



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **10TH DAY OF SEPTEMBER, 2008** AT 9:30 A.M.

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

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

Agenda Item No. 1256 was pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
<p>1246 Request of Glen Owen to address Council regarding impeachment dynamics (Communication)</p>	PLACED ON FILE
<p>1247 Request of Andrew Park to address Council regarding helicopters (Communication)</p>	PLACED ON FILE
CONSENT AGENDA – NO DISCUSSION	
Mayor Tom Potter	
Bureau of Planning	
<p>*1248 Amend contracts and increase funding in FY 2008-09 for on-call facilitation services related to planning projects and provide for payment (Ordinance; amend Contract Nos. 37385, 37387, 37404 and 37415) (Y-4)</p>	182172
Police Bureau	
<p>*1249 Amend a grant agreement with Northeast Coalition of Neighborhoods, Inc. for short-term advocacy and educational intervention services for at-risk youth (Ordinance; amend Contract No. 38021) (Y-4)</p>	182173

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<p>*1250 Amend an Intergovernmental Agreement with Multnomah County District Attorney Office for the Police Bureau to provide Detectives trained in child abuse investigations in FY 2008-09 (Ordinance; amend Contract No. 51581) (Y-4)</p>	<p align="center">182174</p>
<p>*1251 Amend an Intergovernmental Agreement with Tri-County Metropolitan Transportation District of Oregon and the City of Milwaukie for transit police services (Ordinance; amend Contract No. 52515) (Y-4)</p>	<p align="center">182175</p>
<p>*1252 Authorize an Intergovernmental Agreement with the City of West Linn and Tri-County Metropolitan Transportation District of Oregon for transit police services (Ordinance) (Y-4)</p>	<p align="center">182176</p>
<p align="center">Commissioner Sam Adams</p> <p align="center">Office of Transportation</p> <p>*1253 Authorize the Portland Department of Transportation to acquire certain permanent and temporary easements necessary to construct street improvements on NE Holman St and NE Airport Way Project No. 37661 through the exercise of the City's Eminent Domain Authority (Ordinance) (Y-4)</p>	
<p>*1254 Grant a revocable permit to allow placement of a sidewalk-mounted scissors lift in the public right of way adjacent to the Olympic Mills Commerce Center, a historic structure located in the Central Eastside Industrial District at 107 SE Washington St (Ordinance) (Y-4)</p>	<p align="center">182178</p>
<p align="center">Commissioner Nick Fish</p> <p align="center">Fire and Rescue</p> <p>*1255 Accept a donation from The Fireman's Fund with a value of \$25,000 (Ordinance) (Y-4)</p>	
<p>*S-1256 Authorize a sole source contract with Trauma Intervention Program of Portland/Vancouver, Inc. for crisis intervention training and services (Ordinance) Motion to accept Substitute Ordinance: Moved by Commissioner Fish and seconded by Commissioner Leonard. (Y-4) (Y-4)</p>	<p align="center">SUBSTITUTE 182184</p>
<p align="center">Commissioner Dan Saltzman</p>	

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<p>*1257 Amend contract with Technical Assistance for Community Services, Inc. for implementation of a One-Stop Domestic Violence Service Center (Ordinance; amend Contract No. 37428) (Y-4)</p>	<p align="center">182180</p>
<p align="center">Office of Cable Communications and Franchise Management</p>	
<p>1258 Extend term of AT&T long-distance telecommunications franchise to build and operate telecommunication facilities within City streets (Second Reading Agenda 1229; amend Ordinance No. 162822) (Y-4)</p>	<p align="center">182181</p>
<p>1259 Extend term of a telecommunications franchise granted to WCI Cable in 1998 to build and operate telecommunication facilities within City streets (Second Reading Agenda 1230; amend Ordinance No. 172750) (Y-4)</p>	<p align="center">182182</p>
<p>1260 Extend term of a revocable permit granted to TCG Oregon to build and operate telecommunication facilities within City streets (Second Reading Agenda 1231; amend Ordinance No. 173990) (Y-4)</p>	<p align="center">182183</p>
<p align="center">REGULAR AGENDA</p>	
<p>1261 Support Regional Air Service to Portland and allocate funds to assist statewide partners (Resolution introduced by Mayor Potter and Commissioner Adams) (Y-4)</p>	<p align="center">36634</p>
<p align="center">Mayor Tom Potter</p>	
<p align="center">Office of Management and Finance – Business Operations</p>	
<p>*1262 Authorize charitable organizations eligible to participate in the City's 2009 Combined Charitable Campaign (Ordinance) (Y-4)</p>	<p align="center">182185</p>
<p>*1263 Pay claim of Colette Elliott (Ordinance) (Y-4)</p>	<p align="center">182186</p>
<p>1264 Pay claim of Michel Knox (Second Reading Agenda 1235) (Y-3; N-1, Saltzman)</p>	<p align="center">182187 AS AMENDED</p>
<p align="center">Office of Management and Finance – Financial Services</p>	
<p>*1265 Give preliminary approval for the issuance of one or more new series of revenue bonds in an aggregate principal amount not to exceed \$52,000,000 for the refinancing of the 2003 Economic Development Revenue Bonds-Broadway Project (Ordinance) (Y-4)</p>	<p align="center">182188</p>
<p align="center">Commissioner Sam Adams</p>	

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<p style="text-align: center;">Office of Transportation</p> <p>1266 Vacate a portion of SW Evergreen Ln, subject to certain conditions and reservations (Second Reading Agenda 1241; VAC-10047) (Y-4)</p>	<p>182189</p>
<p style="text-align: center;">Commissioner Dan Saltzman</p> <p style="text-align: center;">Office of Sustainable Development</p> <p>1267 Update waste prevention and recycling requirements for businesses and establish permit requirements for waste hauling companies (Second Reading Agenda 1244; replace Code Chapter 17.102) (Y-4)</p>	<p>182190</p>
<p style="text-align: center;">Parks and Recreation</p> <p>1268 Authorize a Support Agreement and accept a donation of \$120,000 from the Portland Parks Foundation for the development and construction of a Rainwater Pavillion at Tanner Springs Park (Second Reading Agenda 1245) (Y-4)</p>	<p>182191</p>

At 10:32 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **10TH DAY OF SEPTEMBER, 2008** AT 2:00 P.M.

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

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

<p>1269 TIME CERTAIN: 2:00 PM – Consider the proposal of Mississippi Partners LLC and the recommendation from the Hearings Officer for approval of a Comprehensive Plan Map Amendment and Zoning Map Amendment for property located at 810 N Fremont St (Hearing; LU 06-118204 CP ZC)</p> <p>Motion to accept Hearings Officer’s recommendation: Moved by Commissioner Leonard and seconded by Commissioner Saltzman (Y-4)</p>	<p>Disposition:</p> <p>ACCEPT HEARINGS OFFICER’S RECOMMENDATION</p>
<p>*1270 Amend the Comprehensive Plan Map designations and change zoning at 810 N Fremont Street at the request of Mississippi Partners LLC (Ordinance; LU 06-118204 CP ZC) (Y-4)</p>	<p>182192</p>

At 2:37 p.m., Council recessed.

September 11, 2008

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **11TH DAY OF SEPTEMBER, 2008** AT 2:00 P.M.

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

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

<p>1271 TIME CERTAIN: 2:00 PM – Accept Staff Report and Recommendation and Order of Council for Calcagno Measure 49 Claim (Report introduced by Mayor Potter; Previous Agenda 1188; PR No. 05-117098)</p> <p>Motion to accept staff report and order of Council: Moved by Commissioner Leonard and seconded by Commissioner Fish.</p> <p>(Y-3)</p>	<p>Disposition:</p> <p>STAFF REPORT AND RECOMMENDATION ACCEPTED; ORDER OF COUNCIL ACCEPTED</p>
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At 2:24 p.m., Council adjourned

GARY BLACKMER
Auditor of the City of Portland

By Karla Moore-Love
Clerk of the Council

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

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

SEPTEMBER 10, 2008 9:30 AM

Potter: Welcome to the Portland city council. I appreciate you all being here this morning. Before we begin the official part of the business, we have two features. First we're going to be hearing from high school students and secondly, we're going to be providing an award to a long time city employee, donny adair. So first, what we've come to call the council kids, but young folks, you're not kids. I know you're young adults. They all attend a leadership and entrepreneur high school. Louis is the oldest of five children and been at leap since its inception. Is the captain of the undefeated leap high in-door soccer club. He wants to know about owning and operating a family business in college when he graduates from leap. Zaire has ten siblings and currently lives with a supportive foster parent. In addition, he's working to earn high school and college credit. He wants to study at the university level and is most interested in science. Ari is in the 10th grade and a resident of the bridlemile neighborhood in Portland and transferred from lincoln. And one of 10 students who transferred to leap. Hopes to study political science and law and work as an ambassador at the united nations. With that, could louis and zaire and ari come forward? Were you going to photograph these guys? Thanks for being here. And when you speak, if you just state your name and then say what you would like us to know.

Luis Escolera: Good morning. My name is louis, and today me and my family, we're doing ok, but we were not sure last year because we lived in the killingsworth neighborhood and there were many kids gang-involved in that neighborhood and none of the kids in my family were gang-involved. Just recently, we just graduated from the program, and our -- my sister, she got shot by a stray bullet last year and hit the window and came down and hit her leg. It shows how serious the problem is in our neighborhood. Last year, he came into our leap high and got me and my sister to talk to us about what happened and wanted information and stuff and helped to support me and my family. We -- I was in a program, gang enforcement, or gang prevention, and like it really helped me to stay away from gangs and stuff and helped me see how the situations of other kids are. And unfortunately, we don't have it no more and it's really sad because when he was here, everything was different. All of my friends that are in gangs, they were all calm. But now there's no funding for him. So anything the city council can do to help with gang prevention would be good and anything that city council can do to help charter schools like leap high. The teachers really care about us and become part of the family. In other schools, like middle school, they just help you and that's all of the help you need. But in leap, they stay after hours for you. And want to see you succeed. You're going to go far, I want you to see you go far and they're always there, pushing me - - you can do this, you can do this. And sometimes I give up and they're, no, louis, come on. They're always there for me. The teachers really care about the students and leap high needs more funding. Anything the city council can do will be appreciated. Thank you for letting us speak today.

Ari Stribler: Good morning, my name is ari and i'm a sophomore at leap high school. I transferred from lincoln because I wasn't getting a personalized education there. The staff was so busy it felt like most didn't care about me as an individual. Lincoln has a strong reputation in Portland and my parents wanted me to go there. They even bought a house in the lincoln cluster so I could attend

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that school. It was a blow to my family that the culture was so unhealthy. I saw a lot of drug abuse and felt pressure to be a 4.0 student, to have nice clothes and be like everybody else. Students different in any way are harassed and bullied. This is true if you express a different opinion in the class discussion. I was a decent student but didn't feel valued. Students from more than 40 other public and private schools have transferred or enrolled at leap. We're fortunate to have the option to attend a public college prep charter school that provides a true choice to those of us who didn't feel safe or appreciated in the district schools. I urge you to support charter schools and the students who go there.

Zair Johnson: My name is zaire johnson and i'm a sophomore at leap high school. Leap is a unique high school with a community of staff and students who work hard too keep students like me to be successful. When I first started, I went to david douglas. I got lost in the crowd. Later I was transferred to leap and I have started earning credits. I still didn't have enough credits the first year to graduate so I had to do my freshman year over. Then I repeated my freshman year and attended upward bound during the summer and got my credits back and so i'm ahead in credits. While i'm someone motivated to succeed out of fear of having a bad life as an adult, I give a lot of credit to leap. If it wasn't for leap, I probably would have dropped out. The teachers want me to make it and don't treat me like a random student. If the mayor and city council wants to help, we need funding, the same as Portland public schools. We only get \$6,000 per student. Regular schools get \$10,000 or \$12,000 per student. Charter schools are new to Portland but this school is making a difference to people like me. Now i'm heading to college, thanks to leap.

Potter: Thank you. I know that your principal is here. Could one of you introduce your principal?

Stribler: This is our principal and she's the principal administrator of our school, leap high school.

Potter: Lauren, could you stand? Good morning. [applause]

Fish: Mayor, may I make a comment?

Potter: Please.

Fish: I want to congratulate you for coming before us today and we have a lot of people, young and old who come and testify before us, but I don't remember the last time we had three young people who are as poised and articulate as you are. Part of what your school is about is leadership. We desperately need leadership. We live in a state where half of our citizens can't name our two united states senators and don't know how state government is funded and people are increasingly disengaged and frustrated with how government works. And I want you to know as we listen to you and hear your passion and conviction and see the kind of progress you're making in your own lives, it's very reassuring to us. As we like to say, we're just keeping these seats warm. Continue with your education and striving and engage your leadership to make us a better community.

Potter: Let's give these folks a hand. [applause] whether you know it or not, you're role models already for other people. Particularly younger people and the more you can influence them to stay out of gangs and stay in school and succeed, I think the better off everybody will be. We thank you very much. Thank you for coming in.

*****: Thank you.

Potter: Nice to know we've got folks like that in our community. Next time you read something bad about teenagers, remember these three. Next, i'd like to welcome donny adair and his family. Donny and I go back a long way. Donny, could you please come forward? Today we're here to recognize donny for all the wonderful things that he's accomplished for our community. And he's worked for the city of Portland for the last 10 years and done very tremendous things to help the city develop better human resource and diversity programs and practices. Donny is a dedicated community member, family man, and I found out, an avid hunter. I want to thank you for all you've done for the city, the community, the youth and our schools and government. I have a proclamation

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to read and then I would like you to introduce your family and friends that are here. And then make any statement that you'd like. This is the official proclamation of the city of Portland. Whereas, donny adair has made extraordinary contributions in the area of civil rights in all of Portland and neighborhoods, government and community and schools and is a proud jefferson high school graduate and comes from a long family heritage of civil rights activism in Portland and been serving schools and youth including involvement with jefferson high school p.t.a. -- jefferson high school, and there's one of the things they left off. The last time I was at a jefferson game, donny was calling the game.

*****: Right.

Potter: Donny is a proud parent and grandparent of six jefferson high school graduates and volunteered -- here it is -- as a game announcer for basketball and football games for the past eight years, the city of Portland and state of Oregon have benefited from his public service in the Portland department of transportation, fire bureau and Oregon department of human services and environmental quality. Donny has served on a variety of boards and committees including the metropolitan human rights, the black networking association, the american red cross, Portland schools foundation. Northwest e.e.o., the national urban league executive committee, and served as the associate producer and emcee for the annual keep the dream alive celebration, a tribute to martin luther king jr. Sponsored by the world's arts foundation. His decades of service has created a link between the residents of Portland, public service agencies and connecting a body of work that amounts to an immeasurable contribution to our community. Now, therefore, i, tom Potter, city of roses, do hereby declare september 10, 2008 as an official day of -- september 10, 2008 as the official day for donny adair and I encourage all people -- let's give him a hand. [applause] you know, donny, I think that's the first time i've seen the audience have a standing ovation.

Donny Adair: Thank you.

Potter: Except when I announce my retirement.

Adair: First of all, since I oriented the kids to speak to you on behalf -- I want to say my name is donny adair and live here in Portland as part of our protocol. And I want to say thank you to the mayor and members of the Portland city council for this recognition. And I want to thank god, my wife and family. And I want them to stand again. They're so beautiful.

Potter: Yes, they are. [applause]

Adair: And it is true. I -- I want -- one of the kids back there, she graduated this spring from jefferson and I mentioned earlier, she's in two pictures with the mayor from his visit to jefferson over there. So i've had a grandchild graduate from jefferson. I'm really old school now. The other thought I had in reading all of that stuff, mayor, i've always had two jobs and a lot of -- you know, there's a lot of stuff in there, i've been on a lot of boards but working with my good friends, ben and roy and I used to be on the radio, and some of the people are here, because I used to be the crown prince of rhythm and blues and get down with the funky sound. [laughter] I was a civil rights investigator by day and then we were working 6:00 to 10:00 at the radio station. Worked a lot of hours. 60 to 80 hours in my youth and now only work 50 or 60. And again, thank you to god and my wife and family. This is our day and thank you to my employers -- the city of Portland, emanuel hospital, who are the major employers i've had over the years. And i've had the best managers and coworkers and colleagues and I appreciate them very much. I want to say thanks to boise high school and university of -- thanks to the community and professional organizations that i've had the opportunity to be a part of. Some of those include the world arts foundation and mike and ken are here today. To thank them, as well as jeff brooks and the urban league of Portland. The united way of the columbia willamette. American red cross, Oregon trail chapter. The old tricounty affirmative action is now northwest e.e.o. blacks in government. Central city concern and the outgoing executive director, richard harris is here today and I wanted to thank him and the Portland schools foundation. Those are the things i've done but it's been as part of a committee and

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we're really honoring those groups and people who allowed me to work with them and accomplish a few things to make our city better. I wanted to share -- because I have a number of kids here -- what is it like to be -- have -- what is a day like in the life of a community servant and I thought that I would share with you what happened last friday. We had a breakfast meeting that michael grice called because he just moved back to town, and we had about 20 brothers get together at a church in northeast Portland and in addition to a good breakfast, people just reported on the wonderful things they were doing. People like lou frederick who has done work for the council on the human rights commission and bruce posey was there. Representing areas businesses. Fred jackson, working with s.c.i. and jeff brooks who is here today. Joe nun jr., who is working with the black chairman of commerce and so forth. But we shared a lot of things and it was a great meeting and a great way to start the day before I came into the office. In fact, it's a good example of how these things blend together because when joe nun started -- well, we were talking with will bennett who is here and did work getting o.p.b. issuing copies of the film, "local color". About Portland. And he started to talk to us about how the producers came to his house and talked to his dad who is featured in that and the movie got all of its pictures from african americans because the historical society wouldn't release them because they said this movie would make Portland look bad. And we've been showing this movie. Every bureau has a copy and now I have an extra tidbit to share with them -- tidbit to share. Then I went into the office and worked with that great multicultural staff on three projects. One was the diversity training was started this morning. I was out at east county at 7:00 setting up training. And the annual conference, october 28th for the city and county and we worked on the affirmative action plan, and you'll be reviewing that on the 24th. Following that great day at work, I met with my sons and partner over here, greg gordon, and we did quality control on our camera work and so forth for our videos because we're getting set for I cut this weekend that we're videotaping. Don't go on the city's website, go on your own time. Now we have this outdoor show and it goes on and on. And there are two great young men helping me. And I mention them because both of them are carrying their resumes today. Don just moved back, graduated from the u of o and the whole thing is going to get repeated and they're going to go further and do more. They rushed me to jefferson, I did the game and then my wife picked me up. That's life as a community servant. The day started with community service and ended with community service and a lot of my days are like that. And I enjoy that and I get a lot more back then I give. But I do try to give as much as I can. Finally, I just wanted to say, and again, to my family, to the young people, particularly, keep believing in god. Take care of yourself and family. And give something back to your community. And a closing thought, from my friend and mentor, vernon chapman. He would always say, donny, if we don't do it, who will? Who else will? Thank you. [applause]

Potter: It's easy to see why donny was selected. The only problem is it was long overdue. Thank you very much. We're going to initiate the -- part of our regular city council meeting. [gavel pounded] 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 they're authorized to represent. I think we'll wait a few minutes.

Ok. Folks, if you could go outside. You could just go outside. We're going to begin with communications. Karla, please call the first communication.

Item 1246.

Potter: Thank you for being here. When you speak, state your name for the record and you have three minutes, mr. Owen.

Glen Owen: I'm glen owen, a Portland resident and voter for 12 years now and the web domain and corresponding site, p.d.x. 911 truth.org. I'm here to scold everyone in this room who has the power to do so for failure to sponsor the resolution for impeachment that was introduced. I'm going to talk about one reason why you should receive that scolding and that is the transparent

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monumental and treasonal faults that transfix the world on september 2001 and the big lie that [inaudible] my website, p.d.x.911truth.org maintains visibility of the 9/11 big lie before the citizens of Portland, Oregon, specifically Portland, Oregon. For averagely progressive Portlanders are gathered to make statements on impeachment, election fraud, the shredding of the constitution, the weaponization of weather systems in space, the data mining and the arbitrary cruelty and intimidation by our industrial state. It gets a little friendlier from here on. To give you a flavor of my website, which concerns itself to 9/11, at the very top, a link to 9/11 101, a compact explanation of the most obvious facts about the evidence now available that draws the conclusion that it had to be criminal elements within and atop the cheney-bush administration that delivered the carnage and horror of american citizens to the world. Next is a -- some of the stuff if the site is available to anyone without registration. On the left column, it's upcoming important activities, highlights of upcoming events, which include a screening tomorrow evening, the 11th at laughing horse books. Tomorrow afternoon at the library, a drama on the theme of 9/11 and a video. Below that an appeal for street actions on thursday, september 11th, and I wish I could tell you more.

Potter: Thank you, mr. Owen.

Item 1247.

Potter: Thanks for being here. Please state your name when you speak and you have three minutes.

Andrew Park: My name is andrew park and i'm speaking on behalf of some of my fellow Portlanders. The military helicopters that flew in our city two weeks ago are unacceptable. Three reasons come to mind for the exercise. Why it was conducted here at this time. Reason one is to get us used to seeing the military dominate the civilian population. This is so they don't close ranks in self-defense. This drill was a test run -- reason two -- for the day martial law is declared. Thirdly, I believe the powers to be feel that Portland, Oregon has a strong freedom loving population and would be in the forefront to martial law. They sent a message: Resist and we will kill you. The population has been softened up by 9/11 which was orchestrated by rogue elements of our government and military. Habeas corpus has been erased. We're set up for takeover. I'm not saying it's definitely going to happen, but the plan may very well be in place already. The military in our city is illegal. And should be resisted by all of us. Thank you for your time.

Potter: Is that all of communications?

Moore-Love: That is.

Potter: We move to the consent agenda. Do any commissioners wish to pull any items from the consent agenda?

Moore-Love: Commissioner fish's office wanted 1256.

Potter: To what?

Moore-Love: For substitute. 1256.

Potter: Ok. Any member of this audience wish to pull any item from the consent agenda? Please call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye.

Potter: Going to move to the regular agenda. Please read item 1261.

Item 1256.

Leonard: Do we need to do something with 1256?

Potter: Sorry.

Leonard: Did you have a substitute? I thought she said you had a substitute.

Saltzman: We have one in front of us.

Moore-Love: We have a substitute.

Leonard: Would you mind going where Karla is and she can sit where you are and maybe we can -
- [laughter]

Potter: Did you request to have --

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Fish: [inaudible]

Potter: Do I hear a second?

Leonard: Second.

Potter: Call the vote.

Moore-Love: On the substitute, was moved and seconded?

Potter: Yes.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded]

Leonard: I've got one coming.

Potter: 1261.

Moore-Love: That was just on the substitute. That was the motion. We need to vote again on the emergency ordinance. Unless there's testifiers for that.

Potter: Maybe you should come up here. [laughter] please call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] is it ok to [inaudible] let's move to the regular agenda. Please read item 1261.

Item 1261.

Potter: I'm pleased to bring this forward with the mayor-elect sam Adams and i'd like to thank the state of Oregon and regional partners and keep good jobs here in our state. Next week, you'll be visiting southern Oregon to continue my efforts. This partnership is an example of how we can help each other and I look forward to future collaboration on issues like this. This partnership between the state and our regional partners will support our economy here in Portland and also sustain a vital transportation link in Oregon. I'd like to turn the discussion to daniel from the state of Oregon, who is the director of air service for the state. Could you please come forward? Nancy, did you want to say anything?

Leonard: I'm not going to vote for it unless you come forward.

Potter: Nancy, you're to come forward. Nancy hamilton, a friend of this council and a former chief of staff for a mayor.

*******:** Good morning. I'll ask any -- answer any questions.

Potter: Please introduce and --

Dan Clem: Good morning, my name is dan. I'm the director for the Oregon department for aviation. On behalf of the governor's coalition for commercial air service and aviation board we thank you for this opportunity to discuss the partnership between Portland and the other seven commercial air service communities in Oregon. Salem, eugene, medford, redmond, north bend, coos bay and klamath falls. Portland is the destination for how people in Oregon connect to both -- to the resources and services offered by the major urban area. The financial capital of order but also p.d.x. is the connection point the rest of world for many businesses and interests that reside in rural Oregon. We've been working on this project for over two and a half years to try and expand commercial air service for these rural communities and with the departure of alaska horizon flights - - alaska flights, they have no way to get to Portland, and this partnership, the resolution you're considering is extremely vital to the communities. The first we've been able to arrange commercial service for is north bend and klamath falls. Passenger seats for each of those communities coming to Portland and connecting many of them through p.d.x. The communities of north bend and k falls have signed revenue contracts standard in the industry. We're talking about retaining commercial air service is well known throughout the united states, and the federal program has a subsidy program, really is minimal in terms of being able to help rural communities. The agreements struck initially agreed to are for one year and we know that based on the amount of seats that have been flown by alaska horizon, we feel confident they'll be filled and the revenue contracts will be fulfilled without cash liability to the communities but there is a risk and that's the reason for the revenue guarantee contracts. We're going to continue to work with the carriers to ensure that service to Portland, that's not under threat today continues and that the services from north bend and

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k falls to Portland is a successful one through its first year. With that i'm happy to answer any questions you may have.

Potter: Questions from the commissioners?

Fish: I understand with this action, you'll be preserving a number of family-wage jobs. Can you give us the economic impact?

Clem: Absolutely, mayor Potter, commissioner fish. The united sky west -- they maintain a maintenance facility in Portland. We've estimated 250 jobs. If sky west doesn't continue, there's not enough planes and activity to maintain that, we know that sky west alone, 250 jobs. Within the rural communities, there are varying differences in how many jobs but we estimate the potential impact to Portland is probably closer to about 350 jobs in the Portland area. This partnership underscores the value of keeping those family-wage jobs in the Portland area.

Leonard: And I want to say i'm happy to support this, but i'm curious is there something in the governor's budget for other years. It does seem like a state issue more than local governments getting together.

Clem: Mayor Potter, commissioner Leonard, I have visited with several legislators and they have keen interest in next year's transportation package and ensuring and providing for some ability to provide support for commercial air service for continued and expanded air service. We'll see through the next budget period.

Leonard: And the governor's office is supportive of that?

Nancy Hamilton: Yes. Nancy hamilton, senior policy manager for governor kulongoski. And they're looking at how we can -- we don't think that's going to be provided for through state funding or local funding at the destinations or through Portland, but he recognizes we need to continue to provide bridge funding. As you know, we're in a economic downturn. The forecast for the next session is pretty challenging, and he's reviewing the budget now in terms of what he's going to be proposing. But he's committed to maintaining regional air service. And we're in long term discussions with the federal government because there's more convoluted arrangements that are stopping us from receiving federal dollars and defazio's office is working with us closely on that.

Potter: Further questions? Thank you, dan. Anyone signed up to testify?

Moore-Love: No one else signed up.

Potter: Any member of this audience that wishes to testify to this specific issue? Please call the vote.

Fish: Mayor, I wanted to commend you for your leadership. Portland often gets a bad rap. And yet we're a net exporter of dollars for services in our community. This is an illustration of how Portland is demonstrating its connectedness to the rest of state, to the state economy that we're connected and it's important we play a constructive role. And I was down in ashland a couple weeks ago and all they're talking about is your visit. You mentioned you were going to southern Oregon and I played a courtesy call on the mayor and all he wanted to talk about was you.

Potter: That must have hurt. [laughter]

Fish: I only shared the positive information. But they're looking forward to seeing you and not used to having mayors of Portland come down and they were impressed that you're making that effort. I'm proud to vote aye.

Leonard: I will vote aye as well. I'm also aware that this is something that I hoped the legislature and governor's office focuses on in terms of a solution for the future because I also don't want us in a position where we're assuming responsibilities that otherwise should be by the federal government or state government funded and i'm happy to do it for all of the reasons that have been given but I do think it's more appropriately a state or federal financial responsibility. Because we'll have the same budget problems as the state. So we don't want to be the bad guys next year if we're having to lay off or reduce funded positions in the position, not funding something like that. So happy to support it. Aye.

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Saltzman: Well, I want to thank mayor Potter and commissioner Adams for bringing this forward and governor kulongoski for approaching us about this. This is a matter of statewide significance and i'm pleased the city of Portland who will benefit not only from keeping a couple hundred plus good paying jobs but building on the work that the port of Portland has done to establish great air service, internationally and domestically, and it's only fair that the rest of the state continue to have access to that great service. As you said, p.d.x. Is the gateway to the world and the rest of the country for much of rural Oregon. And we need to make sure that those opportunities for people to traffic for business or pleasure continue and i'm pleased that we can start with a contribution to the north bend and coos bay and klamath falls. This is only a one-year solution and then we know that the airline industry is dynamic, to say it mildly, so we're going to have to work hard, I think, to keep these services going, but I think it's certainly a worthy goal that the city of Portland wants to be a part of. Aye.

Potter: I just really -- i've been traveling around the state talking to different mayors and nancy hamilton, when she was my chief of staff, arranged my first visit to eastern Oregon. The thing that struck me is how much we have in common. I hear a lot about how we're different. How there's urban, rural and east and west and conservative and so forth. I found when I talked to mayors, we didn't discuss the things that tended to separate us. We talked about economic development, how we educate our children, county payments and important issues on table. If you want to hear a good story, ask nancy about her trip to the hooley digester on the Oregon coast. It's an interesting story. We appreciate the earths efforts of the state to coordinate this and make sure this vital air service continues for the state and particularly the contributions that we're making toward the city of north bend and klamath falls. So good luck. And it's good to see you, nancy. I vote aye. [gavel pounded] please read item 1262.

Item 1262.

Andrew Scott, Office of Management and Finance: Good morning. I'm andrew scott with o.m.f. and with me is carol. She manages the city's charitable campaign. We'll be brief. I wanted to talk about the ordinance. It authorizes 15 charitable organizations eligible to participate in the city's 2009 campaign and they're the same as participated in last year's campaign. Together they represent more than 500 charities. During last year's campaign, the current year, and giving this year. 569 city employees donated an average \$412 each. I just wanted to note that's a 12% increase over the year before so it's a phenomenal effort on the part of city of Portland. This year's campaign starts on october 8th and o.m.f. will coordinate the campaign and we rely on representatives from the bureaus and your office well. We'll be happy to answer questions about this ordinance or the campaign in general.

Fish: I have a question. Are there any organizations that sought to be included this year that was excluded for any purpose?

Scott: No, there were not. All the umbrella organizations that applied met the criteria and were allowed to be in.

Fish: Thank you.

*******:** Yep.

Potter: Other questions?

Saltzman: This operates on a calendar year in terms of the -- calendar year?

Scott: Yes, we run the campaign in october and the withdrawals start in january. We call this the 2009 campaign because that's when the donations will be made.

Saltzman: I know I raised this last year, one of my concerns, I didn't think that the organizations were consistently sending information to people who donate about the tax credit they can get on official receipt from those organizations. And it's gotten better, but I have to say -- I received two of my statements just last week and the tax year is over. So I still don't think we're getting 100% participation by these organizations.

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Leonard: Last week for 2007?

Saltzman: I believe so. I'll -- i'll check on that. They need to notify employees about their charitable contributions.

Scott: We added that as a requirement for the 2008 campaign. That they are required to send out the notifications, which you mentioned the i.r.s. Now requires in order to get the tax deduction and we have followed up to make sure they're in compliance and they don't necessarily need to comply until the end of the 2008 calendar year. If you're talking about a 2007 issue --

Saltzman: I'll go back and check. I'll have to check on that particular point.

Scott: We as the city didn't add it as a requirement until 2008. And certainly, if some of our charities are not sending out the notification, it could affect the participation in future years because that's something that we now do require.

Saltzman: Thanks.

Potter: Further questions? Thanks folks. Anyone signed up to testify in this matter?

Moore-Love: No one signed up.

Potter: Anyone here who wishes to address this particular issue? Please call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. Please read item 1263.

Item 1263.

Randy Stenquist, Office of Management and Finance: Good morning, mayor Potter, commissioners. Risk management. Approval of this ordinance will resolve the claim of colette elliott who was involved with a motor vehicle citizen with a Portland police officer. She was traveling and struck forcefully from behind by another citizen's vehicle. That vehicle had been rear-ended by a Portland police officer who had been distracted by his mobile data terminal in the vehicle. She sustained injuries to her back and neck and over the course of the next couple of months, her medical bills have been largely paid by her insurance carrier and this will pay for the out of pocket expenses. And council has previously approved settlement of the occupants of the other car in previous ordinances and the police officer involved in this has received command counseling for his role in causing the accident. Happy to answer any questions you might have.

Potter: Questions? Thank you.

Stenquist: Thank you.

Potter: Anyone signed up to testify in this matter?

Moore-Love: No one signed up.

Potter: Anyone here who wishes to testify to this specific issue? Please call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] please read item 1264.

Item 1264.

Potter: It's the second reading. Call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** No. **Potter:** Aye. Please read item 1265.

Item 1265.

Erik Johansen, Office of Management and Finance: Thank you, mr. Mayor and commissioners. Eric johannsen, office of management finance. With me is lindsay, the vice president of finance and administration at Portland state, and tony, the executive director of the Portland state university foundation. This ordinance does grant preliminary approval for the issuance of up to \$52 million relating to Portland state's including student housing as well as academic and retail space. The conduit issuer of \$47.4 million of bonds to construct the project. The 2003 bonds were issued as variable rate. As you may be aware, ambec has been downgraded this year and the result is an increase of the interest rate they're baying on the variable rate debt. The project seeks to refinance the outstanding debt into fixed rate in order to eliminate the risk associated with the project. The bonds are not obligations of the city of Portland. The city serves as the issuer of the tax exempt obligations, we convey the tax exemptions to the project, but the bonds are expected to be paid from project revenues and in addition, there's a housing services agreement for the project, whereby

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Portland state is obligated to pay debt service and other project obligations in the event that project revenues aren't sufficient to pay those obligations. Based on the projected revenues of the project and the housing services agreement we expect the rating will be in the a category. That meets the city's policy for conduit bonds to be issued by the city and the project also meets other requirements of the city code and city's debt policies. Right now the schedule called for the bond to be closed sometime in october. Does have an emergency clause on it and office of management and finance is recommending approval this morning. With that, i'll turn it over to lindsay.

Lindsay Desrochers: Good morning, lindsay, vice president of Portland state university for finance and administration. First, I would like to thank the commissioners and city council for its past support of this project. This was a great partnership between the city and the university. Over 600 students now live in the broadway. It's a very popular option for students. We need to build more like that. And it has become an essential piece of the housing capability of the campus and, of course, we're going to be going forward with our program for additional housing, but in this one, we're caught in the problem of needing to get to a fixed rate so we don't see something like 9% or 10% interest rates on bonds. That are in essence paid from student housing fees. So that's the pay back source for these bonds and we need to keep those interest rates at a reasonable level. We appreciate your support in doing this refinance. Again, there's no liability to the city in this and appreciate the partnership. Thank you.

Tony Langwebber: Tony, executive director at the p.s.u. foundation. Mr. Mayor, commissioners, thank you very much for listening to us today. I also want to talk just briefly about the public-private partnership. The foundation, as you know from me having been here before, we're peopled by citizens of this community that volunteer their time and service. The engagement of the foundation to this project was a necessary and critical element to the partnership between the city of Portland, p.d.c. and p.s.u. as part of the state of Oregon. And the ownership of the building resides in the foundation. It truly is a collaboration. This is a prudent thing to undertake to minimize cost and stress on the students. The building is a sellout. There's a waiting list of over 200 students for fall term trying to find residence in that dorm. It's full. We -- as lindsay was saying, we need to investigate further opportunities like this, but everything we can do to try and hold the costs fixed and at minimum rates and this is an opportune time to seize those rates, I urge the passage today. Thank you very much.

Potter: Thank you. Questions from the commissioners.

Fish: I'd like to make a comment. I'm going to support the ordinance because we're acting as a conduit. Not taking on liabilities. But I heard heartening data about how Portland state is perceived. Close to 40% of people statewide believe that Portland state is in the lead with u of o and Oregon state and if you add the folks who don't have the information, we're in spitting distance of 50%. And that's a testament of a lot of people who brought p.s.u. Into the limelight and have had a remarkable record of achievement and I know lindsay and tony, how hard you work on behalf of the institution. I want to say how proud we are of your work. Even though i'm hopelessly conflicted on this issue. Our four-year-old son also attends also its pre-school program. I can tell you as a resident and now as city commissioner, your success is critical to our success as a city and I applaud you for the work you do.

Desrochers: Thank you very much.

Leonard: I do have one question. How is our archives building coming?

Desrochers: Fantastic. There will be a beam signing in about two weeks which you'll hear about and we certainly invite everyone here to the top beam of the building is to be set and the tradition is to sign it so it will be enclosed in the building and all of the names of the folks who participated will be there for future archaeologists to uncover. The lower parts of the building will be open in september '09 but from september to january '10 as the move-in occurs.

Leonard: Great, thanks.

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Potter: Other questions? Thank you, folks. Anyone signed up to testify in this matter?

Moore-Love: No one signed up.

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

Fish: Aye. **Leonard:** Aye.

Saltzman: Well, I wanted to echo the remarks about the great working relationship that the city and Portland state university have and need to have to continue to achieve greatness for our city, in terms of economy and academic achievement of our residents and the students who are not necessarily residents, and i'm proud of p.s.u. and doing a great job. Aye.

Potter: Aye. Please read item 1266.

Item 1266.

Potter: Second reading, call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] please read item 1266.

Moore-Love: 67?

Potter: Excuse me.

Item 1267.

Potter: Second reading, call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] please read item 1268.

Item 1268.

Potter: Second reading, call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] recessed until 2:00 p.m.

At 10:32 a.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

SEPTEMBER 10, 2008 2:00 PM

Potter: I'd like to remind folks that prior to offering public testimony to city council, a lobbyist must declare which lobbying entity they're authorized to represent. Please read item 1269 and 1270.

Items 1269 and 1270.

Potter: Thank you. The city attorney will now explain the hearing process.

Linly Rees, Deputy City Attorney: Today this is an evidentiary hearing. This means you may submit new evidence to the council in support of your argument in the form of letters, maps, drawings -- any items you show to the council should be given to the city clerk at the end of the testimony to make sure they become part of the record. Testimony concerning the hearings officer recommendation will be as follows. Staff report for ten minutes and then the applicant. And after the applicant, the council will hear from individuals or organizations who support the proposal. Each person will have three minutes. Next council will hear from persons or organizations who oppose the proposal. These people will have three minutes. If there was testimony in opposition, the applicant has five minutes of rebuttal. Council will close the hearing and take a vote. If the vote is a tentative vote, council will set a future date for adoption of findings and a final vote. If the council takes the final vote today, that will conclude the matter. There are several guidelines for presenting testimony in this hearing. They are established by zoning code and state law. First, testimony must be directed to the approval criteria. Any evidence and testimony must be directed to applicable criteria for the review or other that you believe applies to the decision. Two, your issues must be raised with specificity. If you fail to raise issues clear enough to give council opportunity to respond, you will be precluded from appealing based on that issue. Finally, constitutional challenges. If the applicant fails to raise constitutional or other issues related to the proposed conditions of approval with enough specificity the applicant will be precluded from bringing an action in circuit court to challenge those conditions.

Potter: Thank you. Any members of council wish to declare a conflict of interest? No council members have a conflict of interest to declare. Do any members of council have any ex parte contacts to declare or information gathered outside of hearing to disclose? No council members have ex parte contacts to declare. Do any members of council have questions or other preliminary matters that need to be addressed before we begin this hearing? We'll begin the hearing with staff report from b.d.s. for up to ten minutes.

Kathleen Stokes, Bureau of Development Services: Thank you. I'm kathleen stokes, b.d.s. staff for this case. And thank you, mayor Potter, and commissioners. This is a request to amend the comprehensive plan designation from the site to change the zoning from i.g.1 to central employment with design overlay e.x.d. The applicants had a likely scenario of mixed use. Envisioning ground floor and upper levels of office and residential. There aren't any definite plans for redevelopment of the site but short-term use for about five years is seen as a conversion of existing structure to retail space. No development plans or plans for modifications are being proposed as part of this review. But when those plans do come forward, if the amendments are approved, they would be subject to the design overlay requirements, that they meet the design

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standards or be approved through design review. The uses being anticipated are allowed under the e.x. Zoning but not under the i.g.1 zone. -- i.g.1 zone. It limits the floor area. The x designation doesn't place any limits on the uses beyond the development standards for the zone and that would allow about 52,100 square feet in a structure that has a 65-foot height limit. However, the applicant has made an addendum to respond to issues of constraints on the traffic system, transportation system. And that addendum would limit the floor area for the site to 45,000 square feet. The approval criteria for this review is that for comprehensive plan amendments, 33.810.051a and zoning map, code sections 33.855.050, and 33.855.060, the criteria for the comprehensive plan amendments include the Oregon land use goals and metro functional plan. This slide shows a comparison of the existing zoning to the proposed zoning and you see the property on the northern portion of this block. Fronting on to fremont and running between -- mississippi and cook. There's further to the east, currently and would remain if approved, abutting an i.g.1 zone. And the site plan shows the footprint of the existing building on the site which abuts the southern property line. It's currently underutilized industrial site. This view is seen looking to the southwest from albina. And the corner with fremont. And this view is of the east side of the building and showing it abutting the building on the south which houses an autobody site of the applicant's site formerly was a fuel station, now cleaned up and mainly used for truck and equipment storage but you can see there's not a lot of that going on on the site either. There's a small retail use on the northwest corner with a couple of seating areas in front of it. The e.x. Zone would encourage transit supportive development and that's served by the number 4 bus line which is a frequent service line that stops in front of the site. The street is also a city walkway and bikeway and the uses allowed in the e.x. zone would better serve these forms of transportation as well of the area around the site -- we'll do a tour. To the northwest mississippi with a historic area, retail uses. This is the west side of the site. Looking toward i405 and downtown. The freeway is close by, but truck access in this area is limited due to the width of the streets and also the surrounding development, which makes a conflict and actually the streets are posted as no truck parking. The site across the street on the west side of mississippi was rezoned to e.x.d. in compliance with the comprehensive designation. In 2006 and the idea was to allow redevelopment with a mix. Further to the west there's a multidwelling zone and a vintage multidwelling structure shown in this picture. The south property line abuts the i.g. zone. And further to the south is albina yard which is part of the bureau of maintenance operations and there's another view of it here. Across to the southeast, the access to the area is limited. You've seen the distance, the street that is blocked for through traffic. One of the conditions of approval in this recommendation would limit the number of peak hour a.m. Trips so that the street area could absorb the potential traffic. Across fremont to the north, there's a residential area, north and northeast. Zoned r2. Low density multidwelling and there's a mixture. Single and multidwelling there. If this proposal is approved, the e.x. designation could encourage redevelopment that would enhance this area. A condition of approval would ensure that safety standards are met by the police bureau for their safety and security standards which has to do with the types of walks that are used and types of exterior lighting and things that meet those standards. The requested designation would allow uses that would create a transition from the residential area and that more active industrial area that's to the south. The requested amendments were found on balance, the comprehensive plan amendment was found to be on balance to be equally or more supportive of the comprehensive plan than the existing designation, as long as we consider limit the number of a.m./p.m. Trips. Services are adequate for the requested zoning map amendments as long as the requirements are met at the time of building permits for stormwater and limiting the number of a.m./p.m. Trips and the police review of potential redevelopment plans. Therefore, the recommendation to the council is for approval of the requested map amendments from industrial sanctuary to central employment with a design overlay. Subject to the conditions that i've already mentioned a couple of times, so I won't go through those again. I believe that -- yes, we have here

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jamie jeffrey from the office of transportation. If you have any particular questions regarding the transit impacts, she can answer those questions. Do you have any questions of me at this time?

Leonard: I do, and it's on that topic. I noted in your presentation and the hearings officer found with respect to the a.m. Trips and the number of limits. He was -- he actually put in bold that the buildings square footage shall not be converted to trips compared to the maximum and shall not be altered. I don't know if that's been in other land use cases we've had before. I don't recall seeing that. It seems rather emphatic and I wonder how we monitor that after the development happens. As you said, there's a limit on the number of a.m. Trips allowed. What's the way we enforce that.

Stokes: There's a matrix that's included as part of that condition and any requests for new development or any tenant improvements would have to include information that showed that the limits on square footage within that matrix are being met. The matrix was designed by the office of transportation and it has actually that type of formula has been used in two or three other cases within the last couple of years. I would say that ms. Jeffries can answer that in more detail.

Potter: Would you come forward. I had the same question. Particularly about the monitoring.

Leonard: I'm less interested in the methodology, why you developed it, but it seems like there's a particular emphasis, that there be a limit on the number of trips and that the limit that he established should not be exceeded. So i'm curious, how is that monitored?

Jamie Jeffries, Office of Transportation: Good afternoon, members of the council. My name is jamie jeffries. I'm with the office of transportation. Regarding the note that is provided with the table in condition a, the -- one of the notes applies to the trip rates, which we have established in accordance with demonstrating compliance with the overall trip limit of 70 trips. So one of the notes is that an applicant wouldn't be able to come in and say, well, I don't have 1.49 trips per square footage. I think my rate should be 1.3 we said this is where we set the bar, the tool we're going to use to confirm we're within the acceptable level. The -- essentially when someone comes in with a building permit application, they will provide an accounting, here's our square footage, this is the type of use. I'm going to multiple that by the trip rate within this table and show you that i'm within the 70 -- equals 70 or less.

Leonard: If they have trips that are exceeding the 70, they're not at fault?

Jeffries: They would have to -- they would be out of compliance with this, so if it came in at 72, they would have to shave off some square footage.

Leonard: I'm talking about after the building is constructed and they're using it and all of a sudden, they have 72 trips rather than the 70.

Jeffries: You mean the reality?

Leonard: The reality.

Jeffries: In transportation we work in the world of -- in the theoretical world. The information we have for trip rates is based on averages. So we --

Leonard: We don't actually enforce a limit.

Jeffries *: Correct.

Leonard: You're the 71st car this morning.

Jeffries: Correct, no one is out counting.

Leonard: It's just a methodology to which you get to the maximum square feet they're allowed?

Jeffries: Yes, and so the table provides easy certain way of just doing the map.

Leonard: I see.

Jeffries: And then after that, we say, you might be less, more, but since we're working with averages anyway, this is what we established will balance things out as the system, you know, grows or development kind of comes into play.

Leonard: Thank you.

Potter: Is that why they requested the 45,000 instead of up to the 52,000?

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Jeffries: Yes, the 52,000 was going to provide more trips into the intersection at vancouver and fremont and we had capacities drop below our performance standards. So in order to keep them within that limit, we said, well, you can go up to this. Which, you know, they came to us and said this is what would keep it without going over. So that's how we landed there.

Fish: I have a question concerning the site across the street on the west side of mississippi. That -- since I drive through this quite a bit. I'm familiar. That's a substantial piece of property. Undeveloped and giving what's happen together north, that it would be a target area for someone to put in mixed use development, fairly dense residential something. First question is do we know whether the owner of that property is planning to develop it across the street?

Stokes: I actually was staff for that zone change and there was a similar situation with the traffic impacts that was resolved through a similar matrix for that site. It -- so it did limit the square footage of various uses to be within the threshold. However, the part of that condition, there was a caveat that when or if a west -- a left turn lane were constructed, I believe, jamie was also the transportation person on that review -- and when it was constructed for that left turn from westbound from fremont to vancouver, then those limitations would go away. Then this case came in sort of on the heels of that one, and we said, wow, the -- it looks as though all of the surplus left in the transportation system in this area was used up by that previous property and their review and so there was a lot of consideration of how could that be found to allow this further development in the area. And again, I would defer to jamie on this, but there was a potential based on development proposals that have come in in the last two years, that will require some dedication of right-of-way, which will then actually make it possible to put in that left turn lane. And since that possibility was presented, then the system can absorb some more impacts, more traffic. And then it became a process of conferring -- looking at this site and say how much more could this generate with the idea that this left turn lane will be constructed.

Jeffries: I could probably add to that just a little bit. The site across the street assumed a certain potential level of development. It triggered a mitigation at the intersection that these folks had to deal with as well. With the mitigation, then their limitation was lifted. This proposal considered the development that could have -- could occur with the property across the street and included that.

Fish: That was my question.

Jeffries: Right, and then --

Fish: It's probably embarrassingly simplistic for me to ask it. But do you do the assessment on the assumption that the adjacent land was developed to its best use or it's vacate and there's -- vacant. The multifamily, four or five-story wood frame buildings that are enormous, you put that across the street, this zoning review anticipates that any development, redevelopment on this site is done in the context of the allowable redevelopment across the street.

Jeffries: Correct, there's three components. You have to count what the site across the street would include to the system, you have to count what the background growth might be based on our model and you have to count what the potential is for your site. You add those three up and when they did that, they found they still tripped it even if this mitigation was in place. So we said, the mitigation will be in place but we also need to limit you just a little bit further.

Fish: Ok, that's -- it's very clear and I think I understand it, which means that's a feat. So thank you for that.

Potter: That site on the west side was part of the industrial area and I think it was a couple of years ago that council agreed to take it out?

Jeffries: It was a site that was designated in the comp plan to go from an industrial zone to an e.x.d. zone. And so it was a hearings officer decision at this point because the comp plan had already been established that that's the direction we wanted to take. This site didn't have that comp plan designation on it.

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Fish: This isn't designated significant industrial land?

Jeffries: Correct.

Saltzman: I had one question. In the vain of educating ourselves. The a.m./p.m. Peak limited it on the fremont intersection?

Jeffries: Correct.

Saltzman: Why an a.m. Peak?

Jeffries: In this case, as we found, the a.m., because of the way traffic is moving through an intersection, the a.m. Might actually have more traffic conflicting with each other and creating extra delay than -- in most cases it's the p.m. That's the worst.

Saltzman: This particular intersection.

Jeffries: In this case, the a.m. Couldn't be met with the additional left turn lane being added but the p.m. was going to be fine. And it's because people have different directions they travel in the morning versus the evening. So --

Potter: Other questions? Thank you, folks. Call the applicant forward. You're allotted 15 minutes. When you speak, please state your name for the record.

Paul Ries: Good morning, my name is -- good afternoon. I'm the architect for the applicant. I'm paul ries and i've been working on this project for a number of years with brian, the owner and city staff and it's gone through a lot of critical thought as far as what this site can be for the city. And what should happen here. And we've come to the conclusion that changing the zone for this site is a great idea for the city. It allows in the near future a viable and vibrant mix of uses that supports what's happening on mississippi right now and done through the existing building that's there. It's a lightly touched intervention. And in the future, it allows a well-designed beautiful punctuation, if you will, to the gateway that's the end of mississippi avenue. And needless to say, we agree with the findings of the hearings officer and the conditions they put on us. Listening to the discussion about the transportation, it's design -- the design of the building is going to be the easiest part. Trying to understand the transportation analysis is quite difficult. I think at this point, i'd like to turn this over to brian, the owner, and applicant and let him talk about the project.

Brian Wannamaker: Hello, my name is brian wannamaker. I'd like to thank you for the opportunity to speak. 810 north fremont. I consider the subject property a gateway to the mississippi corridor. It's a part of town i've been involved in for a long time as I developed and still own a number of properties in the neighborhood. When I purchased it almost three years ago, it had been a paving company. It was listed as a brownfield because of the presence of nine tanks capable of holding 73,000 gallons of industrial fuel. Within 90 days of the purchase, the tanks were removed. And I cleaned it up so it's no longer listed as a contaminated property by d.e.q. It eliminated the traffic from heavy trucks from fremont and mississippi avenue in both directions. I'm asking to turn this property into another asset for the mississippi corridor. Its current character is not -- I strongly believe the highest and best use of the property is not industrial, but rather, e.x. The continued successful redevelopment of mississippi avenue requires more pedestrian-friendly sidewalks. The city's plan to widen sidewalks would reduce road size. While this would be a positive impact or the properties zoned e.x. or retail, it will have a negative effect on industrial property. The proposed thinning would reduce truck traffic and lower 810 fremont as an industrial site. Since widening the sidewalk is most likely to continue, this eliminates a viable trucking thoroughfare to and from the property. I've been developing properties in north and northeast Portland for 21 years and purchased my first on the mississippi corridor in early 2001 and owned property from lloyd center to killingsworth since 1987. In 1998, I purchased the apartments or albina and killingsworth. I was able to develop the property into a premiere art community that showcases Portland artists such as storm large, and many others. My investment philosophy allowed the lower income tenants to retain their former rent and allowed quality of life benefits such as free wireless internet, a rarity in low-income neighborhood. I'm a conscientious landlord

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who offers benefits to the community. I'm hoping with the zoning change i'm requesting that we can build on the momentum on mississippi avenue. I took a chance on a lot of small first time business owners and helped to revitalize the streets such as the nonbike works, crowbar, pasta bangs, miss delta and the wine bar. 150 apartments in this neighborhood with two office buildings and live in the neighborhood. I have a significant monetary investment in the neighborhood and a landlord and community builder and love being part of what's happening on mississippi avenue. I want to see it continue. That's why i'm asking for your support in this zoning change. Mississippi doesn't need a national paving facility or any other industrial use at this exciting point in its history. Thanks for your time and consideration.

Potter: Are there questions for us --

Ries: Are there questions for us, the applicants?

Saltzman: Are you planning to use the existing building?

Ries: Yes, you can touch it lightly and do fun things with it.

Potter: Other questions? Thank you, folks.

Ries: Thank you.

Potter: Now we'll hear from persons who support the applicant. Did anyone sign up to testify?

Moore-Love: Jeff judd, if needed.

Potter: Persons who opposed the application?

Moore-Love: No one signed up.

Potter: Well, there were -- neither spoke, the rebuttal by the applicant isn't necessary. So we'll go to council deliberations.

Leonard: I'd move to accept the hearings officer recommendations.

Potter: Second?

Saltzman: Second.

Potter: Please call the vote.

Fish: I just wanted to say I was struggling with this until you identified yourself as storm large's landlord.

Leonard: That caught my attention as well. [laughter]

Fish: I did not want to get on her bad side. [laughter] I appreciate, sir, your presentation. And the positive impact you're making on the community. I think this is a wonderful addition to what is developing along the street and i'm pleased to support the resolution. Aye.

Leonard: Aye.

Saltzman: Well, I also wanted to express my support for you and your vision and commitment to this neighborhood and this type of zone change I think is best for the neighborhood and city. I also wanted to thank the excellent work of our staff, katherine and jamie for answering our tough questions, probably not tough, but educational for us. Great work. Aye.

Potter: Aye. [gavel pounded] , recessed until 2:00 p.m. tomorrow --

Moore-Love: [inaudible]

Potter: You're right. Please read item 1270.

Item 1270.

Potter: Please call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] now we're recessed until 2:00 p.m. tomorrow.

At 2:37 p.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

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Potter: Prior to offering public testimony a lobbyist must declare which lobbying entity he or she is authorized to represent. Please read the 2:00 p.m. time certain.

Item 1271.

Sara Radelet, Bureau of Development Services: Hi. I'm with the bureau of development services, representing the measure 49 program manager. So we're here today to hear the calcagno family claim. That's pr 05-117098. The city council previously heard this claim in august of 2005. And at that time the claim was granted. Measure 49 requires that all approved claims be revisited under the new regulations under measure 49, that's why we're here today to revisit that. It's in the st. Johns neighborhood. You can see the red square near the st. Johns bridge. Specifically it's on the corner of burlington and north edison, made up of two properties. Both -- one is under 10,000 square feet, each property has an existing house on it at this time. The claim was brought by the calcagno family llc. The address is on north edison, 8522 and 8506-8514. And the regulations challenged were the change in the zoning from the i.r.h., a high density residential zone to r1, which is medium density residential zone. This change occurred through the st. Johns lombard plan, which was adopted in 2004. So prior to that plan in 2004 the zoning on the property was r.h.r., which didn't have a specific density but it did have a maximum f.a.r. to 4-1. So it was a higher density zone. In 2004 the property as you can see here labeled parcel one and two was rezoned to r1-d, which has a maximum density of one unit per 1,000 square feet. In 2005, when the council first made a decision on this claim, the claim was granted to not apply the r-1 zoning on the subject property and allow the owner to develop the property to the previous r.h. zoning regulation. Under measure 37 which is what it's approved under, there were no limitations on whether it was single dwelling or multidwelling zone, which you'll hear is different under measure 49. So measure 49 has a number of sections that have to be addressed for the claim. The claim has to be -- the claimant has to be an owner of the property, which is true, the calcagno does own the property. The -- all owners have to consent to the claim that has occurred. The property has to be within the g.b. The dwellings why allowed at the time of temperature and at the time of purchase it was reason rh. zone. The property zoned for residential use, that's been met. And then f, one or more land use regulations prohibited establishing single family use dwelling. The properties are multidwelling zoned so they do not meet this f section of measure 49. And that section goes on, g is not exempt regulation, the challenge is not exempt under measure 49 for public heft and safety, which it's not, there was a change in density. Regulations was enacted after the property was brought into the u.g.b. and it was. Metro regulations which are not applicable, the challenge regulation were adopted after the subject property was annexed into the city. The property was annexed into the city some time ago, well before 2004. And then k, the challenge regulation redused the fair market value according to an appraisal conducted. So this is the second section that is not met. They did not submit an appraisal to document that the fair market value had been reduced. And the appraisal has to address that the highest and best use of the property was residential at the time of acquisition. So the conclusion is that the calcagno family llc is not measure for measure 49 relief under section 95 and 98 because the claim is not for single family dwellings, it's for multifamily development, and

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the claimant did not submit the required appraisal, which includes -- is required to include the proof of highest and best use. And so the recommendation is to deny the calcagno measure 49 claim. And I would just add that staff on both myself met with the calcagnos recently to talk to them further about what they might be allowed to develop on their property, given the existing zoning, and we did discuss some of those options, and they are here today to testify on the claim.

Potter: Questions?

Fish: In terms of what they can develop currently, could you just let me -- could you tell me a little bit more about the kind of senior housing that they could develop at that site?

Radelet: Yeah. The r1 zone just sort of base zone would allow them to develop 19 units on their property. Just straight up, 19 units, one unit per thousand and they have just under 20,000 square feet. Their minimum is 13, the maximum is 19. In addition, the code has a special section that allows additional density beyond that if you're doing it to designate it for elderly and/or disabled housing. And those units have to meet certain requirements for accessibility and for aging and place, that kind of thing, but otherwise they can go further provided they're within the parameters of the height setback, those other sort of development standards. So they would be allowed additional density, and there's no cap. The caps are really going to be the development standard that limit how tall the development goes or how far it is from the property line.

Fish: Thank you.

Potter: Other questions? Thank you. Do we have someone signed up to testify.

Moore-Love: We have augustine calcagno.

Augustine Calcagno: Bear with me, I just had a stroke three months ago. My name is augustine calcagno. I've been here before. On measure 37. First I want to thank you for this meeting, allows us to wait to two weeks or whatever we asked for. We're here mainly today to get it on record that when we bought the property 25 years ago, whenever, we bought it for our retirement. Being in the real estate business, we had an office in st. Johns, i've been living there all my life. Born and raised there. There's no pension plan. So either you plan for something when you get older, or you're just looking at social security, and it's kind of hard to get by nowadays. So after all these years, you hold on to something hoping for -- to receive something on your retirement situation that you got, the city give us back the property zoning. We never asked for any money. We just wanted our zoning, what we paid for. Now they've taken it away again. How many times can you turn the other cheek? God lord says turn the other cheek, but now we're getting hit again. First by 37, now by 49. And this great united states of america, are we taking care of our elderly, our senior citizens? There's a great demand for rentals out there. We have a few, my wife and I have rentals, and the vacancy factor is zero. There's a lot of older people that can't afford 12, 1500 dollars a month rentals, so they need some type of housing that is affordable to our senior citizens. And ca theory -- 2 blocks from cathedral park, two blocks to the river, 2 blocks to town. It's ideal. But if it's not meant to be, it's not meant to be. I don't know what to say anymore, because we're just here today to see if we can save a little bit of our retirement. That's why we're down here talking with you people, to see if anything can be done along those lines. Nobody's going to build 80 units on there. Even if we got our zoning. That's not logical. But 40 or 45 units would probably fit in there pretty darn good. We already had somebody looking at it, and two stories, we wouldn't go 75 feet up in the air, like the zone would go allow us. We're willing to work with the planning commission and the council if they're willing to work with us, but that remains to be seen, I guess. So that's about all I have to say. Thank you very much for your time.

Leonard: Maybe could you wait there a second. I'm a little confused. I don't know if the rest of the council is or not. Maybe sarah could help me a little bit. I thought the issue was whether or not you could have a single family dwelling there or as you've applied for, multiple dwellings. In the exchange with commissioner fish you said what was an ability under the current zoning for him to have a multifamily project for seniors?

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Radelet: Yes, that's true. As I understand the calcagnos -- I hope they'll correct me if I get it wrong, their original plan under the r.h. zoning was potentially to do a larger building that one of the components would be elderly and disabled housing.

Leonard: Larger than what's allowed?

Radelet: Than what's allowed now. Now there's a maximum height of 45 feet. I'm not sure -- it used to be 75 feet. And now i'm not sure where that -- potentially they would want to be higher than the 45 feet. I'm not sure if the 45 feet would meet their needs. But they would still be allowed to do the elderly and disabled housing as we discussed earlier in response to mr. Fish's question. And it would be in addition to their density of 19 units. And we have talked with the calcagnos about that. So we may be talking about the difference between the height of 45 and the 75-foot height.

Leonard: Ok. So really, he's restricted to only building a single family dwelling. A current zone would go allow a 45-foot-height building, and then you have some flexibility if he chooses to have that dedicated to seniors and disabled to --

Radelet: Right.

Leonard: Higher or --

Radelet: He -- the property actually is r1, so it can be multidwelling development. He could build apartments there, or condos there, or row houses. It could be on separate lot, vidro houses on separate lots or more of a big complex. Some of the units could be just regular anyone can live there, some of those units could be the elderly and disabled housing. They could mix and match however they wanted to provided that the regular units didn't exceed 19 units for the total 20,000-square-foot site. So it's still a high density zone, it's just not as high --

Leonard: And the 19 would even be more as I understand your explanation, if he dedicated to seniors and disabled.

Radelet: Yes.

Leonard: Do we know how much more?

Radelet: There's no limit. The units -- if the units are smaller, then if you did 500-square-foot units -- as many as you could fit in there.

Leonard: Into the 45-foot-height restriction?

Radelet: Right.

Leonard: Have you explained that?

Radelet: We met with them recently and talked about that. And we also talked about a bones if I density option that allows just regular not in the elderly and disabled, but beyond the regular 19 units, it allows you as many -- would allow them as many as 28 units if they provided certain features that the code allows, like if you provide three-bedroom units and storage and children's play areas, and you get to choose from this menu of options that bump your density up if you're creating these family friendly living units. So that's another option that we talk about with them.

Leonard: Thank you.

Fish: I appreciate that exchange, because I think another thing that I want to say is that regardless of how this is addressed today, the housing commissioner we have a very strong interest in promoting senior housing in that community, and we would commit to working with mr. Calcagno. There's two errors in my notes. One says you're in your 80s. I think that overstates it by about 25 years. The second is you've had health issues, and you've had a remarkable recovery. So I would say god bless you. We have a strong interest here in promoting the senior housing, and as housing commissioner, we would be delighted to work with the family to help make that happen.

Potter: Thank you.

Calcagno: There's only one problem here. If the numbers don't -- on 19 units, the numbers won't work out for the banks. If you can't borrow money from the banks, you're not going to be able to build it.

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Leonard: I understand the explanation, if you built senior housing, you could build more than 19 units and if you built housing that was consistent with some of the family friendly goals of the city, you could even build more than the 19 units as well. Even though they weren't dedicated -- did the staff talk to you about that?

Calcagno: Yes, but I didn't quite understand. Are we talking seniors, or --

Leonard: You can do either/or. You have options, and that is actually the bureau i'm responsible for. And I would -- in addition to commissioner fish's willingness to work with you, i'd be happy to work with you as well on making sure we get somebody to -- as clear a way as possible, explain what your maximum options are. And it sounds like you have more options than what you may be aware of, and i'm happy to work with you to mack moisturize your ability. So we can talk afterwards and make sure you get hooked up. It sounds like sarah has been doing a good job with it.

Calcagno: Very good.

Fish: We'd be delighted to have someone from bureau of housing and community development attend any meeting commissioner Leonard sets up, and walk you through the options we're aware of.

Leonard: How about we plan on that as a next step and see if we can't help you get through that process.

Calcagno: Just for the record, i'm 75. It would take a nonproductive piece of property and make it productive again. Everybody wins. Otherwise everybody loses. The city loses, the state loses, because they tax -- everybody loses.

Leonard: I think we can get to a place you're comfortable with.

Calcagno: Thank you.

Potter: Is that it for the testimony?

Moore: That's all who signed up.

Potter: I need a motion.

Leonard: Move to accept the staff report.

Fish: Second.

Potter: Please call the vote.

Fish: Aye. **Leonard:** Aye. **Potter:** Aye. [gavel pounded] we're adjourned until next week.

At 2:24 p.m., Council adjourned.