



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **9TH DAY OF APRIL, 2008** AT 9:30 A.M.

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

Motion to elect Commissioner Adams as President of the Council: Moved by Commissioner Saltzman and seconded by Commissioner Leonard. (Y-4)

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

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

COMMUNICATIONS	Disposition:
438-2 Request of Bryan Willis to address Council regarding home video surveillance versus home privacy (Communication)	PLACED ON FILE
439 Request of Pavel Goberman to address Council regarding City Club of Portland debate (Communication)	PLACED ON FILE
TIME CERTAINS	
440 TIME CERTAIN: 9:30 AM – Direct Auditor to treat July 15, 2008 special runoff election as General Election for purposes of Code Chapter 2.10 and provide for reduced distribution of campaign funds available to participating publicly financed candidates (Ordinance introduced by Auditor Blackmer) Motion to replace \$150,000 with \$115,000 wherever it appears in the ordinance: Moved by Commissioner Saltzman and seconded by Commissioner Adams (Y-3; Leonard recused himself)	PASSED TO SECOND READING AS AMENDED APRIL 16, 2008 AT 9:30 AM

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<p>441 TIME CERTAIN: 10:00 AM – Tentatively uphold appeal of Sullivan’s Gulch Neighborhood Association and overturn the Hearings Officer’s decision to approve the application of Tuan Luu, Ankrom Moisan Associated Architects, applicant and Holladay Park Plaza, Inc., property owner, to amend two previously approved subdivision with adjustment cases for property located at the northeast corner of NE 16th Ave and Clackamas St (Findings; Previous Agenda 378; LU 07-166143 AS AD)</p> <p>Motion to adopt the findings and uphold the appeal and overturn the Hearings Officer's decision to approve this application: Moved by Commissioner Leonard and seconded by Commissioner Adams.</p> <p>(Y-3; N-1, Saltzman)</p>	<p align="center">FINDINGS ADOPTED</p>
<p>442 TIME CERTAIN: 10:30 AM – Assess benefited properties for street improvements in the NE 135th Ave and Prescott Ct Local Improvement District (Hearing introduced by Commissioner Adams; Ordinance; C-10015)</p> <p>Motion to substitute the Final Assessment Worksheet Exhibit D and Summary of Objections and Findings Exhibit E: Moved by Commissioner Adams and seconded by Commissioner Leonard. (Y-4)</p>	<p align="center">PASSED TO SECOND READING AS AMENDED APRIL 16, 2008 AT 9:30 AM</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p> <p align="center">Mayor Tom Potter</p>	
<p>443 Appoint Martha Simpson, Don McGillivray, Lois Chilcott and reappoint Charles Kurtz, Dolores Hubert and Patty Brost to the Elders in Action Commission (Report)</p> <p>(Y-4)</p>	<p align="center">CONFIRMED</p>
<p>*444 Extend contract with Kristin Lensen Consulting to provide additional Racial Profiling Committee meeting facilitation services (Ordinance; amend Contract No. 37437)</p> <p>(Y-4)</p>	<p align="center">181720</p>
<p align="center">Bureau of Fire and Police Disability and Retirement</p>	
<p>*445 Extend contract with Damon L. Vickers, Esq., Cummins, Goodman, Fish, Denley & Vickers for outside legal services (Ordinance; amend Contract No. 52398)</p> <p>(Y-4)</p>	<p align="center">181721</p>
<p align="center">City Attorney</p>	
<p>*446 Amend contract with Beery Elsner Hammond LLP for outside legal counsel (Ordinance; amend Contract No. 36468)</p> <p>(Y-4)</p>	<p align="center">181722</p>
<p align="center">Office of Emergency Management</p>	
<p>447 Extend the Intergovernmental Agreement with Columbia County for the distribution of equipment, supplies and services procured as a result of Urban Areas Security Initiative Grant FY 2007 (Second Reading 415; amend Contract No. 52497)</p> <p>(Y-4)</p>	<p align="center">181723</p>
<p align="center">Police Bureau</p>	

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<p>*448 Amend contract for training services with Mike Kemp to provide additional class sessions, extend the term and increase compensation (Ordinance; amend Contract No. 35520)</p> <p>(Y-4)</p>	<p>181724</p>
<p>Commissioner Sam Adams</p> <p>Bureau of Environmental Services</p>	
<p>*449 Amend Ordinance to change the legal descriptions for easements required for the South Airport Basin Sanitary Trunk Sewer Project No. 6791 (Ordinance; amend Ordinance No. 179254)</p> <p>(Y-4)</p>	<p>181725</p>
<p>450 Authorize grant agreements and Intergovernmental Agreements with 21 non-profit and public entities related to the East Side Community Benefit Opportunity Program (Ordinance)</p>	<p>PASSED TO SECOND READING APRIL 16, 2008 AT 9:30 AM</p>
<p>451 Authorize grant agreement with Audubon Society of Portland for \$6,000 (Ordinance)</p>	<p>PASSED TO SECOND READING APRIL 16, 2008 AT 9:30 AM</p>
<p>452 Authorize a contract and provide for payment for the construction of NW Irving St and NW Flanders St Combination Sewer Replacement Project No. 8780 (Ordinance)</p>	<p>PASSED TO SECOND READING APRIL 16, 2008 AT 9:30 AM</p>
<p>453 Amend contract with David Evans and Associates, Inc. for additional work and compensation for the Umatilla Wastewater Pump Station and Influent Sewer Design, Project No. 8589 (Ordinance; amend Contract No. 36485)</p>	<p>PASSED TO SECOND READING APRIL 16, 2008 AT 9:30 AM</p>
<p>454 Authorize a contract and provide for payment for the construction of the Stephens Creek Confluence Habitat Enhancement Project No. 8654 (Second Reading Agenda 419)</p> <p>(Y-4)</p>	<p>181726</p>
<p>455 Authorize grant agreement with American Youth Hostels, Inc., Oregon Council for stormwater demonstration project (Second Reading Agenda 420)</p> <p>(Y-4)</p>	<p>181727</p>
<p>456 Amend contract with SEQ Corp. dba North Creek Analytical, Inc. for laboratory services (Second Reading 421; amend Contract No. 36238)</p> <p>(Y-4)</p>	<p>181728</p>
<p>Office of Transportation</p>	
<p>*457 Grant revocable permit to Red Dress PDX to close NE Glisan St between 9th Ave and 10th Ave from 9:00 p.m. April 11, 2008 through 5:00 p.m. April 13, 2008 (Ordinance)</p> <p>(Y-4)</p>	<p>181729</p>

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<p>*458 Grant revocable permit to Urban Wineworks to close NW Flanders St between 16th Ave and 17th Ave on April 27, 2008 (Ordinance) (Y-4)</p>	<p align="center">181730</p>
<p>*459 Grant revocable permit to Portland Center Stage to close NW Davis St between 10th Ave and 11th Ave on May 3, 2008 (Ordinance) (Y-4)</p>	<p align="center">181731</p>
<p>*460 Grant revocable permit to Terrapin Events to close SW Salmon between Naito Parkway and 1st Ave on May 4, 2008 (Ordinance) (Y-4)</p>	<p align="center">181732</p>
<p>*461 Authorize an Intergovernmental Agreement with the Port of Portland to acquire certain right of way for improvement at NE Airport Way and NE Holman St (Ordinance) (Y-4)</p>	<p align="center">181733</p>
<p>*462 Authorize an Intergovernmental Agreement with Portland Development Commission to provide Urban Renewal Funds for completion of the construction of the N Killingsworth St Phase 1B Project (Ordinance) (Y-4)</p>	<p align="center">181734</p>
<p>463 Authorize an Intergovernmental Agreement with the Oregon Department of Transportation for design and construction of the bridge deck replacement on the existing bridge that carries N Lombard St over the Columbia Slough (Ordinance)</p>	<p align="center">PASSED TO SECOND READING APRIL 16, 2008 AT 9:30 AM</p>
<p align="center">Commissioner Dan Saltzman</p>	
<p align="center">Parks and Recreation</p>	
<p>464 Authorize acceptance of three parcels of open space known as Johnswood Park located in Charleston Park Place from HOST Development, Inc. for park purposes (Second Reading Agenda 427) (Y-4)</p>	<p align="center">181735</p>
<p align="center">City Auditor Gary Blackmer</p>	
<p>465 Approve Council Minutes for January 4, 2006 through December 27, 2006 (Report) (Y-4)</p>	<p align="center">APPROVED</p>
<p align="center">REGULAR AGENDA</p>	
<p>*466 Authorize a grant to Jefferson High School for the "Come Fly with Me" coaching clinic (Ordinance introduced by Mayor Potter and Commissioners Adams and Leonard) (Y-4)</p>	<p align="center">181737</p>

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Mayor Tom Potter		
Office of Management and Finance – Revenue		
*467	Increase taxicab rates (Ordinance; amend Code Section 16.40.310) (Y-4)	181736
Portland Development Commission		
468	Accept the report recommending transfer of 2 nd Lt. Sharff U.S. Army Reserve Center to the Oregon Military Department for use by the Oregon Army National Guard and transmit 2 nd Lt. Alfred Sharff USARC Reuse Master Plan to U.S. Department of Housing and Urban Development and U.S. Department of Defense (Report) Motion to accept the Report: Moved by Commissioner Leonard and seconded by Commissioner Adams. (Y-4)	ACCEPTED
Commissioner Sam Adams		
Office of Transportation		
469	Assess benefited properties for improvements in the Portland Streetcar Gibbs Extension Local Improvement District (Hearing; Ordinance; C-10013)	PASSED TO SECOND READING APRIL 16, 2008 AT 9:30 AM
Commissioner Randy Leonard		
*470	Authorize a grant to the North by Northeast Community Health Center to support expansion of waiting room facilities (Ordinance) (Y-4)	181738
*471	Authorize a grant to Outside In to support a second Virginia Woof Dog Daycare and Job Training Center aimed at homeless youth (Ordinance) (Y-4)	181739
Commissioner Dan Saltzman		
Office of Sustainable Development		
472	Authorize contract with Merina and Company, LLC in the amount of \$130,000 to provide residential solid waste and recycling rate review services (Second Reading Agenda 426)	REFERRED TO COMMISSIONER OF PUBLIC AFFAIRS
Parks and Recreation		

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473	Authorize License Agreement with the Portland Classical Chinese Garden to operate and manage the Classical Chinese Garden (Second Reading Agenda 408) (Y-4)	181740
474	Authorize License Agreement with the Leach Garden Friends to operate and manage the Leach Botanical Garden (Second Reading Agenda 409) (Y-4)	181741
475	Authorize License Agreement with the Pittock Mansion Society to operate and manage the Pittock Mansion (Second Reading Agenda 410) (Y-4)	181742
476	Authorize Release and Satisfaction of Agreement to release the City of Portland, Portland Development Commission and the Portland Classical Chinese Garden from obligations of a previous management agreement for the Classical Chinese Garden (Second Reading Agenda 411) (Y-4)	181743

At 11:52 a.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

By Karla Moore-Love
Clerk of the Council

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

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WEDNESDAY, 2:00 PM, APRIL 9, 2008

**DUE TO LACK OF AN AGENDA
THERE WAS NO MEETING**

April 9, 2008
Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

APRIL 9, 2008 9:30 AM

Potter: The question is, how are the children? The reason I ask that question is because we know that, when our children are cared for and well, that our community is well. And so each week we invite special people in to talk to us about issues regarding youth and children. And this morning we have some very nice young people, and they're from the celebration academy of the performing arts at the christian school which is located in kenton, and I happened to be out there a few months ago doing my 10-minute meeting with tom and met a lot of the folks from the church, and they do great service in the community. So, with that, i'd like to call up tavana, ari, and ella. If each of you could sit in front of one of those little microphones? There you go. Thank you for being here. And go ahead. Would you like to start?

Ella Bradley: Sure.

Potter: Tell us what your name is.

Bradley: Ella.

Potter: What else would you like us to know? At school, we have a school -- a performing -- celebration academy of performing arts, and we do theater.

Potter: You do. Like plays?

Bradley: Yes.

Potter: Have you been in a play?

Bradley: Yes.

Potter: What part did you play?

Bradley: We played baby jesus.

Potter: Baby jesus.

Bradley: Yeah.

Potter: Good. Did you enjoy playing the part?

Bradley: Yes.

Potter: What was the best part of it?

Bradley: The end.

[laughter]

Potter: I think i'm done asking questions. That was a very good answer. That's why we were laughing is, 'cause you sort of shut me down very quick. So that was very good. Who else would like to speak? Would you like to say something? Could you tell us your name?

Tavana Tolbert: Tavana. I'm in kindergarten.

Potter: You're in kindergarten. What do you like about kindergarten?

Tolbert: It's fun.

Potter: What do you do?

Tolbert: We do -- we have a teacher. She teaches some math and a lot of stuff.

Potter: Good for you. So what are you studying in math? How to add numbers together?

Tolbert: Mm-hmm. And we do letters, too.

Potter: And letters, too. Wow: Well, you know, we're just starting our budget stuff, so maybe you could come back and help us with the math on the budget. Have they taught you how to count to 3 billion yet?

Tolbert: No.

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Potter: That's good. I'm not sure we understand the concept either. Thank you so much for being here this morning.

Tolbert: Thank you.

Potter: What would you like to say?

Arye Bradley: I would like to talk about the community garden we're having in the back. We're growing corn and a lot of vegetables, tomatoes, celery, and we're going to get a hen and chickens.

Potter: What do you do with all the stuff you grow?

Arye Bradley: We're going to give them away.

Potter: As I understand, the restaurant does use the produce from the garden, and then they turn around and sell it to their customers but the money goes back into the church.

Arye Bradley: Um-hum.

Potter: A very good idea. Have you actually grown any vegetables yourself, planted any seeds?

Arye Bradley: Yeah. In the past, but not yet.

Potter: Well, it's still not quite the time for gardening. So what's your favorite part about your school?

Arye Bradley: My favorite part about my school is theater.

Potter: So you played a part are, too. What's your favorite part that you've played?

Arye Bradley: My favorite part is when we get costumes in the back of the church and we put on the costumes and we act out, like, a little play.

Potter: Good. Did you folks want to say anything else?

Bradley: No. [laughter]

Tolbert: No.

Potter: That's two. That's almost a majority. Would you like to say anything about the program? Could you introduce yourself?

Pastor John Tolbert: My name is pastor john tobert. Celebration academy is a nonprofit school located in kenton. We're preschool through third grade. We specialize in helping kids with dyslexia or any type of learning disability. We have two teachers who's qualified in the state of Oregon out of four to diagnose for dyslexia. So a lot of children we're helping and having helped in the past. They went onto accelerate in a lot of the public schools, and we're finding that a lot of the kids who are part of our school went on as far as grades ahead, a lot of the students after they've been through a lot of our rigorous training and education programs. So it's an honor to have us here today. We thank you for taking the time to do that, sir. And we're going to work on that 3 billion counting.

[laughter]

Tolbert: So we can be a help to the budget in the future.

Potter: Thank you very much. And, kids, thank you for being here today.

*****: (all) you're welcome.

Potter: Give them a hand.

Tolbert: Thank you.

Potter: Council will come to order. Karla, please call the roll.

[roll call]

Potter: I'd like to remind folks that, prior to offering public testimony to city council, a lobbyist must declare which lobbying entity he or she is authorized to represent. Before we start the agenda, we need to elect the president of the council, and the way it works is that it falls back to commissioner Adams to fill in the remainder of the term for commissioner Sten, who had been the president. So I need a motion to nominate Adams.

Saltzman: Nominate commissioner Adams to be president.

Leonard: Seconded.

Potter: Please call the vote.

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Adams: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. Do you wish to make any statement before we begin?

Adams: God help us all.

[laughter]

Leonard: Rule with compassion, please.

Potter: Please read the first communication.

Item 438.

Potter: Please come forward.

Bryan Williams: Good morning, gentlemen.

Potter: Good morning. Thank you for being here. Please state your name for the record, and you have three minutes.

Williams: Sure. My name is bryan williams here to talk about home video surveillance versus home privacy, and I have a little written presentation, and I have copies if you'd like to see them. And i'm not -- I don't think I should be following the first act. Anyway, i'm here to talk about the subject of home video surveillance and video cameras. I do think video surveillance can be a good deterrent for people who are out to break the laws of our land when used properly. What i'd like to talk about is being a law abiding citizen and being under surveillance 24 hours a day on my own property. Home video surveillance systems are becoming much more affordable and popular. I've inquired with local law enforcement. There seems to be little or no rules for the systems regarding the camera's field of view or placement. There is so much room for abuse with no repercussions, I feel compelled to bring it to the attention of this council. I understand on public streets, public buildings, retail stores and other places where the public have access video surveillance is to be expected. These are places a person expects to be seen. There are many venues considered public where video cameras or welcome or required. This room, for example. What I don't understand is why my neighbor has a right to point video cameras at my private property, including windows of my home, my driveway, and my backyard with no regard for my wife's or my privacy at all. Some of these cameras what infrared vision. In other words, they have the ability to see in the dark. This means surveillance is truly 24/7. I feel these systems can sometimes be used for intimidation and bullying. I'm sure you understand, in this time of "you tube" and "facebook" that video systems can be easily placed on the internet for broad public viewing or embarrassment. There are existing rules and laws prohibiting the use of cameras, such as cellphones, as a voyeuristic tool and more are being developed around the country as we speak. I don't see how this can be considered much different. My wife and I are not public figures like yourselves or britney spears for that matter and we don't choose to be. Being private is our choice. If someone wants to place video surveillance systems up to protect their property, I do support that, although it seems to me that the field of view of these cameras should be directed to their own property. If private property other than the owner's is to be used, written permission could be obtained from the persons affected. I do believe I should be able to walk out to my mailbox on sunday morning in my robe and have a reasonable expectation as a private citizen to not be under constant surveillance. I should be able to walk out in my fenced backyard, shirtless and out-of-shape, and not be under constant surveillance. Sorry for the visual there. My wife, as a private citizen, should be able to go in my private backyard and sunbathe and not be under constant surveillance. That's actually a pretty good visual. My wife and I as private citizens should be able to --

Potter: Did you wish to conclude your comments?

Williams: Ok. I don't mind being seen in my neighborhood at all. We expect to be seen on a casual basis but not under permanent record. We have a good neighborhood. We'd like to keep it that way. We do say hi to people. People see us all the time in our front yards and in our courtyard. I just think maybe we should take a look at the technology and how it's being used in neighborhoods.

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Potter: Thank you, sir. If you wish to leave any comments with the council clerk, you can. Please call the next.

Item 439.

Moore-Love: He called and will not be coming.

Potter: Is that the communications?

Moore-Love: That's all.

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 particular item from this consent agenda? Please call the vote.

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

Item 440.

Potter: Auditor blackmer?

Gary Blackmer, Auditor, City of Portland: Good morning, mayor, members of council. Gary blackmer, Portland city auditor. What you have before you is an ordinance that essentially is built around a draft ordinance that commissioner Leonard and mayor Potter put together several weeks ago. But as the council subsequently asked the citizen campaign commission to look at the numbers and make a recommendation, the commission had several meetings on the topic, did a considerable amount of research, and then we basically put those numbers in the place that commissioner Leonard and mayor Potter had suggested. So that's essentially the ordinance before you. With me on my direct right is leslie hidula. She's the chair of the citizen campaign commission. On my left is pete forsythe, another member, and on my far right dylan amo, another member. I'd like to turn it over to them, and they can kind of talk a little bit about what -- how they got to where they made these recommendations and can help field any questions you might have.

Leslie Hidula: Good morning. Leslie hidula, chair of the commission. Thank you for having us here today. It is an honor to be serving on the commission. We appreciate the opportunity to observe and report on the process of voter-owned elections and to make a recommendation. We also very much appreciate the support that we've received from the city elections officer and angie bryant and of course gary blackmer, the city auditor. They have been hugely instrumental in our ability to do a thorough analysis of the issues as they come up and to provide our recommendations to you. The special elections that we are currently in, there has been a request from council to ask the commission to look at the amount that will be given if there is a runoff. And in spite of concerns about changing city code at this point in the election, there does seem to be probably the majority of feeling that the \$200,000 for that runoff, if there is a runoff, I perhaps excessive given the short timeframe. So we took a deeper look at special elections over time, at elections in general and specifically special elections over time. Over a course of four meetings, we looked at data from past races. We listened to campaign consultants, people who run campaigns, people like c.n.e. systems who have a lot of public records and data at their hands. It made it easy for us to get ahold of a lot of data quickly. We got input from janet thompson, jeff malakowski rick kaufman, names I know are familiar to you as campaign experts yourselves. And in looking at that, like I said, overwhelmingly people said, yeah, \$200,000 is a bit much for two and a half months. And the biggest cost of election is voter outreach, which is the same regardless of how much time you have to run. So we looked at what are the overhead costs. Can they be prorated to some extent? What kind of money does it take to do good, expected voter outreach? Because we felt like there's a deal that's involved here, and the deal is that -- to the citizens we are going to offer them viable candidates and reasonable election expenses but also, to the candidates, that we will provide them a decent amount of money to run a campaign. Not excessive but not so bare bones. And that's why we game up with the figure of \$150,000 if there's a runoff with the ability of an additional \$225,000 in matching funds. I know you have a packet of information about all this data i've talked about, emails that we looked at and wrote to each other, past letters and all that sort of thing in front of

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you, so I won't get into all that detail. I just wanted to assure you that the commission takes its responsibility seriously. We have a code of ethics that we created when we first got together that we do not as individuals support any candidate for city office. We don't publicly endorse them, give them money while we're commissioners. We take the system very seriously. So I guess, in summary, I encourage you to consider our recommendation of \$150,000 as an adequate amount. Yes, there are people who have done special elections with less money. There are many more who have done it with much more money. And we think the \$150,000 is a fair and adequate amount for a voter-owned election candidate, and that's our recommendation to you. Thank you.

Potter: Further comments?

Dylan Amo: I'll speak next. My name is dylan amo, downtown member of the citizens campaign commission. I wanted to thank you for your recent inclusion of me, putting me into the commission. It's been a pleasure to serve with them. Also I wanted to thank my fellow members of the commission and city auditor's office for creating a very inclusive and respectful work environment. It is a pressure to work with them. I look forward to serving the rest of my term with them. As the council might be aware, I was the lone vote against the recommendation for you on this, council. I wanted to share with you my perspective. I saw this first as a vote whether or not to change or not to change. Even before I get to the identification of the appropriate number, I wanted to figure out whether or not we had gotten enough information together to make a conclusion. And as of now, I don't think that the answer before you in the recommendations from the committee is inclusive enough to make an answer on the issue of special elections. First of all, I think the committee did a great job. They created an intensive work schedule, making lots of different meetings, as leslie pointed out. They were very inclusive in providing -- drawing out from the audiences at our meetings and trying to get their perspectives. Additionally, more than any other committee that i've been a part of, they really did reach out to members of the public to get their perspective. Leslie and I know gary and all the emails that you have before you talk about all the different professionals that were included in our decisions. But I think questions still exist. I know that you have had heated debates within this, in private and public, as the directions go, and I think that, within you right now, you know that there are plenty of questions. I think first the one of nonparticipating candidates still needs to be dealt with. The first is whether they can raise enough money to meet the amount we are recommending out of this. I don't necessarily know that we got an answer to that. I think a lot of time was spent by the committee in coming up with an answer as to what the appropriate number is going to be for a participating candidate to go out and get votes adequate to -- you know -- have a successful campaign, what is necessary to get voter outreach, but I think we need to spend more time in getting nonparticipating candidate information. One of my biggest problems was the question of nonparticipating designation of money. If a nonparticipating candidate raises more money in a shorter timeframe or raises more money that would come up to the matching cap that they would have the ability, since it is a shorter timeframe, to designificant mate that money towards the future runoff election rather than exceed the matching cap. I think that is a penalty on nonparticipating. I think that the physicians campaign commission still exists out there. In conclusion, I said that I did not want to change, and I just wanted to get more input from the public. I know that this is a significant problem that we have a special coming up, but I would rather not create more problems that need to be addressed in the future and deal with it now I thank you all for your time.

Leonard: Your position, you think the \$200,000 is too much or that we should change that amount?

Amo: I would not change that \$200,000 number. The question isn't necessarily what number do I think is appropriate to give to a candidate, 'cause I think --

Leonard: Before we get there, can I focus on this? Your position is that leaving everything status quo means that a runoff candidate has \$200,000?

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Amo: Correct.

Leonard: And you understand that the council had to actually adopt an ordinance for -- ordinance for special elections to create that.

Amo: Right.

Leonard: So we were actually changing the system by adopting a mechanism for special elections.

Amos: It's my opinion that we didn't create a new ordinance, that what we did was apply the existing ordinance.

Saltzman: We had to pass that.

Amo: Correct.

Leonard: So it isn't a matter of opinion. The fact is we had to adopt an ordinance. We've since rescinded the ordinance, which means there is no rules for runoff candidates. So i've been confused about this position i've heard that the council's changing something, because we had to create something for runoff candidates.

Amo: Well, as I was trying to layout in my remarks, I don't think that we can come to a fair number. In my opinion, I don't think we have come up with a fair number yet. We have focused almost exclusively our committee time on what is a number that is appropriate for a participating candidate to reach out to the public. I think we need to spend more time reaching out to nonparticipating and including them in the discussion. I think that the number that they have come up with is a fair number as to what it make takes for a participating candidate to be in the system, but I think we need a better number for nonparticipation, not just what it takes for them to rave against a participating candidate but also the issue of designation of cap money. Some people refer to it as earmarks in the emails, but I refer to it as designation.

Leonard: I guess another part that's somewhat mystified me in the discussion that's inherent in any amount that's been helped about is that a nonparticipating candidate that raised \$66,000 or \$100,000 or \$150,000 or \$200,000, any nonparticipating candidate that raised private funds above that that we would match dollars for dollars for the participating candidates. So i'd be curious that that hasn't been part of the discussion that it really almost, in some ways, becomes not so important what the amount is if the theory is we're trying to reduce the cost of elections. Then the nature of whatever the cap is, however low it is, is to send a message to nonparticipating candidates. Whatever you raise above that, the participating candidate --

Hidula: I can address that. First of all, the figures that we looked, we looked at past special elections. I mean, if you think about it, those were all nonparticipating candidates that we were looking at, so the data, we think, is very reflective of what a current nonparticipating candidate would be faced with and what they could raise. But in terms of the idea about what's wrong with starting low and then use matching funds if they're needed, there's some sense of course to that argument. And when we look at these, we try to look not just at today's race but other races, different scenarios that might come into play. So, for example, if you have a participating candidate who perhaps is relatively unknown, running against an incumbent, i've heard there are advantages to incumbency, that you have your name in the paper. You're now the there doing good work. And so there is some advantages to your candidacy when you run as an incumbent. Perhaps, as a campaign strategy, you could keep your campaign spending relatively low, starving funds from a challenger. Or, as another scenario that could possibly happen is that, if a person who is a participating candidate thinks that they have \$100,000 to run, they have a campaign strategy built around that and then, at the last minute, a nonparticipating candidate is able to put a bunch of money into the race and sort of as a strategy do some last-minute serious spending, that participating candidate will be scrambling and having to change their strategy. Now, granted, that is campaigning. Right? As you all know, people are responsible for their own campaign strategy.

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Leonard: With all due respect, I think this is where you guys have gotten yourself in trouble, because if an incumbent finds himself or herself in a runoff, they've got a lot more problems than strategizing the amount of dollars they're not going to spend. They're in trouble. And the real world is an incumbent on the city council is running for reelection and finding that, in the primary, he or she cannot garner 50% plus one vote, they are in a lot of trouble, and they're in a lot more trouble than gaining the amount of dollars that they're going to get. I would argue the opposite. You're an incumbent and you find yourself in a runoff, after having been an incumbent, and you decide as a strategy you're going to underspend the person that's in second, you might as well start pulling the pictures down off your wall, because you're done.

Hidula: I appreciate that point.

Leonard: I mean, this is what we do for a living. And I think where you guys have gotten into trouble is in an attempt to be fair you've outthought the practical implications of what you're doing, and it appears as though you're not fair. It appears that way. I don't think that that's the case, but I think the appearance is not good. And so the part that's been mystifying for me has been almost a spin, it feels like. The council's changing the rules. The council's not changed the rules. The council is adopting rules for special election. And then second trying to second-guess what the experts are recommending the amount should be. I mean, I looked at your report and frankly was flabbergasted that you had liz kaufman, who everybody recognizes, who's nationally known as one of the best political consultants in the nation. Any candidate who gets liz for a consultant has a leg up. It's an axiom of politics in this area. And then you have an anonymous source who comes up with \$150,000. Liz comes up with approximately \$100,000. You picked the anonymous source. Well, it appears that way.

Hidula: I can understand it appears that way, but that's not how it worked.

Leonard: It may not be, but what has troubled me more and more throughout this experiment is that the architects and administrators haven't stepped back to look at what their actions are doing to the appearance of the program, and the appearance of the program is that, if we tried to do anything up here -- I mean, if I issued a report that had a named consultant, liz kaufman, that recommended \$100,000. I, commissioner randy Leonard. And then I had an anonymous source that was recommending \$150,000 and I was known to favor the participating candidate and I picked at anonymous source, I could stand here all day long and say, I know it looks bad, but I really picked this number for other reasons, and I would be hung out to dry.

Hidula: I think there's some congruency in those recommendations that perhaps gary can explain better than I can, because he's much better at numbers.

Blackmer: The second consultant who wished to remain anonymous basically ratified everything that liz kaufman had laid out in calculating how to get a message out to a certain number of voters. The only difference between those two consultants was the projection of the turnout rate for a special election. Liz kaufman talked about a 25-30% turnout rate for a special election. Her experience covers a wide range of elections. But when we looked at what the consultant said, it was that given the political climate with hotly contested presidential race, I think we're going to have a higher turnout in july. That was enough for the commission. J and f thompson have brought in the fact that the last two special election runoffs for council races, the first one was 38.6% turnout. The second one was 40.7 or 8% turnout. Essentially right around 40%.

Leonard: And I really appreciate that, gary. I really do. But what you're telling me in essence is that you discounted the advice of a recognized expert. Let me finish. And accepted the advice of one of the architects of this system that analyzed a consultant's report who chose to remain anonymous. Then the question I have to ask is did the person choose to remain anonymous because they're advising one of the candidates and didn't want that disclosed and have their numbers analyzed in view of the fact that they may be advising one of the candidates? It raises a number of credibility questions.

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Blackmer: The only thing we accepted from the consultant, from this architect, as you describe her, was two statements of fact which were the turnout rates for those races which were contrary to liz kaufman's assumptions. And using liz kaufman's logic, applying a more realistic turnout rate brought the numbers higher.

Leonard: I can imagine the scenario in which I as a candidate would tell liz kaufman her analysis, which is what I pay her for, is wrong. You have to show me why it's wrong, and you're relying on an anonymous consultant that's having the numbers tweaked by one of the architects of the system.

Blackmer: I'm sorry that we can't convince you.

Leonard: Is that wrong?

Blackmer: You're wrong.

Leonard: I thought you just said that democracy in action.

Blackmer: You said we accepted the word of an anonymous in consultant.

Leonard: From janice thompson?

Blackmer: Sure. She volunteered it and brought it in. She brought in two pieces of data anyone can get off the internet.

Saltzman: Didn't those special elections also have ballot measures on them?

Blackmer: I don't believe so.

Forsyth: Something small on fairview on one of them. I think there were issues but small issues.

Blackmer: No one can predict what the turnout rate is going to be, but what we can best do is work on what we had historically experienced here in Portland, and it was a higher turnout rate than liz kaufman was using in her assumption. It's not that we're disagreeing with what she's saying. We're just taking what she's got as an estimate, questioning one of her estimates and saying, well, it doesn't quite match up with Portland's experience. So -- you know -- it's really council's call here. Frankly, I think the commission about a lot of thinking and tried its best to come up with what it thought was a fair amount, but ultimately -- you know -- arguing about whether there was intentional or accidental bias one way or the other doesn't really get to the answer, so I would just ask council to --

Pete Forsyth: Pete forsythe, commission member. And just in response to commissioner Leonard, I think the characterization of what advice we took is inaccurate. The prevailing message that I understood from council in sending the question back to us was that you wanted input from the public and you wanted a deliberative process. In response to that, I feel that we as a group generally did a very good job of seeking a variety of input. I don't remember the exact number, but somewhere on the order of five, six, seven people who gave significant and detailed response to the situation and, in my mind, the anonymous person was an extremely minor factor, and I really don't remember putting much consideration into that.

Leonard: I just read your report. I didn't listen to the discussion. I read your report. And you cited two consultants in your written report. One was liz kaufman. One's anonymous. I suppose, if I was you, I wouldn't have put that in the report.

Forsyth: If I can just speak to what occurred at the meeting, there were -- the two specifics that I think were -- that in my mind framed the issue, if you were to look at two of the most high-profile political consultants we got response from --

Leonard: Who's the other consultant?

Forsyth: Each of them gave a recommendation not to change the system, that \$200,000 was an appropriate number. In my mind, it was a range between \$100,000 or \$200,000, between those two or if you looked at the entirety of what we looked at, there was \$160,000 was another recommendation and then there were others between 100 and 150. Ultimately what we did was not to take any one person's recommendation. It was to engage in deliberation, which included the members of the public that came to the meeting. There was no one by the end of the meeting that

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seemed to feel that they hadn't had their say or had input into the process, which I really give leslie a lot of credit for.

Leonard: Methodology?

Forsyth: As the discussion progressed, the number of reasons to move in on a number like \$150,000 seemed to increase as we looked at it from a perspective of time in the race and percentage that went to overall funds versus time base funds, comparing a general to a special election.

Leonard: Did you have a methodology to do that?

Forsyth: There was certainly a methodology for that. We looked at the breakdowns from several historical campaigns. That's where a lot of testimony from c.n.e. Systems came into play comparing the kinds of costs that you need to run over an entire campaign versus the kinds of costs that are depending, like office space rental and salaries. Len reason I didn't see that in your report.

Blackmer: There's a lot of data here from -- these pie charts --

Leonard: I'm saying the 150 -- I mean, I understand you haven't agreed with the two formulas that i've supported, but they're formulas, and I can sit down and explain them. People at the end of the day can say, I don't agree with the bottom line, but if you ask me to explain how I came up with either \$66,000 or \$100,000, I would hand you out a formula and say, this is how I got to it. Did you use such a formula to get to this? It sounds like you listened to a lot of testimony and then by consensus came to \$150,000.

Forsyth: No. By deliberation.

Leonard: That's not accredit, but i'm observing that I couldn't go through there and see, ok, you did these things and it popped out to 150.

Forsyth: I think there were three elements to it. There was the process that we're talking about, which we can certainly answer in detail, came to a figure that ranged from, I think, roughly 134 to 152,000 depends on how you set a few different variables at the beginning, which were the percentage of fixed costs versus time-based costs and also -- I forget exactly what the factors were. That was the one approach. Another approach was looking in general at the kind of turnout that we get in different i'ms of elections. To me the salient point of that is that special elections including city commission seats are roughly in the realm of what we see in primary elections, not general elections. So the idea of setting a number that's roughly similar to what we're setting in primary elections seemed to have some parity. And then the third consideration was that the candidates involved in the present race entered into it with an understanding of what the rules were that would be governing that race, and so, at least to me, there was a desire to, as much as possible, put the rules that we adopted roughly in a framework that has been developed over a more deliberative process. And it came from something that they knew of going into it. And so the number that's currently fixed for primary systems, the fact that that fell right in the range that was developed from all the other methodologies, seemed the appropriate response.

Adams: Can I summarize whey think you're saying? I'm looking at the page 3 of the report, and it has laid out the kaufman assumptions and the anonymous assumptions, and basically, when you go from kaufman's 30% expected turnout to anonymous' 40% expected turnout, you increase the number of votes by about 20,000 and the number to win by about 16, 17,000. And total voters to reach by 20,000 as well. So what I think I heard you saying and I just want to confirm is that you took the spending per vote assumptions of liz kaufman and you went and checked with past voter turnout in municipal special elections and determined that liz letter number was about 10% lower, and you simply raised the factors based -- same unit cost but raised the factors by about 10% additional turnout. Is that an accurate summary?

Blackmer: Accurate, yes.

Adams: It is a little odd to have a citation from someone anonymous. Why is it anonymous?

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Blackmer: One of the commission members contacted several consultants, liz being one of them. The other just preferred not to put their name forward. And the main thing with that consultant -- main thing that that constant did was ratify the methodology of liz. This many mailings at this much cost, and we walked through that and said, well, but I think it ought to be higher. That was the only difference. So to a certain degree, anonymous was ratifying hoffman's methodology except for the turnout. And then the commission got more information and, yeah, let's raise that turnout estimate.

Adams: And so did you independently verify the information that was brought to you by janice thompson regarding the turnout being actually about 10 percentage points higher than assumed by liz kaufman?

Forsyth: Yes.

Blackmer: Yeah.

Forsyth: That's all available on the web through the county elections office.

Adams: My concern going into this issue was that you had made up your minds ahead of time, ahead of us giving you your charge to go back and dig into this and look for some facts, so I wanted to just give you an opportunity, if you went through this process 'cause of the letter that we got or an email we got from you at the very beginning that said it should stay at \$200,000. For your own legitimate conditions, but I felt like this issue warranted some deeper study. You've done that. So I want -- I seek your assurance that you've done that a fair and open mind.

Hidula: Sure. I appreciate that. In an ideal world, you would want every candidate, when they decide to run, to know what the rules of the game are and have there be no changes, but the reality is that we're in a system that's pretty new to our city, and you came back to us and said, that's not good enough. We want you to take a good look and give us a recommendation. That's what we're here for. We said, ok. That's right. That's why you made us commissioners, and we'll do that. And I thought it was our responsibility to come back to you and say, we looked at the facts. This is what we think the facts show us. And you have an election that you have to run for the city, and we're not going to sit on principle and say, eh, you guys deal with it. We said, no. It's our job to tell you our recommendation based on the facts. And we're happy to do that. That's why we exist.

Adams: Is there in your mind a rationale for having \$100,000 as the amount?

Hidula: You know, we looked at that percentage of how much a campaign fund goes to overhead and how much goes to voter contact or marketing, advertising. The problem is that's not a set amount. You look at one campaign and somebody did it at a ratio of 85-15. Another campaign, it was 70-30. At some point, you make a judgment, because there isn't -- it's not always one way or the other. It depends. Right? So we made a judgment that 150,000 was a fair and adequate amount based upon all the different types of data we had in front of us. If you make it 130, that's probably still going to work. If it was at 160, it was still probably going to work. 150 is not the only right answer, either. We just think it's a good answer.

Forsyth: I think we looked at every deliberation that came to us. I think we all looked at commissioner Leonard's breakdown of the spending over the campaign as much as every other one.

At the end of the meeting, there was a question whether there was any other amount. I think immediately before the vote on this proposal, whether there was any other amount that we should be looking at after all the deliberations that we'd all gone through, and there was silence from the entire room, from the commission and guests. So I feel that there was extensive deliberation that went into this number.

Leonard: This 30% turnout liz kaufman projected we focused on quite a bit. If you look at your report, she has a 25% cushion. It was just pointed out to me by my staff that liz has said that that 25% cushion was in addition to the 30%. So essentially almost 38% is that her \$100,000 is based on is almost a 38% turnout. She projected 30 but in your 25% cushion in your report, it allows for

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up to a 38%. I'm being told by the experts in runoff elections when there's one issue on the ballot in the middle of the summer, there is absolutely no way the turnout will be above 38%.

Blackmer: It's happened in Portland in the past.

Leonard: What was on the ballot?

Blackmer: We had commissioner hale who was up for election and I believe commissioner blumenauer.

Leonard: What I just said is in the middle of the summer, and it's very important to look at the date of the election when people are on vacation and they're distracted and the kids are out of school. I personally know that the hale's runoff election occurred after the kids were back in school and programs were home. You don't schedule, from my experience, union meetings in the summer. You don't schedule neighborhood meetings when you have a major initiative in the summer. And if you are running for office in the middle of the summer, you're going to have a real challenge getting people who would otherwise happily vote and always vote, be home to home. Again, i'm not trying to debate whether or not that's right or wrong. That's not what I do. What I do is I look to people like liz kaufman, high happen to know. She says it's 30%, i'll make a major for you right here it's going to be 30%.

Hidula: You know, listening to you talk about your experience, as a commissioner, we had consultants in the room as well testifying. And I forget her name, but I think she said that's even more reason why we need to have a sufficient fund, because it is so hard to get people's attention in the summertime. You can't run a bare bones campaign and expect a candidate to be able to reach people. It's difficult.

Leonard: And I totally agree with you, and I think the part that I wish somebody would have, on the commission, more forcefully acknowledged is, if you have a lower amount, it's going to affect -- in this instance, there is an incumbent. It's going to affect whoever the privately funded candidate is. If that person makes a decision that they cannot reach the voters with \$100,000, then they're going to raise \$150,000 or \$200,000, and the voter-owned candidate gets matched. It looks like this has been constructed -- the earlier email that came out makes it appear as though there is a bias. Well, if you're a privately-funded candidate and you've learned the candidate in the runoff gets \$200,000, tough. Too bad. That's how it feels. And that's not how this system is supposed to be constructed. It's supposed to level the playing field, not give a leg up to the voter-owned candidate. And it feels like nobody in the room said, hey, just for the purposes of discussion, can we talk about that?

Hidula: Well, actually we did. Actually we did. And, again, people who were in the room testifying said they'll be able to raise the money. Look. Historically they've raised hundreds of thousands of dollars.

Leonard: Why don't you turn that argument around and say, let's just take all of the energy out of the process. This is going to make us look biased. Take the number given to us by the consultant and, if they're going to raise more money, the voter-owned candidate gets it. Problem solved.

Hidula: To some extent, we do. If you look at the numbers people spent, they are a lot more usually than \$150,000, so we are counting on the matching funding to be there. It's just a matter of judgment as to what is a fair and sufficient amount.

Leonard: Right now, literally, we have no rules for a voter-owned candidate. None. I would argue that you don't need any, because whatever the runoff candidate who's privately funded gets -- and if we just say the voter-owned candidate gets matched -- that's what it is. Some have suggested it be 200 or 250. I'd say ignore them. Whatever that person raises, the voter-owned candidate gets. I mean, that's a radical approach, but it illustrates the point i'm trying to make is this is a debate that feels like it's tilted one way for just the reason that you picked the number that ever sustainability just accepting a lower number and say if a privately funded candidate attempts to raise more, that's fine.

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Adams: I do think there's merit in their argument that having some sort of threshold and being able to plan a campaign based on some sort of threshold is a compelling argument. You're not suggesting that the expenditure of funds be entirely reliant on the nonvoter-owned candidate, are you?

Leonard: No. I'm just saying the thrust of the argument so far has been that the voter-owned candidate, the appearance -- you've even acknowledged in your discussion this is going to be a challenge for the privately funded candidate to catch up. That's not why we created this system. Just the opposite. It was to level the playing field so unknowns could get in and compete with privately funded candidates. All of a sudden we're having a discussion by even one commission member saying the privately owned candidate can't catch up, and it feels like the decision has got off track a little bit and we should be talking about how you keep money out of campaigns, how we can lower the cost of campaigns. It seems like it's just done a 180.

Hidula: I think that's why not everybody but the majority of people who talked to us thought that coming back to 200,000 was a good idea, because they thought it perhaps would be an unfair advantage in a short timeframe. And that's why we didn't come back to you and say, no. After much deliberation, we think we should stay at 200,000. We came back and said, yeah, when you have two and a half months, there is a than overhead cost. We should lower it to a lower amount. And we did do that.

Leonard: I appreciate that.

Potter: Other questions? Thank you, folks. Do we have folks signed up to testify on this matter?

Moore-Love: We have three people signed up.

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

Carol Cushman: I'm carol cushman representing the league of women voters of Portland. The league of women voters commends the citizen campaign commission for its thoughtful approach to the city council's request for reconsideration. The commission relied, we feel, on a credible group of individuals. I'm sorry. I was a couple minutes late to this, but it seemed we got focused on just two, I heard, in attending the meetings. Many more than two people referenced as far as information coming in. The individuals have considerable campaign expertise, and they provided information needed to reach what we feel is a defensible conclusion. This is the purpose of the citizen campaign commission is not to try and stay out of the political nature of the discussion, which can happen at city hall. A reasonable compromise was reached with the 150,000 allocation proposal. From the first meeting, my thought was that the 160,000 they had started with sounded reasonable there, because it was done on a 70-30 allocation of the 200,000. And so it was a straight mathematical formula of taking 30% of the 200,000 and cutting it by two-thirds and adding it to the 70%, which is, I believe, 140,000 and then the 20 for overhead. A reasonable compromise was reached based on the expert's advice. The commission considered expected voter turnout in a special election and reduced overhead costs for a shorter time period while still allowing sufficient funds to reach potential voters. The experts said that a nonparticipating candidate could expect to raise funds needed for a viable campaign and also said that 150,000 was a reasonable amount to assume that could be raised for a july runoff. The commission intends to revisit this policy at some point after the election and use the lessons learned for future recommendations. A critical element of a successful voter-owned election system is sufficient funding in the initial allocation to plan and execute a credible campaign, and this proposal accomplishes that. Relying on matching funds would be a departure from the principle. The candidate's ability to run an effective campaign is important so that they do not need to adjust tactics based on spending by another candidate that might trigger matching funds for them. The league urges you to take advantage of the research and careful thought of the citizen campaign commission devoted to this and adopt their recommendation.

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Janice Thompson: Janice thompson. I also want to commend the city council for its work on this as well as the citizens campaign commission. I do support the citizens campaign commission recommendation. I think they've done a very transparent, thorough job the citizens campaign commission had already been in process to take a look at the whole elections issue. They were probably as disappointed as anybody to get caught by surprise by having -- you know -- not have that process done. But I really wanted to be clear this was not something that -- you know -- they had forgotten about. I think they made the accurate judgment call on the information they had to focus first. They kind of were convenes with new members over the summer and fall, an independent spending issue. I think the way -- the breaks didn't cut their way in terms of how the special election stuff issue came up before they were done. So I just want to be clear that I think that all this discussion will help them in their long-term work but that they were definitely in process. So that's all.

James Lee: My name is james lee. I reside on southeast mitchell street, and I speak only for myself. Thank you for hearing me today. I must also state a disclaimer that I will appear on the primary ballot for mayor in may. Riding in to the council meeting this morning, I had an interesting little chat with commissioner Leonard, and we were reminiscing about the situation that occurred when mayor goldschmidt resigned to go to work in Washington, d.c., and the consequences for that where we had to replace two people. In those days, of course it was done by appointment of the council. I point out, when we used that procedure, it went reasonably quickly. And most important lee we got two excellent people. We got connie mccready for mayor, who I think was one of the best mayors -- I think almost certain live the best mayor at running the council that i've ever seen. And of course we got mike lindbergh who I think most people would say, in the last 30 years, was the best council member we have ever had, certainly the most diligent. So I would just like the council generally to consider -- to entertain at least the possibility of going back to the old system. Now I have a very disagreeable duty, because I would like to call for the resignation of mr. Blacker as auditor. This is a man who seems to shovel out our public funds without -- with only marginal concerns for where they were going. He couldn't tell the difference between amanda fritz and emily boyle which ended up in a successful criminal prosecution, but we're still out the money. The piece of paper I handed out to you is my previous testimony of february 6th which I subsequently submitted to mr. Blacker as evoking serious concerns with the things mr. Dozono and mr. Midaugh were doing, and these were dismissed summarily. Mr. Blacker was always polite to me. The judge in this case also overturned mr. Blackmer's judgment about the funds that were supposed to be given to mr. Dozono. So i'm sorry to have to make that recommendation, but I think mr. Blackmer has done an immense amount of harm to the principle of public finance and elections. Thank you.

Potter: Thanks, folks.

Moore-Love: That's all who signed up.

Potter: Council discussion?

Saltzman: Well, i'll make a motion. I do truly appreciate the work that the campaign commission has done on this issue at our request -- you know -- and I certainly want to lend my support to auditor blackmer. I think he has done a lot in sort of uncharted territory here, voter elections. It requires good uh judgment, and I think he's exercised that judgment throughout. I have total, complete faith in our auditor. I think two different scenarios were presented, ranging roughly 100,000 to 150,000. As the initial report for voter-owned election ms. 2004 stated -- in 2005 stated, funding must be sufficient to allow candidates to get their message out to the public. The way I look at it really, in an election cycle, runoff cycle that's going to be an election of 45 days, I believe the figure of \$100,000 is sufficient to get their message out. I say that for two reasons. One is I think we all know we're going to have low turnout, but secondly the expected amount of voter outreach that is spent on radio or tv, those rates are going to be a real deal in july compared to what they are in a november election or any other regular cycle election. It's a supply and demand thing.

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And I can tell you, when the supply is there, if demand is there like it will be this november, the rates go through the roof. I would wager to say that you can buy as much media with \$100,000 in this 45-day election cycle as \$200,000 will get you in november. So I think this is a fair number. I think it does allow the candidates to get their message out, and I think it is -- strikes a fair balance with nonparticipating candidates in terms of the hurdle they have to achieve of raising \$100,000 in a short amount of time. Again, summertime, as commissioner Leonard noted, everybody's gone, even those people who nonparticipating candidates will be counting onto answer the phones. They're also gone. So it will be tough to raise \$100,000 in 45 days, and especially since you need it really sooner than 45 days. So I think \$100,000, and that's what I would move to make the amount for the runoff on july 15th.

Harry Auerbach, Chief Deputy City Attorney: I'm sorry. Your motion is to replace 150 with 100 wherever it appears in the ordinance?

Saltzman: Correct. That's my motion.

Potter: I have a question. Does this also then change the other amount, the subsequent matching if it exceeds the 100,000? Because here it says 150% of 100,000. That would be 100,000. And that would then make it -- what? 150 as opposed to 225?

Saltzman: Yeah. I would go with that ratio, so I would change that number, too.

Potter: Do I hear a second?

Adams: I'll second it for the purpose of discussion. I want some feedback from the experts on the assumptions conveyed by commissioner Saltzman.

Leonard: And just for the record, i'm going to recuse myself from the vote. Some have argued that, because of my position in the current race, they're worried that my vote reflects the politics. I don't think it does, but I understand the perception, so i'm going to recuse myself.

Potter: Call the vote.

Adams: I'd like some discussion. If I could have -- in terms of the issue of advertising being less expensive in the summer, I see sort of the other tradeoff is voters are harder to reach. So did you all look at -- did you have a discussion around those issues?

Blackmer: That did come up as an issue that it was cheaper for the media during the off-season period because there was less demand for time on the radio and television. However, at least liz kaufman's view was that, given that runoff period being as short as it was, it was hard to schedule the radio and television buys in there, too, and she had said a mail ballot, because of the turnout -- I mean, a maiming campaign would be the way to go. So whether that plays out in terms of the decision around the money available is really kind of what the strategy is for what kind after campaign to run.

Adams: Commissioner Saltzman, I have to ask how did you sort of decide from 150 to 100 as opposed to 150 to 130, 120, 110?

Saltzman: Well, I think I did rely somewhat on liz kaufman's recommendations as well.

Adams: Which specifically was --

Saltzman: Well, I think it was closer to 100,000 if not 100,000 being the right amount. But I think part of it's intuitive, too. From the very get go of this issue, I appreciate commissioner Sten wanted the campaign commission to look at it. I thought the original proposal for 66,000 was too low from the very get go, and 100,000 struck me as intuitively the right number to be at.

Adams: Intuition.

Saltzman: I don't have a grease board that I can do a formula that tells you exactly how I got to that.

Adams: 100,000, what's your reaction or reaction of the committee to 100,000 since we're making sausage here? I guess I should ask some of the other ingredient makers if some of the committee would come up and comment on it.

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Hidula: Leslie hill-villa. This is why we spent two hours with the data in front of us is, 'cause we didn't want to do it just based on intuition. I understand at at some point intuition comes into play, but the data shows us that, when you do a mailing campaign -- what we heard is that people tend to do a mailing-heavy campaign or media-heavy campaign. Past data shows that. Cost of mailing in the city, they're expensive as well. You're right, commissioner Saltzman, it is cheaper probably to buy media in the summer than in the fall. However, the cost of mailings are also going to be pretty much the same. And so that 100,000 never came up as a reasonable amount. It was always more 130 to 170. I mean, there are always outliers out there, people who say 200,000 isn't even enough. And then of course we have people saying 66,000 should be enough. So we kind of thought let's look at what the majority of data, majority of past races, majority of opinions are and balance it within that range of more 130 to 170. And that's where we came up -- at some point you're right you kind of use your judgment and say, all right, 150 feels good based upon all this data, some of which contradicts each other.

Leonard: But, leslie, as I understood the discussion, you agreed with liz kaufman's methodology except for the voter turnout. And as I pointed out, her high-end voter turnout ends up being 38% for july elections. And so it's just hard to understand how you picked a number other than that given her track record, her methodology and you used elections to contradict that that weren't analogous. They weren't in the summer. I'm trying hard to understand the fairness of that.

Forsyth: The thing that sticks out to me is that, well, liz kaufman didn't attend, so she wasn't able to go through detailed deliberations on this, but the numbers that -- she looked at a much larger number of elections and a number of the elections that she looked at didn't include a race for the city commission. So -- you know -- we had -- and I believe there was a race that had -- there was a 64% turnout in one. I don't remember which race that was, but that was once of them that did include a city commissioner and a special election. So, to my mind, it wasn't very relevant to be looking at issues where there was simply a ballot measure that might or might not be of interest to--

Leonard: With all due respect then, you're saying you substituted your judgment.

Forsyth: It wasn't my judgment that I substituted. This is something that multiple members of the public and political consultants brought up in the meeting.

Leonard: What i'm saying is liz kaufman is the only name here that anybody recognizes 'cause you have an anonymous source, and liz kaufman is widely known to be the best in the business. So she came up based on her judgment what the cost would be. She put in a 25% cushion, and it feels like you didn't like the amount, so you picked some other amount.

Forsyth: Oh, no. I think what liz kaufman did is she did us a great service by giving us a very detailed formula of how she got to her final number. When we went into our meeting, there was broad consensus, I think, from everyone involved in politics, everyone that came to testify who looked at the turnout numbers separately.

Leonard: Except competitor all the advocates of the --

Forsyth: I don't think that's the case. I don't know that could be the case.

Amo: I'd like to raise one more point, too, to what commissioner Saltzman brought up about cost of running a special. One of the gentlemen that testified repeatedly at our meetings from c.n.e. Systems talked about the effect of giving participating candidates all their money up-front and the ability to buy cheaper tv and media time. A reflection was brought up on all the budgets seen in previous specials, and he brought the numbers of what traditionally had been done for voter outreach in certain situations and what was needed in them.

Leonard: C.n.e. elections is an accounting firm. You gave them your money, and they gave you a report of how much money.

Adams: I think what he's saying, commissioner Leonard, is that he provided trends based on actual spending and actual campaigns. Is that right?

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Hidula: Kevin neeley provide product trends and actual data from past races. In the last two meetings he attended and provided this data, that was just as influential, because we weren't looking at some consultant's analysis of what she would do. We were actually looking at what campaigns did. And he had those records available. They're publicly available records.

Saltzman: If you get your \$100,000 check on may 21st and you can buy media for the future, you're in a better position.

Adams: When we sent this to the commission, I said I would give great weight to their recommendation I felt it was -- if they took an open mind and approached the issue with an open mind and did a thorough job of outreach, and I think they've met that condition that I applied with them. It sounds like, though, that the majority of people voting on this don't support that, so I would be willing to compromise somewhere between 100 and 150, but I think that 100,000 is too low. And since we have to come up with something we all agreed to to get to three votes, we get to see democracy in action.

Potter: I think you referred to it as sausage making.

Adams: Yes. I think 130 is a reasonable compromise.

Leonard: I'm not going to vote, but that doesn't mean I don't get to ask questions. Explain to me the methodology. If you can explain to me the methodology, i'll be happy. I can explain to you the method of \$100,268, but I -- making sausage is fine if we're doing land use. It isn't fine if we're deciding who the citizens get to elect to represent them.

Adams: Well, the commissioner before you get too down that track, the 100,000 is based on a certain assumption about turnout. 150 is based on certain assumption about turnout.

Leonard: I'm looking at the report. We have a written document that the public has a right to rely on.

Adams: That's why we have these hearings. So the 100,000 that commissioner Saltzman proposed is based on intuition and listening to the facts. It sounds like clearly the commission had to make some judgments as well. So i'm just saying that we need to -- I think that we need to get closer to the commission's recommendation who looked at this in great detail.

Potter: Mr. Saltzman, do you wish to amend your --

Saltzman: Baring in mind that in the nonparticipating candidate raises over 100,000, the participating candidate gets matching funds. I still think and everything I said previously 100,000 is about the right number. I guess, in the interest of trying to strike at something the three of us can vote on, i'd be willing to go to 115,000.

Adams: [laughter] but I do think 130, 150 is too high.

Leonard: Do you want the undercoat? That undercoat, if you have salt on the road, preserves the car.

Adams: What are you talking about?

Leonard: Well, it feels like we're buying a used car here. [laughter] at ad well, the 100,000 is intuition. The 130 and above is based on a lot of judgment and exploration.

Leonard: You want the extended warranty so it will pay for itself.

Adams: I'm trying to get to something in between what the commission recommended and what the council is comfortable with.

Saltzman: So I will amend my motion to 115,000 and the matching fund available would be 150% of that, whatever that is.

Adams: I agree.

Potter: Call the vote?

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

Potter: Well, I have to say you folks are watching something similar to democracy in action. I think it is closer to the sausage. I felt at the time that, when commissioner Leonard came up to his proposal, that that would be something fair. I think that the current recommendation I think is high,

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but I think that, in order to move this through -- I think it's important for people to remember, however, that this is just applied to this one particular election. So we have to resolve this issue for future special elections, because otherwise these very same things will occur. So I strongly recommend that, in the interim, the citizens campaign commission look very seriously at a formula that we can assume is both reasonable to the v.o.e. candidate as well to the non v.o.e. candidate.

And with that I vote aye.

Leonard: Oh, that's right.

Potter: Moves to a second reading. Excuse me. Please read the 10:00 a.m. Time certain.

Item 441.

Potter: Council has before them findings. I need a motion to adopt the findings and uphold the appeal and overturn the hearings officer's decision to approve this application.

Leonard: So moved.

Potter: Hear a second?

Adams: Second.

Potter: Call the vote.

Adams: Aye. **Leonard:** Aye. **Saltzman:** No. **Potter:** Aye. Please read the 10:30 time certain.

Item 442.

Adams: The condition of the street was very poor and, as mayor Potter commented at the time, the potholes in the street were actually small lakes. When the business owners contacted Andrew, they told him that the street was not a good place for them to do business and that the poor condition of the street was driving customers away. The project as envisioned is also good for the Columbia Slough because we build a green street which has eliminated the problems with filth, mud and erosion prior to this project. The property owners save money by sharing the costs instead of doing the project themselves. On top, the project came in significantly below budget, so the L.I.D. profited all the property owners, including public storage. Andrew Aebi is going to give us a brief presentation and make some findings for the record. Andrew will show slides and then request that exhibit e be substituted to incorporate the objection to final assessment from public storage. No objection to final assessment as well as subsequent withdrawal of the objection.

Andrew Aebi, Local Improvement District Administrator: Although the objection has been withdrawn, I would like to briefly make additional findings. If we can switch to the presentation, this will be very brief. This is a map of the project. We improved the remaining unimproved portion of northeast 135th Avenue and Prescott Court. This is the type of usage that we see on the street. There's a concrete mixing operation on the street. You can imagine that truck going up and down the street. Street was obviously very difficult to maintain prior to the L.I.D. And, in fact, this is what northeast 135th Avenue looked like when the property owners contacted me. This is what the street looks like today. It's a much better place to do business. Public storage has 700 feet frontage that they no longer have to maintain. This is their other frontage along northeast Prescott Court. They contacted me on July 28th, 2004. I got a known call from Jacob Shodin, the manager of that facility at the time. He told me that, when customers pulled up to the front door, that's where they would park and think about representing a storage unit, and it was not a good place for them to do business. This is what their frontage looks like today. And then finally what I wanted to show you. This is the egress from the L.I.D. area. So the L.I.D. area is shaded in brown. You can see the black street there in the middle is what we improved. Businesses in this area have two ways to get out. They can go out Prescott Court to 138th at which point they're trying to make a right turn across the Union Pacific Railroad to then go out to the traffic signal at 138th and Sandy. It's frequently backed up and difficult to have egress during the peak hours. Portland Office of Transportation is installing a new signal in the other direction at northeast 122nd and Whitaker Way, at no cost, by the way, to the property owners and L.I.D. all the businesses in this area will have much better egress out to 122nd and Whitaker Way than the current egress out to 138th and Prescott. Just to recap, we

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estimated our project cost as \$518 per abutting linear foot. We were able to combine construction with the nearby project, and we wound up at \$366 per foot. The property owners get those savings which range from 12- to \$106,000. Finally, I would just like to note that, after we completed the project, I was contacted by Jim Glen, who's the current manager of the facility, and he was telling me that they had dust all over everything before the street got improved. He said he was very happy with the street and he couldn't believe the amount of improvement. So I just wanted to note those findings for the record. In addition to substituting exhibit e, I have one additional change to make, which is the substitute of exhibit d. It's an extremely minor change, but there is a delinquency on one of the accounts that we just need to note for the record for purposes of eventually financing the assessment. I'll just go ahead and pass these out and would like the council to substitute exhibit d, the final assessment worksheet, as well as exhibit e. There is no change to the assessment, and we're substituting exhibit e, as Commissioner Adams mentioned, to incorporate the objection to final assessment but also note the subsequent withdrawal of that objection.

Potter: Do I hear a motion?

Adams: So moved.

Leonard: Seconded.

Potter: Call the vote. Oops. When you get back. [chuckling]

Aebi: And I don't know if you want to open it up now for public testimony. I know that public storage canceled their travel plans to come up here from southern California. I don't believe we have anybody else here to testify, though.

Potter: I think we're going to vote on it.

Adams: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. How many folks have signed up to testify?

Moore: No one signed up.

Potter: Did you say -- I thought you said there was someone here.

Aebi: We got the objection withdrawn by public storage, so they canceled their plans to come up and testify. Thank you.

Adams: I misunderstood.

Potter: It's a nonemergency and moves to a second reading. Please read item 466.

Item 466.

Potter: Commissioner Leonard, did you want to --

Adams: You mean Commissioner Adams.

Potter: Excuse me. I'm sorry. Is it you?

Leonard: That has Sam written all over it.

Adams: I'd ask Dr. Cynthia Harris and Mitch will be here shortly of Jefferson High School to talk about -- why don't we move on to the next item. We'll come back to this.

Potter: Please read item 467.

Item 467.

Potter: Revenue Bureau?

Sue Klobetanz, Director, Revenue Bureau: I'm Sue Kobertanz, Revenue Bureau Director. I'm here on behalf of the Board of Review, including both its company standing and driver standing committees. The purpose of this board, the private for hire transportation board, is to adopt and enforce regulations of private for hire transportation, so that consists of taxi cabs, sedans, shuttles, and specially attended transportation vehicles within the city of Portland. The ordinance before you today eliminates the 20 cents per mile fuel temporary surcharge and raises the regular meter rate from \$2 to \$2.30, and effective increase of 10 cents per mile or 4.5% of the current rate with the surcharge. All other meter rates would remain the same. As you well know, all of us know gas prices have gone up considerably since June of '05 when the council established the current maximum year rates for taxi cab services of \$2.50 for an initial charge and \$2 per mile. The U.S.

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Bureau of labor statistics indicates that gas prices in the last year have gone up by 50%, and since that last council action in '05, gas prices have increased by over 100%. An increase in the maximum meter rate is required in order for taxi cab companies and drivers to meet their expenses and upgrade vehicles, there by ensuring public safety. By way of background, we just recently received a rate study or meter cost study from the city of los angeles, and Portland, with this requested change, falls in the middle of lots of jurisdictions looking at raising their rates because of gas prices. For example, san diego is currently at \$2.80 per mile with a pending change to \$3.10 per mile. L.a. is at \$2.45 per mile. San francisco is recommending a change to \$2.50 up from \$2.25, and seattle has a \$2 per mile charge with an additional dollars for \$3 per -- actually, \$2 per mile with an additional dollars per trip, and they are also currently looking at increasing their per mile cost. As I indicated, i'm here on behalf of the board and their members. I have four such folks here with me today, and i'm going to ask them to come and speak to you on this ordinance. I have ray miles from the company standing committee, a representative of broadway cab, butch miller, the chair of the driver standing committee, also from broadway cab, tessa faye from green cab, and steve antler from radio cab. If they could all come forward now?

Potter: When you state, please state your name for the record.

Ray Miles: Ray miles, former chair of the company's standing committee. We first actually brought this motion to the private for hire transportation board of review in november, and at that time we felt that this increase was warranted. I would actually add that, since that time, gas has gone up eve 55 cents a gallon, and we're actually better than half way to another 10-cent increase. So this is urgently needed. It's need by the drivers. It's needed by the companies, and I would just encourage you to vote yes. Thank you.

Steve Entler: My name is steve antler. I'm the general manager of radio cab company, and I brought with me a letter that was recently sent by one of our drivers, and it gives a brief snapshot of what's been going on over the past period of time and how he doesn't feel the fuel surcharges have kept pace with the expenses. And a lot of this suggestion for establishing a new baseline for the meter rates is really not based on fuel but rather based on other things that land in with the c.p.i. I also serve on the company standing committee, and we developed a formula for adjusting those, and it was suggested by city council many years ago that we make small incremental changes, and pretty much that's what's happening right here. So that it doesn't have sticker shock to the consumers and keeps pace with what's going on.

Potter: Thank you.

Butch Miller: Mr. Mayor, commissioners, my name is butch miller. I am the driver representative for the city of Portland on the transportation -- private for hire transportation board of review and chair of the driver standing committee. The price of running a taxi cab is huge. The money I myself pay to the company for my insurance, for my dispatch amounts to \$560 a week. My price on fuel per week is now at \$250 a week. My maintenance costs are averaging about 60 to \$70 a week. Besides our responsibilities to the company, we have responsibilities to our families, and we need this increase to help pay for our families' upkeep. So I urge this be passed. Thank you.

Potter: Thank you.

Tesfaye Aleme: My name is fayala. I'm the manager member of green cab. I think all of the bureau of directors and the company have said that I think this is a time that we have to increase the fuel because the fuel costs have gone beyond our imagination. So most think the cost is covered by. The drivers are taking care of all their expenses and everything. So I think it's time to get the rate increase so that -- you know -- some of the costs that are incurred can be -- will be recovered by the drivers. Everything has been said, and all of you know what the cost of fuel is. So I ask the council to adapt these or approve these requests.

Potter: Thank you, folks.

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Saltzman: Was the committee unanimous, the private transportation for hire?

Miller: Yes, sir. I believe it was, yes.

Saltzman: Thank you.

Potter: Thank you. Is that it? Is anybody signed up to testify?

Moore-Love: No one else signed up.

Leonard: Commissioner Adams has to be here.

Potter: Is there anyone here who wishes to testify to this matter?

Leonard: He has to be here for the vote. It's an emergency ordinance.

Potter: I know. Perhaps if we can go ahead and call the votes, perhaps by the time he gets in here -
- I didn't know if anybody wanted to say anything.

Leonard: Yeah. I was actually going to.

Potter: Ok.

Moore-Love: Roll call?

Potter: Yes.

Leonard: I had the bureau of licenses for my first two years here, and I enjoyed it immensely, and they think I enjoyed more than anything was working with the cab companies and the drivers. I went to drivers' meetings. I rode with drivers. I actually got to know a couple of them and understood, I think, better the challenges our drivers have. They worked exceedingly hard under exceedingly difficult circumstances. They work very long hours for not enough money. One thing I hope the bureau of licenses continues to do is the more aggressive enforcement approach that we took to make sure that the limousines are not pretending to be cabs, taking business away from the cabs. I hope that's continuing, because something I believe very strongly in that our cab drivers shouldn't have business unfairly taken from them by limousines that are pretending to be cabs out at the airport and the major hotels. We've come a long way, and I hope we haven't gone backwards. I would support this increase happily, because -- i'm glad that steve said what he did, because it isn't just for the cost of the fuel. I think our cab drivers need better compensation in spite of that -- in addition to that -- to help them with meeting their families' needs, and it's a very important service, and they should be treated fairly. So i'm very happy to support this. Aye.

Adams: Aye.

Saltzman: Well, i, too, am pleased to support this. I think we have some of the best cab companies around and some of the best drivers around, and this is definitely a cost of living adjustment that is necessary to help them support their families and make a profit. So i'm pleased to vote aye.

Potter: And after having spent some time in Washington, d.c., I agree completely with the commissioners. We've got some good folks here, and we appreciate what you do, and we want that support you, so I vote aye.

Item 466 (continued).

Potter: Commissioner Adams?

Adams: Thank you, mayor. The agenda item co-sponsored by commissioners Leonard and mayor Potter really is to honor the mayor's work of getting the city council out for a week at jefferson. And as part of that and being principal for a day at jefferson, I asked principal harris what we could do of a modest nature that might have some immediate but long-lasting benefit to jefferson. And she caucussed with her staff, and mr. Whitehurst is going to talk about a program called "come fly with me" that takes this modest sum of money and matches it with a lot of public and other private sector resources.

Dr. Cynthia Harris: Before I introduce mr. Whitehurst, I would just like to say "thank you" to you, tom Potter, and to you, sam Adams, randy Leonard, and to dan as well and to all of the city officials. Jefferson will be changed forever because the city came to jefferson. The environment has been elevated. And i'm sure you didn't help us win the state championship by yourselves, but I think it was every little bit of business, and i'm sure that you provided some of that support that

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gave us just the edge. So I just want to say "thank you" to tom, to sam, and to all of the city. You, too. James, you, too. Everybody that came and became part of our family for a week. It was encouraging and nurturing to me. It's not an easy job but, when you have people that love you, you can do it better. So we are improving jefferson high school, and we hope to see the scores, attendance, and the discipline go up very, very soon. We're putting our discipline walls and data walls up right now. We're meeting with students in a few weeks. Tom, you're coming back. People want to know what happens after the mayor leaves. Well, a lot has happened. We brought 24 students with donny adair to shadow. We met with city officials from parks and rec. We met with sam. And we really have been what I would say partnering to make a difference in making it better. So I say thank you, and jefferson high school says thank you for the partnership. We don't want to delay. You have a lengthy agenda, so we want to get in and out and get back to school. One of our programs is a coaching clinic for the high school and the community, and mitch whitehurst, who is the dean and works with sports, is going to talk about that. Again, I hope you hear my heartfelt thank you to all the citizens of Portland. I feel so loved because you care about us so much. So thank you.

Mitch Whitehurst: Thank you. And thank you, again. We really appreciate your support from the city. "come fly with me" is the coach's clinic's name, and that's a motto that dr. Harris started when she came to jefferson. She said to the staff, let's go. Come fly with me. So we're using that title for our clinic. And basically it's coaching without xs and os, inspiring youth to greatness. We see that there's a movement happening, and we want to affect the students in the school and outside the school, on the courts and in the field as well. With this, we're trying to empower people in the community to just come and be a part, but there's -- you watch matches. You watch events, and you see things happen. You see coaches, and we just want coaches to understand that we want them to step in and be a part of our community at jefferson high school, and so we're trying to have a coach's clinic to motivate them and just talk about the ways that we would like students to be motivated on and off the court. We have a great list of people as speakers. Even ernie kent is going to be there for us. I don't want to go over the whole topic, but matt hennessy is going to be the keynote speaker. And the evening before, at embassy suites hotel, we're going to have a dinner. We want people to be a part of jeff after that, to reach our students and be a part of the community. So we really appreciate your support, and this just should be a wonderful event april 26th at Portland community college. We're partnering with them. Without the community, Portland community college wouldn't be there. So we're trying to involve the community as well with Portland community college. Thank you very, very much.

Harris: What questions would you have? Are you still satisfied?

Saltzman: Are we going to get complaints from other p.i.l. complaints that we're supporting a ban program that won two state championships?

Whitehurst: We invite everybody in the state, everybody in the Portland schools personally, but you won't get complaints, because we're trying to spread everything.

Leonard: I want to point out that I went to grant, so this is going to be a really tough vote.

Harris: We love grant. We actually love grant and northeast Portland. We were just rooting for them as well. You know they're winners. Right?

Leonard: Yes, I do. We had them both here.

Harris: We appreciate your support.

Potter: The thing that really impressed me when I was out there, I listened to what the coaches said before those young men and women's teams went off to play the championship, and he was really using basketball as a tool to inculcate really positive values and concepts of really accepting yourself. I just thought it was so impressive. And he gave that in front of the entire student body. He was talking to those particular players, but he was really talking to everybody.

Whitehurst: Mm-hmm.

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Potter: So you folks really do a lot of things well, and it's not just about basketball or football. It's really about how we help our young people become successful people. You folks, I think, have done a great job.

Whitehurst: Thank you.

Harris: And especially thank you to sam. You were there as principal for a day, and you've been following up with me, and I want to really let you know how appreciated that is. Thank you.

Potter: Is anybody else signed up to testify?

Moore-Love: No one else signed up.

Potter: Is there anyone here who wishes to address this specific issue? It's an emergency vote. Please call the vote.

Adams: I want to thank and acknowledge jane aames for her work on this and dr. Harris and mr. Whitehurst for really the turnaround at jefferson that's under way and also want to thank the mayor again for having us spend the week out there. It was great. Aye.

Leonard: It was as enriching for us to be out there as it was for you to have us, so we really appreciate it the graciousness and the venue. It was a lot of fun. Aye.

Saltzman: It was a lot of fun. Also learned a lot. Aye.

Potter: I said my piece. Aye.

Item 468.

Potter: Folks—

David Sheern, Housing Department, Portland Development Commission: I'm serving as the project manager for the reuse planning effort as part of the base realignment and closure process for the Singleton Alfred Sharff US Army Reserve Center in Portsmouth neighborhood, as well as the Sgt. Jerome Sears u.s. army reserve center and the Multnomah village neighborhood. Today i'm coming before you to present the report that we've completed for the master reuse plan of the Sharff site. It's a federal process instituted to assist in the transfer of surplus military properties to within local jurisdictions and as you can see on the slide, there are large number of constituents involved in the process, including the u.s. department of defense, who is the property owner, and makes the final determination as far as the transfer and disposition of the properties. The u.s. department of housing and urban development, which reviews the plans to assess the ability of the local redevelopment authority, their assessment of homeless assistance uses and the reuse of the site, the Portland city council who will today be approving the reuse plan, Portland development commission has served as what's called the local redevelopment authority. We were designated as the l.r.a. by city council in summer of 2006. And l.r.a. is simply a fancy term of saying that we've been responsible for the due diligence work and composition of the master reuse plan. And as the l.r.a., p.d.c. has been working with bhcd on the homeless assistance piece, and they've been a partner throughout the process. The picture you can see on the right is from virginia, a bit of a perspective on the process. It's really a process that's best fitted for large sites, anywhere from 100 acres to 3,000, 30,000 acres. So the sites that we're dealing with in Portland are two smaller sites, both the sharp site is around five acres and the sears site is approximately four acres located on southwest Multnomah boulevard. The scale we're working on isn't quite the same as the pri saidio or lawson air force base in denver, but it's still the same process. This is just to show you the federal regulated steps that have been completed so far in the reuse planning process. The first step is that the u.s. Congress approves sites to be closed. The second step is that the u.s. Department of defense announces the surplus availability of the properties and makes available to other federal agencies the opportunity to apply for receipt of those properties. Because there were no federal agencies that were either applied for or were approved for transfer of these two army reserve sites, the department of defense came to city of Portland and asked the city commission, city council to recommend a local redevelopment authority to perform the due till ens -- diligence as to the highest and best use for the site in the city's perspective, so we've completed that screening and outreach,

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as you can see in step four, and today we're before you with the redevelopment plan and the homeless assistance submission for your approval. Following approval and transmission of the plans, the plans will first go to h.u.d. for their first review. They have a 60-day window to review the plans, and they're reviewing to see whether the l.r.a. followed federal regulations as related to outreach to homeless assistance providers, in consideration of homeless assistance uses and the reuse of the site. Following there, if they approve the due diligence and the process that the l.r.a. followed as according to federal statute, the plans that are moved to the department of defense, and they use the plans to -- in their deliberations on the final transfer method for the properties and the final end user. So the recommendation that we are making to you today is a land use recommendation. In our discussions were department of defense and with h.u.d., and looking at other plans from various other jurisdictions throughout the country, the primary authority that the city has in affecting the decisions made by the department of defense is the zoning authority, and the zoning -- the land use that's overlaid on the site. I'm sorry, i'm done with that. So three primary land use options that we consider for the site were of course residential, the site is currently r7 zone, which is a single family detached residential zone. There's also the opportunity for doing an educational community use, as well as continuing the nonconforming uses currently on the site, which is determined to be an office industrial use. As part of the process, the very first step is that we are required to solicit what are called notice of interest from various local organizations, specifically homeless assistance agencies. So in the summer of 2006 we advertised in "the Oregonian" solicitations, as well as work wght coordinating committee to end homelessness and bhcd to identify homeless assistance providers and make sure the notice of solicitation reached them. The deadline for receiving notices was december of 2006. And so we received various notice of interests from different organizations. You can see we received notice of interest from the baptist church for use of the site as an expansion -- as well as consolidation. Including use of the property of schools community education center. Use by the Oregon national guard as office space as well as vehicle storage and maintenance, and training facilities for their service members. We received an application from Portland department of transportation -- they subsequently withdrew their indication for the sharff site and focused their attention for the sears site in Multnomah village. We received an application from volunteers of america of Oregon for proposal to use the site for mixed income housing development, with implementation of permit supportive housing.

Potter: Just to be clear, the only site we're considering today is the one on she tack with a, not the other site on Multnomah.

Sheern: Correct. We'll be coming back to you in late may for the sears site, as well as I droft brought copies of the homeless assistance submission. It becomes convoluted, but there's two documents that are required for submission. One is the actual reuse master plan which you have before you, and the other is homeless assistance submission, which is a documentation in accounting to h.u.d. of how we follow the process. It included solicited interests from homeless organizations for proposals to reuse the site. In our discussion was h.u.d. washington, they have advised us that we should submit one homeless assistance submission and not one for each separate site. Because they look at the continuum of care, which is the city of Portland, gresham, and Multnomah county, and how these sites could affect the continuum of care through reuse. So their perspective is that to look at both sites holistically rather than separately as it relates to potential use for homeless assistance. I brought copies of the draft form of the homeless assistance submission, if you'd like to see them. So the recommendation that we're coming to you -- so the process -- as I mentioned, we did the notice of interest solicitation and the summer of 2006. In december of 2006 we opened up the site for tours and informational sharing to all the various organizations that were interested. In september of 2007 in october 2007, we held public open houses at the site for community members. We did direct mailings to notify them of those meetings, as well as informed them of meetings through our project webpage. Each meeting involved information on how the

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process worked. Finally, I worked closely with the portsmouth neighborhood association to keep them informed, and spoke with them at one of their monthly meetings. The major factors that played into the decision regarding the final use of the site included the evaluation of the site, the building conditions, zoning, environmental conditions, and physical site needs. The building was actually just built and upgraded in 2002 with a \$6 million upgrade. It includes implementation of a new information i.t. Secure server system as well as improvements to the maintenance garage and removal of asbestos and other property upgrades. We also looked at neighborhood compatibility. The people that live next door had no complaints about the current use of the army reserve as it relates to vehicle noise or activities on the weekends related to training. The national guard has informed us that their use would be even less intensive in that the security restrictions currently on the site, including the jersey barriers and the inability to access without security clearance would be waived with the national guard and the site would be much more of a community facility for use on nonpeak hours. We also did a market analysis study, and it came back negative as far as real openings for office development or retail development. We looked at city policies specifically the 10-year plan to end homelessness and the city's continuum of care, and we looked at the fiscal impact related to job loss from the transfer of economic development. And mitigation of that job loss. And we also looked at, as I mentioned before, the homeless assistance pieces. Finally, through all of this process and with those evaluations we came to the recommendation that the site should be used with a continuing use of the office of industrial zone. The current zone would remain residential and the nonconforming use would continue. This would restrict the national guard's ability to expand or develop on the site. The \$6 million renovation was done less than five years ago. So there's really no conflicts of interest for them with the residential -- the report also recommends that the property be transferred to the Oregon department of use by use for the -- the disextinction is that the recommendation to the department of defense is formally a recommendation of the use as an office industrial land use, and then within that you can make a recommendation that the -- who the end user should be, and the recommendation is the national guard. So the -- it would be of the purview of the department of defense to prove that office industrial land use and also put it out for public auction for anyone to use the site, or they could take city council's recommendation of the end user being the national guard and work through direct negotiations to transfer the property so the national guard. Our basis for recommendations was the national guard's notice of interest indicated that there are -- the current facilities are in poor shape and they are facing issues related to growing facilities needs. We received support from many community members as well as elected officials for this use. What would happen after this plan was approved, we'd go to h.u.d. For their first review of the homeless assistance submission, and the review of our documentation of the process that we followed, and then would it go to department of defense, and they would have the ability to -- they were -- a profit highest and best use in their communication with us has been that this year they are primarily concerned with mop tear return from the sales of surplus properties. But that there are also through federal statute beholden to consider public benefit in the communities' perspective on what their sites should be used for.

Potter: Questions?

Saltzman: It's not clear to me how a property can remain residential and be transferred to another office industrial use. Does it have -- it is operating under a conditional use, or it does haven't to worry about our land use?

Sheern: In our discussion with the planning bureau, their analysis has been that if it's a nonconforming use it can continue with transfer of ownership as long as the property does not remain vacant for more than three years. So there wouldn't be really no issue with the transfer of the property from the army reserve to the national guard. The only restrictions would be a placed upon the national guard and their ability to expand the current facility, expand parking or do any major upgrades to the property that that wouldn't be allowed.

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Saltzman: And they have to use it within three years.

Sheern: Within three years. And one thing I don't know if I mentioned, the properties aren't slated for closure until 2011. So there would be a lot of time for ramping up for the transfer.

Potter: Other questions? Thank you, folks. Is there anyone signed up to testify?

Moore-Love: We have five people signed up.

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

Richard Ellmyer: My name is richard ellmyer, I am the citizen activist leading the effort to support the Oregon national guard's request to own and occupy the sharff farm and reserve center. And i'm here today to basically thank all of those folks who have lent their support over the last year and a half or so for supporting the Oregon national guard. First i'd like to thank commissioners Leonard and Adams and Saltzman for their previous commitments to publicly support this effort. I think that was a fine thing to do, and I know people in my community appreciated your efforts some time ago to step forward and support the national guard. I would also like to thank the north Portland business association that stepped forward and was an early supporter of this effort under the direction of steve wear, who was their former chair. Gerald caldwell, the commander of the st. Johns american legion post, also deserves credit. That post was very supportive of the national guard. The interstate corridor urban renewal area advisory committee, though they didn't specifically support the national guard piece, they did send a letter to the Portland development commission stating that the portsmouth neighborhood was overloaded with public housing clients and that a cap of 15% should be imposed upon any future spending there, and i'm sure that had an influence, and we appreciate their efforts. I'd like to thank the review newspaper and the Portland sentinel, both which often published my report and my views in support of the Oregon national guard. And I want to thank both of them. John fron meyer, a candidate for the united states senate, was the only candidate to come to north Portland and listen to our community's interest in supporting the Oregon national guard, and john spoke forcefully and wrote a letter to the governor in support of the Oregon national guard. Mike fahey, who was a former representative from north Portland currently candidate for city council, was very supportive and had conversations with dan Saltzman, john branham also a candidate for city council, came forward early on and was supportive. Earl blume -- blumenauer, our congressman, came forward and was very supportive. And finally, peter and john and many other citizens in north Portland who wrote both to the mayor and the governor in support of this effort. I think the Oregon national guard, the portsmouth neighborhood, the kenton neighborhood, and the city of Portland all turn out to be winners here and I want to express my appreciation to them and to those who have already committed their support. Thank you very much.

Micky Ryan: Mayor and commissioners, my name is micky ryan. I've submitted written testimony in opposition to the approval that I emailed to your office yesterday. I'm going to summarize that. I haven't seen the homeless assistance plan and I have concerns. I don't know that it's a public document and I have concerns about approval of this before that is completed. Based on the master reuse plan I believe there are the following flaws in the process as well as a recommendation. I don't believe p.d.c. engaged the broad community in the way that the statute required. Mailing were done to very limited neighborhood of a quarter mile. The statute defines the community of interest as the city of Portland. This not only violates the statute, but encouraged -- which we're finding is inevitable in Portland apparently. There's no evidence in the plan because I haven't seen the homeless outreach plan, but the outreach and consultation with representatives of the homeless was done. And I have attached my testimony, a recent Portland tribune story that again shows the high cost we have of lack of permanent affordable supportive housing for many of our public services. I don't -- there's no documentation in the plan as to the statement about the high proportion of subsidized housing in the neighborhood. This appears tonight reason for the plan's rejection, and I think there needs to be that documentation before the basis before their rejection can

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be made. The other reason, another reason is the rezoning. The property's single-family residentially zoned now, it was created in its present use before it was part of the city of Portland. The use is most appropriate for the property as residential, most compliance with all city policies would be hired as the residential than is currently there. The plan also does not lay out the value in balancing done to reach the conclusion that it does, and it shows in the result. There's no explanation of why the national guard transfer was rejected by the department of defense, and now is being recommended by the city. We are really balancing the city's opportunity to obtain five acres of free land in prime location for residential property. It would help us reach our goals around homelessness, affordable housing, and land use dense use of housing. Instead we're allowing the national guard the opportunity to purchase the land that's not an appropriate use for the location. We are rejecting what amounts to millions of dollars in federal money and the guard is going to have to pay for that anyway. So I ask the council to reject the plan and the recommendation. Thank you.

Brigadier General Mike Caldwell: mr. Mayor, members of the city council, i'm brigadier general mike caldwell, the deputy director of the Oregon military department. We are here today to urge your concurrence with the p.d.c. report, and probably some of the questions i'm surprised haven't been answered at this point, but maybe I can shed light on it from previous testimony. One of the primary reasons we did not get into the d.o.t. process, we attempted to do so. We've done that in past with other federal properties. Our lawyers and the department of defense lawyers disagreed because of the congressional acts or language in the brack law. So they recommended that the only -- best process without get nothing further long debates and expensive litigation and/or lawyer costs was to go through this process. We received other properties in the past over the -- through that process where we would step up, because we're both state and federal. However, we're primarily a state agency based on the constitution in the u.s. and the state. And work for the governor. We believe at the end of the day as we look at our long-range plans for Portland, perhaps short-range would be a better term, in the next four to five years, we're engaged with the port of Portland right now and the master planning of the port where we currently have an air base, and we have two armories that sit on that site. One of those is clearly not in the plan in the long-term plan. It's one of our older facilities like most are, they're 50 years old or plus. That army needs to be replaced. The current cost of replacement is somewhere between \$12-16 million. That money comes from state and federal coffers in order to replace those facilities. This facility as you just heard from the p.d.c. was recently remodeled, \$6 million cost, it fits our needs, it's a turnkey operation for us, and it will say the taxpayers by the time we get to that stage in 2012 or 14. It would save the taxpayers somewhere between \$12-15 million. So aside from all the other issues I know you're familiar with and aware of, and I certainly appreciate those issues, I think from a point of view from good business standpoint, this is good business for the states, good business for the city of Portland. I live about half a mile from that armory. And I can tell you -- that sharff facility. I can tell you without any doubt I think our presence there will be welcomed by the local residents. We intend to do serious outreach, we will probably establish our demand -- drug reduction program in that area, which we currently run statewide, but we think we'll have it there. We have a -- I just read this morning over 8,000 high school students dropped out of high school last year in the state of Oregon. That's what our program does. We take high school drop-outs and put them in high school. So we have those kind of things that we can do that will add great value to the community. We're currently isolated on an island at the Portland airport. We think -- we know for a fact we do better and very much more success with our community and our organization if we're in con-- encosed in the neighborhoods. We think this is a great opportunity and a great opportunity for the city of Portland. So with that I will be happy to answer any questions you may have.

Potter: Thank you. Was there anybody else signed up to testify?

Moore-Love: Two other people signed up. Kristin orr, then.

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Kristen Orr: My name is kristin orr. I'm with the office of economic adjustment, department of defense. My piece is very short. I am the project manager for the site on the d.o.d. half. Not the half that has any approval authority over the redevelopment plan, however we helped the l.r.a.s, p.d.c. in this case to-to-conduct the process. And as far as I have been informed and have observed, they have followed their statutorily required process. So I just wanted to assert that.

Potter: Thank you. Is that all?

Moore-Love: Yes.

Potter: We need a motion to accept.

Leonard: Accept.

Adams: Second.

Potter: Please call the vote.

Adams: I think this is good news for north Portland. Thank you. Aye.

Leonard: I met with mike early on and discussed this. I'm very excited about the services that he and his organization provide, and I think it's going to be a great addition and they're going to be great neighbors. Aye.

Saltzman: I've never seen a more baffling process for disposal of a d.o.d. Surplus property, but nevertheless, it sounds like we're making progress, and jumping hurdles, and I think this is the way to go. We should try to get this property in the hands of the Oregon military department. Aye.

Potter: Thanks, p.d.c., and thank you to the Oregon national guard for all do you for our communities. Aye. [gavel pounded] please read item 469.

Item 469.

Adams: This is the final assessment ordinance, it's the last step for the Portland streetcar gives extension, which runs through the heart of south waterfront district. It's already been constructed. L.i.d.s are actually assessed at the end of projects. This ordinance assesses a fee of \$1.9 million. Divide long local property owners in the l.i.d. District. The l.i.d. Borders the west of southwest macadam north on southwest sure darngs east on the willamette river, and south on southwest abernethy. The council passed proposed creation of this l.i.d. On december 8th, 2004. To gibbs street extension project was completed on budget at \$15 million on september 15th, 2005.

Vicky Diede, Bureau of Transportation: That is basically the story. We received no remonstrances to the final assessment for the local improvement district. Those were due last week. And I would be happy to answer any questions anybody has. Position questions?

Adams: Good job.

Potter: Anyone signed up to testify?

Moore-Love: No one signed up.

Potter: It's a nonemergency, moves to a second reading. Please read item 470.

Item 470.

Leonard: This is more of a pro forma approval. We authorize these dollars for north by northeast medical clinic in the fall bump to remind you north by northeast provision three health care for low-income residents in north and northeast Portland. And I was approached some time back because the waiting facility, as you can imagine, is always overflowing out into the street and a number of the clients waiting for free medical care end up standing in the elements. So this really modest \$35,000 allows them to extend a waiting room and cover an area outside so people are out in the elements. Thank you.

Potter: Questions? Do we have anybody signed up?

Saltzman: This was authorized?

Leonard: M-hmm.

Potter: Anyone sign up to testify?

Moore-Love: We have one person.

Veronica Bernier: Good morning --

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Potter: Go ahead and have a seat.

Bernier: Always good to see you.

Potter: Please state your name for the record.

Bernier: Veronica bernier. I just wanted to welcome you all and also to say that I do support this expansion of the waiting room facilities to the tune of about \$30,000. I would increase it to \$50,000. I want to increase everything for health right now. The price is right. Really. I just wanted to say something -- we are pro health. This is national public health awareness week. It's a national program. And we would support it unilaterally. We're for anything that's about health. We want to let the nurses know we spot support them too. And also all the support personnel that worked together for the clinic. We would support them also, because it's sometimes the little guy that does it for the patients coming in. Sometimes it's the first person they see in the clinic that makes that connection that makes it more positive and pro healthy. So it got 100% from public health p.s.u. Thank you.

Leonard: Thank you, veronica.

Moore-Love: That's all.

Potter: Please call the vote.

Adams: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] please read item 471.

Item 471.

Potter: This was authorized in the fall bump, and just to remind you, it is to support the virginia woof day care program which if you're not familiar with, is a really one of the best programs for youth. Within that umbrella, troubled homeless youth who we find when they are working with animals, often times recover at least to the level where they begin being able to address issues they've had, unfortunately in their young lives. I've visited this program, and am entirely impressed. It's helped them relocate to the facility across from the convention center. Where they're partnering with another animal day care dog rescue operation. So we approved this previously, and this is more authorization.

Potter: This is a city-funded hotel for the convention center for dogs.

Leonard: In a manner of speaking, mayor. You're voting for a convention center hotel for dogs. [laughter]

Potter: I never thought I would.

Leonard: Appreciate you reconsidering your prior position for this worthy program.

Potter: Anyone signed up to testify?

Moore-Love: No one signed up.

Potter: Please call the vote.

Adams: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] please read item 472.

Item 472.

Saltzman: I'd like to have this returned to my office.

Potter: Any objections? Ok. Please read item 473.

Item 473.

Potter: Second reading, call the vote.

Adams: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] please read item 474.

Item 474.

Potter: Second reading call the vote.

Adams: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] please read item 475.

Item 475.

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Potter: Second reading, call the vote.

Adams: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] please read item 476.

Item 476.

Potter: Second reading, call the vote.

Adams: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] adjourned until next week.

Leonard: Nice.

At 11:52 a.m., Council adjourned.