:** I would say from -- you'll hear from other committee members, i'd ask them to answer that question themselves as well. I think for -- if I can -- if I think back to the committee meetings for a lot of us it came down to the idea of the amount of money we have. If we allow the exemption to occur, we're going to generate less funds. So someone is going to have to decide which projects come off the list. Or some place we didn't want to go was to keep the exemption, but raise the fees on everybody else. Which again perpetuated what we started with at the start of the conversation, money in, money out. In working with some developments, some of you know my background, we've done some projects in the downtown, I can't speak for other developers, I don't think the s.d.c. would have prevented us from developing some projects. We've put some big projects on the transit mall. So i'm not certain, and everybody is going to approach it as money saved is a great thing. If I can add a savings into my bottom line on my project, that's a good thing. But I think the committee just felt there was really -- it was not a defensible discount. We could go back to the idea of giving everybody discounts based on their actual mode access. But again, that circle comes right back around, and everybody raises less money, we go back to the list and start paring it down. Or we raise fees. Again, trust what the consultant said. We've looked at other cities that have s.d.c.'s, they don't have discounts, they have development in the range and the type and the quality and the design that we want. So I think there's good enough evidence out there that is the direction to pursue, and phasing it out also I think is a way to lessen the blow.

**Leonard:** You've been able to analyze whether or not some projects would not have happened whether or not there was an s.d.c.?

**\*\*\*\*\*:** Great question.

**Young:** The evidence, locally, anecdotally from other committee members, was pretty forthcoming and revealing, that as you've heard about the projects that rick's been involved with, other people who have developed it said, yeah, it's a cost or it's a savings, but the project was going to go. The market was right, the prices were right, location, location, location was right. The other thing I would add is, this is consistent with our experience nationally. Contrary to what we would all assume, adding a few dollars to something is an incentive or disincentive, there are so many other factors, location, regulatory reform, the marketplace this, is such a small piece of the cost, it really turns out not to be an incentive or a disincentive, pretty much turns out to be something that adds to the bottom line because of the way we wrote the rule.

**Levine:** That leads us to looking at how Portland's s.d.c. fees compare in the metro area, to give you some additional perspective.

**Young:** One of the things we did 10 years ago what was called an economic analysis. What's going on in the world of s.d.c.'s, and what is it that the city of Portland was about to get itself into? Was there a marketplace? What was going on in seattle, san francisco, what was going on in other metropolitan areas? We were asked to update those studies. We looked at four different aspects of, if you will, competitiveness. One was the direct cost, how do Portland's current s.d.c.'s compare to your immediate neighbors in the metropolitan area, and to three other metropolitan areas in the west coast, seattle, san francisco, and sacramento? The comparison result is, you're right in the

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middle of the pack. Out of 21 communities that we studied, depending on whether we were looking at condominiums or residences, or at office buildings, you were anywhere from the seventh, never the highest, or as low as the 17th. So you're the middle of the pack. So that's just directly your transportation fee compared to somebody else's transportation fee. But transportation fees are only one of many fees. So the second analysis we did, the next item on your slide, is we look at all the s.d.c.'s that any of the cities charged, all the s.d.c.'s that you charge. Again, the result is, the city of Portland is right in the middle of the pack, about 12th or 13th out of 21 jurisdictions. Finally we were asked to look at beyond s.d.c. Cost, other costs incurred in pulling a permit and building a permit. The fee structure leaves you below the middle of the pack, 13th out of 21st. The next slide sum rises, you have a larger handout, this is a summary of the total cost, the last one I talked about, the s.d.c., the transportation s.d.c., the other s.d.c.'s, and all the costs, and in the -- over toward the left where it says overall rank you can see Portland is ranked 14th out of 21. Look at fairview. If you wanted to be the lowest cost in the area, you'd have to equal fairview to get to the 21st. And who is number one in the area? About halfway down the list, g for gresham, number two and number one in the different parts of the city. I'd like to remind you of what we learned from this. We all want to be in an economic environment competitive. And it's believed that we shouldn't be the highest, it's ok not tonight lowest. I would remind you of your questions to me and my answers of just a minute ago, there are other factors. The land, its regulatory basis, the marketplace, are much bigger drivers than s.d.c.'s. I would also remind, this is what the academic studies have taught us quite clearly, it turns out the s.d.c. Amount almost up to or even above the maximum in the Portland metropolitan area, is not an incentive or disincentive. The incentive comes from squellati infrastructure. That's what -- quality infrastructure. That's what brings in the development you want. A good transportation system a. Multimodal transportation system, and I want to pat you on the back again for this one, because you were there first 10 years ago, and you're still the best in terms of having a full walk, bike, and transit component. Other communities don't do that. You've broken that ground, and you have a feed that -- fee that is competitive. If you stay at that level you will have no negative influence on future development, and frankly, doing away with the t.o.d. discount, in my experience elsewhere in the country, doing away with the t.o.d. discount and raising the rates still would not have a negative effect on development. Because what they want is quality infrastructure. That's what attracts good development.

**Leonard:** Don't want to pat us on the back too much. I think our infrastructure is great until 82nd, after that the intermodal bicycle and bike boulevard don't exist.

**Young:** I couldn't agree more. The pat on the back is having the right mechanism in place to sustain and i'm prove that infrastructure.

**Leonard:** Or in some cases create it. We can't sustain something that's not there or improve something that doesn't exist. The things that i've talked to commissioner Adams about on this is to take some of that excellent work you've identified but extend it out into areas it appears actually are justified in asking that they be constructed. The equity reason for getting rid of the t.o.d. discount is important, but also the loss of revenue, we're in the central city would you have had \$14 million, instead you've got five, it was probably a decent policy then. Do you want to do that again for the next 10 years?

**Leonard:** This is great information, and I appreciate the way it's been explained. It's very helpful.

**Adams:** Anything to add before we go to the other members?

**Williams:** We struggle with the rates, because you look at the project list, and everybody around the table, there's projects on that list that they want for their community. And so it was real easy to begin to have a discussion about, let's just raise the rates. But elimination of the t.o.d. discount will add more money to this go-around than we had the last go-around. We felt that was a positive. And we need to work with the central city to bring everybody into that equity alignment. There are -- there were members of the committee that said we should triple the rate. There were members of

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the committee that said we should at least be the average of the region. But we felt making the rates comparable and eliminating the t.o.d. discount was the best way to go.

**Levine:** Technically the rate study that's been submitted for the project would support a higher range. With this comparable rate, we would estimate a maximum collection of about 40% of the s.d.c. eligible cost, or about \$108 million.

**Leonard:** Extra money?

**Levine:** That is all of the collections at the comparable rate for the next 10 years.

**Leonard:** My question is, of the \$104 million, what is generated by the elimination of the t.o.d.d.

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**Levine:** We do not have a specific estimate for elimination of the t.o.d.d. We could obviously look back, take that \$13 million figure, project it forward and add inflation as a way to calculate it, but it didn't seem like a straight line estimate of development, which is so cyclic.

**Leonard:** The \$1.4 million is generated over 10 years?

**Levine:** That's correct.

**Leonard:** Have you discussed eliminating the t.o.d. and increasing the s.d.c.'s for the purpose of doing some of these other projects?

**Williams:** The committee looked at that. In terms of look at, let's be comparable, but be the average of the region, which would have taken it up a bit above comparable, the consensus was not there.

**Leonard:** Amanda houchin more, if you did that, what were you contemplating, how much more would that generate above the \$104 million over 10 years?

**Young:** To go to the average? I think it was in the vicinity of 10% more.

**Leonard:** A million dollars a year?

**\*\*\*\*\*:** In round numbers, yes.

**Young:** How much would be lost if the t.o.d. discount was continued, I share catherine's assessment it's hard to give an exact number, but in the last 10 years it was about 25% of what would have been the total assessment was not received because of the t.o.d. discount. It would have been 49 million, you got 36. I would guess 25% of the hundred million would be lost.

**Leonard:** I'm trying to think if I can pay for a bicycle bridge over i-205.

**Adams:** Getting close.

**Saltzman:** There's one for 405.

**Leonard:** I appreciate you pointing that out.

**Adams:** Any other questions for the panel? They'll be available. We have some invited testimony.

**Don Baack:** I want to commend catherine in the way she ran this project. This is one of the best projects i've been involved with. She and her consultant staffs were outstanding. They really did a great job. They deserve lots of commendation. Looking at the history of this, I think the money -- it's clear the money has been misdirected. Downtown, the streetcar benefitted greatly. Specifically downtown got 337%. Way, way, way more because of the t.o.d. discount and because we chose to fund streetcar. In southwest their streets were paid for by developers. In the history of Portland, almost all of the streetcars were paid for by developers. I think that's the way we should move forward on this in the future. I'm tired of throwing a lot of my money from southwest into streetcar. So sense they've had a free ride I see no reason not to discontinue the t.o.d.d. Discount. And what I would suggest you do, phase it out as proposed, four years, and in addition to that, basically increase the rate from that point up to the rate -- the average for the region. So basically have an increment moving forward for the downtown people the first four years no, change elsewhere, and everybody goes up a small increment to bring it up so we can be at that \$114 million level at the end of the period. We really need to have these projects in southwest, particularly -- we'd like to ask that the other projects that weren't built this last time, we only had two funded, would basically

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be added back to the list and we'd be able to move on those. That's mainly capitol highway. The problem is we've not had matching funds, and we're working toward that. We're pleased that's being moved forward. The other thing that's important is this whole idea of leverage is not understood by the public. It's a complete mystery. I think a leverage, a rock, and a stone, and a board. This doesn't translate to them, and I think we need to work on that. So finally, in my personal feeling, here I'm representing hills dame neighborhood and southwest trails, we'd like to see improvements in our streets, particularly in terms of those who don't have pedestrian facilities. I know it's not news to you, but it's important that we move forward. Thank you very much.

**Lise Glancy, Port of Portland:** My name is Lise, representing the port of Portland. The port supports the renewal of the city transportation s.d.c., and we commend staff and the citizen advisory committee for work well done on this project. S.d.c.'s are a fair way to assess new development. In the past 10 years, the transportation s.d.c. Program has allowed the city to address capacity improvements to all modes and fund numerous transportation projects. The port and freight committee in particular have appreciated the assistance of the s.d.c. Program in moving forward freight projects like East Columbia, Lombard Connector, North Lombard Overcrossing and North Marine Drive.

With renewal of the program, the five points for your consideration. We encourage you to phase out the transportation oriented development discount while with the transportation oriented development discount helped overcome developers initial concerns about risks related to transit oriented development, the market has changed and transit oriented development is at a premium today. Based on the analysis of the advisory group, it appears the transportation s.d.c. discount has resulted in an inequitable distribution of transportation funds in the city and does not reflect these developments impacts on the transportation system as Rick talked about we concur with the advisory group's recommendation. This should be phased out over the next four years. We urge you to keep the rate comparable as described in the draft ordinance. Number three, given the limited transportation funding available, we'd urge you to consider giving emphasis to -- priority to projects that use s.d.c. funds to leverage other resources. Four, the 114 million s.d.c. revenue over the next 10 years, you have a project list of 43 projects totalling \$414 million. So clearly you need matching funds to make those projects go forward, s.d.c.'s can't pay for all it, and the overall capacity needs in the city are far greater as we know. So we'll never be able to fund all the funds with s.d.c. Funds and matching funds must be made available wherever possible. Number four, I'd urge you to periodically assess less than the 10-year cycle we've been on -- there are always be some sort of imbalance in the system. It won't be a perfect assessment. Finally, update the project list every five years to make sure they reflect the changing nature of developing activities in the city. We urge your support of the renewal of this program.

**Bruce Halperin:** Bruce Halperin, Portland freight committee. I want to start by saying just the staff was great, the consultants were great, and I think I found this as one of the most interesting projects that I've sat in on. It was -- the policy issues, and the other citizen committee members, all the way around it was just a great project. The Portland freight committee would very much like to support the recommendations of the c.a.c. on this. And we think certainly it will be a benefit to the city if it's -- if the project is adopted as-is. I would like to say for the committee that we would say that on the modal equity our preference, or thoughts would be that there's probably -- not enough of a balance toward road capacity, vehicle capacity, expenditures, and in the sense, too much on the transit, pedestrian, bikes. And our thoughts on this are that transit benefits everyone, bike and pedestrian certainly improves the city's livability, but the roadway capacity projects are the ones that enhance the economy. And those are what ultimately allow us to deal with a lot of the other livability issues. But having said that, what made it more palatable is the idea of phasing out the discount. And the t.o.d. discount to us seemed look like so much of the money in the prior round was going to transit, and yet the biggest transit development was not paying for that use, or paying for those projects, that there was an added-in equity that if we're going to spend our money in a

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broad sense, at least all the different types of development that are going to use all those different types of projects should be paying for it. And at least there's an internal logic when you do it like that. So we may not agree with everything, but it's internally consistent. It makes more sense that way. So thank you.

**Adams:** Tri-met was not able to send a representative, and they have a two-page letter that I think we have copies of somewhere. They asked me to read, while tri-met looks to jurisdiction partners country courage -- leverages this region's significant transit investments, we support the recommended four-year phase-out of the transit oriented discount. Is mary leigh not here? Then mel?

**\*\*\*\*\*:** Can I defer to my left?

**Adams:** Sure.

**Scott Bricker:** Scott bricker, thank you for having me up there. Up here. I am a registered lobbyist with the bicycle transportation alliance, for the record. I am the executive director of the bicycle transportation alliance, and again, it was a pleasure to serve on this committee, and I appreciate sitting up here. I want to note the new bicycle racks. It was great to have executive level parking when coming here today. Front door parking. It was free, which was great. Again, we had an excellent process moving into my testimony here, so that was well said, and I think the committee generally felt that. The b.t.a. Is supportive of this project moving forward, as I think most of the folks in the stakeholder committee are generally. We're supportive of the mix of projects that occur on the list, and I think you'll find there's a mix of projects on the list. We recognize that projects are projects, the s.d.c.'s are going to support a portion of those projects. I think there was a lot of discussion that wasn't just project based. When we talked about the funding levels, we weren't just saying let's build some projects, we did try and get into what does it take when you have new developments to actually provide for that extras in the way that people get around Portland. They do get around, lots of different fashions as well as the freight needs and other types of needs. But it's difficult to assess what one new development is actually going to cost the city. I think you'll see on the list, gresham, which is by far the most expensive s.d.c., they're looking at building out in their spring water area a new development, and then when they're providing the s.d.c., the s.d.c. Is so high, because they actually need to build new roads, bike paths, and whatnot. We have a different situation here where we're looking at how it is actually dealing with existing infrastructure. I have some more targeted comments, which is from my perspective, I thought I heard a little bit more support, and it wasn't wide range, from a consultant what i've heard clearly from the consultant is that increasing the s.d.c. Does not deter development. I think that was stated here. So aside from the t.o.d.d., increasing the s.d.c. Did not deter development, but the -- having good facilities is what brings development in. And so I was more leaning towards an increased s.d.c., maybe phased up over time, and I understand why there would be push-back for that. But the focus on having good infrastructure for the variety of modes and freight needs in our city, I think is the number one issue here. And by pushing the s.d.c. To more ably accommodate that to me was the priority, and I -- the b.t.a., the bicycling community and other similar communities supported a potential increase. And as it goes for the t.o.d.d., we also supported cutting the t.o.d.d., scaling it back and definitely not having a blanket t.o.d.d. If any cutback, it would have to be performance standard, but cutting the t.o.d.d. Back. I wanted to -- if you looked at the project map this, was a smaller issue for me, but when I look at the project map, which is provided in your packets, the corridor of north Portland basically east of cully has very few projects on the list. And one of the reasons why is because the intermodal freight projects are up there. I actually think if there's a way you can pull the intermodal freight projects, which to me are a citywide project, more of a regional type project, and pull those, maybe out and provide a project or two for north Portland, I think you're going to have some resistance. There are very few projects on

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that -- on the peninsula. So that was smaller comment. But moving forward, we support this project. So thank you for the time.

**Kay Durtschi:** I think you all know that i've been a volunteer in this city for many years, so this is not new. But the one thing I brought to this committee that I tried to carry forward was an overall city view, not just a southwest view. And I did that because I served on the t.s.p. Committee to right the first -- to write the first t.s.p. We had in Portland, and that is five or six years old. But still, it gives someone a perspective of what needs to be done citywide, not just in a single area. So that's one thing that I felt this committee did, was take a citywide view and not get off on a tangent of localized projects. I'm very happy that you have gotten to see the maps that we were presented, and we got numerous ones. More than what you were shown today, but i'd like to reiterate what scott has just said and compare what happened in the last 10 years with what we proposed for the next 10 years, and I think this map is the one that shows that the best. Because it shows how we have separated the city into districts, so that we give them more balance perspective to where the money is being spent. The intent of that is to bring about solutions into the system that are missing right now. And that means filling in the gaps of what we need in the future so that we have a better perspective. You also heard already that the transit oriented has been taken away, and I was one that was not -- I didn't want it because of southwest, and this is one place where I raised my hat for southwest, we got 2% of what we put into it back. Whereas the central city got 43% of, what they put in, or what was totally collected. So the central city really did benefit overall. And I realized that the city is the core of a sort of a wagon wheel, if you will, and so we need to keep the central city very vital and active. But let's not forget those portions of the city that are out on the parameters that need to be serviced as well. And they all pay their taxes, and they all feel like they have something coming. You're going to hear from that more in the next -- but more than anything I just want to emphasize that we -- and I think i've personally brought this forward -- I would like to have a two-year review. And this was written into the code change that you have just presented. I would like to have a two-year review, and that two years you're reviewing, by the third year you have any amendments that you need to make to the system, and it gives you a chance to make up for inequities that maybe we've overlooked. And as I was said before, i'd be happy to help carry this message forward. And last but not least, I would like to urge your yes vote, but can I just add one little thing on the code? You have a typo that I think needs to be corrected. And on the very last page it says that these things will be filed, will be -- and it says filled with the auditor, and it should be changed to filed with the auditor, I believe. So I would ask you to make that typo change. Last but not least, please vote yes. I think we've done a good job and I think you have a very good program for the future.

**Adams:** Thank you, kay. Mel?

**Mel Vietzke:** I'm mel, i'm a member of the cully neighborhood association, and also a member of this committee. It's no secret that northeast and southeast have been neglected for years. In this plan we tried to keep the whole city improved. We don't want a place like detroit where you have really nice sections of detroit and then you have bombed-out areas that the city is in terrible shape. We need to have the whole city looking good. We want good transportation, we want good streets. We're not going to get development in northeast and southeast if we don't improve the overall transportation system. And that includes rapid transit. I love the max. We need a little bit of everything. We need those bicycle lanes, we need better streets, and we need our main thoroughfares through northeast, southeast improvements. But we just don't want a city that people will say, ok, geez, that really looks nice on that side of the river. What happened to the other side? And we tried to do this so that the whole city benefits. And it makes the whole city better. Not just -- i'm not -- I don't want to see just northeast where I live improved. I want to see the whole city do well. And i've lived at the same address for 35 years, which is just above the airport. And I know the mayor has walked through the cully neighborhood, and realized we have no parks.

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We have a lot of dirt streets, and we have no curbs and sidewalks in much of our area. So we really need overall the whole city to improve, not just our neighborhood, but we want to see the whole city, and have a rounded -- I know sams has worked very hard with rapid transit. And we need that rapid transit. That was about it. I've been working all night, so I haven't slept since yesterday.

**Adams:** You're doing great.

**Leonard:** I wanted to ask a question, i'm going to ask this later, but a couple of you mentioned please accept our recommendations, and i'm going to ask you about one of them. Because I have some concerns about it. That is the -- you've recognized and acknowledged and done some great work documenting that the discount has created an inequity in the distribution of dollars throughout the city. If you have acknowledged that and recognize that, why are you recommending for it to stay another four years and not be eliminated immediately?

**Durtschi:** I personally would have said do it away -- do away witness immediately. But the builders had to leave, I think that was promoted that the people in the field that are doing the development need to have a little bit of time to adjust their thinking cap.

**Leonard:** I understand, i'm thinking out loud, how does four years do that? I can understand something in the process, where were you getting a permit for, that's reasonable, but four years?

**Durtschi:** I think the main thing was that the things that are in the field being done right now need time to be completed, and the four-year span gave them time to complete that without thinking they were going to pick up again with something immediately. That's all I can say. I was not in favor of the four-year proposal.

**Leonard:** You won't write necessity a -- me a nasty email if I don't agree with that recommendation?

**Durtschi:** I know you think things through.

**Adams:** Thank you all very much.

**Brian Wilson:** Good afternoon. My name is brian wilson, I live in southwest Portland. By way of disclosure, I did represent the Portland business alliance on this committee. However, I am not speaking for them today, i'm speaking for my own heart. And I want to speak briefly about the committee's recommendation to phase out the t.o.d.d., specifically just about the t.o.d.d. Phase-out. I personally feel that more thought should be given to this issue, there's a broader conversation that needs to be had. I can honestly represent they do have an impact and necessity do make a difference, especially for work force housing projects, for example, that might be marginally financially viable. The real issue is one of messaging. Virtually everyone in the city embraces some aspect of smart growth and sustainability. There are very few examples of tangible programs where we put our money where our mouth is. And the t.o.d.d. Is one of those. If we ultimately determine the discount wasn't successful or isn't functioning the way that we want it to, I suggest we look for ways to make it successful and function better rather than just give up on the message that building smart around the available mass transit system is somenow viable. We're adding more mass transit option and serving new neighborhoods all the time. These -- with respect to the cost impacts of eliminating the t.o.d.d., this was all other developments off cost, s.d.c.'s are capitalized and become part of the project's basis. In most instance the bases is used to set pricing for the end product, whether that price is in the form of rent or sales price. A discount, any discount given to a project reduces the basis and makes it easier for the project to price itself competitively. In effect, eliminating a discount is also raising prices to the end user. In most cases, at this time does add cost, whether we want to acknowledge it or not. I suspect if at of us, including small family businesses like mine that dabble in development have had a better -- done a better job educating our tenants and customers about the t.o.d.d., maybe we wouldn't have this discussion today. Thank you.

**Ty Wyman:** Mr. Mayor, members of the council, ty wyman, a lands use attorney in town, doing a lot of work with providence health system. I sit on the institutional facilities coalition. And have

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sat on the c.a.c. It's interesting that commissioner Adams spoke of the complications of this and any other s.d.c. Program. I think the last hour and 20 minutes of presentation bear that out. However, the coalition's feeling is really very, very simple. I believe you got a letter today setting forth our support for the program update and the basis of that support is simply our reliance on transit. The coalitions, the institution -- high mode splits. Those mode splits arise primarily because of transit, that makes us reliant on transit and indeed in many cases the institutions themselves have invested in the transit system. To a large extent our ability to get our students and patients and employees where they need to be when they need to be there relies on the transit system. We know that's first and foremost a regional issue, but nonetheless that was the dog and really pretty much the only dog that we had in this fight. Our belief at the end of the day is simply that the project was before you and the rate sheet before you does a good job of supporting transit. And that's why we support the program.

**Adams:** Thank you very much. Mayor, that's the end of invited testimony.

**Potter:** Do we have a sign-up sheet?

**Moore:** We have three people left on the list.

**Potter:** Ok.

**Nancy Hand:** Nancy hand, chair of arnold creek neighborhood association. We would like to encourage to you support our intersection, southwest stevenson and boones ferry road, project number 90062. We want to remind you that we have some leverage funding that will go away in one½ years. It is most important to get this moved forward as soon as possible so we don't lose those additional funds. As you know, we have some money but not enough to make this intersection safe. We will not additional funding. As you also know, we have had tremendous growth in our area, especially along boones ferry road. Therefore these funds would be the answer to our prayers to make this intersection safe. As you remember from the video, we showed during our land use appeal, it is a very dangerous intersection. We had another death on july 20th this summer. It was just north of the intersection, but does reinforce the fact that people do speed on that blind curve all the time. On august 15th, there was a rear-end collision at the intersection, a driver was trying to make a left turn on to stevenson and was rear ended by a driver going south on boones ferry. This is another typical accident at this intersection. It is very critical as you determined at the hearing last summer that this intersection be fixed concurrently with the development. We urge you to make this a high priority on this tsdc list. Thanks for your continued support and hard work for all citizens of Portland. Thank you.

**Brenna Bell:** My name is brenna bell. I'm also the president of the board and a resident at tryon creek life community farm. We are just down a steep hill and around a blind corner from the intersection that nancy was talking about. And I have been vent -- bending everyone's eerie can about boones ferry road, because it is dangerous. I can't underestimate how dangerous this road is. As you've heard from numerous people, southwest Portland is really underserved in terms of nonautomobile transit, or traffic. We have one tri-met bus that runs sporadically during weekdays. I bike out on a regular basis and I quite literally fear for my life every time I go out on boones ferry road. I think this, is the day we're going to die. Luckily we haven't, but people do die on a regular base otherwise this curve. If you've been out there lately you know this area needs a lot of love. And a lot of support. Needs transit money. So while we're just a small dot on the very bottom of the transit project's list, it's a very important one. I'd like to encourage you to think about the areas like southwest boones ferry that have immen's growth and no real transition alternatives except single automobile drivers. We have about 80 new developments within a mile of the intersection where we need a light. So I think this is just the first thing. I'll keep talking to you about a bike lane on boones ferry, maybe next year, maybe the next. Something really must be done. I've talked to a lot of you, we've been really worked with what the valuing of the people of Portland are. Making that be a prime concern. I was thinking about the values in relationship to

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southwest Portland and our transit. The city's values, sustainability, community connectedness, and instead we have a road where at our sustainability and demonstration center we cannot in good conscience invite people to walk or bike to our center. Our neighbors, down the road, will not walk on boones ferry road to get to us. That is not an example of community connectedness. It's not an example of sustainability or equity and accessibility. So while I think sometimes southwest gets dismissed as a bunch of rich people who would prefer to drive, it's changing in demographics, and I think it needs to be looked at. This light on stevenson will just be one way to really achieve a transportation safety on that area that will benefit everybody. Thank you.

**Adams:** That concludes our testimony. I'd like to get feedback from the council if you have thoughts on, is the rate right, is the -- what council's thoughts are, and any comments you'd have on the list itself, but before we do that, are there any questions from council for staff or our consultants? In terms of -- fits ok for you, any feedback, we're not voting today, but any feedback from council on the rate? There's the suggestion from the committee is to keep the rate the same, but phase out the t.o.d. on the rate, what are your thoughts on the rate?

**Saltzman:** Is that indexed for inflation?

**Adams:** Yes. In terms of the rate it's keep the rate the same, indexed to inflation, any feedback from council on that? If you want to think about it, that's fine as well. In terms of the t.o.d. the recommendation for t.o.d.d. phase-out versus a t.o.d. elimination, versus keeping the t.o.d.d. discount, any thoughts from council on that?

**Potter:** I want to clarify, one of the testifiers indicated that the reason for the four-year phase-out was that a number of projects are on the ground and that would give people time or developers time to come up with alternative budgets and so forth. Is that the case?

**Young:** You're speaking of development projects, not road transportation projects? Yes. There was not a specific research assignment to determine how long it would take, but it was sort of consensus that a phase-out at the level we're talking about of going to two-third and one-third and then gone would be sufficient time for those large projects that are in the pipeline to finish their business, or at least be aware they were going to start paying.

**Leonard:** What's one example of any project that's four years out that is including this discount, in their financial analysis?

**Williams:** South waterfront.

**Leonard:** Thank you for making my point. That's an area, that's not a project.

**Williams:** A number of projects.

**Leonard:** I'm asking for an example, one project that somebody said we're in the weatherby, this is part of our financial -- I get if somebody is in the permitting process, but I am responsible for the permitting proper z. I'm not aware of any project --

**Williams:** I think i'll just address it from the point of view of the committee. We're a committee. And our job was to come to consensus. I think you heard from people here there are some who want the rate to go up, some said the discount should not go away. There are some who say the discount should go away immediately. I think brian's point about message is important. What we're saying to the central city and what we're saying to the rest of the community, the message of equity is very clear. I think the message of, we want to work with you to make this transition workable, so I think the response to your question is, we can't necessarily target one project, but this was a group of 19 people who were able to come with a very high level of consensus and say, if this is the way to implement it, this is our recommendation.

**Leonard:** That's a different answer. Those are two completely different points of view.

**Williams:** We chose the consensus.

**Adams:** That's where the committee s. Where do you linger?

**Leonard:** Actually I appreciate that last answer more than the other answer. Frankly I don't buy it. If you're saying there is shock that the development communities to absorb, this is a compromise, I

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get that. That makes some sense. But there are no projects on the table that this would disrupt four years out. Maybe a year, maybe there's some deal going on. I get that. My interest would be where you actually have people -- like we did we brought up an issue almost five years ago about abatements. And I even raised the issue, that was before the current council was here, we had a discussion about it, and I even felt like it was unfair to drop the hammer that day on that project, because although the policy of abatements seemed to me not to -- it's not unlike this policy here, it didn't seem to me to be actually causing development to happen that wouldn't otherwise seem to be like a gift, it did seem unfair to me on that particular project on that day that had the financing lined up and the contractor lined up to draw the line that day. So that they didn't get it. Even I agreed to say, ok, on that one, given you've got all the financing in the pipeline, that should go through. It's rational to say if somebody is -- if somebody has their financing lined up, I would agree it's not fair to say we're changing the rules on you. But four years I can tell you that's not the line. So six months, eight months, something like that.

**Saltzman:** I guess from a different point of view, i'm interested in taking a look at more strategic applications of a t.o.d. exemption perhaps outside of the central city. Other areas of the city that might benefit from it. I think as brian wilson pointed out. There are other areas that could truly benefit, and I guess i'd want to see the definition really narrowed so we really are sure we're getting something that's more than just something near transit. In order to get the tax exemption.

Something that stands out as something that really minimizes reliance on the auto or something like that. That's just an idea I have, if we were to take central city out of the equation. They've benefitted a lot by definition, central city is transit friendly. No matter where you develop. Or transit oriented. I wouldn't say that about other areas, far northeast, far southeast, and other places. Maybe that's something that I would be open to taking a look at.

**Potter:** I'm satisfied with the phase-out. If someone wants to produce another method by which we do that, i'm up for that too. I think it's fair. The committee made its issues and alvie martins very well.

**Adams:** Comments on the projects? My last question.

**Leonard:** I want to make clear if I say this -- I do not recall there are any bike boulevards east of 82nd. I will say just flat-out there are none east of i-205. If there is one east of 82nd, i'm not aware of it. I will just tell you there are none east of i-205. What i'd like to see is the fence of -- there are a number of them that go east from the inner city towards east Portland. I would like to see one that was actually not only extended past -- I actually think the last one is on 67th, but maybe it's 82nd, wherever that is, for instance, there's one on clinton that turns into woodward, lied attack to -- I -- I mentioned this to scott, extend that one, by example. Not just past 82nd, but to i-205, construct a bike-pedestrian bridge over i-205, and then extend the boulevard east to the Portland city limits. And almost even hopefully in some cooperative way with gresham that they might pick up the same kind of transit boulevard for bicyclists. In east Portland.

**Adams:** Any other --

**Leonard:** Just that.

**Saltzman:** This is a pie chart that breaks this down by freight.

**Levine:** We have the color-coded maps.

**Young:** We do have a significant amount of raw data and had a fair amount of discussion at one committee mighting about how to interpret that data. Because there are pieces of projects that are clearly devoted only to a specific mode. There are significant portions of many of the projects that are core costs that support all the modes, and there were a number of different ways of slicing them and depending which assumption is made, you could make modes look better than others. I think the committee surrendered too much data and said you've got them covered, leave it alone. We'll see what we dock in the way of a pie chart.

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**Adams:** My comment would be, I thought the suggestion to pull up the intermodal out of north Portland and see what's left, what remains in terms of s.d.c. projects was a useful comment, would like to see that happen. We'll be returning to the city council probably in two or three weeks. I'd like to thank our consultants again, randy young and sumner sharp. I want to thank the committee who put in lots of hours on this, and headed up by rick, thank you, rick, very much. Really appreciate it. And then don gardner behind the scenes force, and then especially kathryn levine, fantastic work. Really appreciate it. We'll be back.

**Potter:** This is an ordinance, it only moves to a second reading. You're saying it's not --

**Adams:** Move it back to my office.

**Potter:** Ok.

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

**Potter:** Thank you, folks. Excellent presentation. Please read the 3:30 time certain.

**Item 1085.**

**Potter:** The diversity and civic leadership academy is designed to broaden diverse participation in the civic governance of the city to develop the organizational leadership skills of emerging community leaders with a focus of communities on color, immigrants and refugees. This is one of several new initiatives that provides a framework for the city's public involvement efforts and neighborhood system to better serve and engage traditionally underrepresented population groups in civic governance. I want to thank the commit community members who have been recruit and are participating in this project with the latino network, the center for intercultural organizing and Oregon action. This project is important goals for the city, including building the community's capacity to advance policies for economic and social equity for their communities, encourage more diverse representation on city committees and neighborhood systems, and encourage collaboration between diverse community and neighborhood organizations. So we have some presenters today. Jerry, are you going to lead off the discussion?

**Jeri Williams, Office of Neighborhood Involvement:** Yes, I am. My name is jeri williams, and i'm the neighborhood program coordinator for the office of neighborhood involvement and the project manager for the diversity and civic leadership academy. I would first like to thank you all for the opportunity for to us give an update on the progress of the leadership academy. It's an important, and it's also important for me to mention that the ideas for these diversity leadership academies and organizing projects came out of community effort. We'd like to thank all the people who participated in the hard working committee and the 7200 community members who have come out and participated in giving input on the development of these programs that we've held for over the last year. The concept was also proposed several years ago through the public involvement task force. I am personally have had the distinct honor of being able to participate in the gatherings of the leadership academies, both their cross cultural events and their separate events, and they're doing amazing work. With that, i'm going to turn it over to maria.

**Maria Lisa Johnson:** Mayor Potter and commissioner, good afternoon. I'm the executive director of latino network. This afternoon I have the privilege of joining my colleagues at the center for intercultural organizing and Oregon action and our emerging leaders to thank you for your investment in our communities. As you know, the diversity and civic leadership academy, which was initiated this past june, builds leadership and organizational capacity within communities that have traditionally been excluded from the political process. And though we have only a few months to report on, we are inspired of the possibility of change that our project and joint work represents. Last week we brought together about 35 leaders of various nation and ethnicities and we held a completely bilingual training. United nations style such that only a few seconds passed between the spoken word and the nod of understanding. It was exhilarating to see the strength of this convergence. One of our russian participants who took part in the role play on the creation of a day labor center advocated he -- a latina participant stated she had never been in a room with people

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from so many different countries. New img.r.e.a.t. Grants participating stated now I realize we're not the only ones who have immigrated. Our project is building bridges where few connections have existed. We are creating -- creating a path to leadership. I hope your vision will soon be fulfilled and you will see a mix of people in city hall debating, proposing, and work together to build a better Portland. Thanks for your support.

**Heleveta (spoke through interpreter):** My name -- I am going to speak spanish because I don't know english.

Translator: I want to thank you for the support you have given us. It's my first time in city hall and I really wanted to do this because it's a really good project. It's the first time we have come together as different communities, african americans latinos, and others. I am a member of neighbors on alert from the community. This is a great opportunity to learn more about leadership and not only leadership, but to learn more about other communities as well. Thank you.

**Johnson:** Up next we have kayse, therese, and jo ann bowman from Oregon action.

**Kayse Jama:** My name is kayse, I am the director of the center for intercultural organizing. I'm privileged to participate and support the diversity -- the amendment for the contract. The center for intercultural organizing, Oregon action and latina network collaborated and created such a unique opportunity in Portland where a diverse opportunity -- necessity to participate in the city. The -- what we're hoping to do in this project is create and partner with the city and the other community members to create an opportunity where cross cultural communities can have a dialogue, participate, and create a democracy. And that's the goal of the project. So this project is really, really unique opportunity. I also have a privilege to participate in this project at the beginning. So I have a long history of this project of participating and the creation and also now -- to make it happen. I also have the privilege to witness the collaboration and the the collective process that took place both the center for cultural organizing, Oregon action, and latina network. And really this, was the first time that all the community -- felt there is some common sunndaying -- understanding in the community. So I really want to encourage to you support this process, because we're hoping to make this project to be a lasting and really make an impact and creating a process with city government and community partners to create a lasting liberty democracy. Thank you.

**Jo Ann Bowman:** Good afternoon. I'm jo ann bowman, the executive director of Oregon action. I'd like to echo several comments that were played, my organization trains low-income people to advocate for their own best interests, so when this funding opportunity came along, we thought, this is a natural fit with our organization. But what surprised me, as we got into this program, is how significantly significantly different it is than anything we've done before. I think at one count we said we had 30 nations represented, about 23 different languages, and as the english only language speaker to be in a room where what you're saying is being translated and you have to also wait for the translation for the response so that everybody is on the same page, was a phenomenal experience. And it was a phenomenal experience for -- we're not normally in a position where we're waiting for translated information. We're normally the ones that are providing the information. So what we've create second degree an opportunity where everybody, all 45 members, are truly leaders and have something to add to the class. And in addition to that, what we're also doing is really bridging those gaps across cultures, across economic lines, and really making city hall accessible to people who never saw city hall as a place that they should come, much less that they would be welcome to come and provide their input and their feedback. And so I just want to add my thanks and appreciation for the visionary leadership that made this possible and to thank you for your additional funding so that at the end of this process we'll have 45 leaders who will be real clear about their place in city hall and how they can influence that process. So thank you.

**Therese Lugamo:** I thank you to welcome me here. This is the first time in my life to be here since i've been in united states. I come from republic democratic of congo. I was member of the

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parliament there. Now i'm here as a refugee. I am part of the diversity and civic liberty academy, and -- by the way, I -- my english can be a little fuzzy, but I hope you will understand me. It was really fantastic to be part of that program, that leadership training. I learn a lot. First I learn about how the -- when we can hear we don't have time, we have time just -- [inaudible] it was the first time through this program I learn it. Also, it was powerful to be -- to share this space with the refugee and immigrant around -- for the first time I was with the russian, the mexican, and I find myself -- I was not alone in a lot of problem we have when we emigrate in the country. Through this leadership really I think for the first time we can have a voice. And also, we learn this kid -- I remember one example, they give us -- we make we have to respect time, and we have to do this, and we couldn't even -- i'm really, really impressed by this program and -- I have been in this country, the first time to know the city -- thank you very much for the opportunity to see you, express ourself. I think in two or three years we can be able to give more on this city. Thank you.

**Potter:** Are there others who signed up? Do we have a sign-up sheet?

**Moore:** We do. Veronica?

**Potter:** I don't think she's here.

**\*\*\*\*\*:** She's here.

**Potter:** Oh.

**Veronica Bernier:** I missed the other one, i'm sorry. Good afternoon mayor Potter, good afternoon commissioner Saltzman, sam Adams, and good afternoon randy. Hi, randy. Nice to see you again. Great. Thanks for the coffee, sam. [laughter]

**Adams:** You're welcome.

**Bernier:** I'm just kidding. It's always good -- [laughter] I support this, we welcome the support of the group here. I could unmost of what you said, and I support that. I think it's really important that we all in large are points of view to encompass what they were talking about. And quite frankly, that's the first time i've seen these nice ladies. I was really remarking on her native dress, it's very pretty. And we at Portland state always knight try to notice what people are wearing, because we are trying to be culturally competent. And sometimes that means stretching your point of view a little bit to encompass many, many different issues, but it's still along the life span it's really important. I noticed erik Sten wasn't here, and i'm happy to see him any time I do see him. I've known erik since he was 8 and he's essentially the same. Never different.

**Leonard:** You've known him four years?

**Bernier:** Eight years old. Well, erik -- erik actually, he goes back quite a ways. He's always been right on the cutting edge of housing, and basically he's doing a great job wherever he's at. I'm sorry to hear he's not here. It is important. I wanted to put in a plug for something else, but I just wanted to say that you're doing a great job, and next time I sign up i'll try to get here at the right time, but I do support the issue you just addressed. Thanks a lot. And remember, the p.s.u. Vikings are playing u.c. Davis september 8th. So be there or be square, ok? Thanks a lot.

**Leonard:** Thank you veronica.

**Potter:** Is that it?

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

**Potter:** Ok. I want to thank all the folks that came in today. This is a nonemergency, so it will not be voted on today. What is the time and the date for the vote on this?

**Moore:** That will come back in next week's morning session, september 12th, the 9:30 session.

**Potter:** The thing that struck me, some of the speakers alluded to it, is how the different diverse communities are coming together. And I see a lot of power in that, and I see by educating on how to work within government, you can increase many fold your influence on the decisions that affect your communities. So I think this is a great program, and I look forward to continuing for many years to come. I really appreciate that. And thank you. Since it moves to a second reading, and

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this is the last business of the day, we are recessed until 2:00 p.m. tomorrow afternoon. Thank you.

At 3:52 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.

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

**SEPTEMBER 6, 2007            2:00 PM**

\* \* \* [ roll call ]

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

**Item 1086.**

**Potter:** Commissioner adams?

**Adams:** Thank you, mayor, members of the city council. I want to thank everybody for attending this afternoon's council's proceedings. Before us today is a historic opportunity to bring streetcar to the east side of Portland. It is also an opportunity to build a streetcar extension with more matching resources than ever before. I'm honored to fall in the footsteps of three previous transportation commissioners, earl blume, charley hales, and jim francesconi, who saw the wisdom of building the streetcar operations throughout the central city. Or more accurately, I should say rebuilding the streetcar operations throughout the city. We of course are the beneficiaries of a Portland that was once a streetcar city that had 120 miles of streetcar oriented development. That helped establish us as a city in the early 20th century. Sadly the lion's share of the streetcars have been paved over. We're probably seeing more and more of those old tracks than ever before, with digging up of downtown for light rail, almost every single excavation that we've done for light rail throughout the city recently. We've dug up old streetcar tracks. Streetcar also moves forward our efforts and our goals to take our portion of the 2040 growth targets in a relatively calm pact, pedestrian, and transit friendly development pattern. It is what helps make Portland, Portland. Previous council in 2001 made the decision to bring the streetcar back, it made a commitment to a central city circulator. We started on the west side and if the community embraced the effort we extended to extend to it east side. In doing so we hoped to knit together the city's east and west in a way we've never been able to accomplish otherwise. East and west are distinct in many ways, and while we value and embrace that diversity, we both contribute to a very rich often admired central city core, providing a circulator will enhance that diversity and make it more accessible to everyone. Six years after that important and far-sighted decision, I think it's safe to say the community has embraced streetcar, both the ridership and the adjacent development have exceed and continue to exceed expectations. We've extended the streetcar five times since that first initial effort. And this is very important for Other reasons, given that the era of cheap oil is over, and we have to provide more options to more people than simply driving alone in their car. The opportunity before us today is to cross the river from the Broadway bridge south to omsi, and bring us one significant step closer to completing that loop vision. In fact, the next and final installment in the loop effort is well underway under the leadership of our partner tri-met, and metro, with ice milwaukie light rail project and the willamette river bridge connecting omsi to the south waterfront. We're actually very close to completing the vision loop. In terms of the resources that will be used to capital resources used to build this project, as you know, i'm busy trying to engage the community in a discussion about how we take

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care of the \$422 million city backlog and transportation maintenance, doing that in partnership with the county, but on its willamette river bridges have at least \$325 million maintenance backlog. It's important to note that we have worked hashed, that the resources that are going into the -- the capital resources going in to build the streetcar extension are not resources that we could use for maintenance improvements on the basic transportation system. Lottery dollars, tax increment dollars, m-tip transit dollars, and f.t.a. small starts resources. Those are resources we use for transit, or they go to other Transit projects. The part that does competed is the -- that could be used for basic maintenance is the \$1.2 million that we envision coming from new parking meter revenue on the east side, and that will help underwrite the cost of streetcar operations. Those parking meter increases or new parking meters are being done with the approval of the business district in that area for these purposes. I also want to underscore that we do have challenges ahead. This is the beginning of the next phase of this process. The estimates as i've said before, are low confidence. We have not done preliminary engineering. This moves us to preliminary engineering. The package before us after I amend it will also hire an outside third party to do over-the-shoulder looks at where we can and should look for and quantify risks and suggest methods to manage and control those risks. We're going to have vikki dee dee and greg jones of pdot, if you would come forward. Along with keith and ken rust, who are going to talk about the project. We have a discussion guide they'll be going through. Council has paper copies of it in front of them. The rest of you will see it on the t.v. Screen above us. And also carter mcnichols is here today. When we had the council work session a number of great questions were raised by the mayor, and commissioner Saltzman Has also asked questions since then. We'll be seeking to answer those questions as part of this presentation. So with that, I will turn it over to vikki.

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

**Vicky Diede:** The power point presentation we're going to be showing to the council this afternoon is a relatively abbreviated version of what we did for the council work session about three weeks ago. We thought it important to review the significant issues that are in front of council regarding this project, as well as we wanted to use the presentation as a discussion tool as we go through it. So as we go along, please feel free to answer questions anywhere along the line to any of the people at the desk. I'm going to talk about the context of the project. Greg jones is going to talk about capital finance, ken will talk about the financial analysis, keith will talk about impact to the urban renewal district, paul will talk about finance, and what we do next. In the context -- first of all we'll look at the alignment. It achieves and supports regional and local transit, environmental, and economic goals for a central city. It attracts 2.4 million square feet of new development into the area, additional housing units that we would not expect without the streetcar, and very importantly, it helps reduce regional vehicle miles traveled by 28 million miles per year. And that's based on the new Housing units. It will transport about 3.5 million riders each year. From a regional standpoint, the central city, both the east and the west side, is our region's premium mixed use center and deserving of investment. More intensive mixed use development promotes greater efficiency in the use of our land, which has an impact on the urban growth boundary, and the major contribution to reducing d.m.t.'s. From the city's perspective, it is important for us as part of the 2040 plan to attract and serve new jobs in housing to the central city. Metro's 2025 projections show 15,700 new jobs and with the streetcar, the report shows we'll have an incremental dethrough 432 housing units. And the streetcar will provide the circulation and access for the workers, residents, and visitors, reducing d.m.t.'s, and investment in the streetcar in the east side will help connect both sides of our central city. In the central east side, you're going to see this kind of a common theme roll true, but it's the connectivity between the urban renewal areas and other parts of the central city. And in the central city I think it's important to note that it concentrates most intensive development in the e.x. zone commercial corridor and thus leaving the industrial sanctuary designation intact. It will help leverage higher density development in the burnside

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bridge head project site, and upgrades to the transportation system, help Reduce congestion, and we'll be improving the pedestrian environment. At the Oregon convention center, we're going to have better connections to both the central east side and to downtown with all the activities here are kind of interrelated there. Good connection to the regional light rail system, and a good option for inner city commuters to the lloyd business district. Right now people coming on buses to -- the train to downtown tend to go all the way downtown before they come back to the central east side, and we'll give them a good north-south route. It will leverage opportunities for higher density development on the underutilized parcels adjacent to the land. There's a lot of big surface parking lots there. The last of the urban renewal areas of course is the river district. We will create a really good access directly to the east side to bring back people and forth to visit all the district attractions. And it will improve the access to residents within the river district to the east side for the activities at the rose garden, lloyd district, o.c.c., and omsi.

**Adams:** One thing to insert this, would be the river district's first contribution to a streetcar project. The streetcar that is in the river district right now was paid for I think there's a contribution of \$1.3 million from developers and the rest came from parking meter revenues And parking garage revenues.

**Diede:** Yes.

**Adams:** A rare example where the city subsidized the creation of tax increment resources.

**Diede:** In fact, fully half of that project was funded by bonds from the parking garages. Greg will talk about the capital finance side.

**Greg Jones:** The next slide shows the sources of funds as well as the estimated expenses by category for the streetcar. The expected costs of the streetcar as the application will be submitted to the f.d.a. by tri-met will actually be \$146,915,474, slightly different than the slide by about \$1500 as a result of change in the template that we're using with f.p.a. to submit the application. At this point that level of precision is not where we're at. We're still carrying a 20% contingency. I don't want to mislead you to believe we're down to that level of accuracy.

\*\*\*\*\*: We got a patch update is what happened here.

\*\*\*\*\*: Security system is taking over, i'm afraid.

\*\*\*\*\*: Big brother.

**Jones:** I'll keep going. The sources of funds for the project are primarily derived from the small start program with the f.t.a., and that's with this commitment of funding and with the l.i.d. second reading. That application will be submitted to the f.t.a. by tri-met. And that is expected to be \$75 million. The remainder of the funds are from local sources. 20% -- \$20 million state lottery funds for the vehicle purchases, \$15 million for the l.i.d., and about \$3.7 million of m-tip funds for the bridge head project, which will be incorporated into this effort. The remainder of the funds are tax increment funds that will be -- \$6 million of s.d.c. funds as well. The remainder of the funds are tax increment funds out of the varying districts. The expenses, the primary expense is in construction at 83.7 million, with an additional \$20 million for the vehicle purchase. Design project management and construction represents did \$13.6% of that construction and acquisition cost.

That's in keeping with our kel design and administration costs on other pdot projects of larger sizes.

When we get into smaller scale projects, that number tends to go up to the 25 to 30% range, typically those you see on the small residential l.i.d.'s and things like that, larger projects like marine drive, north lombard overcrossing, tended to be in the 12-15% range. This is right in there. The remainder of the costs are represented in testing inspection, insurance. Other agencies expenses, and we're carrying about \$17.1 million in contingencies. That's about a 20% contingency on the project expense. Finance cost, we're carrying \$5 million. Ken will talk a little bit later about how the expected finance Cost is actually less than that, but we're still carrying the \$5 million amount. And finally, that totals out again to the \$146,915,000. The projects will be an ministered through Portland streetcar inc. The cities will have a contractual relationship with Portland

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streetcar. Portland streetcar will then have a contractual relationship with our design firms, with seals and obletz to do project management, and the construction contract will be through -- let through p.s.i. as well.

**Diede:** That will be just a city.

**Jones:** City contract, i'm sorry. The streetcar has been contracted by the city, these are generally pdot projects, we have a great record and a great history with Portland streetcar inc. We have completed five sections of the streetcar, one most recently opened on august 17th. And all of those have been coming in on contract, on budget, on time. And if you look at the history, all of these decisions on all of the streetcar projects have been made by council. And commissioner Adams sits on the streetcar board, the board advises council, but the decisions ultimately are all made by city council.

**Adams:** As transportation commissioner in charge, i'm responsible to city council for the oversight of the project.

**Jones:** Since '95 with the first streetcar line, we've been to council over 200 times. All of the resolutions and all of the ordinances that have been Approved have been unanimous. And we have had an excellent role and relationship with Portland streetcar in completing these projects through construction. In terms of the issues related to construction, we have a item of numbers that will need to be explored further during the design phase between now and december. Prior to the grant application, which would occur at 50% design, we will continue to look at the Broadway bridge. That's probably the highest risk factor in terms of the crossing. The intent is to use david evans incorporated to work with our design firms to come up with a design that is acceptable to the county. County is also using david evans as the same design firm for their remodel of the bridge, so we're using the most knowledgeable firm to address that most difficult problem. The freeway overpasses and the omsi structure are probably the two other high-risk areas with the project. They're both structural addition and changes. And so those are the issues that we will explore over the next few months as we move into the construction application.

**Saltzman:** What is the omsi structure?

**Jones:** The omsi structure would be a bridge that would extend from the m.l.k. Viaduct area across the union pacific and sam tracks over to grade on water avenue. There are a number of alternatives that are being looked at and were close to an alternative, but it's a -- it Also has to fit under high-power lines. Finally, options, what happens if the costs go up. The clear option is we're back to you to discuss that with you. And the commissioner will present options either a shortening the line or looking for additional revenues.

**Adams:** Unlike, for instance, the tram project, where you can't shorten the tram project necessarily, this one, because it's terrestrial, a good place to shorten it if we have to is to just do the loop and not go over the railroad tracks to omsi. So it isn't just a question here of where do we come up with more money, that will be an option, but we also have the option of shortening the alignment if we have to. And still have a very functioning working extension of the streetcar system.

**Jones:** The intent would be if we have any changes in the estimate as we move forward, we will deal with those changes in the estimate before we go out to bid and construction with the project. So that we're not dealing with them through change orders or through some difficult negotiations with the contractor.

**Ken Rust:** The table that's in front of you gives you a breakdown of the sources and uses of funds for the project over the projected construction period. The first fiscal year is primarily in the design and preconstruction activities, and the three years that are the major construction years shows The cash flow requirements between 40 and \$57 million. The good thing is we do have a number of the project sources of funds coming in over the construction period, but there's not a complete match between expenditures and sources of funds, so we'll have to do some sort of interim bar, talk a little bit about that particular part of the city's obligation not unusual that the city would be carrying

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project costs using a line of credit backed by the general fund. Our approximates show based on the cash flow for the project that the maximum size of the line of credit would be about \$18.5 million, and that line of credit would be taken out in the final year construction when we receive -- when the project is completed and we actually receive the assessments for the l.i.d., they come in at the end after the project is in service, and then the transportation s.d.c.'s also flow in that last year.

**Adams:** You mean paid back?

**Rust:** That's correct. So the maximum borrowing size \$18.5 million. Our projection is the interest paid on that line of credit until we repay it in 2011 would be about \$2.8 million. As Greg mentioned in the cash flow projections, we have an assumption of financing costs of around \$5 million. So we do have a little bit of additional resource in that particular line item. I have some recommendations I'll talk about later in the discussion. In addition to the interim financing costs for the project, we'll also be financing a significant amount of the project contribution from tax increment. Each of the districts typically what we do is have a line of credit borrowings for those districts and then take out those lines of credit with long-term borrowing. There may be additional costs incurred by those districts. They're not included as part of the direct project costs. In terms of tax increment financing, since about \$27 million is the funding source from that piece of finance distributed over three urban renewal districts, it's important to note that the way we constructed the financing is that there are certain limitations and restrictions that are imposed on us whether we use the financing tool. We cannot finance more costs in an urban renewal district than we have project costs for. When we do the allocation of costs, the \$17 million of urban renewal for the river district is equivalent to the amount of project costs in that urban renewal district. We couldn't have \$20 million in that particular urban renewal district, for example. It's also important to note when we add streetcar loop costs to the existing financial obligation and plans associated with the urban renewal districts, that does have the potential of affecting other projects. Worst case it may require us to defer the projects. It also may require the general fund take on some financing risk. If we're not able to have enough tax increment revenue growth over the forecast period to take out interim borrowings. In some cases we'll have to amend maximum indebtedness. It's possible that might be a construction in central east side as well. There are logistical issues with that.

**Saltzman:** Adding -- I guess what I'm wondering, we've capped the l.i.d. contribution at \$15 million. Have we not capped with this resolution? I guess I'll raise the question, should we not cap the u.r.a. contributions in the same manner? To protect other projects being deferred, to protect general fund risks? I guess I raise that as a question. As a policy issue we can decide in a minute, but --

**Rust:** Correct.

**Saltzman:** Are we capable of capping the u.r.a. contribution in the same way we're capping the l.i.d. contribution at \$27 million?

**Rust:** I think the quick answer is you could do that, and if there is a cost issue -- then you'd be looking at other revenue sources or as Greg mentioned, actually changing the scope of the project to reduce construction costs that would come in within the mix of funding resources that are available. So the -- if we're interested --

**Saltzman:** If we're interested in the utmost discipline of how we approach this project, is it not better to forecast now that we intend to cap the u.r.a. contributions in the same manner? We're trying to be fiscally responsible to the affected property owners by the l.i.d. By saying, you're only on the hook for \$15 million?

**Adams:** One of the amendments before you, commissioner, is to indicate that the \$27 million 183,474 will be provided from the city tax increment funds. And the operations. Because we're at low confidence, we absolutely could put language in there that they're capped at that. We can undo that cap ---

**Saltzman:** I'd rather cap it now than redo it later and leave it open-ended.

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**Adams:** It is not open-ended.

**Saltzman:** I'm saying in the dynamic -- you have a hard constraint on the l.i.d. contribution, but you don't have a hard constraint on a u.r.a --

**Adams:** We have a hard constraint on -- if one of the options, if we are overbudget to come back with a new l.i.d., new notice and everything else. So there's a hard cap for what's on the table now, but we can revisit that.

**Saltzman:** It's a hard cap unless we change our mind.

**Adams:** Why don't you look --

**Saltzman:** I didn't see this memo. Thanks for pointing that out.

**Rust:** I'm going to turn the discussion over to keith and have him talk about impact on the various urban renewal districts.

**Keith Witcosky:** I would say commissioner, I believe if our board was here they would probably be supportive of the idea of capping the investment. Not to throw myself into the Debate. What I'm going to do is walk through the urban renewal areas. My name is keith, Portland development commission. Beginning with the river district, ken touched on some of this, that's a district that receives around \$8 million a year in tax increment. The original request was \$2.5 million, it's been increased to 17. The district has the capacity to be able to observe these costs, but it does -- there's not -- it does in a way potentially defer other projects or decisions if you're going to be asking for more money for certain projects, and that's why ken talked about the possible need to amend the district in the future and to possibly increase indebtedness. Specifically right now we're look at centennial mills. There's a budget for that that could require more resources. There's the potential of the burnside-couch cuplet on the west side, but it would need resources as well. There's the discussions going on at the post office, and then just all the conversations around, do you expand the river district by 62 acres and what are the projects associated with that expansion. Of all the districts, the river district can best absorb their quest in order to fulfill its part.

**Adams:** What's the maximum -- do you have a guest meat of the maximum indebtedness? If we wanted to increase it?

**\*\*\*\*\*:** Like all of it?

**Adams:** I'm not suggesting we Do, but just to get a sense.

**Witcosky:** If you're asking -- if you were to look at the river district and say I think the current indebtedness is \$225 million, if you said what if we extended the district for another seven years, how much could we increase that 225 by, you could increase it by \$300-400 million. I'm not implying you should, I'm just telling you the objective facts.

**Sten:** Just for people in the room, the mayor assigned the committee and commissioner Saltzman and I are sitting on that's due a report back to the council and the p.d.c. Commission. We have several commissioners and the county commissioner and a planning commissioner looking at the question of how to expand both the river district boundaries and the maximum indebtedness and should have a recommendation back for discussion in january with an idea that could be adopted ordinary not adopted probably next spring.

**Witcosky:** I'll move to Oregon convention center urban renewal. This is a district that receives about \$5.5-6 million per year. In the budget last year it had \$2.5 million. Their request now is for \$4 million. It can absorb their request as well. Like the other districts, there's other projects that are being contemplated right now. Related to trying to implement some of the actions or some of the projects in the m.l.k. action plan, and there's a Series of known housing projects and other contemplated projects right now to continue to make martin luther king jr. Boulevard a great boulevard. There's the marigold club, you'll be seeing an amendment on that in october, maybe. That will bring in that property. And along with it, probably some interest to invest 3.5 million to make sure that that project which provides a safe place for individuals that have had a history of drug and alcohol problems, a good gathering place and then building 30 to 35 units of housing

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above it, and really improving the continuum of the services and the care that goes on there. There's discussions right now that are also going on -- with the schlessinger development company, and that would be a large scale mixed use project. All of these kinds of things are going to need resources and there's going to need to be a discussion in the future about whether or not you need to extend the the -- I don't want to get too technical, basically extend the date of the urban renewal plan so you can access the existing debt limits. We talked a second ago about river district and how you could increase those debt limits. You can't do that with Oregon convention center, just because of the nature and the rules associated with it.

**Potter:** Are you saying some of these other projects along m.l.k. May be in jeopardy?

**Witcosky:** I don't think they're in jeopardy, I just think right now when you look at the budget, That district does not have a lot of resources when you go two, three years out. Adding a million and a half to the streetcar isn't going to further jeopardize them, but there's going to need to be discussion, because as growth begins to happen, as development activity increases in the district, we're going to have to think through how to unlock the resources in the area. It's not directly tied to the streetcar, but it's a conversation between the p.d.c. board and city council probably next spring at the latest.

**Potter:** Would this conversation occur anyway, or as a result of the streetcar?

**Witcosky:** It would occur anyway. The last district i'm going to focus on is the central east side. When we briefed our board on these estimates and got them in late july, early august, it was clear the central east side is the district most at risk. I know their preference would probably be to see the 4 million in the budget last year remain at 4 million and find the 2.2 elsewhere, just because the financial uncertainty and the difficulties associated with the district that hasn't seen a lot of growth in property values and associated development and ken is going to talk more about that, so I won't get into it at great length, but this district gets around \$4.5 million per year in terms of what it collects in tax increments. The request now is 6.2 and it was four. There's a lot of demands for the resources. There's the Washington monroe high school, there's the burnside bridgehead project, there's a lot of business assistance and economic development programs and am anthony frison needs to happen in the first five years. A lot of those projects are pretty young. If you look at Washington monroe, for example, there's still a lot of things that need to be worked out. And it could be a project that needs more than what's in the budget right now. So this district not completely unlike the convention center, is one that -- it exacerbates it but doesn't create the problem. In some ways what it does is provide an opportunity in years six through 10 to access more resources if the p.d.x. board and the council and others believe that some plan amendments need to occur, basically increasing the indebtedness in the district and extending the time. Because on the forecast, conservative forecast show that the streetcar could add -- you could add another 50-55 million in maximum indebtedness to that district if you have the project happen. You can't get that money in years 1-five, but it would help down the road. So that's kind of a significant issue. With the streetcar you're able to harvest more money to deal with some of these things. In the short term it still has financial constraints.

**Rust:** Generally speaking for the urban renewal districts in the Next couple slides talk about this, we have been working with p.d.x. to give guidance and policies about how we'll approach financing. Generally what we do is we look at a 20-year long-term borrowing for urban renewal with assumed interest rate and with borrowing terms that we expect would be required for us when we go out and borrow funds in the credit markets. What we do in the interim period is we then use a line of credit back by the general fund to bring resources forward with the expectation that we will take those funds out, repay that with this long-term borrowing. And what we've been doing is looking out over a five-year horizon and saying, how much increment is going to be expected to be realized in that five-year time period, how do we look at converting that to long-term debt and how much short-turn borrowing can we afford? That's a model we've used pretty successfully, in

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interstate, when we did the interstate light rail, \$30 million borrowing for the match on that project. It's also something we've done with north macadam, in that we actually had assigned development agreement that specified certain development and we could put a value on that. So those are generally the kinds of tools and the methodology we've been using. As keith has mentioned, we don't see that the urban renewal requirements for this project with respect to river district are really an issue. We don't see that as being a difficult thing to finance. Convention center is different in that the revenues are certain. It's an option three district. Those revenues that we receive now are already being received. The issue we have is how we structure the debt obligations so we can bring other resource forward. We're working with p.d.x. On tools to help that. The issue in the convention center is different than river district is and central eastside. Central eastside is the district that has the most challenges because so much of the project costs are front loaded. What we've been doing, we actually worked with erik and another consultant to look at different developments and what might happen over a time period with or without the streetcar. One of the slides talks about the scenario. We tried to book end with the high and low likely assessed value projections might be. One being just what has the trend been, that's been in the 3-4% annual growth rate, and one that incorporated known projects, burnside bridgehead, and development associated with streetcar that eric hove has identified for us. So we thought those are probably a good way to book end what the range of values might be. We found under the two scenarios we have five-year project costs that don't change, we have almost \$58 million of project costs in the next five years. In terms of the funding Capacity, that's how much money could we take out successfully using our conventional financing terms. In that -- at the end of the five-year time period. Under the trend growth rates we have about 26.4 million capacity, leaving \$31 million or so unfunded. If we have the enhanced growth, we actually pick up a little bit more resources, but still have \$28.8 unfunded. The difference between these two is what happens beyond than first five years. The next five years you actually have a lot of increment that starts to come on, so by the time the district is set to expire in 2018, you'll be able to take out all of the borrowed funds under conventional borrowing terms and wouldn't have a problem at that point in time. In the sen a are yankee where you only grow a trend, you would not be able to take out all of the interim borrowing without some additional credit support. That means in order to do successful financing you'd have to put the general fund behind a borrowing in order to make the bond market happy about the terms and conditions. And resources flowing into the urban renewal district at that time. Or try to string that off for a periods of time. Our analysis showed because of the timing of project cost and project revenues, there's going to be a mismatch, the only question is, how bad will that be. What --

**Saltzman:** Is this all on top of the 18.5 million line of credit that the general fund -- .

**Rust:** It's for the project, and then we have tax increment urban renewal districts that operate separately. For example, in central east side, the line of credit borrowing could be maxed at around \$30 million if we do all the projects as they're currently scheduled to be done, in central east side the real challenge, that 98% of the entire urban renewal project costs occur in the next five years. In terms much resources -- 60-80% occur after five years. We have a tremendous mismatch. We typically do a line credit borrowing, take it out, in this case we would have to suspend that policy and be willing to stand in line of credit borrowing for a longer time period to be taken out from the growth in future increment assessed value in order to accommodate all of the project costs under the current schedule that has been established for those projects and the bottom line for the streetcar loop project is that it exacerbates that problem in central east side, but if you didn't have that, you'd still have a very significant mismatch. It's simply a function of the way the project costs are aligned. That's a risk issue for the city, a risk management issue for us to be concerned about how we'll make sure that doesn't erupt our imposed other Financial problems in the city and the general fund. I think it's important for the council to understand that. One of the things a couple of other considerations, this is a very complicated financing plan. It has different funding sources. It

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involves three different urban renewal districts. Funding is tricky, and I would highly recommend that as part of the project management effort that a project account be retained -- accountant be retained to make sure we can track expenditures by district, by geography to make sure we have qualifying cost and we're very clean on that from the start, because it's very complicated to do that after the fact. It's something we did very successfully with the rose quarter project 10 or 12 years ago. I would highly recommend it in this instance as well. Finally, according to our projection, maybe a couple million dollars of financing cost savings in the cash flow based on the budget. And if the project costs come in at budget and we have those extra resources available, would I recommend we use it to offset some of the tax increment requests. That's a summary of the key financing issues associated with the project.

**Paul Smith:** Just to walk you briefly through the operations plan, we have a few graphics. First let me say that we have been working very closely with tri-met staff to analyze, Finance and service options related to the operation of the streetcar. We've also been working with the funding advisory task force that commissioner Adams and fred hansen of tri-met cochaired. Over the last five months. The original proposal for the streetcar loop at this stage is shown on this diagram. On the bottom right is omsi, notice the red line, that's where the new track would be laid starting from omsi heading north up the central east side, crossing the Broadway bridge into the pearl district. And then the red line overlaps the blue line south to riverplace. What the original proposal did was to run streetcars every 12 minutes on the new streetcar tracks from omsi to the pearl, but also to double the frequency of service on the existing line from the pearl to riverplace. That proposal would have cost \$6.3 million per year to operate in 2011. The figures for operations we're sharing with you today are in 2011 dollars, the ones we shared you earlier were in '07 dollars, the federal transit administration has asked to us make that change. The next slide shows what the action proposal is today for 2007, which is the -- 2011, which is the opening of service on the extension of streetcar to the east side; which is to run the streetcar every 12 minutes from omsi to the pearl and you'll see there that the red line makes a circle and heads back. And you see on the screen, the Blue line, red line, the new service, would all run on the same frequency, a streetcar every 12 minutes in both directions. This cost, \$4.2 million per year, will go over how that would be financed in just a minute. The next slide shows four years after opening of the service on the east side, in 2015, we would complete the loop, which you now see in the bottom right corner going from omsi southwest across the railroad through south waterfront coming up to riverplace, and that would complete the loop. At that point the proposal in 2015 would provide streetcars every six minutes from the north district of south waterfront to the pearl district. So for now the proposal for 2011 is -- calls for an annual operating cost of \$4.2 million, the year of expenditure, 2011, we propose to finance this cost in the following manner. First there would be a reallocation of bus service. This is pretty common when rail service is initiated, sometimes there's a duplication of service. In this case we're talking about truncating bus route 6 from north Portland, and what we call interlining it with bus route 70. So that there is continuous north-south service. From north Portland to milwaukie. What happens at Multnomah as you come down m.l.k. Is then the streetcar service will be there, and it will run on m.l.k. And grand as route 6 does today. Bus route 6 will be changed in the manner I described, and that would provide approximately one-half million dollars, which would go toward the cost of operating the streetcar, which replaces it in that particular segment.

**Saltzman:** If you're riding bus six south on m.l.k. And you want to go to downtown --

**P. Smith:** Would you have to transfer.

**Saltzman:** Isn't that -- that seems like a fairly well-travelled line. It seems like an awkward impediment.

**P. Smith:** The way tri-met works it f. Issues that been discussed at the various committees that I described. And according to the normal process tri-met follows, there will be study, what we call

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destination surveys to determine how many passengers would be affected by a transfer. And there will be discussion with the community prior to 2011 to address whatever impacts there are.

**Saltzman:** There will be discussion, but you're already banking on the half million dollars as part of the budget. That doesn't sound like an open-ended discussion. That sounds like the process where all too often we're accused much being guilty of we've made up our mind but we're going to discuss it with you anyway.

**P. Smith:** Let's just say, as I get down to the subsidy required, that if the -- if some of that money is reallocated back into the affected area, then the amount of subsidy would increase and we can -- once I show that you Amount we can tell you that 10 or 20% change would be 100,000 or so a year. But that process remains ahead of us and can be dealt with at that time. Let me get into the next item, passenger revenue. When the streetcar begins operation on the east side, most of the passengers will be drawn from existing tri-met ridership. Therefore, there is no net -- there's very little new passenger revenue in the early years. In the first couple of years. For that -- to address that and also to relooking at the streetcar fares when you look at a loop on both sides of the river, we are recommending the streetcar fares be increased to \$1 per single ride ticket, and \$40 per month for a monthly pass. The rates are significantly lower now, for example, annual pass for streetcar is \$100, which is about \$8 a month. So this is a significant change. So the million dollars projected in the first year of operation of the east side streetcar as part of the loop is primarily coming from raising streetcar fares. As the streetcar benefit area develops, according to the projections already given you for additional housing, additional employment, then all of those new passengers will provide new passenger revenues. So the passenger revenue will grow significantly as the system matures. In its first year, it's very tough, and we have to demonstrate pretty much through This table how we pay for passenger revenue in year one. So with those items, the subsidy required is approximately \$2.4 million. And the resolution before you basically shows that the subsidy would be split equally between tri-met and Portland, and that the city's share of \$1.228 million, which is the last item in your resolution, would be drawn from new parking revenue and commissioner Adams mentioned this would be increasing the parking rates as well as adding additional paid parking on street on the east side.

**Adams:** Before you leave that, I think commissioner Saltzman puts his finger on the pulse of something that is very true. I think everyone around the table, tri-met and ourselves in the next three years is to -- our goal is to work out a better realignment of potential six. To meet today's deadline that's the best we've come up with, but I don't think tri-met f. They were here, nor would we, say that that is ideal for something that in the end we would like to see happen on the ground. But in terms of where we're at today, on this time line, this is the best we could come up with.

**Saltzman:** The entire half million in savings relies on the number six? Rerouting? What if we just split the difference with tri-met and kept number six serving downtown?

**P. Smith:** Right.

**Adams:** We're not locking ourselves into this. This is low confidence, and with That kind of direction to staff, which I think is reasonable, we can pursue that with tri-met n terms of our negotiation was tri-met to date this, is the best we could come up w but we've got three more years to finalize it, basically.

**Potter:** Did tri-met agree to the additional increase? Last time when fred hansen testified, he said that tri-met had only agreed to a million.

**Adams:** He was surprised by a \$150,000 increase.

**P. Smith:** We add add contingency of \$200,000, which we split equally, which is why it changed.

**Potter:** This is 1.228. I'm just asking, did he agree to this, or did tri-met?

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**Adams:** Yes. He agreed to the additional amount for contingency. Didn't like being surprised at our meeting. And if you want to send the direction, which I think is reasonable, that we want the number six to continue to run downtown, I think that's reasonable.

**Potter:** Fred talked about it last time, i'd like to hear again what his explanation was for that.

**Sten:** Would I share the concern about the six. I use that bus all the time, and that's a major inconvenience to the people who use it.

**Adams:** The background of this issue that we talked a little bit about last time at the work session was as light rail comes online to downtown, from union station to p.s.u., over the next three years we need a discussion About the future of fareless square and the future of equity on the east if west side. Some of the discussion has been informally up to this point, do we have -- is light rail the fareless component and the buses are not fareless? Is streetcar part of it? Do we maintain the existing fareless square on just the west side, but what about the east side? Part of the reasons why you're getting the puzzled looks, we have to have a bigger discussion about fare zones from the central city, including both sides of the river, equity around that, and we have three years to figure that out. We're not going to be able to figure it out necessarily as part of operational funding three years ahead of time forecasted for the streetcar, but we would welcome the kind of direction that bottom line, you don't want the 6 truncated.

**Saltzman:** That's the direction i'm -- two of us are sending. I think it's a really -- it's a real inconvenience for people who will not really benefit who travel north and south on m.l.k.-grand north of burnside. They will not get any benefit from the east side loop if they're going to be inconvenienced by the need to transfer to go downtown.

**Diede:** Could I make one point? In the -- the number 6 with the number 7, that inner line would go probably take place at the rose quarter. Right now people on the number 6 to get downtown they 1 through the central east side and cross Over the hawthorne and end up at that end of town. If you do an inner line at the rose quarter, people have different options to choose depending on where they are going downtown. I think that was some of the conversation that has occurred about it, but without any firm decisions as to how it works. That's an ongoing deal.

**Saltzman:** Does interline mean transfer?

**Diede:** Yeah.

**Saltzman:** It's still the same issue. It's still an inconvenience to transfer.

**Diede:** I agree. Interests not the best way to get downtown, but it may help for some people as to how they do get downtown.

**Saltzman:** I just --

**Sten:** I just don't think we've got there yet. I think fred is the best transit director in the country, i'm a big fan. I do think that -- i've said this before in the light rail downtown, I do think the new system planning is almost by definition dominate by rails' needs. And it's good, because rail is the new stuff we're building, but I continue to feel at times the bus ridership is taken for granted. And I think that's going to be the -- my example on the light rails, was concern about the decision to put stops four blocks apart. Because you can't catch a bus if you're 30 seconds behind and you have to run another four blocks. My sense is that the planners Tend to be rail thinkers, and there's not always in the planning bus riders. And so of the -- sort of the pragmatic needs of bus riders sometimes get not as much discussion. I don't think anybody tries to short shrift them, but it's another example of a great plan and we need to make sure bus riders -- because you lose the riders, you got nobody to support rail. If we talk to the people who ride the 6 and the interlining makes stones them as opposed to planners, I might be able to support something like that. I just -- it just sounds like it's not there yet.

**Adams:** I agree witness. You're getting no argument here.

**Diede:** The last is a recap of the next steps. September, I think tomorrow there will be a small report submitted to the federal transit administration. December of this year pdot will come back to

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council with a report on the results of the 50% preliminary engineering drawings, and any revisions to cost estimates. And then assuming everything falls together well in January of 2008, there will be a construction grant application to the federal transit administration. We'll finish up engineering and start construction September '08 with service that would begin in February of 2011. And we're here to answer any questions.

**Adams:** I just want to for context of those of you in the audience, the resolution Committees us to applying for the the f.t.a. grant, and as part of that, we've come forward with as detailed a picture of how we would provide the capital and the operations. We want to take that commitment very, very seriously, but we still have months through January to fine tune everything underneath that if we so choose. But it was really important to me that we -- and I think everyone in the room that we come forward with as much detail of how we honor our commitment, both from a capital and operations sighted as possible. But again, low confidence estimates, a lot of work to be done yet. They will be improved by the preliminary engineering. That will be done November-December, and they will be improved by the outside consultant that will be watching what the preliminary engineering consultant is doing. If we could, if council is amenable before we take public testimony if we could maybe move the amendments.

**Sten:** So moved.

**Saltzman:** Second.

**Adams:** The first amendment is on the first now therefore be it resolved would read that the city council commits to provide tax increment funds not to exceed, and the numbers are already in the resolution, and then the second is a new whereas, that you have copies in front of you, that says whereas a third party analysis shall be completed by November 15th, 2007, which examines cost estimates, identifies, and quantifies risks, and suggests methods to manage and control those risks, and then the third amendment is on the resolved relating to the parking meters, be it further resolved that the city council intends to provide the \$1,228,351 from parking meter revenue to support streetcar operations.

**Saltzman:** What about -- there's an amendment about a third-party analysis?

**Adams:** It's there, I just read it.

**Saltzman:** Ok.

**Adams:** Those are the three amendments so far.

**Saltzman:** I'll second.

**Potter:** Call the vote.

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

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

**Adams:** Thank you.

**Potter:** Did I have one --

**Saltzman:** I have one question.

**Potter:** An additional question. I don't think it's going to be from these folks. It's regards to p.s.i. I wasn't here when they were created. I'd like to better understand what their roles and responsibilities are. As well as as a past-due agent do they receive any of the funds from this project?

**Adams:** Vicky, do you want to answer that?

**Diede:** Portland streetcar inc. Responded to a request for proposal that the city put out in 1995 to help the city fund, design, construct and operate the streetcar. And in responding to that, and Also in the r.f.p. itself, it was anticipated that as the project progressed, that the contract would continue to be amended to provide the services that we needed to implement the streetcar. I think the first contract was issued in '99 and we did our first opening in 2001. So it took some time. The first contract I think was in '96, and -- so their relationship is they are advisory to the city council, and to the commissioner in charge of transportation whoever that person is at that particular point in time.

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The p.s.i. board is a voluntary board, they receive no compensation, and they -- and it's been expanded over time as the scope of the streetcar has expanded to include people who are directly involved in those particular areas. I didn't catch the last part of your question, mayor.

**Potter:** Rules and responsibilities, in terms of their authority or decision making, what happens in that regard?

**Diede:** It is strictly -- an advisory -- they make recommendations to the city council. They make recommendations about routes, they make recommendations about capital budgets, about operating budgets, about entering into contracts with different people. We always bring those to the council and the council has the final say on any of those issues.

**Potter:** The second one was the pass-through, they're the Pass-through agent for this money.

**Diede:** Yes.

**Potter:** Do they get a fee for that pass-through?

**Diede:** They do not. P.s.i. has no employee and they strictly pass through the money. And we have audited financial statements for many years that we would be happy to share with anyone who would like to see those.

**Saltzman:** What is the point after pass-through?

**Diede:** Well, it's really the relationship that Portland streetcar and the city have had in putting these projects together. So when they -- so they do the contracting with the subcontractors, so all the bills -- they review all the contracts, they do the day-to-day project management work to make sure the right work is being done for the right kind of money. Put together the bills, the city pays p.s.i., and then p.s.i. pays the subcontractors, and it's a wash.

**Saltzman:** Is p.s.i. Subject to the same minority women emerging small business --

**Diede:** They are subject to all of those city requirements. As the subcontractors that they hire.

**Adams:** It's an important discussion to have, and as I said during our work session, the reason that I've kept p.s.i. in the position that it is as transportation -- commissioner in charge of transportation on a daily basis for these projects, I get for free 25 eyes and ears with a lot of expertise in areas I don't have with p.s.i., and I get that donated. I get it for free with the board. P.s.i. has also been instrumental in coming up with, in this particular case, coming up with \$15 million in a local improvement district, which is private sector contributions. So I found their work in the two years or so that I've been transportation commissioner to be very additive. I'm ultimately responsible, again, to the city council for streetcar operations and for streetcar construction.

**Greg Jones:** To be clear on p.s.i.'s corporate status, they are a not-for-profit corporation. While they have no staff, they have hired shields obletz I don't know son to admin their their project management responsibilities and operation responsibilities. So rick gustafson, working for s.o.j., act as the day-to-day administrator for maintenance and operations for the streetcar. And carter mcnichol is acting as the project manager for the design work that's underway, and for construction administration. So while p.s.i. does not have employees, s.o.j. is providing that service for them.

**Saltzman:** Paragraph 13, clarifying the local improvement -- the third sentence, in the event that the physical scope of the project must be significantly reduced or revised due to insufficient funds or other reasons, the total assessment will be limited to 10% of the revised project budget. So I asked you about this during the first reading. I guess I misunderstood what this is all about. This is saying if the project scope is reduced, the assessment will still remain at 10% of the total.

**Diede:** Whatever the new council approved budget is.

**Saltzman:** The flip side, which I was pursuing last time, if the budget increases, council can increase the l.i.d. or can ask property owners --

**Diede:** In a totally separate process. But we're recommending that we -- within the l.i.d., the next item, but I'll go ahead and answer it. We're asking council to approve the l.i.d. as -- with the conditions currently in place. When we come back in december, if there's an increase in the budget and one of the options -- increase in the cost, excuse me. That one of the options we could pursue

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would be to go out and increase the amount of the existing l.i.d. That would put us in a position where we would have to do notification to all the property owners about what the new conditions are, and what the new amounts are. Which I think is totally the right thing to do and the right time. And this is very similar to what happened to the Portland mall project. The l.i.d. Was put in place, they needed additional funds, they decided they were going to increase the l.i.d. And they notified the entire district Again.

**Saltzman:** Is the direction of construction, are we starting with the omsi bridge and working north?

**Diede:** We haven't got that far yet.

**Saltzman:** You identified one of the key components as being the omsi bridge. If you built that first --

**Diede:** We wouldn't do that.

**Saltzman:** You start north --

**Diede:** We would never go into construction without knowing how much money we have and what the costs are. So by december if we came back and said we think the morrison street m.o.s. Is the right one, that's what we'd built.

**Adams:** The contracts have been incentive-based so that part of the reason that they've come in on budget and on time, is that the contract is always incentive based, but rest assured we will build a project that maximizes our ability to come in on budget.

**Saltzman:** I'd still prefer you start north and work south. My two cents.

**Jones:** We can report back on the construction administration, construction project when -- approach when we get to 50% design and the construction grant application in december-january. So we can report back on that.

**Michael Powell:** Good afternoon. Thank you. I'm michael powell, I chair the Portland streetcar inc. And i've been a founding member and at a later date maybe we can talk about compensation for this freebie stuff. It's getting out of hand. I'm here today to urge the support of the ordinance forming A local improvement district and the resolution committing to the local financing for the Portland streetcar loop. The city has led a very successful partnership, and -- effort, demonstrated great leadership over the course of the history of the streetcar, and particularly in this project. When you federalize a project you regionalize it and bring a lot of new players to the table, and the city has been very effective in bringing the leadership to that where we've united the interest of property owners, citizen advocates, p.d.c., the city, metro, and tri-met. Not an easy assemblage to put together, and I think the city staff deserve a ton of credit for what they've been able to do there. We open the first line in 2001. And we have had more success than we could ever anticipate, and dream of. Original projection for ridership was 2700, we opened at 4500 a day, we've had 15% a year growth and now we're in excess of 10,000 riders a day. We're over 3 million a year. A lot of people riding streetcar system that goes from northwest Portland down to south waterfront. We've had over \$3 billion of development within the streetcar quarter. That is the block between the two streetcar lines and adjacent three-block unit. At twice the level of density of the average, which is 45%, we come in at into% of f.a.r. So we've had -- 92% of f.a.r. We've had terrific support for the role of the streetcar in development. 7500 units of housing exceeding the goals for the pearl district on affordable housing, and a ton of new jobs. Pearl has over 200 new businesses. 90% of them locally owned. And I think it goes a long ways towards supporting the goal of locally owned businesses supporting -- being support by development within the city. Over 50 cities have come to Portland because we're the pioneer of the streetcar. And now cities all over the country are developing or planning streetcars as an alternative to the car. We've added four extensions. I want to emphasize this, each one of those extensions has been on time and on budget. Actually four of the five have been under budget. We have a great deal of competency in the city in managing and building streetcars. This is not a new technology or not a new project like one that will remain

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nameless because you all agree, i'm here putting my reputation and myself on the line saying this is not a project that requires new technology, new skills, we have those skills in Portland, and i'm very confident that we can bring this in on budget. So a large contingency in that budget which should give us the comfort and the cushion for unforeseen opportunities or costs. In 1990 was the original loop designation by the city council, And in 19 -- in 2003, you adopted the east side alignment. Since then we've been supported at the federal level by \$75 million thanks to the help of congress men defazio and blume. \$20 million -- blumenauer. And 15 million from the property owners in the corridor. Not an easy step up sometimes for property owners who sometimes initially see -- have some questions. We went through an involved process with property owners and we had your first hearing, and I think you heard overwhelming support for this from the property owners. I want to thank the city of Portland for support of the partnerships that made it such a success, pdot staff has worked through endless action in supporting a successful program. We've proud new ground with this program, e-- at the federal level, we're the first designated recipient of this class of money and it's caused a lot of heart ache and a lot of effort on the part of metro and the city and tri-met, and pdot staff, Portland street car staff to get this right with the feds. But we're there. And finally I want to say that streetcars initially were in Portland 100 years ago or more. For two reasons. One was people couldn't afford cars or cars were too new, and people were looking for ways to developing access, housing and businesses adjacent to the downtown area. Streetcars went away, but now they've come back, and ironically for pretty much the Same reason. We're look for development opportunities to maximize density goals in the city, but also we can no longer afford the cars. We can't afford for the carbon footprint, we can't afford the congestion. If we, get to reach the anticipated ridership of this combined line of over 7 million people, that's a lot of carbon not in the air, and that's a lot of people not in cars. And you've identified the strategy or a goal, rather, to reduce the city's dependence on cars and the carbon foot print. One mile of traffic equals about one pound of carbon. And in 7 million riders, it's a lot of cars not driven. So I think you're going to find that the streetcar is one of your best tools for meeting your carbon footprint goals. I urge your adoption in the resolution. Thank you very much.

**Mike Bolliger:** My name is mike, i'm on the board with the central east side industrial council, I have been for several years. My new member on the Portland streetcar -- we have been working on this project on the east side alignment for five years, as I recall at this point in time. So it's been a long haul. As michael said, hard fought at times, and it's a real challenge going through the central east side. I'm a business owner and a property owner in the central east side, and to find the proper alignment that would not disappointment our industrial Sanctuary I think was a real challenge. Having said that, I am very supportive of the local improvement district assessment. I think this is a tremendous project for Portland as a whole. I think it ties their central core city together, it gives omsi some tremendous potential with some south connections, with ohsu and also we have p.c.c. In our district, we have Portland state on your side. So I think there's some tremendous educational potential there too. Having said that, I also want to bring your attention to two things. There was a discussion here today with commissioner Saltzman about the l.i.d. maximum. I agree with the mayor and some fidgety feelings about can we breach that or not as far as the tax increment funds. The l.i.d. to the property owners, we've only had I think to my knowledge one in the central east side. That was expand right after it was installed. So we're a little nervous. When we read the wording of that \$15 million cap, or 10%, our feeling was as if the project was less than it is now, \$150 million. It would still -- it would go down, but it would not be exceeding \$15 million to the property owners without going back out and having total discussion with the property owners. The other concern is there are industrial businesses within that assessed zone that are not going to be eligible for your Typical office and retail and housing type development that typically occurs along the line. We're zoned i.g.-1, I want to maintain those zones, but I would encourage that between now and the assessment, which is to occur I think in 2012, we would have a discussion, I

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would encourage commissioner Adams we could use you perhaps as the point man to have a discussion with some of those business owners and property owners that organize those zones that have a difficult -- a tough time seeing where the value of running their business and this alignment are going to benefit. So I appreciate your interest and your support of the object, and thank you very much.

**Adams:** The streetcar increases the increment that would be available to spend throughout the entire project, is that correct, than if it wasn't there. Assists so -- and that increment can be used anywhere in the district. It can be used for low-interest loans for seismic upgrade, it can be used for business assistance, but the main benefit for the industrial property owners is unlike a lot of things in the central east side budget. The streetcar actually increases the amount of increment available for projects. We do have the early year, having said that, we have the early year cash flow issues.

**Bolliger:** I think commissioner Adams, along the actual alignment, line -- like Michael Powell said, we have real strong support for the I.I.D. It traditionally is zoned e.x.d. And it's ripe for major developments. So it got great support where it dwindles off is farther off the alignment.

**Adams:** It can be used anywhere in the district. You don't have to use it just along the alignment. And it produces more increment than it uses.

**Chris Smith:** Chris Smith, here in my capacity as chair and the authorized lobbyist for the Portland streetcar citizens advisory committee. Also one of the volunteer members of the p.s.i. board. The citizen advisory committee is enthusiastically supportive of this funding package and of this project.

We look forward to the project opening in 2011. But part of my job here is to remind you of our larger aspirations. One is that the initial goals set when we first undertook the policy direction to have a streetcar in Portland was to get frequencies down to 10 minutes. We've actually made great progress on that. We've opened at 15-minute frequencies in 1991, with the role of street opening last month, we're now down to 12 minutes and we intend to open the east side at 12 minutes, but that's not 10 yet. We believe there's pretty good evidence ridership patterns will change even dramatically more when we can get to 10-minute frequency. I also want to address the issue of operating funding, perhaps the number six a little bit. It's important to understand the hurdle today is to demonstrate to the f.t.a. our resolve to fund the operations in 2011 when we start. But I think our goal is greater, which is to fund the 2011 when we start omsi to riverplace. So this is a very much interim step. We have a larger problem to figure out. There are a lot of complexities. The number 6 bus may be only a small piece of that. Fareless square is going to be a large part of what we have to think about as we do that. As we make that extra jump from service to omsi in the pearl to service from omsi all the way to riverplace, the major beneficiary of that is the downtown area, the pearl and the downtown, which we'll see their frequencies go from 12 minutes to six minutes. Nothing in the funding package that you're talking about today really addresses downtown for operating funding. We're looking at the capital and operating for the east side, and those are the sources we're looking at. If we're going to give that benefit to downtown it's important to look at the configuration for fares in the downtown area and assess that. It's an important conversation, one I hope the city and partnership will tri-met will undertake between now and 2011. I would just like to correct one point about the definition of interlining. It doesn't mean a transfer. What interlining six with the 70 at the rose quarter would mean is there would be a one-seat ride from north Portland to milwaukie. And there are undoubtedly some riders for whom that would be a great benefit. So any time you change transit configuration with a rail or bus, there are winners and losers. I don't know if the winners exceed the losers, but tri-met is going to undertake that process, and again, we're trying to figure out a much bigger picture between now and 2011. This is just one way to show the fta that we have the capacity to create the operating funding. It's not a planned for how we're going to operate the transit system in 2011. Thank you.

**Saltzman:** But interlining still means people headed towards downtown on the number 6 have to transfer.

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**Smith:** Right.

**Saltzman:** If you want to go to milwaukie, that's great, but most people work downtown.

**Smith:** There are winners and losers, and I don't know how many of each.

**Adams:** There's a huge -- jim howell has showed me numbers, a huge unmet need from clackamas county south, southeast Portland to north Portland. So we do have opportunity here to use data to make businesslike decisions about these things, and we have three years to do it. Mr. Lacrosse.

**Pat LaCrosse:** Thank you. Mr mayor and members of council, my name is pat lacrosse. I'm here representing the Oregon museum of science and industry. Nancy stuber the president is in Washington, d.c. and asked me to come. Were here to support the resolution/ordinance on the streetcar. The best way to describe omsi support for the streetcar is to talk about what omsi is today. And also what it can be in 20 years. Omsi has been at its current locations for 15 years. It reaches every corner of Oregon and five states in the northwest. It produces \$3 million a year in new exhibits for rent and sales for its shop onsite. Omsi has become short a space for classes, special programs, auditorium space in order to have presentations and major lectures and exhibits space. Witness body world that 2/3rds of the museum had to be emptied out in order to house that major exhibit. Omsit budget is \$19 million a year of which there are not public funds for operation. It has almost 1 million visitors a year, employees 350 employees and 500 volunteers and currently has some 25,000 households as members of the museum. A couple of years ago omsi had the opportunity and purchased with some city assistance in the form of long term lease from the bureau of environmental services 6 ½ acres and that additional acres is now subject to a master plan and we intend to look at the next 20 years with that master planning effort. This plan and its success is dependent upon the streetcar and other transportation facilities. We hope to and expect to become part of the science and technology quarter. Involving a partnership not only with ohsu but also portland public schools, psu and portland community college. We will end up with somewhere between 1 ½ and 3 million square feet of buildable space as a result of the master plan. The goal is to reach a million and a half visitors a year in the next few years. Our projections show employment in the district what we call the omsi district between 5 and 6 thousand new employees. Again this goes out to 15, 20, 25 years. And we expect by that time to have a state of the art a new science and technology center as part of the complex. From our perspective we need to complete what we call the streetcar employment corridor. Which connects the Lloyd center, the central eastside, the omsi district and its 5,000 future employees and by then the 20,000 employee center at ohsu across the river. In closing I want to thank the portland streetcar inc. and the city council on behalf of omsi for their leadership in this effort. Thank you.

**Adams:** Thank you. susan pearce from hosford-abernathy, dan duestch from broadway weidler area, bob basil and bill failey. Your next bill.

**Bill Failing:** Mayor potter, fellow councilors my name is bill failing and I'm a member of the portland streetcar board and have been from its very start. I've been involved in rail projects in one form or another in the city since 1972 makes me feel like a real geezer by saying that. but I have to tell you that it isn't so much a fascination with the rails I've had but it's the development that it brings. And its good development, positive development, its economic development. Its development that begins even before the rails are put in the ground. It's a great story. I want to stress that the central eastside project is not in a vacuum. It helps knit the city together, it connects and it I think helps define the very character of portland. I think that its extremely important that we cannot let these federal funds slip away. That I've never seen the start better aligned both in terms of what we have in this city as outside the city. And I just urge you to give it as much support in every step along the way as you can. Because our moment is now, its carpe diem, this is the moment. I love the Oregonian editorial line which said basically help portland catch the next streetcar. Thank you.

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**Susan Pearce:** I'm Susan Pearce I'm a member of the eastside streetcar loop project advisory committee. The name keeps changing. And I represent Hosford-Abernathy neighborhood association on that committee. I'm also a member of the central eastside urban renewal advisory committee. I am also a rail transport fan. I don't, I'm not here today representing hand or the urban renewal area advisory committee because I am not an official spokesman for those groups or because the group has not taken a stand on the issue or both. I just wanted that to be clear. A lot of my words today will echo comments that have been made within those groups. There are concerns many echoing some of the things I heard from the city council this afternoon regarding the resolution and the plan. Including but not limited to expectations of the effects on the development of the central eastside, use of urban renewal area and lid funds with or without caps. I do like the amendment for a cap on the urban renewal area funding. Other potential uses of the dollars might be spent elsewhere and changing bus routes just to name a few. These discussions need to stay on the table and we need to continue talking about them over the next three years in order to reach maximum comfort level paring for the interested and effected parties. However, I see many blessings and benefits to be expected for the eastside loop including connections from the east and west side of the city which you just mentioned. Vitalization of mlk, transport to omsi which doesn't really exist at the moment. Form of alternate transportation popular with many and one with the potential for growth over the years. With other alignments hopefully east and west through the eastside. Traffic calming in the central eastside. The importance of alternate transportation has already been mentioned including increasing co2 or carbon footprint and the u.s. dependency on foreign oil. We have an opportunity for federal funding that may never come to us again. I urge your vote yes on favor of this resolution. Thanks for listening to me. Any questions?

**Adams:** Thanks Susan.

**Robert Basel:** I'm Robert Basel. In August in response to the letters that went out to the property owners, myself being one. A group of business owners and property owners gathered together and discussed these appending streetcar. Rick Gustafson as well as Mike Bolliger were there to answer some questions and provide us some information, the facts and fiction options. We understood that the streetcar is on its way and that we will be paying a portion of it. The option that was proposed to us we came to the city and asked that the council would consider expanding the lid in size and spreading out the cost to a greater number of people who will in essence realize the benefit of the streetcar. As it stands the lid right now does not encompass some of the most dense populated areas of the district that's going to be benefitting most from the streetcars. Meaning down in the waterfront area as well as some other developments that are taking place right now. The meeting itself resolved to put together a list of requests and there's, I'm presenting to you a list of names of business owners and property owners that have signed this request and that you make this consideration. And the secondary request is that you consider looking at the classification of a true industrial user in the area. Who is doing manufacturing and will at the present time have no benefit from the streetcar in its appearance. Consider making a category of different tax increment for them.

**Adams:** Okay let's get together with the group and meet to talk about it.

**Basel:** Thank you.

**Daniel Deutsch:** Hello. My name is Daniel Deutsch and I'm with o.l.r. development. We are working on the multi-craft plastics building. It's the Barry Manilow sign building. And across the street there's another partnership with Ecotrust where we were developing a conference center. I'm here mainly to talk about the Broadway Weidler junction where the bridge, I guess right after where the bridge touches the eastside to about mlk. It's kind of the convention center district. It's a very blighted area it has more traffic problems than just about any other place I've seen in the city. There's 120,000 cars a day that come by our site because you have I-5 south I-5 north, Broadway both ways. It's just a -- it's a mess. There are several really elegant solutions that are proposed in

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conjunction with the streetcar. Which are from what I've seen relatively low cost and it's a fabulous benefit especially to somebody like me who's a very small developer and would never get pdc funding like the hotel which has been reserving those funds. So its a great way to actual help some of the smaller people. And also to kind of improve that are in a kind of a creative way. If your familiar with broadway, the street is over 100 feet wide and actually putting the streetcar along the center creates a nice median with grass. Their creating a stop there in that area where I don't, its kind of a waste land that area and I'm just really excited to see kind of that particular area improved and I know there's a lot of support from Elliott and I will do anything in my power to support this particular project.

**Adams:** Thank you all very much. That's it. Karla were on the list.

**Potter:** How many folks have signed up to testify karla?

**Moore:** We have about 5 people left.

**Carol Cushman:** I'm carol Cushman representing the league of women voters of portland. My remarks this afternoon are from a communications sent to the city council last week. The eastside streetcar funding proposal raises a number of concerns. Specifically in regards to the commitment of 27 million well in excess of the 9 million in budgeted funds from the 3 urban renewal districts served by the extension. The decision to pledge these resources has been made without thorough consideration of the impact on each urban renewal district or what it will costs the county, schools and other local taxing jurisdictions in terms of forgone property tax revenue. The information provided at the council work session and this afternoon raise a number of questions that deserve further explanation. Which currently planned urban renewal projects will be canceled or delayed? How will this affect the new affordable housing set-aside policy? If urban renewal district debt limits are increased how will that affect the city's general fund and other local taxing jurisdictions revenue and ability to provide basic services? Is there sufficient revenue to support the additional debt in central eastside or will the city need to depart from its usual prudent debt management practices in order to cover additional debt in the central eastside urban renewal area? In light of these unanswered questions the league finds it unfortunate that the council has been put in a position of having to approve a funding proposal by September 7<sup>th</sup>. If council approves the current proposal, the league urges you to immediately address these questions and determine whether an alternative approach to financing the streetcar would better serve our community. The public needs to know what other city priorities will not be addressed and to what extent basic city, county and educational services are degraded. As property tax revenue goes to pay off urban renewal debt in the decades to come. We would like to thank commissioner adams and the staff for the very thorough presentation that was made today. It was great. And thank you for your attention to this.

**Terry Parker:** Thank you for the opportunity to testify. My name is terry parker I'm here as what I consider an overtaxed taxpayer representing myself. From the beginning and throughout the citizen process the debt for this project has been stacked with self interest. Calling the streetcar a development tool is a misnomer. If that were true all the property tax abatement and other tax payer funded subsidies given to developers along the current route would have taken place. In addition to draining available funds from several urban renewal districts and taking those dollars away from other renewal projects for this tram on wheels, the local financing plan also allocates six million dollars from transportation systems development fees for streetcar construction. These dollars have been collected city wide and are specifically designed to be used for transportation capacity improvements only. Replacing buses with slow moving trolley cars is anything but a capacity improvement. Creating more snarled traffic congestion by placing snail rail on mlk and grand avenues and the broadway bridge especially at a time when motor freight traffic on mlk and grand is about to be increased is also not a capacity improvement. Therefore, it is a misuse of these dollars when this full sized line l train layout actually clogs streets and obstructs real capacity improvements. Using transportation system development dollars is also taking away money from

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other potential transportation projects citywide. Such as improving capacity with signal synchronization and timing. Therefore, any suggestion that funding for the streetcar does not negatively impact other transportation projects is totally false. Furthermore, asking for taxes from motorists, gas taxes or otherwise, is a backfill to streetcar funding and a part of a hide and seek shell game. When it comes to funding roads, commissioner Adams has suggested the user should pay as a basic fairness tax principle. Yet adding to the costs of the streetcar are the annual taxpayer operating subsidies possibly by poaching more parking meter revenues from motorists. In all fairness streetcar operations should be funded by establishing fares that would cover all the costs making the system financially self-sustainable. The romance of the vintage trolley mode of travel belongs on toy train layouts, as tourist attractions in museums and possibly for discretionary travel on pedestrian-oriented secondary streets. But not as taxpayer-subsidized walking-paced mode of transport creating negative impacts on high-volume thoroughfares. In closing I recommend that you reject this financially extravagant and frivolous folly of a trolley plan.

**Adams:** Thanks Terry.

**John Charles:** Thank you. My name is John Charles, president of Cascade Policy Institute. A nonprofit research center in southwest Portland. I note that Commissioner Sten made a very good point a little while ago that planners in Portland tend to have an obsession with rail transit. Even though rubber-tire road-based transit is the workhorse of the system. And I think we have this continuing problem with that. I'd like to talk briefly about that today. Portland officials like to talk about Portland as a leader in quote "sustainable development" this whole scheme is completely unsustainable. The users of this streetcar are not going to pay anything directly at least for the capital construction costs they might pay 2 or 3 percent of operating costs. If running negative cash flow was a great sustainable business model we'd do it everywhere, it's not. You're just creating another long-term fiscal time bomb to go off for the city. Streetcar has had a flat 1% market share of downtown commuters. That's the most natural market for it, the streetcar is people who are working in downtown Portland and have attached, my first attachment is the annual survey from P.B.A. which is a very thorough survey. You can see its great walking and biking market shares have gone way up, doubled in the last five years. Driving alone has gone up, light rail has plummeted, despite opening of the yellow line. Bus is holding steady. Streetcar one percent, it's irrelevant. So why are you putting all this money into a mode share that is irrelevant? Should put the money into those mode shares showing actual growth. That's what you would do if you were running a store, you'd put more of what people want. Streetcar is often touted as a catalyst for development. I think if that were true private investors would have pulled their money a long time ago, they would have joined the board of Streetcar Inc. They would have put lots of money in there and done all this because it was a great idea. They've somehow successfully persuaded you to - they should internalize all the profit and externalize all the risk to taxpayers. That's great if you can get away with that. I don't understand why you're agreeing to do that. There's lots of development going on that has very little to do with the streetcar. Any transit function, if this is an actual transit investment, which I argue is not, if it were Tri-Met the transit agency would do lots of streetcars, they don't it's not transit. But my second attachment shows you the cost of various transit investments. You can see rubber-tire road-based transit is very inexpensive. If people are enamored with trolleys, do what Wilsonville Transit District has done. Buy some rubber-tired vintage trolley-looking buses and for the 20 million dollars you're going to spend on just streetcars alone here you could buy the best rubber-tired vehicles in the history of humanity and run them every three minutes down this loop. You do not have the ugly overhead wires and you'd be way money ahead, I mean try that. And finally, I was here yesterday for your interesting discussion, your looking to finally end the T.O.D. subsidy, great idea, your going to give it all back now in spades by doing this. So I urge you to reconsider this the number 6 transfer issue that is killer for transit users. Transit users

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hate making transfers. You have to rethink that idea so I think a lot of it really needs to be rethought. I hope you will.

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

**Potter:** Okay, please call the vote. Any further discussion from council members?

**Adams:** Well this begins the next phase of the process of deliberations and preliminary engineering and outside review and secures for us the option of \$75,000,000 in federal transit support for this project. An amount of federal subsidy that we have not had the opportunity to access for streetcar in the lines and the extensions that we've built thus far. There's a lot of work to do in the next you know four to six months. There's a lot of work on the capital side on the how do we firm up our numbers and get them from a low confidence estimate to a higher confidence estimate. What is the contracts the we put together that are incentive base. And over the next 2 ½ years is to work out the operational issues in the context of light rail coming online downtown in the future of fareless square. Central portland and equity on both the east and west sides of the river regarding fareless square. So the work ahead of us is significant but this moves us a longer way and I want to thank some folks who have worked especially hard in getting us thus far, Vicky diede, paul smith, keith witcowski, ken rust, greg jones, tom miller on my staff, roland Chlapowski as well. I look forward to the work ahead. Aye.

**Saltzman:** Is this the resolution.

**Moore:** Yes.

**Saltzman:** I'm pleased to vote aye and I want to - I think were at a great point today and I want to make sure that the intent of the amendment was not to exceed 27 million on the urban tax increment dollars. I think that was the intent of the amendment that commissioner adams offered and I seconded. But this is a great point and its good to be moving forward with this and look forward to groundbreaking. Aye. Groundbreaking from the north. [laughter]

**Adams:** Point well made.

**Sten:** I made the point on bus ridership and I think we just need to work more on that. I was smiling chris but I don't think as many people go to Milwaukie on the 6 downtown. But those that do will be better off, or would. I think this is ready to go it obviously needs a lot of work I think commissioner adams has done a good and honest job of laying out the places where we need to refine. I think the league has come in with some good points. I just want to speak briefly to one of those. This has no effect on affordable housing set-a-side it is still in effect. And so it will not reduce that and should not be implied to. That does put p.d.c. in the position of having to figure out other projects that could get affected. I think that we will be looking at this front and center as part of deciding how to move forward on the river district. And so the real question I think would become central eastside and I think the council has some work to do with pdc and omf to try to decide how to make all these projects fit and balance. I think we should expect to see that back before us. I think your right to call that out. So I also think that you can't do everything you want to do and this is a big project and this is a big project. I think this is really about shaping how the city develops for the next 50 years and I think if we base our decisions strictly on mode split today and particularly mode split of how people get downtown as opposed to how people move about downtown once their here, because I think there's a lot of people who drive downtown and then use the streetcar and other modes to get around during the day. What will be doing is building these long, long term investments for a city that won't exist anymore. So I think it's the forward thinking decision. I'm glad to do it. I do want to share chris' point that I think the 12 minutes is a real bottle neck. I will actually, I'm speaking for myself, I will not catch the streetcar because of the 12 minutes. I would prefer to catch something else, because I can walk down there. I think we've got to find a way and I understand that you have to get ridership up to get the time down. I think that's something we have to keep pushing towards. I think the 6 minutes that your talking about will actually show an exponential increase once people don't have to worry about the schedule. So I

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think that's a great argument and end by thanking commissioner adams. This is hard work and I appreciate how your doing it. Aye.

**Potter:** I want to thank commissioner adams as well for his leadership. All of the folks at the city, metro, trimet. I think there's a number of issues that are yet to be resolved but I am more comfortable by the fact that we will be having a third party risk analysis done that the further preliminary engineering will give us better and harder numbers to work with and that there is some satisfaction in knowing that in previous streetcar construction that they have come in under budget or on budget and on time. I think this is a big step forward for portland and I too look forward to the day that we break ground at the north end of this thing. I vote aye.

**Adams:** Thank you.

**Potter:** Please read item 1087.

**Item 1087.**

**Potter:** Second reading. Please call the vote.

**Adams:** aye.

**Saltzman:** I just wanted to also commend commissioner adams and his staff for all the work they've done on this as well. Aye.

**Sten:** Aye.

**Potter:** Aye. Please read the 3pm time certain.

**Item 1088.**

Thank you. Will just give these folks a minute to get outside. For those of you who may not be familiar with César Chávez let me remind you. César was a civil rights activist, farm worker and labor worker leader, a community servant, an environmentalist and a crusader for nonviolent social change. He was a humble leader who through nonviolence inspired millions of Americans to seek social justice and civil rights for the poor and disenfranchised in our society. Together with the united farm workers, mr. Chávez forged a national coalition of students, middle class consumers, trade unionist, religious groups and minorities to voice opposition to the abhorrent living and working conditions of migrant farm workers of all colors. He also had local ties to Oregon working with educators and local labor leaders. Oregon was the home of the colegio César Chávez and for the past 17 years the César Chávez student leadership conference has been held in portland and the Willamette valley in his honor. The Oregonian recently reported that 94% of new growth in the past 7 years has been Hispanic. 18,600 of Multnomah counties new 19,800 residents were latino. Surprisingly there are no existing public tributes to American latino leaders in the portland metropolitan area that I'm aware of. Today were here to officially open up a public comment period no shorter than 5 weeks on the proposed name change of interstate avenue to César Chávez boulevard. People may have opinions about whether it should be renamed at all it is important to understand avenue is actually renamed by city ordinance in 1916. Formerly Patton street the name was adopted because it was to become a main artery leading to the interstate bridge. A rational that is no longer functional. I hope that through this process people will begin to understand are collective tied histories and how contributions have been made to this country by americans of all colors and backgrounds. I'd like to invite the César Chávez boulevard committee representatives to please begin and I assume you folks have it all lined up. Thank you.

**Jose Romero:** Thank you mr mayor. Good afternoon mayor potter, commissioner adams, commissioner Saltzman, commissioner sten. Thank you for allowing us the opportunity to present before you this afternoon on the pending resolution to rename interstate avenue in honor of César E. Chávez. I am jose romero, co-chair of the César E. Chávez boulevard committee. And to my left if my fellow co-chair, one of our community members of the arbor lodge area, marta guembes. Just beyond her a bit is doretta schrock, who is also a cebc member and represents the Kenton neighborhood association. And on my far left is my compadre sonny montes, who hosted our first meeting on this project in early march and also was a close friend and follower of the late César E.

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chávez. Before we begin I'd like to introduce Chávez like we've introduce ourselves, I would like to run a short video to bring everybody up to speed as part of our way of getting to know who he was and what he did. So if we can do that now then we'll continue.

[video playing]:

\*\*\*\*\*: César chávez a man of the people, but no ordinary man. He changed the lives of generations of farm workers, forever. César chávez, his legacy lives on. With every waking breath, César chávez fought for social justice and human rights for farm workers. La causa, the cause, was his life. This leader of farm workers was raised as a migrant farm worker. Moving from camp to camp Chávez never finished the 8<sup>th</sup> grade. He educated himself at public libraries. But it was what Chávez learned in the fields of the big growers, exploitation and racism, unhealthy living and working conditions, uprooted families that inspired his life long struggle for farm worker rights. In 1962 César chávez and his wife Helen formed the national farm workers association with their live savings of \$12,000. Later the nfw and the agricultural workers organization, aflcio merged to form the united farm worker organizing committee. This larger union was chartered by the aflcio in 1966 and became the united farm workers of American in 1973. Under the union banner, Chávez and his fellow activist organized thousands of California workers fighting for fair labor practices and better working conditions. They made history with la Huelga, the famous 5 year strike and grape and lettuce boycott of the 1970's. It began in 1965 when the farm workers joined Filipino grape pickers, striking for better wages in Delano, California. Winning the support of civil rights groups, unions and religious organizations, la huelga gained national attention when Chávez and 70 fellow strikers marched 300 miles to the state capital. On easter day 10,000 people greeted the marchers as they arrived in sacramento. That same day, the farm workers won an agreement from a major grower to negotiate. As the farm workers struggle continued through the 70's and 80's, Chávez practiced nonviolent tactics, boycotts, strikes and fasts. Over the years 10's and thousands of activists have followed him to jail for acts of civil protest. La causa won the support of Robert kennedy who once called the union leader one of the heroic figures of our time. One of the most important farm workers victories was the passage of the California agricultural labor relations act. This law guaranteed farm worker rights to collective bargaining and union elections. As the momentum of the farm workers grew, they led a new fight to ban the use of cancer causing pesticides on crops. Unions across the world have come out in support of the cause. Humble and soft spoken, César Chávez worked tirelessly as president of the united farm worker's of America. He never forgot his roots with en compacino, and en compacino will never forget César Chávez. Nearly 50,000 people paid tribute to César Chávez at his funeral march in Delano, California, birthplace of the farm worker's movement. La causa lives on. [music]

\*\*\*\*\*: If this is what it takes to build a union, a free and democratic union and a good union for good people, we're willing to do it. As long as there's one ounce of strength in our bodies that ounce of strength will be used to fight for this good cause. And in the end, we will win.

[end video]

**Romero:** There's so much more but we know we have a time limit here. We do have a lot to share. How this project started. The street naming project was initiated in early march of this year.

An ad hoc committee came together made up of community volunteers, students, latino leaders with the primary goal of renaming a street in Portland after our leader, role model, community servant César Chávez. The group invited all interested persons to participate. We currently have quite a representation on the committee and were continuing to grow. We meet every other week and sometimes more. With each passing week we get new supporters and ongoing reinforcement on the street renaming project. Sometimes were a little tired but other people come and say you're doing the right thing "al le lante" "a le lante". So people say to us hey it's about time and lets move forward and were a part of that group now. I'd like to pass it onto marta or sonny.

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**Sonny Martes:** I was watching the video. Today I still get chills every time I see the video, the impact that César Chávez has had on many of us. Some of us were lucky in the sense in the last part where their marching in Delano during his funeral there's a group of us that represented the state of Oregon. We were there when they had the burial in Delano, California. Just seeing the masses of people, people in suits, people, farm workers, all colors, cross culturally it was a rainbow of colors that were there. Politician left and right, all kinds of people that worked with César and worked with César and knew César. We were lucky in the sense that we hosted César several times here in the state of Oregon. Because some of us had been involved with the [inaudible] Chávez, also that's one of the reasons why we have, we just had our 17<sup>th</sup> year where we bring together about 1,400 latino students from throughout the mid Willamette valley with about 250 volunteers to honor César memory by getting a group of latino students together and develop that leadership. That leadership that needs to be developed and get our young people involved. I think I've mentioned to several people it's a matter of a short period of time before your going to see the involved latino community, in the city, in the county and the state of Oregon. The demographics are changing were here, were staying here. We want to be part of this beautiful state of Oregon. One of the things though the naming of a street goes beyond a simple name. That's one of the messages we want to leave with people. Long term we want to be able to mobilize our young latino students here in the City of Portland, throughout the area here so that they are involved in community service. We want to celebrate his birthday every year. We want to keep on supporting the philosophy of nonviolence that César was very famous for. We also we've got some plans, were going to try and go after some private funding to see if we can in the very near future build César E. Chávez cultural center. I think that these are some of the ideas that we want. So it goes beyond the naming of a street. The reason we basically decided on interstate avenue is simply because there was other choices. There was Alberta that was available, there was grand avenue that was available, 39<sup>th</sup> street that was available. But I think that what led us to interstate was the diversity that we have in north portland. North portland was not the same as it use to be in the past. We've got a large asian population, mung population there. We've got a large latino population. So it's a beautiful multicultural setting that we have there. And not only that we've got martin luther king boulevard, we've got rosa parks. And now were asking for your support with César E. Chávez boulevard. I think it's time that it happens and I hope we get that support.

**Doretta Schrock:** Dorretta schrock from the Kenton neighborhood. I do wear a lot of hats in north portland. I'm just speaking for myself today, although I will relate to you some decision made by the neighborhood association board. Thank you mr. mayor and commmissioners for bringing forward this resolution to open the comment period, I appreciate that very much. I was asked to talk a little bit about the history of interstate avenue although the mayors stole a little bit of my thunder.

**Potter:** I'm sorry.

**Schrock:** I have in front of me a coloring book created by some north portland students. Hey researched it and its called the history of Kenton, a coloring book. There's a map in the center an old time map from it must be around 1910 or so. The title on the map in the centerfold and I only have one copy of this today, but if anybody's interested, I can probably scare up some more, is how has north portland changed over the years. The students who did this coloring book understood even at their young age and there's a great picture of all the students who worked on it on the back, all colors and sizes. What some of us older folks sometimes forget is that history is about change and not about things always staying the same as they were when you were 10 years old. Its interesting when you look at the map, what is now the university of portland was then Columbia university. What is now the Columbia slough was then portland channel and in fact actual large sailing ships use to come down what is now the Columbia slough. What is now Denver avenue was darby street, and what is now interstate avenue was patton avenue. Interstate avenue got its current

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name, as the mayor mentioned, to reflect its status when the interstate bridge was built it became the major artery between Oregon and Washington. But now it doesn't serve that purpose anymore, and in fact people who aren't familiar with our area sometimes get confused because interstate avenue is just a few blocks from interstate 5. People say interstate, they mean interstate avenue and people think they mean interstate 5. The Kenton neighborhood association board has endorsed this change. Their speaking for themselves, not for everyone in the neighborhood. But their vote was unanimous. As one of those board members, I can tell you that I voted to support this change. Not because of interstate avenue or César Chávez even though César Chávez is one of my American heroes. I grew up, I was in high school and college in that era when with the grape boycott and the farm workers union. I support this change because its symbolic but tangible way to support the latino community in portland and indeed in all of Oregon. Some very thoughtful and committed people, most of whom have a very impressive track record of decades of leadership in the latino community, told us that this change would be very meaningful to them and to their community. No doubt there are many other possible choices, but these people have chosen this, have made this specific request because it's meaningful to them. And they've devoted hundred's of volunteer hours to outreach the community to discuss this possible change. César Chávez and the united farm workers, emphasized inclusiveness, and to me that really is what this project is about. It is inclusiveness. Its opening our arms as a city to everyone who lives here. Thank you.

**Marta Guembes:** Buenas tardes. Good afternoon, mayor commissioners. I'm going to share a little bit about some of the reach we have done so far. We have done some reach on interstate. We have met with some business owners. When we could not find the owners, we have left messages or information. We're working with high school students to participate with our outreach. We've met with the city portland commissioners. We have meetings with Multnomah county commissioners. We have some meetings with the neighborhood boards, overlook, arbor lodge and Kenton. We went to arbor lodge community fair at peace Lutheran church. We had Oregonian editorial board with Robert Caldwell and their supporters. We had a meeting with trimet director, fred hanson. We also went to the Oregon symphony at arbor park. We have online petitions and we have hard copy petitions also. I believe the mayor has a link on his website for petitions. And we also have declarations of support, we have letters and I will mentioned some of those. Albina head start, catholic charities, representative Jackie dingfelder, senator avel gordy, the Hispanic news, ethos music center, berth ferran, charles mcgee, center cities cdc, Hispanics in unity of Oregon, hesisito market who is on interstate, Kenton neighborhood association, metro councilor rex burkholder, I think I'm pronouncing it right, if not sorry, and new seasons market, Latinas, Oregon consul for Hispanic advancement, portland guadalajara sister city associations, shelly romero, maria reese, director psu, commissioner maia rojo, and from Multnomah county commissioner district one, torres who's a reporter, bishop wells from emanuel temple, los hispana, and from the thrift shop on interstate, and we have the support of heart and soul a store on interstate and we have others that I don't have here in hand. I also in the packages that were given to you guys there is a list of the cities that have recognized César E. Chávez in the country. And its, sun? arizonia, summerton in arizonia, los angeles, california, they have a boulevard, san Francisco, California, san diego, California, santa ? California, layfayette Colorado, pueblo county, Colorado, boise, Idaho, Chicago, Illinois, lake county, Indiana, flint, Michigan, grand rapids, Michigan, Pontiac, Michigan, st paul, Minnesota, Kansas city, Missouri, albuquerque, new mexico, Toledo, ohio, Austin, texas, corpus Christie, texas, el paso, Houston, texas, salt lake city, utah, Milwaukie, Wisconsin. And like you can see there is none in the northwest. And we could be the first one if we are successful. Idaho has one and we don't so there's something wrong in there, I think.

**Romero:** Moving right along. Our next steps, this is just the beginning for another phase of our quest and over the next week's we'll be meeting continuously with whoever and whenever at their convenience. Were a volunteer group, but we make the time. We'll be meeting with some of the

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businesses up and down the interstate. Other agencies like the portland development commission and right on down the line. We are planning at least two meetings, community meetings, in the area during the first part of next month were going to send out, you can help us send out invitations, encourage people to come. And we will continue this process. We've done some things now as marta just mentioned but we know there's a lot more to do. For the most part were following the spirit of the code. We're doing some outreach were talking with community, businesses. We have several forms of petitions out there and were going to be doing more of that. So we'll continue, were willing to openly dialogue whether people agree or disagree on this and continue the movement toward the final resolution sometime in the near future, hopefully in the next month. That's kind of our presentation. We want to keep it short so other people can have an opportunity to provide testimony.

**Guembes:** Lastly, I would like to thank the mayor again, the commissioners, Multnomah county commissioners. The neighborhood associations, I want to thank them the businesses on interstate, the community at large for their time they have given us to meet with this project. Nevertheless, I would like to thank our committee for the brave work that their doing with this endeavor. And gracious and se si puede.

**Romeo:** Just a couple more names here we want to really, where you have help you have to acknowledge. Commissioner adams, thank you for loaning us roland Chlapowski and Cevero Gonzalez. Mayor potter thank you for the assistance that we've gotten from Carmen rubio and veronica Valenzuela. They've been an asset and they've been keeping us informed and teaching us a lot of things we knew nothing about. It's been a learning experience. Thank you very much for your support in that area.

**Potter:** Thank you. How many folks do we have signed up to testify?

**Moore:** We have 17 people.

**Potter:** 17 people.

**Guembes:** Do you guys have any questions for us?

**Potter:** Are there any questions for the committee members? Excellent presentation.

**Alex Lowell:** Good afternoon. I'm alex Lowell and I live in overlook neighborhood and I'm just representing myself and I want to voice my strong support for renaming interstate César Chávez avenue. César Chávez is certainly a hero in the latino community but I also think he's a hero for all humanity. He certainly is one of my hero's and I'm a 40 year old white women. His you know the struggle that he represents in terms of social and class and ethnic justice is extremely important and relevant in our world today. And I think that naming the street the avenue after him not only demonstrates, honors his contribution that he's given to our society but it also creates an environment that really promotes what he stood for and I think that that is very meaningful in portland. It creates a social norm that social justice is important to the City of Portland and that's a powerful thing. It's a powerful thing certainly for the latino community and it's a powerful thing for everybody who lives here. Thanks.

**Maria Lisa Johnson:** My name is maria lisa Johnson I'm the executive director of latino network. I'm here to express my support for the renaming of the north interstate avenue to César E. Chávez boulevard. I represent an organization that has an 11 year history of serving the latino community. Building leadership and organizational capacity to achieve positive change for latino families and children. We are located four blocks from north interstate. Over the past decade we've witnessed the incredible growth of our community. We are contributing to the economy and vitality of the city. Are children are a growing presence in our schools. And in areas of north portland they represent between 45 and 65% of the student population. Yet as mayor said there are few physical symbols in this city that recognize our community presence. I therefore, urge the council to support the proposal to change the name of north interstate avenue. Our communities pride and identity will be celebrated through the example of mr. Chávez's struggle for justice and equity. Thank you.

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**Martin Gonzalez:** My name is martin Gonzalez. I want to thank mayor potter and the city council members for sponsoring this resolution. I also want to thank the committee that is working on this for inviting me to provide some testimony. Mayor potter mentioned the importance of remembering our collective tied history. And I wanted to mention that for the past 20 years I have lived in portland and most of those years have been spent a few blocks away from interstate avenue. My children attended beech elementary school where nowadays there's a great number of latino students in that school and that school being just a block away from interstate. But you know going back to the history in terms of the importance of renaming interstate avenue to César Chávez you know one of the things that you saw in the video was the mention of la causa you know the cause or more mento as some of us called it. I was part of that movement in the 1970's as part of the chicano student movement at the university of Washington. And mecha was one of those organizations that support César Chávez in the boycott, the lettuce boycott. Trying to get basically the university not to buy those lettuce's from the growers that do not want to recognize the workers. So for us it had an impact for an opportunity for us to be involved. And I think this what it does is provide another opportunity to for people to learn more about our history and the contributions of different people like César Chávez made to this society. I had the privilege of the past 20 years working 18 of those years for the American friends service committee, also a nonviolent organization that supported the work of Chávez in the, in California, and throughout the united states. So for me it's really important to look at this because in addition to that, I also worked for the past 2 years as the executive director for the portland school alliance, working on educational issues. And this being I think an opportunity for more than just a teachable moment but an opportunity for an education for all the people in the community here in portland. You know we talk about the importance of César as not only embracing the question of nonviolence in applying those principles of nonviolence but embracing all communities. And I think that this resolution sends that message to the rest of portland, that portland is ready to embrace this diversity and its communities that are comprised by it. Thank you.

**Potter:** Thank you folks.

**Steven Witte:** Mr. Mayor may I say that seeing your beard in person looks much better than the and much more flattering than the photograph in this mornings Oregonian.

**Potter:** Now that we got that important business out of the way. [laughter]

**Witte:** I just didn't want it overlooked. Mr mayor and commissioner's my name is steven witte. I'm the regional director pacific northwest region for the united farm workers. As a citizen of the City of Portland, on behalf of the united farm workers union and the César E. Chávez foundation, I hardly support the renaming of interstate avenue to César E. Chávez boulevard. With that said, I believe that it is important to share why now is the time for that change. Shortly before his untimely death, César visited Oregon sharing his wisdom with farm workers and their supporters in the Willamette valley. On January 26<sup>th</sup>, 2007 a public celebration was held in northeast portland with the announcement of winning a card check election to represent the workers of three mile canyon in Boardman, Oregon. On march 1<sup>st</sup> of this year the united farm workers opened its first Oregon office in portland in the Hollywood district. This indicates the ufw future in our state and its commitment to the protection of farm workers and consumers of agricultural products in our city and state. On july 15<sup>th</sup> of this year the united farm workers signed it's first Oregon contract with president Arturo Rodriguez present in portland and signing and press conference on the following day. The ufw is currently negotiating its second contract which will be signed before years end. Therefore this is the year to honor César's work and leadership in our city. I believe that interstate avenue a major thoroughfare serving north, northeast portland is the ideal street to honor César. This is a thoroughfare that serves a diverse community and multiple neighborhoods. And it is also important for it is adjacent to an area that currently honors the civil rights work of both dr. king and rosa parks. It just makes sense that we honor César Chávez work in that same area. César worked

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to bring about an understanding of the abuses faced by the farm worker community. It is also important to remember that from the inception of the united farm workers it has been a multi racial and multi ethnic movement. I believe that this year and this thoroughfare to honor this great man is well due. Thank you and I also have some photographs to share with you of that historic signing here in north portland.

**Clara Padilla Andrews:** Mayor tom potter and the city council, first of all thank you for allowing us to be here and speak to you on this very important effort. My name is clara, clara Padilla Andrews and I'm here in support of the changing the name interstate to César E. Chávez. If you look around the state of Oregon, its notable how the latino community is doing its part to recognize César E. Chávez. There's a library in woodburn. An elementary school in Eugene and then there's special events occurring during the month of march. They all contribute to heightening the awareness and appreciation of what cesar represents: Sacrifice with the community-minded purpose. As I travel throughout the united states, I see streets named after this humble man whose legacy means so much to the latino community. I know what an honor it would be for our latino community to have a city named after a humble leader, national leader, whose entire movement gave the poor and the voiceless hope. This is not a new idea in Portland. Majority of the cities in the u.s. have a cesar chavez street, avenue, or boulevard. This desire for the street renaming has been around for over a decade. Today, there's a council that will allow us the opportunity for the public to express what this would mean to them. I applaud the committee for taking this issue on and sticking to it, and assuring that it becomes a reality. Mayor tom Potter and members of the city council, I respectfully ask you support the effort from the latino community and supporters to rename interstate avenue cesar e. Chavez. Having the mayor and the city council name the street cesar e. Chavez would be a great honor to many of us, many of us that have worked hard to make Portland the inclusive diverse city we all love. Cesar e. Chavez will be a great addition to do many great civil rights and civic leaders Portland has recognized. Like the rosa parks, martin luther king and the anyway toy parkway. I had the opportunity to meet cesar chavez, and I know he would want this effort to be underway in collaboration with other community groups with respect, decency, and peacefully. The values he upheld throughout his life. Thank you very much.

**Potter:** Thank you.

**Charles McGee:** Good afternoon, mayor and city council, and first and foremost I really want to thank the committee for their work. And for dedication. Not only to the city of Portland but to the communities of color. And so you might ask why would a 22-year-old african manner male stand before you and talk about cesar e. Chavez and his importance and his legacy.

**Potter:** Could you tell us your name.

**McGee:** Oh. Charles mcgee.

**Potter:** Now we know who is standing before us.

**McGee:** Thank you. I think more than anything, it's not just a latino issue, it's not just something of importance to the latino community. It's something of importance to all communities. His legacy is one that reigned supreme. Talk about leadership and talk about what it really means to serve a people and what it really means to champion a cause I think and that's the life and legacy of cesar chavez. I come before you not to take your time but to stand here and say that I stand in solidarity for this cause. And whatever I can do and however I can be useful i'm here. Thank you.

\*\*\*\*\*: Thank you very much.

**Sten:** I want to apologize to the group. I had not expected sam's streetcar presentation to last too long. I am just kidding. I have an appointment I have to do. I apologize I have to go but I am the co-sponsor of this with all five members of the council and expecting a very robust discussion and my heart is full from hearing your articulate testimony so far. Thank you.

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**Dr. LeRoy Haynes:** To our illustrious mayor and to distinguished members of the city council, my name is reverend dr. Leroy hanes junior, vice president of the albina ministerial alliance representing over 50 congregations in north and northeast Portland. I come on behalf of the alliance in support of the street change name of cesar chavez. Basically because in terms of a youth organizer that I was and with the southern christian leadership conference during the civil rights movement, cesar chavez represented an american icon. An american icon that fought for freedom, justice, and equality, one who marched with martin luther king junior, one who helped change this nation and one who has given us the benefit of a better society. And I thank god for his contribution as that great american icon that goes beyond race, class, and status. Secondly, I come representing the a.m.a. In support of the change, because cesar chavez was a transformer of the quality of life for workers in america, not only farm workers you but it has a ripple effect for workers and wages, workers and decent living and decent conditions of working in america. And thirdly, I come in support of these street name change because cesar chavez was an empowerer of poor people, oppressed people. And so he represents what we believe, mayor, as the character of Portland, the diversity, the justice and equality that we are striving for in Portland. So the albina ministerial alliance would like to go on record in support of the street change name. Thank you very much.

**Pastor Robin Wisner:** Good afternoon, mayor, commissioner Saltzman and commissioner Adams. I would first like to say that it's an honor to be a Portlander. It's also an honor to be able to look here at men to make this city that I can believe and trust in as we bring issues and know that they're fair and evaluated and listened to. My name is pastor robin wisener, also a member of the board of a.m.a., that by erecting a monument, a memorial, setting aside holidays, naming of parks and buildings, and naming and renaming of streets are things that america has always done as an express of being an enlightened, open, and embracing society. Thus she, america, has used the names of those citizens who rose through the ranks from among us as leaders and advocates. To have these names placed, these persons possessed the virtues which, as a nation, we hold true and dear. In this quest that is before you, the city will meet the challenges, meet with challenges, just as it does in other businesses that come before you. Yet the city must rise if it is to reflect the best in the citizens and for that which it wishes to be known for. Likewise, cities across our nations have, over time, distinguished themselves in these and other such exercises. It is also key in being ranked high as the most livable city. Our nation has cesar chavez and martin luther king and others to thank for being willing to make personal sacrifices in their lives, that they also make such differences in our society and use their personal struggles to make the broadest impact. Down south from where I come from, there's a saying says "righten up the corner where you are." this is the this without question is what cesar chavez did. Let us now, as city council, do the same. Let us brighten up the corner where we are. Let us change the name of interstate to cesar chavez. Thank you.

**Kayse Jama:** Good afternoon, mayor tom Potter, commissioner Saltzman and commissioner sam Adams. My name is kayse jama. I am the executive director of intercultural organizing. I don't want to take lot of time from your busy schedule but I am here today to support the change name to interstate to cesar chavez. As an immigrant, a refugee from somalia, I have been in Portland about eight years and I am committed to issues of diversity and making Portland more diverse city that welcomes everybody. One of the things that I appreciate about Portland, it is willingness to impress people who are moving from outside and other part of the country and outside of the world. And I appreciate that and Portland represented for me that change. As you know, the diversity of Portland is growing. And one of the things that it's important and reflects the value as a community is that when we reflect the diversity of the city that we have when we reflected that it's of the cultural and heritage aspect of the city. So for me, changing the street name to cesar chavez who like martin luther king I get inspiration, his dedication for justice, for me, that is represents that Portland is

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moving to the right direction, as we are being -- so I am really I wanted to encourage you to support this effort. And I wanted to let you know that at this moment there's a the although of anti-immigrant issues in this country. We understand that. It is a challenge that the united states is struggling. And I want to make sure that all the immigrants and refugees that feel welcome and feel a part of Portland. And to change the cesar chavez, to name it a street, reflects that welcome. So I encourage in support and solidarity of our latino brothers and sisters, and people who care for social justice. Thank you.

**Potter:** Thank you, folks.

**\*\*\*\*\*:** Mr. Mayor, the beard looks good. I hope my afro-looks good, too. [laughter]

**Potter:** You each have three minutes.

**Promise King:** My name is promise king, interim executive director of Oregon league of minority voters. I am not here in that capacity but I am here as a strong supporter of cesar chavez committee. I come in admiration for this process, this democratic process. This resolution is upon us today because of your grace, because you wanted to be fair and because of your interest in due process. I thank you. I want to say that there is still vast amount of honor and honesty among you. Mayor Potter, this should not be a very complicated process. It should not be. The issue at hand is a simple matter. This resolution will give us the opportunity to debate whether or not the values and legacy of cesar chavez deserve a grand symbolism of a street name in this great city. Right off the bat I want to say it's an emphatic yes. It would be a simple contest. So this process is not must be reasonable and mindful. For some of those who cherish cesar chavez, and his values, these street names are not mere symbolisms. They hold for us intimate meanings. They hold for some of us hope. They hope that some day, really inclusion and diversity will extend to all the mow eight sick of this land. Mayor Potter, this is the hope. So I come in appreciation of this process but I also come with a cautionary note. Like the doctor who say, too much processed food is bad for us, I say to you, too, that the process that delays our aspiration, that puts on hold progress, I say to you that that process is bad for justice. Thank you for your support for this program.

**Terry Parker:** Well, I decided since I was already here I would combine trips. And put my two cents worth in on this one. I'm terry parker. I am just a citizen of Portland. And i'm just going to give you some things that I think you ought to consider throughout this process. I'm not speaking for or against the name change, just some things to consider. One of the things that a renaming of a street or a bridge or a building does, it's supposed to honor someone who has a place in history. However, it also takes away the, it changes history and takes away the honor of the person who has applied the name that's already on the street. I think you need to think about that. I also think that any street renaming process should be a send of any political motivations. You know, not to get votes or anything like that. Liveability must be open to diversity from all sides of the community, and in saying that I also think that you ought to think of other people that might be honored in this community with some sort of a change as an example, the interstate bridge could be honored for sam hill who was the transportation visionary that I have a whole lot of respect for as a historical figure. Ronald reagan was a great president of the united states, a governor and actor, grand avenue would be a great place to honor ronald reagan. I am not a gop member so, again, no political overtones here. But I just wanted to you to think of other things that this is not a political process, this is a process about livability, about diversity, and listing to the entire community on this process. Thank you.

**John Little:** My name is john little. And I represent the hispanics in unity for Oregon. And I was born 81 years ago in st. Vincent's hospital in Portland here. I grew up here. And went to the university of Portland. And traveled interstate boulevard, but I have no great attachment to interstate boulevard. It doesn't -- I don't think -- I think that -- wouldn't be a problem if we changed it. I don't think very many people. It's a geographic orientation is what it is. It's not a human one. Now, I worked, began working with the hispanics in 1960. I spent five years in south america, and

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working as a volunteer and returned to Oregon. I was one -- a director of the valley migrant league, which was a program of retraining and reeducation, retraining of migrant farm workers for five years in the western Oregon. I also worked in migrant education. I was a director of that in western Oregon. And some of the things we used to meet with -- cesar chavez would come up here. And he would meet with us and we would set up -- set up meetings so that he could give talks to the farm workers. And he would do that two or three times. And he liked Oregon -- he loved Oregon. He had a great consideration for it. And we explained to him, see, most of those farmers, the organizing in california was corporate farming which is huge. And the farm workers are just a commodity. And we explained to him about how the farms in Oregon were, a lot of mostly family farms, and this was in the early '60's -- I mean the mid '60's, late '60's and the early '70's. At that time. Since then there are some corporate farms here in Oregon. But at that point in time, he had adjusted his approach to Oregon. He asked us to bring in some of the farm -- of the owners of the farms, and he proposed to them that they would join together with the farm workers to negotiate for better, a better price because they were kind of limited. From the producers. I mean the processors. So anyway, he -- it would be a wonderful thing for him and that's for the people here to -- and i've always been proud of Oregon for being sensitive to minorities and the people in Oregon. So thank you very much.

**Potter:** Thank you.

**Sharon Nasset:** Oftentimes I tend to be last and I get here right at the beginning. My name is sharon. My address is 1113 n. Baldwin. I would like to say cesar chavez is and was a great man. He was a brave man and a very courageous man. And a time when it was very hard to do the things that he did. Our need to have people who get up, follow the challenge, and take the high road and raise all of us by following that high road is in desperate need all the time. And we have many people who are and have that inside of them and they need to see that the average person can rise to the point of being a great leader. Cesar was able to do a lot of things, and it has changed our entire valley. My grandfather used to work at the chemawa indian school, and when cesar tried to put the college together down in woodburn, my grandfather, my mother, and my uncle used to go there and try and help him. My grandfather used to travel around to the migrant camps and read medicine prescriptions and the bills and talk with the citizens there who lived mostly in cars and tin sheds. I would like you to think about the fact that when you come into the Portland international airport, how beautiful it would be to come to cesar chavez boulevard. 82nd avenue is in need of change. It is in need of repair. It goes from the shores of the columbia river all the way down turning into 213, following through Oregon city through the farmlands and to the foothills of the cascade range. Started small and was large. This is something I would like you to consider. I would also like you to consider the fact that Portland is a diverse town, all of it. Not just in north Portland, where we are financially challenged, but the entire town is multicultural, and something along this line would help us. North Portland has gone through a lot of changes and you might not like the name of interstate. But it used to be a boardwalk highway, and then it turned into interstate avenue for over 90 years. Cesar would be happy to see people come together in something being named after him. There's a lot of contention overtaking -- and I am saying taking -- another street and renaming it. People are afraid to come Portland because they love their brothers and sisters and are glad that we have a multi-community and don't want anybody to feel unaccepted. But we need to name something larger, come into international airport to cesar boulevard? How lovely. But think twice before renaming something that's a name when we have so many streets that are just numbered. Thanks. Oh, and the park that you are doing, you have a new part, sir? And it's going to have gardens in it? How lovely. Why not have two? Thank you.

**Potter:** Thank you all for testifying and speaking. It's now time to take the vote. Please call the vote.

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**Adams:** I'm pleased to support this resolution today. And look forward to the discussion ahead. I think cesar chavez is very worthy of consideration for cesar chavez -- cesar e. Chavez boulevard is very worthy of a new name for interstate boulevard and I look forward to the community discussion that this resolution calls for. I want to thank marta and jose and sonny for doing the leg work of starting this effort, and I look forward to the vote on the final resolution after public comment. So I look forward to it. Aye.

**Saltzman:** Well, I too look forward to a robust and open and honest process about changing the name to honor a great individual. Aye.

**Potter:** Thank you, committee, for once again tugging at our consciences about what we should be doing, not just what we do daily. And this certainly reminds all of us that from time to time we have to step back and look to see who among us are the heroes, are the leaders, and who have not been recognized for their efforts. This particular effort I think begins to take care of that issue for a lot of people in our community because this isn't, I believe, just a tribute or on behalf of our latino community. I think this is for all of Portland, because what cesar chavez did, he did for all of us. And he did for all poor people, all farm workers, all people who live here in this country. And I have been a little disappointed how some folks have tried to tie this to the immigration issue. And I think that's a separate issue. I remind people that cesar chavez was born in the united states. He was an american citizen. And so it's time that we honor another one of our great americans. And I look forward to the discussions. I know they are going to be a lot of different views and that at the end of 245 discussion reconvening and making the final decision. I vote aye. [gavel pounded] we are adjourned until next week. Thank you all. [applause]

At 5:00 pm, Council adjourned.