



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **24TH DAY OF SEPTEMBER, 2008** AT 9:30 A.M.

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

Mayor Potter was excused to leave at 11:35 a.m.

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

Agenda Item Nos. 1309 and 1322 were pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
1304 Request of Stewart Battle to address Council regarding Homeowners and Bank Protection Act legislation (Communication)	PLACED ON FILE
1305 Request of Stephen B. Andreu to address Council regarding city role in a recovery of the banking system (Communication)	PLACED ON FILE
TIME CERTAINS	
1306 TIME CERTAIN: 9:30 AM – Authorize agreement with National Marine Fisheries Service to implement the Bull Run Water Supply Habitat Conservation Plan (Ordinance introduced by Commissioner Leonard)	PASSED TO SECOND READING OCTOBER 1, 2008 AT 9:30 AM
CONSENT AGENDA – NO DISCUSSION	
Mayor Tom Potter City Attorney	
1307 Amend Legal Services Agreement with Slate Legal Services PC for outside counsel (Second Reading Agenda 1275; amend Contract No. 37383) (Y-4)	182201

September 24, 2008

<p align="center">Office of Management and Finance – Human Resources</p> <p>1308 Create a new Nonrepresented classification, Water Quality Manager (Ordinance)</p>	<p align="center">PASSED TO SECOND READING OCTOBER 1, 2008 AT 9:30 AM</p>
<p align="center">Office of Management and Finance – Purchases</p> <p>*1309 Update Code Chapter 5.68 regarding the procurement of professional, technical and expert services (Ordinance; amend Code Chapter 5.68)</p> <p>Motion to amend 5.68.035 to add an exception for contracts executed with outside counsel and to require periodic reports to Council by the City Attorney’s office: Moved by Commissioner Saltzman and seconded by Commissioner Fish. (Y-4)</p> <p>(Y-4)</p>	<p align="center">182213 AS AMENDED</p>
<p align="center">Police Bureau</p> <p>*1310 Accept a \$269,422 Justice Assistance Grant from the Bureau of Justice Assistance, Office of Justice Programs to reduce crime and improve public safety (Ordinance)</p> <p>(Y-4)</p>	<p align="center">182202</p>
<p align="center">Commissioner Sam Adams</p> <p align="center">Bureau of Environmental Services</p> <p>*1311 Amend contract with CH2M Hill for additional work and compensation and extend the contract time for the Fanno Basin pump station pressure main – Garden Home Section, Project No. 8293 (Ordinance; amend Contract No. 37100)</p> <p>(Y-4)</p>	<p align="center">182203</p>
<p>1312 Authorize a contract with David Evans and Associates, Inc. for professional services for engineering design and services during construction of the Argyle & 13th Pump Station Remodel, Project No. 8874 (Ordinance)</p>	<p align="center">PASSED TO SECOND READING OCTOBER 1, 2008 AT 9:30 AM</p>
<p>1313 Authorize individual grant agreements for implementation of the Grey to Green Ecoroof program (Second Reading Agenda 1283)</p> <p>(Y-4)</p>	<p align="center">182204</p>
<p>1314 Authorize a contract with Herrera Environmental Consultants, Inc. in the amount of \$133,942 to provide comprehensive design services and permitting support for Phase II of the Tryon confluence stream enhancement project (Second Reading Agenda 1284)</p> <p>(Y-4)</p>	<p align="center">182205</p>
<p>1315 Authorize a contract with James W. Fowler Co. for professional engineering services and provide for payment for the Balch Consolidation Conduit Project Pre-Construction Services Phase Project No. 5510 (Second Reading Agenda 1285)</p> <p>(Y-4)</p>	<p align="center">182206</p>

September 24, 2008

<p>1316 Extend contract with Kennedy/Jenks Consultants Engineers & Scientists for professional engineering services for the Balch Consolidation Conduit Project No. 5510 (Second Reading Agenda 1286; amend Contract No. 37121) (Y-4)</p>	<p align="center">182207</p>
<p align="center">Office of Transportation</p>	
<p>1317 Amend agreement with Tri-Met regarding parking pay stations at Park and Ride Lots and authorize the Director of Portland Office of Transportation to execute future annual amendments (Second Reading Agenda 1289; amend Contract No. 52732) (Y-4)</p>	<p align="center">182208</p>
<p>1318 Authorize Intergovernmental Agreement with Oregon Department of Transportation to provide funding for the design and construction of the East Burnside and Couch Couplet Project and allow the project to be constructed by the City under the City of Portland/ODOT Certification agreement (Second Reading Agenda 1290) (Y-4)</p>	<p align="center">182209</p>
<p align="center">Commissioner Nick Fish</p>	
<p align="center">Bureau of Housing and Community Development</p>	
<p>*1319 Authorize Intergovernmental Agreement with Multnomah County for the cooperation of units of local government to prepare and update the Consolidated Plan to meet affordable housing goals and to receive payment (Ordinance) (Y-4)</p>	<p align="center">182210</p>
<p>*1320 Authorize the Bureau of Housing and Community Development director to execute revenue generating Intergovernmental Agreements with various jurisdictions for implementation of Homeless Management Information Systems and receive funds (Ordinance) (Y-4)</p>	<p align="center">182211</p>
<p>*1321 Amend subrecipient contract with the Portland Development Commission to decrease contract amount by \$71,000 and expand eligible scope of activities for lead hazard control program (Ordinance; amend Contract No. 37464) (Y-4)</p>	<p align="center">182212</p>
<p>*1322 Assign City lease option to acquire the property commonly known as Floyd Light Apartments at 849-1036 SE 106th Ave to REACH Community Development Inc. (Second Reading Agenda 1291) Motion to amend to add emergency clause: Moved by Commissioner Fish and Seconded by Commissioner Saltzman. (Y-4) (Y-4)</p>	<p align="center">182214 AS AMENDED</p>
<p align="center">Commissioner Dan Saltzman</p>	

September 24, 2008

Parks and Recreation

1323 Designate and assign two easements over property currently assigned to Portland Parks & Recreation and the Bureau of Water Works to the Bureau of Technology Services for a communication tower at Council Crest Park (Ordinance)

**PASSED TO
SECOND READING
OCTOBER 1, 2008
AT 9:30 AM**

REGULAR AGENDA

Mayor Tom Potter

Office of Management and Finance – Human Resources

1324 Adopt City 2008-2012 Equal Employment Opportunity Affirmative Action Plan (Ordinance)

**PASSED TO
SECOND READING
OCTOBER 1, 2008
AT 9:30 AM**

1325 Continue a one-time exception to Human Resources Administrative Rule 6.03 to allow carryover of vacation leave in excess of two years' accrual and continue a one-time exception to Human Resources Administrative Rule 8.03 to allow carryover of management leave for eligible employees on the Enterprise Business Solution Project Team (Ordinance)

**PASSED TO
SECOND READING
OCTOBER 1, 2008
AT 9:30 AM**

Office of Management and Finance – Purchases

1326 Authorize a competitive Request for Proposal for the Portland Police Data System Records Management System Replacement Project (Second Reading Agenda 1298)

(Y-3; Potter absent)

182216

Commissioner Sam Adams

Office of Transportation

1327 Vacate a one-foot unnamed street dedication lying between SE 75th and 76th Aves north of SE Division St and south of SE Lincoln St, subject to certain conditions and reservations (Hearing; Ordinance; VAC-10057)

**PASSED TO
SECOND READING
OCTOBER 1, 2008
AT 9:30 AM**

1328 Create a local improvement district to construct street and stormwater improvements north of Marx St in the NE 109th Avenue Local Improvement District (Hearing; Ordinance; C-10030)

**PASSED TO
SECOND READING
OCTOBER 1, 2008
AT 9:30 AM**

Commissioner Randy Leonard

Bureau of Development Services

September 24, 2008

<p>1329 Amend Building Regulations of the City Code to establish the Alternative Technology Advisory Committee (Second Reading Agenda 1299; add Code Section 24.10.087) (Y-3; Potter absent)</p>	<p>182217</p>
<p>Commissioner Dan Saltzman</p> <p>Parks and Recreation</p> <p>*1330 Authorize a sole source contract between the Neighborhood Parks Council and Portland Parks & Recreation for the development and implementation of ParkScan (Ordinance) (Y-4)</p>	<p>182215</p>
<p>City Auditor Gary Blackmer</p> <p>1331 Assess property for sidewalk repair by the Bureau of Maintenance (Second Reading Agenda 1300; Y1067) (Y-3; Potter absent)</p>	<p>182218</p>

At 11:56 a.m., Council recessed.

September 24, 2008

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **24TH 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; Shane Abma, Senior Deputy City Attorney; and Ron Willis, Sergeant at Arms.

1332 TIME CERTAIN: 2:00 PM – Adopt and implement the North Pearl District Plan (Ordinance introduced by Mayor Potter)	Disposition: CONTINUED TO OCTOBER 30, 2008 AT 2:00 PM TIME CERTAIN
1333 Adopt the Action Charts and additional implementing measures of the North Pearl District Plan (Resolution introduced by Mayor Potter)	CONTINUED TO OCTOBER 30, 2008 AT 2:00 PM TIME CERTAIN

At 4:50 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.

September 24, 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.

SEPTEMBER 24, 2008 9:30 AM

[gavel pounded]

Potter: Tell us about what the youth pass is and how it helps people at franklin and jeff he.

Mike Maddux: Good morning. As you said, i'm mike maddox, a senior at franklin and a member of leadership and they've elected me to run the youth program at franklin and basically we get little stickers on our i.d. cards that allows us to ride the bus free because it's hard to get to and from places without a mode of transportation. And so we've got that. And it's been great. Everyone that has talked about it has been excited. They don't have to buy their bus passes or go through the hassle of getting the tickets every day and excited to get to and from places. All they have to bring is their i.d. Card on the bus and they can get where they want to go. As and as head of the committee, we were given the task to come up with a way to show how to be safe on the bus and follow the rules and regulations and we came up with a skit that we're going to present this friday at our home coming and we're go to have a bus in the middle of the stage and we're going to have passengers get on and be rowdy like a lot of teenagers and we are going to rewind and go back through it and have everyone be respectful and calm and courteous to the elderly and disabled people of Portland. And it's just -- it's something that we've been trying to do. Not trying to do, but trying to convey it's ok to be respectful to your elders and peers and just everyone in general. And i'm also -- i'm proud to make a special announcement. State of Oregon tax credit that's making this possible, allowed a corporate partnership to be identified. And they got one. Actually it's identified as u.s. Bank, confirmed with the mayor's office this morning to be part of the program and serve as a pass-through partner and i'd like to thank them and city council and everyone who helped getting this happening and i'd like to thank everybody from the students at franklin letting us be the ambassadors for this great program.

Potter: Great, mike. It's amazing a young man, 17-year-old, talking about getting tax credits and pass-throughs. When I was 17, i'm not sure I could even have spelled those words. Mike, thank you for what you've done and thank the students.

Maddux: Thank you. [gavel pounded]

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

[roll call] [gavel pounded]

Potter: Commissioner Adams is in Washington, d.c. talking with our legislative delegation. 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 the first communication.

Item 1304.

Stewart Battle: What was it you said I need to address before I begin?

Potter: State your name for the record and you have three minutes, mr. Battle.

Battle: Ok, stewart battle is my name. So there is no possibility of a non-collapse of the present financial system. None. It's finished now. The present financial system cannot continue to exist under any circumstances. Under any presidency or leadership or leadership of nations. Only a fundamental and sudden change in the world monetary financial system will prevent a general immediate chain reaction type of collapse. At what speed, we don't know, but it will go on and it will be unstoppable. And the longer it goes on before coming to an end, the worse things will get.

September 24, 2008

So those are the words spoken by economist lyndon laroushe. Three days before the outbreak of the credit crunch of the subprime mortgage markets at the end of the summer. What we did at that time, at the beginning of august, which we brought before you before was something called the homeowners and bank protection act which is a reorganization in bankruptcy of the banking system as a hello. Now, what they're doing despite, say, the alternative, as to what is coming out of our treasury and -- treasury and congress is a bailout bill of the largest proportions ever seen in history. As most people are aware, there is about the size of a dump truck of money being poured into the same hedge funds, the same speculators and investment banks that have been looting the world dry for the last few decades. This is an unstoppable process, implicitly committing the citizens of this country to bailout the worst of the worst for generations still to come. Now, this homeowners and bank protection act, on the other hand, in the image of franklin roosevelt has called for an immediate freezing of home foreclosures. And it's been passed in a handful of states and being debated in 20 other state legislatures. And despite this there's no motion at the federal level which is why we're here and why we've been bringing this to the city and state governments across the country to actually revive a real grassroots movement about what -- to really ask what is it in and who is it you guys are going to represent. There's the side of the federal level to go with the financial backing and bail out of speculators or are you going to go with the citizens whom you actually represent and need your help now. So please enact the homeowners and bank protection act. Thank you.

Potter: Call the next.

Item 1305.

Moore-Love: He's not able to make it.

Potter: Ok. Go to the consent agenda. Do any commissioners wish to pull any items from the consent agenda?

Saltzman: I'd like to pull item 1309.

Potter: Ok. 1309. Others?

Fish: I'd like to pull 1322 and then I have an amendment so we can vote on it today.

Potter: Ok.

Leonard: Which number? 1322?

Fish: Yeah.

Potter: Any others? Any member of this audience wish to pull any particular item from the agenda? We'll vote on the consent agenda first and move to the particular items. Call the vote.

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

Potter: Please read item 1309.

Item 1309.

Potter: Commissioner Saltzman.

Saltzman: Thank you, mayor. I have talked to the city attorney's office about this amendment and i'm offering an amendment that's six words. Basically say except for contracts for outside counsel. Contract amendments may be amended in excess of 25% without council approval. Outside contracts would still come to the council for the review and approval.

Potter: Any amount, not just over \$25,000.

Saltzman: Yes.

Potter: So the intent would be to restrict the ability of outside contracts not to have council review?

Saltzman: That's the intent of this --

Leonard: Your amendment.

Saltzman: Mine is --

Leonard: Certain contracts for expert witnesses and things like that. I'm just saying that i'm fine with that.

September 24, 2008

Leonard: Ok.

Saltzman: But I do want contracts for outside counsel to be reviewed and proofed by council and any amendments.

Leonard: So that's what I was trying to articulate. You don't want it to be as liberal as this would allow for outside counsel.

Potter: They can amend up to 25% without approval.

Fish: Mayor, I got a briefing from anna on this. Could she come forward and address a question?

Saltzman: Anna.

Potter: Is it anna or the city attorney?

Fish: I'm sorry, anna. How about the city attorney?

Potter: The newest commissioner, miss folk.

Fish: It's not the first or the last time.

Potter: Would you like to respond?

Ben Walters, Sr. Deputy City Attorney: To clarify, this would the affect of the -- the effect of the amendment is to take expert witness contracts outside of the \$100,000, 25% cap that's otherwise -- that the purchasing agent has the authority to issue contracts up to \$100,000, and then any increases over 25% need to come to council for approval. Outside expert witnesses, we're creating an exemption for that for litigation purposes so that we're not revealing by coming to council who we're relying on as expert witnesses and commissioner Saltzman's amendment would put the outside counsel contracts back into the \$100,000, 25% authority of the purchasing agent. Those would just continue to be treated as they are today.

Fish: Ok. And I think I understand that. And we're in the discussion phase?

Potter: Yes.

Fish: I'm fine with exempting -- I understand the reason why we don't want to disclose certain expert witness identities in litigation. That just ensures people don't get an advantage, but I will note that the part that I had a concern about which has been addressed in the particular ordinance before us, is that we will still as city council offices get periodic reports so there's accountability built in. This is not a blank check so i'm prepared to accept the amendment.

Potter: Other issues, questions? Need a motion to accept the amendment.

Saltzman: So move.

Fish: Second.

Potter: Please call the vote on the amendment.

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

[vote on ordinance as amended]

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. Please read item 1322. --

Item 1322.

Fish: Mayor, this is a tremendous opportunity. The floyd light apartments under this assignment would go to reach community c.d.c. and while currently 53 -- would ensure that all 100% are affordable so this is an important part of the housing puzzle. The amendment I want to offer is that there's a timing issue and we would ask the council make this an emergency measure. So that it can have immediate effect and rather than 30 days from now. I think a question in terms of the closing here. If we make it an emergency, even though it's a second reading would not take effect for 30 days and the amendment is to make it an emergency.

Potter: That's the only change?

Fish: Right.

Potter: Have a motion to amend?

Fish: Yeah.

Potter: And you second.

Saltzman: Yes.

September 24, 2008

Potter: And so -- please vote on the amendment.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] vote on the ordinance, please call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. [gavel pounded] please read the 9:30 time certain.

Item 1306.

Potter: Commissioner Leonard?

Leonard: Thank you, mayor Potter. I want to welcome our panel, including Gary Larson who is one of our great federal partners and frame this and let them explain it in more detail. I know commissioner Saltzman is aware having had the assignment of the water bureau before, I received it in 2004, when -- when the very visionary men and women of the 19th century in Portland realized that citizens were becoming sick from drinking water out of the Willamette River, which believe it or not, was an epiphany to them. When they realized it must be the polluted water that was making them sick, they looked eastward and saw Mt. Hood in the horizon and almost without belief, with handsaws and shovels -- there were no freeways or access, easily accessible roads to get up the side of the Mt. Hood, decided there must be a body of water up there. And that they could tap that would be pure to provide Portlanders clean reliable water that didn't make them sick. So off they went and accomplished what today would nearly be given the myriad of federal and state and local regulations, an impossible task. And sure enough, they laid like 36-miles of wooden pipe from what was then Bull Run Lake down to the Portland Hotel. And which was located on what is today Pioneer Courthouse Square. And the first glass of water that came out of that pipe was drunk by then Governor Pennington who declared it lack the body of the Willamette. [laughter]

Leonard: No truer words were ever spoken. So that was as complicated as it was in the 1890s. Well, fast forward 110 years later, 115 years later, we realized that the actions that we take to provide ourselves with something as basic as clean water has a multiple impact on the environment that surrounds us and specifically, in this case, to indigenous fish, steelhead, salmon, spawning grounds is of deep concern now, not just to the federal or state government, but for the water bureau as well. And as a result, we have a unit in the water bureau that now tries to balance the competing interests to provide safe and clean water. Not just clean water but the best water in the world and we're waiting for somebody to challenge us on that and we think we'll prevail. While at the same time and simultaneously maintaining the habitat that allows indigenous fish to spawn and to get up-river. Heretofore, we would in the summer use every ounce of water behind the dams to provide drinking water. Today, we try to balance the amount of water we provide Portlanders from Bull Run with the needs of fish to survive which often times releasing enough water just to keep the temperature low enough in the water for those fish to survive and prosper. That is a very, very challenging job. But as if we didn't have enough focus on that, there are demands from the Endangered Species Act that we believed we needed to comply with or have some onerous regulations that would be implemented on all of us that could dramatically curtail the amount of Bull Run water we could drink. We have demands from federal Clean Water Act and we have to work with the department of -- the National Marine Fisheries Service and then a coalition of the Sandy River Basin partners and make up federal agencies and state agencies and a lot of local agencies. When I was handed this assignment by you, Mayor Potter, in 2004, there were a number of issues that I was focused on approving at the water bureau. This was not on my radar screen, frankly. I didn't know that this process existed. As I would argue, most people in Portland didn't know existed. And the first thing that I became aware of as I did a quite comprehensive tour with the folks in this unit, they were going to rely a lot on contracting with outside entities to provide the analysis needed and to provide the plan required in order to avoid more onerous federal regulations. And to their chagrin, but with my firm conviction that they had the -- not just the technical capacity but the experience and the intelligence and all that was needed, I said, one of the issues I have with

September 24, 2008

the water bureau is a default move to contract out services. Whenever anything appears to be more challenging than they at the water bureau thought they were capable of doing and so I challenged them and my challenge was I think you're smart enough and capable enough and if you need to hire a professional staff person or two or three in order to accomplish this goal, we want to develop our own expertise and knowledge and don't want to pay somebody else a large sum to acquire that knowledge only to leave afterwards. This is our water system, we need to own it and make sure whatever knowledge we gain in this process is ours. And not transferable to some private sector company. So that's a long way of saying that they rose to that challenge. And had provided us a plan that you will be voting on today. The import of which is this: If this plan that eddie and his colleagues put together is accepted by the federal government, we have a 50-year assurance that we will have no other regulations come in subsequent to our adoption of this plan that could somehow interfere with the delivery of clean water to Portlanders. That assurance provides us a lot of flexibility at the water bureau to plan for the future, to have money go into infrastructure projects that we otherwise are afraid may have to be used to do some future compliance with some regulation we're not aware of. The import and significance of this plan can't be overstated for Portlanders. We take a lot for granted and what I learned and water is one of them for Portland earth. As we read around the neighbors for our neighbors that don't have the benefit of bull run water, there's a struggle going on about future growth and planning and where the source of that water is going to be. We don't have those issues. We or our partners, our customers of the bull run water system. So I want to -- eddie campbell is the person that, he actually came from dan Saltzman's office. When I first got to city hall, he was working in dan's office and moved to the water bureau and we realized he had the capacity to lead in section, and he oversaw developing this plan. But I want to point out, steve and janet. I see steve but not janet. Where is janet? Is she hiding? You're hiding. They really did really excellent work in drafting the h.c. plan which you're going to hear about in a moment of that's my long way of saying that I do not take for grants this work and I do -- for granted this work and don't forget what caused us to develop this plan the way we did internally and I am a grateful and proud of the work that the staff has done, led by eddie. Thank you.

Edward Campbell, Portland Water Bureau: Thank you for that great introduction, commissioner Leonard. Good morning, mayor Potter and commissioners. As commissioner Leonard has indicated, i'm edward campbell. Planning director for the Portland water bureau and i'm here to request approval of the bull run water supply habitat conservation plan. With me is mike. He's the assistant regional administrator. And to his left is gary who I think is a familiar face to most of you. Michael represents the federal regulatory agency with jurisdiction over the city's h.c.p. And gary, of course, represents our partner in stewardship and management responsibility for the bull run watershed. We're going to start today with a brief slide show. I hope you'll bear with me today. The process that's led up to the h.c.p. Is a decade old and so i'm going to try to cover ten years in about ten minutes here. What I want to talk about today is the role of the bull run water supply in the sandy river basin and the impact on the threatened fish species. Describe some of the principles actions that are contained in the plan. I'm, of course, going to cover the cost and rate impacts of the plan and finally, talk a little bit about the collaborative approach that the water bureau has utilized to develop the h.c.p. To begin, i'd like to remind council the main components of the Portland drinking water system as commissioner Leonard indicated, you'll notice in the mt. Hood national forest. The bull run drinking supply, is where over 95% of the city's water originates. We've been using it since 1895 and over the last century created about 10 million additional storage by the construction of two dams and storage reservoirs in the system. Bull run water is disinfected as it leaves the drainage and flows by gravity to the city where it serves over 800,000 people in the region. Along the southern edge of the columbia river, the bureau has developed a groundwater source which has performed over the years two crucial functions for the

September 24, 2008

city. Augments the summer supply capacity and then also serves as a backup source for the city when the bull run supply has been unavailable. The bull run river is a tributary to the sandy river and as you see in this slide, the lands that drain into the sandy stretch from mt. Hood to the east to the Portland urban growth boundary on the west. With the proximity to the Portland metro area, as a result, the conditions to fish in the basin have suffered greatly. The basin was once home to historic salmon runs and today we see numbers 10% to 25% of those numbers and several species have been listed as threaten under the endangered species act. The species of primary concern for the bull run are winter steelhead, fall and spring chinook salmon and coho salmon. The city has a proud history of protection and stewardship of the bull run. As a drinking water source and this is greatly benefacted the ecological systems in the bull run. It's because of this high level protection, that the bull run is one of the last remaining unfiltered drinking water systems in the country.it's been recent that we've come to understand despite the protective nature of the bull run, the system has significant impacts on salmon species in the sandy basin and these impacts fall into three principle categories. First, our use of water, our diversion of water from the reservoirs and river diverts flow that would otherwise be available to fish in the lower bull run river. Second, the storage of water in the reservoirs and removal of water from the system serves to heat the water that we send down into the lower bull run river and that has a negative effect on fish. Lastly, our dams actually block access to historic fish habitat that the fish used to have access to prior to construction of the drinking water systems and they prevent material that would form natural habitat, from getting deposited. So we affect habitat above and below our taxes. Under the federal endangered species act, the bull run management unit resides, requires us to comply with the federal endangered species act and our obligation is to mitigate the impact on threatened fish. The h.c.p. Is the particular approach that the water bureau has recommended after looking at all of the various options that -- for compliance that were available to the city. And the -- 2005, the city council agreed and directed us to develop this plan. As we discussed with the council back in 2005, the biggest benefits of an h.c.p. To us is that the city gets to be directly involved in determining the mitigation measures we're going to implement. There's a element of local control that was very important to us as stewards of the water system that we wanted to make sure we got to participate in. The second great benefit of the habitat conservation plan which commissioner Leonard has mentioned is that this provides the city with a long-term regulatory certainty regarding the federal e.s.a. What we didn't want to have happen is to take actions, make plans and build infrastructure to meet requirements to mitigate for fish and then have those requirements change on us, five years, 10 years, 15 years down the line. We're creating an agreement between the city and the federal services that our commitments in the h.c.p. Will be completed by the city and in return, we'll get the regulatory compliance for the long term. The city's has been -- habitat conservation plan, to direct the flow impacts, the bureau will be providing minimum flow to support fish habitat. To address the temperature effects, we're going to modify the intact structures at our dam two and provide colder water down the stream as a result. And to address the impacts we're having on habitat, the city is going to actually add habitat in the lower bull run river and other sections of streams throughout the sandy river basin and so that's going to be the way we address those particular habitat impacts. A very notable feature about the city's h.c.p. -- pardon me -- is that we are not in this h.c.p. Planning to provide fish passage into or out of the bull run supply drainage. We evaluated fish passage and concluded the high cost of providing passage upstream and downstream was not worth the high cost when the benefits to the fish were not nearly as significant as we hoped. The reason those benefits were not as high as we hoped, the best habitat was in the water supply drainage is located under our supply reservoirs, so it's inundated and unusable for fish. One of the thing the city is doing is including a set of proposed habitat restoration projects to take place flute the sandy river basin and we believe that these mitigation effects will have a better benefit for fish at a lower cost to the city. So here's -- i'm going to run through a few slides to show

September 24, 2008

examples of how the measures will work. As commissioner Leonard indicated, we formally would run the bull run dry in the summer and the picture on the left you can see the impact of that. And you don't have a continuous stream channel flow the bull run. What we've been doing since 2005 is releasing water according to the flow regime in our h.c.p. The impact of that is that even though that flow is only a fraction of the historic flows of the bull run during the summer, it does provide much better and suitable habitat for fish in the lower bull run.

Leonard: If any of you take us up on the tours, one of places we stop is -- is it Larson's bridge? And you see these pools with gigantic steelhead swimming around down below and it's one of the many benefits of the release that you can actually quantify and look at. It's a very cool thing.

Potter: How does that affect the shortage during the summer when we tend to use our [inaudible] in the south Columbia?

Campbell: It varies by weather year, mayor. For instance, this year, we had very little need for additional groundwater support even though we were still meeting the flows that were in our h.c.p. The amount of water we're providing during the summer is on average, 30 c.f.s. Down the stream and it's not -- like I say, it's a fraction of what the bull run river used to run at before we put our infrastructure in. In years in which we have dryer and hotter weather or a longer period we don't see rain, we'll have to you're our rain fill more often.

Leonard: You touched on the tension, mayor. That's the tension that exists of the historic response has been to run the bull run dry and then turn on the wells. This will result there us not doing that. And that allowing water to go through to maintain habitat for salmon and steelhead that otherwise would not have been conducive.

Campbell: So this slide indicates how we're going to address temperature impacts of the system on fish. On the left, you'll see the current infrastructure at dam two only allows for withdrawal of water from the bottom of our reservoir and since the heavier coldest water sinks to the water, all of the coldest water is depleted by mid summer and doesn't leave us with the opportunity to cool the stream in the late summer when critical for returning fish. The bureau is going to building a multilevel intake structure at dam two. We'll be creating a mechanism for withdrawing water at different -- hold on to the cold water later in the season and release it as necessary later in the year. Examples of habitat restoration projects include gravel and wood placements in the bull run and other sandy river streams. And although we won't be providing passage into the bull run, we do plan to make fish passage improvements in other streams throughout the basin. And working with private land owners interested in protecting on land they own within the sandy river stream basin. Enter into conservation easements with folks and providing funding and technical assistance in return for guaranteed improvements to the stream banks that will last throughout the 50 year term of our h.c.p. The final category for the city under the h.c.p. are monitoring, research and adaptive management. We're on the hook to document and monitor or h.c.p. measures around work with nmfs to evaluate the effectiveness over time and since 50 years is a long time, the h.c.p. is structured to allow flexibility to respond to future conditions if we need to make changes in the future.

Potter: What does that mean? Some parts could be modified because of really try weather or what?

Campbell: The adaptive management component means we're going to evaluate the effectiveness of the actual measures we're taking and if we find, for instance, that a particular measure doesn't seem to be delivering the benefits we had anticipated, rather than continue to invest in that strategy in later years in the plan, we would instead work with nmfs to identify alternative measures, rather than continuing to beat our head against a brick wall. What's that the adaptive management function means. The cost of the h.c.p., the total estimated 50-year cost is just over \$93 million. And about \$35 million of that total cost is for capital projects that include the multilevel intake structure at our second dam I mentioned. The remaining is for operations and maintenance program

September 24, 2008

costs and includes staffing, operation, research, monitoring and contingent costs for the entire 50 years. This is a fully loaded cost estimate. We put everything in there that we can think of to associate with the program, including things that we're already paying for right now. I wanted to make that point to help illustrate the second point. Since it's going to be paid for out of drinking water rates, the total rate is approximately 2% over the 50 year term. And since we do have existing staff and budget resources that are dedicated to fish restoration, we're going to be able to direct those resources to the program which is going to limit the cost to ratepayers. The cost will be approximately 15-cents a month to ratepayers on average.

Fish: We're looking at some historic highs this winter in energy costs, some of our local utilities have predicted as much as a 40% spike. In the housing world we're concerned about the impact on low-income folks. Could you explain to me the low-income customer rate, why it's substantially different from the residential customer?

Campbell: The reason why it's lower is that they use fewer units of water on a monthly basis. So we average our typical residential customer is usually about 7c.c.f. Per month and our low-income residential customer uses something along the line of 5 c.c.f. Per month. The difference between those two customer classes is total consumption.

Fish: Interesting. Is there a particular reason why lower income people use less water than the typical customer?

Campbell: I think what we find is that multi-family residential units use less water than single family housing which has greater yards and larger bathrooms and that sort of thing. Even though we see across the board water consumption going -- consumption going down, we do see a split between the lower-income residents and typical residents.

Potter: As the water goes -- as additional water is released does that go through the turbine to -- turbine to increase additional energy?

Campbell: It can many water we release into the lower bull run, at times we'll be able to run through the powerhouse. There are times later in the summer where the water levels are too low for us to be able to do that many it depends on the actual conditions in the river.

Potter: [inaudible] additional water is being released.

Campbell: It allows us to maintain that, correct.

Potter: Is that factored into the cost?

Campbell: We have not factored that in, and that would be to the positive. I just want to wrap up here with acknowledging the collaborative approach that the water bureau is taking in working with other government agencies and nonprofit stakeholders in the sandy river basin. This collaboration is the sandy river basin partnership and we've worked to coordinate the various efforts of 17 organizations to define a single restoration vision for the basin. In 2005, the partnership worked on a -- 2005 worked on a detailed analysis. And this analysis has provided much of the basis for the mitigation efforts we have in the h.c.p. This has allowed us to be strategic. We've developed the h.c.p. To plenty of efforts of other parties throughout the basin and serve as a leverage point for additional funding, where actions of the city can be used as matching funds for other activities that other entities can take. So i'll end with a bit of good news from the 2005 analysis that we conducted. The report concluded that the despite the toll of human activities have had on fish that the basin is still in remarkably good shape and offers substantial opportunities for restoration. In this context and after a decade of work to arrive at this point, I think the h.c.p. Puts the city in a position to meet more than its regulatory obligations. Over the next 350 years, should allow us to make a meaningful contribution to salmon restoration in our region. I thank you for your consideration and i'm going to introduce michael from the national marine fisheries service.

Michael Tehan: I'm michael from northwest marine fisheries service. Here in Portland. We're the big, bad regulatory agency responsible for all of this. We implement the endangered -- endangered species act. Fish that go into the ocean and contribute to the economy of the region and as you're

September 24, 2008

aware that many of the runs of salmon in the northwest have been listed as endangered or threatened species. Notwithstanding the incredible efforts by a number of groups to recover them, and that's what brings the city to the point of needing regulatory coverage for their activities. Section 9 of the act prohibits taking of species without a permit. And focused on the plan, the city's plan for mitigating the effect of the water fly project. We're giving the city a permit for 50 years to actually take listed species through the adverse effects that eddie explained of the habitat effects and ongoing effects. I guess first i'd like to acknowledge commissioner Leonard's recognition of the incredible staff your water bureau has. This has been a 10-year process. I've been involved in multiple capacities in this effort and it's been an outstanding effort. The city has been a hard negotiator. We talked about all of these different components and none of them were done lightly. At the negotiating table trying to bring the best science. And an open forum. No back-door deals. All of this played out in the sandy basin forum. Where you had all of these local players in the basin there asking the hard questions and making sure these decisions were sound and complementary with all of the other things going on in the sandy basin. As you know, there's a tremendous amount of effort in the sandy as a whole. Portland general electric was at the table with all of their efforts with marmot dam and little sandy. All of these partners putting incredible effort into restoring the sandy basin. And again, it was really more the catalyst role, the city providing the forum for all of these players to come. Eddie did a good job of describing the components. I'm pleased to be here and looking for support from council for adapting the plan. It still needs a lot of work for my agency to do. We've been through a full public analysis of the effects of this habitat plan. Written an environmental impact statement. Had public comment and hearings. Factored that in. The next step we have, once the plan is adopted and completed, we need to write something called a biological opinion that assesses the effects of implementing the plan over the 50-year life. We don't anticipate any problems in doing that. We've been involved all along and our target is to get the actual permit issued by the end of the calendar year. It's going to be tight to do it, but that's our goal, again, trying to make sure we fulfill our commitments as well. Mayor, you were mention can the adaptive management process. I wanted to point out the key element of that is that it doesn't require a whole new plan to be developed. It envisions there's room for change within the confines of the development. If some unforeseen circumstance arises or the monitoring data shows something is noting, we can make changes without starting all over again. And also accounts for new species that might be listed. Again, the intent is to address all of the different fish -- aquatic fish species in the bull run basin and a recent addition is something called the snelt. A species being reviewed now. We've received a petition to list it. And again, by wrapping it now, it won't require the city to do anything different if that species should become listed under the endangered species act. So again, rather than reiterate this, i'm pleased to be here and happy to answer any questions.

Potter: Thank you, michael. Appreciate your help.

Gary Larson: Thank you, honorable mayor and commissioner Leonard, Saltzman and new commissioner fish. It's a pleasure to be here. I'm honored to be able to speak today in support of this habitat conservation plan. I first would like to acknowledge the leadership that commissioner Leonard has shown in the water bureau for the duration we've worked together. It's been a pleasure. I also want to acknowledge the expertise of the water bureau staff and lastly, I want to express appreciation for excellent working relationship. This is an important milestone. It marks the city's commitment to mitigate the harm brought to the fisheries by development over a century ago. It marks an important point in the maturation of the sandy river basin partners, the federal, state, local and private partnership for restoration of fisheries in the sandy river basin and marks an important legacy of restoration that we can bequeath to our children and their children and lastly and significantly, it marks an important milestone in our collective working relationship with the fisheries and their willing to work that fits the situation well and secures a sustainable path of fish

September 24, 2008

restoration in the sandy river basin. So I want to thank you all for that too. I won't say for a moment that the guarantee of the success of this habitat conservation plan along with mitigation measures that all of the other partners, including the u.s. Forest service -- the guarantee is provided by us and our partnerships. We work together hard, looking for ways to restore the fisheries in the sandy river basin and the agencies working together secures the guarantee that we're on the most sustainable path that's possible. So speaking on behalf of myself, on behalf of the rest of the sandy river basins, including my colleagues here and most importantly, the fish, I commend to you this action. I think it's appropriate, an historic action. From my perspective, the plan is prudent, it's a good investment. And it provides us a sustainable path to restoration. Thank you.

Potter: Thank you, gary, for your outstanding partnership. We appreciate it. Questions for the panel?

Fish: I have two questions which i'll direct to commissioner Leonard. The first is in a case like this where a habitat conservation plan is -- are there federal costs --

Leonard: That was my answer. [laughter]

Fish: It was a rhetorical question -- a rhetorical question.

Leonard: As my republican colleagues use to call it.

Fish: The second question, in building these partnerships, do we get credit through this process or what we're doing in this parallel issue we're addressing of water purification safety? That is the whole e.p.a. Matter of, you know, filtration or water quality. Does this plan give us a stronger hand in dealing with another federal agency on those issues?

Potter: That's the clean water act. Do we have anybody that fills --

Leonard: Eddie, you must have --

Fish: I didn't mean to ask it as a technical matter, but conceptually -- I agree this is historic what we're doing here. But do we get points? Does this enhance our position or are they completely unrelated?

Campbell: I wish that were the case. I guess, commissioner fish, I would say the federal regulations that we are addressing with our h.c.p. Are separate and different federal regulations than the one that is at hand and which is forcing us to consider significant changes and major investments to the water system.

Leonard: Are you alluding to the l.c.2 system. The covering of the reservoirs.

Fish: Why we have to have filtration.

Leonard: It does not.

Fish: Would it be fair to say that the collaborative approach that has been demonstrated in dealing with this issue might be a good example for our friends at the e.p.a. In working through this issue with the city of Portland.

Leonard: That's an excellent question and, in fact, we just recently, myself, eddie, david, the staff had a meeting with the regional director of the e.p.a. Who is from seattle whose -- e.p.a., from seattle, whose name --

Campbell: Jennings.

Leonard: She agreed to consider some of our requests. The friends of the reservoir, they actually indicated a willingness to consider some of our current approaches that may allow us to have -- I don't know in the right word is exception?

Campbell: Variance.

Leonard: Thank you. A term of art in this field is very important. So a variance. And david is just recently -- I just saw a e-mail commencing with some of the processes that arose out of that meeting we had a few months back with the e.p.a. Here. They were kind enough to come here. We asked for the meeting, we thought we would have to round ourselves up and good to seattle. They actually came here. And she was candid and laid out the benchmarks and we took careful notes and are actually going through the processes that they indicated we woof to go through to show -- we

September 24, 2008

would have to show an absence of the cryptosporidium -- the virus. It's costing us a lot of money to perform those tests but we think it's worth it. While that issue is not related to this, your bigger point, which is an excellent one, brought that sense of collaboration with them, we definitely have and we're keeping our fingers crossed. One comment on that point -- the Oregon department of environmental quality and e.p.a. Were partners in the development of the h.c.p. For those quarter quality standards important to fish. Temperature, there are dual benefits. It's not just the fish habitat plan. It's helping the city meet its responsibilities under the clean water act. It doesn't just address the human health issue or that particular virus you were talking about.

Larson: In a way there are points and the points come from working together over the years. We've worked on the habitat conservation plan. The city has a lot of colleagues and agencies who will give both character.

*******:** And speak in support of the city's activities. So I think there is support that -- points that result from our working together. Because there are a variety of colleagues willing to speak to the issues.

Potter: Thank you, folks. Anyone sign up.

Moore-Love: We have six people signed up.

Potter: Thank you. Could you please call the first three? Thank you for being here. When you speak, state your name for the record and you have three minutes.

Franklin Gearhart: Franklin gearhart, with citizens [inaudible] bull run. Good morning, mayor Potter and commissioners. I've got a few comments. Please allow us to give some facts along with our opinions and advice. The h.c.p. Should not be a priority item at this time or in the foreseeable future. There are extreme live pressing needs before our nation, states and cities. A national bank and investment financial institutions are in a crisis which requires a moratorium on all of your non-essential commitments. And the next item here, i'm getting the information from the Portland Oregonian, september 4. The metro area increased by 2035 and then metro infrastructure improvements needed 27 to \$41 billion. Even with no growth, needs will exceed \$10 billion. Bull run conduit for the sandy river crossing, needs \$21 million. The city of gresham needs \$30 million for road maintenance, \$285 million for infrastructure for spring water industrial area. \$150 million for [inaudible] area. Total \$465 million. And c.g. wastewater needs for clackamas county to 2030 are \$585 million to \$1 billion. In my opinion, the city of Portland, should put a moratorium on all future financial commitments until the cooling off period is set and met. Who knows how much the metro area citizens will lose due to the current national financial crisis. Wake up. Do not take or commit more of our limited resources at this time. Why is the water bureau willing to spill water from the bull run reservoirs for an unproved plan and then well water potentially contaminated at a cost of \$27 million? The estimated cost of the h.c.p. is growing larger. Increased \$5 million from the draft to what you have in hand. Estimated total is \$70 million to \$100 million. Our advice is to table this h.c.p. until the federal government gets the current financial crisis under control. Please give the ratepayers and taxpayers some breathing room and allow us to keep what we need to pay our bills. Thank you for the careful consideration.

Potter: Please.

Jonathan Soll: I'm jonathan, willamette basin director for the nature conservancy. Thank you for hearing testimony from us today. We're pleased to offer our strong support for the approval of the plan developed by the city's water bureau from a framework that we and the larger sandy river basin partners helped to draft. We believe the plan represents a fair compromise between the needs of water users, the natural resources our region helps it protect. The conservancy has been active in the sandy since 1969 with the vision of a watershed that provides beauty, recreation, ecological riches and ecosystem sustainably for our and future generations. For years we've worked toward that goal, working toward designation of wild and scenic rivers and leading on the ground stewardship efforts and we've identified the sandy as a priority area in our planning processes. We

September 24, 2008

consider the sandy watershed one of our anchor sites, one in which we're willing to make significant commitments in staff time. Helped metro and the other partners acquire and protect thousands additional acres. Our work extends well beyond land acquisition. We've led efforts to restore riparian habitat and worked with 500 willing land owners in the process and found widespread consistent support for these efforts in the watershed. We're active in the watershed council and the sandy river basin partnership. And we engaged with the water bureau with this plan, because the sandy is important and this is a win-win opportunity and the kind of work, collaborative and science driven that our 23,000 member households want us to take on and succeed with. Our optimism has proven justified. We've worked toward a fair solution. The result is the compromise between the desires of the conservation community, honestly, and that the watershed be protected and the reasonable expectation of the city's water bureau and the ratepayers, that the burden of such restoration not fall unduly on the city. It's not a luxury plan, but it's one in which the citizens of Portland and the water users of the bull run can legitimately claim to be practicing sustainable use of the resource. And with its emphasis on the whole watershed approach, the habitat conservation plan is the right approach for the time. The opportunity to conserve the resources of this watershed are fleeting, 50 years from now, we'll look back at this as truly visionary many by taking the more holistic approach the city is going to provide leverage to the many partners to do their work but also receive significant assistance from the 17 and growing partners interested and willing to help in this work.

Potter: Sir, your time is up.

Soll: Five more seconds. The conservancy is proud to support this and to be part of the larger sandy river basin partnership. I urge you to approve the h.c.p. As proposed. Thank you.

Russ Plaeger: Good morning, I'm russ. I work as the coordinator for the sandy river basin watershed council of we're a small community-based organization composed of private land owners and others in the sandy river basin. We're not a water provider. Our role is to actively engage habitat owners to improve the health of the sandy river basin. We've invested through grants we've been able to bring in over \$830,000 on projects on public and private land. We know that the residents and businesses of Portland derive great benefit from the bull run water supply and as a result, we have a collective responsibility to mitigate for the impacts that that bull run water supply operation has had on salmon. For context, the sandy river basin is a key place for recovery for endangered salmon in the lower columbia region. We're one of the places as we work together we can make a difference for the fish that the people of this city and region care about. The watershed council's been an active participant in the process that has led to this habitat conservation plan and after you adopt it, we'll be one of the partners that will stand with you, along with other private and public partners to help you implement it. Help bring in funds to do the work. Some of the other significant partner, the federal bureau of land management and western rivers conservancy based here in Portland. And they've invested over \$20 million in conserving key lands along the sandy river. And for a moment, to take off my professional hat, I've been a Portland homeowner and ratepayer for years and I only drink tap water. This plan is the right thing for our city to do and I applaud the city staff, proactive leadership and leadership from the commissioner level to be out in front, to give you that 50-year guarantee that what you're doing is the right thing. So I applaud your leadership on this important issue. And I encourage you to adopt the habitat conservation plan. And I thank you for the time to testify.

Potter: Thank you, folks. Please call the next three. State your name and you have three minutes.

John Borge: Thank you. Good morning, mayor and council members. My name is John Borge. A planner with Clackamas County Planning Division and I want to thank you for the opportunity for us to share our comments in regard to these -- the plan. We -- I probably don't need to give you a geography lesson. Much of that basin is located in our county and what happens to that basin is of

September 24, 2008

importance to us and we do congratulate the city on preparing a document that has been a long time coming. Our office supports this plan for the following reasons. It recognizes and provides an example of the city's stewardship obligation. It does establish a comprehensive and responsible approach toward protection and restoration of fish populations in the basin and also that's been prepared in a manner that's not one-dimensional and represents a commitment to the long-term health to the basin. The timing could not be better to reverse the declining populations we have in this basin and we want to congratulate the city on their efforts, the staff and yourselves. Is it a perfect plan? I've been involved in planning efforts for over 30 years and it is difficult to find a method to specially of this size and significance, to establish a plan that represents all things to all people. And so some will argue that's too narrow, the scope is too large, others may think it's too big a burden, perhaps not large enough. Our office believes it has struck a good balance and believe the approach to this plan, that this plan will over time provide to be an effective tool in managing the resource both for people and for fish. I suppose it should be no surprise or offense should probably not be taken in the event there are those that might question whether or not sufficient process, outreach, meetings, discussion has occurred in preparing this thing. You know it's been a long time coming. And in my business, even my own staff will argue whether or not you've had sufficient outreach, number of meetings, hearings, etc., and in regard to what we have here, I think that the time for meetings, discussion, outreach is over. And we believe the plan you have before you is something that's very representative of being for the good health of the basin and we congratulate your city staff and all participants because it's a terrific illustration of how public and nonprofits can join and work together and develop a meaningful approach for all interests dedicated to saving the fish in the basin. Thank you.

Scott Fernandez: My name is scott. As a biologist, I support the endangered species act and the habitat conservation plan. However, the plan as written today presented by the water bureau does present a public health issue and a public health problem that I hope you will address before and solve before you sign on to this. It deals with the columbia south shore well field. It's currently contaminated with radioactive material, radon, radium and uranium also and -- uranium also. The second issue is we've found other contaminants in the drinking water. The ethylene and estradiol are contaminants from sewage. Acetaminophen was linked to childhood asthma. And we have other chemicals in the well field linked to cancers. These things with the way the plan is written, the increase in demand from the columbia south shore well field is producing public health issues and problems that still need to be addressed. The solution as i've stated in years past, to go to the bull run well field, it has clean, pure artesian water. This -- artesian water, and you can blend that with the water and that can be supplemented into the stream and also will allow the drinking water to be pure without any contaminants. This would be a rotation of the water used in the well field and to the bull run well field. This -- additionally this saves costs up to \$30 million, 25 to 30 in energy costs, and eliminate the need for the modified level intake which presents its own problems because as the water intake goes up the water column, you're going to incur debris like algae. This is an issue that really hasn't been addressed by the water bureau. I'm asking you to look at these issues from a public health standpoint, from an energy savings standpoint and cost savings of almost \$35 million before you sign on to this. It's a very simple solution. Thank you.

Mike Myrick: Good morning, mayor Potter and commissioners. My name is mike. And i'm a member of the association of northwest steelheaders and the sandy river chapter and officer on both bodies. I'm here to support the h.c.p. I represent the steelheaders on the sandy river basin and for the last five years since I retired and I can see the benefits that the h.c.p. Will contribute to the habitat restoration and recovery of fish in the sandy river. Our chapter considers this our river. We meet on the banks of the river and clean up the banks a minimum of three times a year. I'm also here to make an announcement to the council and partners. I sit on the planning committee of the upcoming step conference. That's salmon trout enhancement program, a volunteer program of the

September 24, 2008

fish and wildlife commission. We'll have over 30 topics relating to fish. And many other topic. During the evening, volunteer recognition and awards ceremony, the sandy river basin partners will be presented a special award recognizing the endeavors over the past 10 years to achieve the results we're here today to support. I thank you and ask you to please give your approval of this plan. Thanks again.

Potter: Thank you, folks. Is that it?

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

Potter: I'm --

Leonard: Eddie, do you want to respond to anything that was said?

Potter: Comments from mr. Fernandez?

Leonard: Yeah. And steve, I don't know if you want to come up and help, or --

Campbell: In terms of concerns raised about groundwater and the alternative that was suggested for looking at the use of groundwater sources in the bull run watershed, i'll make three quick points and see if there's additional questions. First, the groundwater that we serve out of our groundwater system meets and exceeds all of the drinking water standards established under the safe drinking water act. So I -- I guess i'll leave it at that. Second, the h.c.p. in the flow agreements contained in it, are not the primary drivers for future groundwater use. The component that's attributable to the flow agreement in the h.c.p. is about 20-25% of our future groundwater use. The issue of groundwater usage is really independent of what we do in terms of providing the flows. We need to provide the flows to help fish. Whether we use groundwater or not to backfill that is a decision to make as a city and community. We did look at the suggestion through the federal e.i.s. Process of using bull run groundwater in a way suggested by the Portland utility review board and one of the problems with that approach is that the water temperature of the bull run groundwater isn't adequately cold enough for us to cool the temperatures as we need to do and plan to do with using the multilevel intake structure we talked about. So I guess i'll leave those comments with you and if there's further questions we'd be happy to talk about them.

Potter: Specific to the field wells, as scott mentioned, a number of particular contaminants. Radon, estrogen and several -- are those different from what we find?

Campbell: The groundwater is a completely different source and so the constituency, the water temperature of the groundwater is completely different from the bull run. What we found recently is the presence of some of these microcontaminants that he referenced. Traces of tylenol and caffeine and these type -- tylenol and caffeine. Parts per trillion, so it's something on the order of a grain of sand in a swimming pool. This is a new and emerging issue that the drinking water industry is confronting, which it's a manifestation of the advances in our monitoring capability and what it is we can detect far outstrips our ability to know what it means. And that's something that we're grappling with as an industry throughout the country to figure out what is significant -- is there something significant about these amounts and at the same time, we're working with drug companies to look at take-back programs and other things to see if we can reduce even those trace amounts we're finding.

Potter: I guess scott's point is if we're going to be using the field wells more, the chances of folks who drink our water ingesting those contaminants would increase?

Campbell: Yes, if we need to use additional groundwater going forward. The estimates that are in are h.c.p. Include assumptions on how many customers we're going to serve, including the current wholesale customer base. We need it in order to come up with a plan to take a conservative estimate of how much water we need to be serving in our drinking water system going forward. So there is a chance that we will actually serve fewer people in the future, depending on the decisions of some of our wholesale customers. If we do find issues with groundwater, yes, and if we do need to serve the same amount of people or more into the future, we'll be using groundwater more. One of the most important factors about our groundwater system though is that it is because of our

September 24, 2008

groundwater system that we're able to maintain the unfiltered status in the bull run. We occasionally need to use the groundwater as a 100% source when we have storms that affect our ability to use the bull run. That's always going to be an issue as long as we're unfiltered.

Leonard: One of the things he says was there was uranium found.

Campbell: I'm not aware.

Leonard: I think we need to be clear. One could be misled, suggesting that the water is contaminated with that.

*****: They're not and our testing does not indicate that.

Potter: Other questions from the commissioners? Scott, I'm going to allow you to talk a second time. But keep it brief.

Fernandez: It's a decay product of -- radon cannot appear without radium being present. The radium and uranium, they're not been tested for. The second thing I wanted to say is you've been given documents that show -- the green dot you see there is the temperature that the well water from the bull run well field came out as and that's within the zone of being ok with the clean water act. And also, the goal, according to the water bureau for that temperature of that stream is below 21 degrees during the summer. So you can see that there are increases in temperature --

Potter: Are you suggesting or do you have information that there's radon or things in the well fields?

Fernandez: It's been shown that radon is present through their --

Leonard: In the well field, not in the water?

Fernandez: Well, the water was tested for radon by your bureau. Radon is a gas and present --

Leonard: I thought you said it wasn't tested for.

Fernandez: I said radium wasn't. There are three components. Radon is the final sequence in the event.

Campbell: What we do know about radon in the groundwater is that first of all, e.p.a. is in the process of developing a drinking water regulation, specifically to address radon. And there have been some discussions about what the proposed containment level will be for radon in drinking water. And we have not found amounts of radon in our drinking water that would exceed the preliminary standard. So we'll know more once there is a final rule, whether or not there's any issues there. Radon is a naturally occurring gas that shows up throughout the Portland area. There was a school a few years ago, a Portland public school that actually had to close based on off gassing of radon in the basement of that facility. So it is present in the area and it is something that we will continue to monitor. One thing that we're in complete agreement with Mr. Fernandez is we don't want to be serving drinking water that's a public health risk. And so anything we find, any evidence we find that suggests we need to address these matters, we'll be taking very seriously.

Leonard: But as I understand what you're saying is notwithstanding that it may be an issue, it isn't any more of an issue, with this hcp plan. The projections are that the amount of well water that's used currently will be the amount that's used in the future.

Campbell: What I'm saying is that any additional usage of ground water is much more attributable to additional population growth that we would be serving than has to do with this h.c. H.c.p. And the flow commitments that we've made in it only constitute 20-25% of future ground water needs. As I said before, as long as we continue to remain an unfiltered drinking water system, we're going to need a fullbackup that we can turn to to use when we can't use the bull run.

Leonard: Which we do often now.

Campbell: We've probably done it over 10 times since we've had ground water.

Potter: So is radon, which is a by-product of those two, uranium and radium -- can radon be removed from water? Your director is nodding yes. Dave, do you want to chime in on that?

David Shaff, Director, Portland Water Bureau: Go ahead. I'm David Chaff, the director of the water bureau. I'm not an engineer, but Scott is correct in that you can strip radon through

September 24, 2008

offgassing. And if the federal government does implement a radon rule that we have to deal with, it's a fairly simple engineering solution, so it is not something that we're anticipating being a problem at all.

Potter: You're saying it's much less than some of the other prescriptions that the e.p.a. Has been discussing?

Shaff: It may or may not require us to do anything. If our detections of radon are below the minimum or maximum contaminant level that they establish, we may not have to do anything. If they do, it's a fairly simple engineering solution. Scott mentioned that the open reservoirs are a place where they can offgas. It's also possible to do it through our powell butte reservoir and any of our other facilities. So it's not a hard engineering solution to deal with the radon.

Potter: Scott, we're going to have to --

Fernandez: But that's just an incorrect statement from an engineering standpoint. Radon is a nuclear thing. The engineering he's talking about is going to go through water. If water goes through something, the nuclear stuff is going to go through water also. The simplest way is to vent it through the air. That's it. It's that simple.

shaff: That is correct. And that's what we would do.

Potter: Thank you. Is that all the folks who signed up to testify?

Moore-Love: That was all who signed up.

Potter: Is there anyone here who wishes to testify to this specific issue? It's a nonemergency and moves to a second reading.

Leonard: I want to thank everybody who's here today for all the work that's gone into this. This is truly a document to be proud of. One always hesitates to start naming people to thank, because then you leave out people, but I would be remiss if I didn't mention michael hand. Thank you for your work and all of the expertise we brought to the table, and of course gather larson again who is an outstanding partner with us on this and many, many other issues. Eddie campbell and his entire team. I think it's important to acknowledge the important endorsement by nature conservancy, a group I hold in high regard, the steelheaders that we heard from who are really not just sportsmen but true environmentalists. I've worked with them for years, including in the legislature. They're outstanding stewards. Clackamas county and others. And I would just, while all of you are here, say that those of us from european ancestry inherited some good traits, some also not so good traits.

We have a propensity to consume without thinking of the two or three steps after consumption in terms of the impact on the environment. We're just now becoming aware of the impact of unmitigated burning of fossil fuels in terms of the c02 impact on the atmosphere and the global warming that's causing that. This, in a much smaller scale, is us learning really not so much from ourself that actually going back to native-americans, and the native-americans are -- were the ultimate conservationists. They would do nothing to despoil the environment not just for their generation but for future generations. That's a lesson we are learning hard. This is an example of us learning that lesson. There is no reason we can't coexist on this earth with other species that can't speak for themselves and do what we need to survive but in a smarter way and in a way that allows our fisheries to thrive and prosper, do it in a way that allows our forests to thrive and find the balance that I think this is an example of finding. So I want the staff to know how much I appreciate your excellent work on this, and it's something i'm very, very proud of. Thank you.

Potter: We're going to move to the regular agenda. I'd like to have item 1330 heard first. It's an emergency ordinance. I have to leave at 11:30, so i'd like to have that read. Please read item 1330.

Item 1330.

Potter: Mr. Saltzman?

Saltzman: Council previously approved acceptance of an \$135,000 grant from the alfred p. Sloan foundation for the development of park scan, a web-based reporting system that will track the resolution of issues that our park users encounter in our parks. The park scan website will give

September 24, 2008

community users a tool that they can report any maintenance issues they observe, and it also gives us any maintenance security or anything else. It also gives us a way to respond to them through the web as well. As part of our grant, receiving the grant from the Alfred P. Sloan Foundation, we committed to hire the group, the Neighborhood Parks Council, the nonprofit that pioneered park scan to develop the system for us. The contract amount is \$215,000 altogether, 135,000 of that funded by the foundation. So parks will pay no more than \$25,000 per year for three years of ongoing maintenance and support. Ali Ryan is here to answer any questions if you have them. Otherwise I would urge council's support.

Potter: Questions? Do we have anyone signed up to testify?

Moore-Love: We do not have a sign-up sheet for this.

Potter: Anyone here who wishes to testify to this specific issue? It's an emergency. Please call the vote.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. **Potter:** Aye. Please read item 1312.

Item 1312.

Joseph Quinones, Bureau of Human Resources: Good morning. I'm with the bureau of human resources, here today to present your affirmative action plan for the years 2008-2012. You received an executive summary of this -- executive summary of this already. What you haven't received is the entire plan. It looks like this in draft form and is available online at our website. And I'm here to talk about the highlights of the plan and talk about some of the numbers in the plan. I really want to do a couple of things today. I want to first of all summarize for you the accomplishments of the 2005-2008 plan we're just coming to the end of, the specific things that will help you understanding the new plan by understanding how we functioned in the last plan we have. The second thing I want to do is highlight some of the components of the new plan, the 2008-2012 plan, and then I want to tie the plan to the overall city's strategic initiative. The document you've just been handed is really a statistical summary, a data comparison of the 2005-2008 plan from the beginning data to end data of that plan. Essentially, when we went into it, the city was at a rate of 14.62% minority employees and 31% -- 31.95% female employees. In the three years the plan was in operation, we moved to a 16.5% minority employment and 34% female employment in city employees. So essentially, over the three years, we have really increased our employment of both females and minorities. Significantly, we've actually had a total in numbers 2,455 new employees at the city rolls since 2005. Of that number, 141 are minorities, so we've had a 50% higher rate in the last three years of minorities. That's really significant. The overall numbers -- you know -- sort of pale in comparison to that notion. We've really done very well in hiring over the last three years. We ended that last plan with some percentages that, if you see on page 2 of the little handout you just received, the total employees increased by 5%. African-american or black employees had no increase whatsoever. And I'll explain that in a moment, 'cause I think there's some issues there. Asian employees increased by .27%. Hispanic employees increased by .12%. Native-american employees increased by .22%. And overall minority employees increased by 1.84%.

Leonard: I want to make sure I'm hearing these numbers right. Are you meaning one-fifth of 1%?

Quinones: That's correct.

Leonard: Ok.

Quinones: The numbers themselves -- well, those percentages affected by one other factor, which is that the new way of reporting categories changed in the middle of this affirmative action plan. So when we started the plan, Asians and Pacific Islanders were combined. At the end of the plan, they were separated out, the data as well. Now we have a Pacific Islander category all of its own which includes four employees of the city. Also at the same time a new category was added which was two or more minorities, two or more racial distinct backgrounds. And we have 65 people who chose that as their category who worked for the city now. So in those cases, it may be someone who is black ancestry and white ancestry, native ancestry and black, Asian and white. We just don't

September 24, 2008

know because those numbers are not broken out any further. Going forward, the categories will be monitoring our black, hispanic, pacific island, native and two more. We still had an increase of 141 of all of the minorities working for the city in the last three years.

Leonard: In the context of how many employees?

Quinones: 5000 -- we have 5627 employees at the time of this report. Of that number, our total minorities of 962 out of the 5000 or 16.46%.

Leonard: What was the increase?

Quinones: The increase for minorities overall was 1.84%.

Leonard: What is the demographically in the city of Portland percentage of people of color?

Quinones: We actually -- the data for the demographics coming out of the census bureau really seeks to what is a catch area for the whole region which goes down to albania, so the census data doesn't just collect city of Portland. It collects --

Leonard: The state doesn't break that out? I haven't seen any figures from the state that breaking it out.

Potter: I saw a figure of, I thought, 20% for minorities for the city.

Quinones: That's right. And that's what you set as a target for us when we went in the 2005 h 2008 plan. So based on that --

Leonard: We're at 19? At 19 did you say?

Quinones: At 20%.

Leonard: What are we at?

Quinones: We're at 16% 46%.

Leonard: And i'm trying to figure out what then the marginal increase was.

Quinones: 2%.

Leonard: We were at, like, 14.5?

Quinones: And now we're at 16.5. And what my -- I think that this -- ok. I think that this new plan, this 2008, 2012 plan play well carry us into that 20% over the next four years. We're really looking at 3.5% increase to achieve the 20% over the next four years.

Leonard: In a very concise way, give me the elements that are new in this plan you're adopting that you think will achieve results.

Quinones: Certainly. One of them actually comes out of an impetus you gave to your human resources in that we have created and we're implementing that we're calling a diversity-focused recruitment initiative that will be something involving the entire city, all the bureaus, and of course the bureau of human resources. That's going to your desk on the 29th.

Leonard: What does that mean?

Quinones: It means a couple of things. There are really -- sorry I didn't bring that particular plan with me, but I can remember most of it.

Leonard: One of the things i've argued is not overcomplicating this approach. Take your table. Open it up down at smith center at Portland state and sit some city employees down. Does it include elements like that?

Quinones: It does. And, in fact -- ok. Let me just speak to that plan and the context of the overall city then. The bureaus have really initiated a number and have established in the new plan a number of specific activities. One is, as you suggest, to continue to work in job fairs that are sponsored by other organizations, minority organizations in town here including women in trades, f.d.i., all of those groups and other groups representing minority organizations and minority communities here in Portland. Have job fairs of one kind or another or at least career day opportunities. Not only would the bureau of human resources participate in those but so will other bureaus as well. And they've set that target within their part of the plan.

Leonard: For instance, I had a meeting -- I don't know if anna was there or not with etap.

Quinones: I was there, sir.

September 24, 2008

Leonard: We talked about a specific strategy. Evening training and apprenticeship program?

Quinones: Yes.

Leonard: I've gone to it, participated in the graduation ceremony. It is absolutely outstanding run by Deborah Williams. She actually had a plan, and we were working to her to transfer people from that program to city employment, and I never followed up to see what happened as a result of that.

Quinones: And that's what we're preparing for you, what we've prepared for you, which again Yvonne has to review upon her return, and then it will come to your desk.

Leonard: So that's part of it?

Quinones: It is absolutely part of it.

Leonard: That's good.

Quinones: The bureaus have also established partnerships with high schools and institutions of higher learning, including the Hatfield School of Government. And all of the minority student organizations regionally and statewide that we have communication with. We also have bureaus that establish relationships with the minority professional organizations, engineers, planners, those kinds of organizations that we are continuing to refer to, which is to say we've had relations with them in the past. We've let those relationships lapse or we just haven't used them as effectively, but now we have a program in place. My office, who is dedicated to making sure that those relationships remain effective, remain working, remain alive. And again, when we present the plan to you, you'll see that it includes that whenever a new announcement -- job announcement is made with a job opening here, we're going to look at what is the statistical analysis of that. Are we underutilized or not, whether they're minority or female, and if we are, then that sets very specific actions in motion where we start to contact these various agencies and groups. And our target is media, outreach using minority media outlets, both print and electronic media, and also using websites and some of the social networking groups that we've become aware of and that we're using in that way. So it's really a very comprehensive approach, and it's not just out of my office, not just out of D.H.R. Or my office. All of the bureaus are, to one degree or another, engaging in those types of activities.

Leonard: This is an area I've spent a lot of time with in my own bureaus and D.H.R., and I appreciate what you're saying, but what I have learned is that, despite all of our best intentions, we sometimes end up being confounded by our own rules, as we discovered and were discussing the program with Deborah Williams. And I fear we sometimes begin enforcing our rules for the rule's sake and don't recognize that they're standing in the way of us -- standing in the way of us getting well qualified people but using processes that don't conform with our current rules. I think, was opposed to not hiring people because of our rules, we ought to change our rules and amend any of our rules to make them more flexible, to allow us to take candidates from programs like Key Tap -- E-Tap and others so we don't have these barriers that exist artificially because of rules we've adopted.

Quinones: Thank you, sir.

Anna Kanwit, Bureau of Human Resources: Commissioner, if I may, Anna Kenworth, assistant human resources director. I did want to respond, Commissioner Leonard, that we are actually in the process of revamping all of our rules and processes around recruitment.

Leonard: Nice.

Kanwit: We were given the opportunity to do that in part because of the charter reform that was passed the beginning of last year. So we are in the process of doing that, recognizing that some of the things are, well, close to ancient and have not kept up with some of the changes and now, with the charter, we've made some sweeping changes, so we are definitely looking at that and what stands in the way of those types of recruitment.

Leonard: Nice.

*******:** We'll maintain the merit system, but we have certain processes that we know can get in the way.

September 24, 2008

Fish: I want to apologize. You and I both grew up basically in the same county on the east coast. We knew each other when I was practicing law, but you're now actually doing h.r. For the fire bureau, and I confused you with someone who's been doing h.r. For the whole city.

*****: H.r. Is the fire bureau, and i'm still thinking you're wearing the hat was a lawyer.

Leonard: She is. Trust me.

*****: [laughter]

Kanwit: I have my license. I don't practice law for the constituent.

Fish: I remember doing battle with her when she was doing it full time.

Leonard: So do I actually.

Fish: I'm just curious. When I look at these charts, I see gender, race, and national origin reflected. Why not sexual minorities?

Quinones: The affirmative action plan is in response to a mandate from the federal government. We have to provide a plan. The federal government does not recognize sexual minorities.

Leonard: That doesn't mean we can't address it.

*****: That's why we can't address it in this particular plan.

Leonard: No. That doesn't mean why we can't address it.

*****: That's true.

Fish: It may or may not apply to a percentage goal that we set, but it could cause us to amend that goal to reflect it. But I think the point you've made that the federal government requirements don't require us to do it as part of this, I just think that, since the city clearly understands that sexual minorities are part of it's overall affirmative action plan, I wouldn't want their omission from this chart to reflect a backing off of our commitment to make this a hospitable place also for sexual moine are in toys -- minorities.

Potter: Some folks do not wish to be identified, so it does present a problem in terms of trying to keep an accurate number, but I agree with your basic premise that it should be one of those things that we emphasize but also the question about people with disabilities. That's not on here either.

Quinones: It actually is. And it's not -- we have not been keeping that data, but part of the new plan, as we begin keeping data on people with disabilities and also on veterans, those are new requirements coming out of the federal government this year, and we're going to move to comply with that requirement. All of these categories are actually self identification and voluntary. I can say whatever gender I want to or whether I have disabilities. We don't have to prove it. If we were required to make an accommodation, we might ask some questions around that. But the only people who make a decision about whether you are a particular race or not is yourself, so all our employees voluntarily go in and take a look at this. I think we should take a look at how we're going to get some goals for those people who want to voluntarily let us know whatever their sexual orientation is. We would not include it in this plan, but this must be some mechanism we would be able to include it in because the feds would not even acknowledge that or don't want it.

Potter: At least with this administration.

*****: Exactly.

Fish: I would urge us to include a column so we can track stuff even if it doesn't pertain to our federal reporting, but I want to go back to also something you discussed with commissioner Leonard earlier.

*****: Yes, sir.

Fish: I know the minority chambers and minority newspapers have pretty good outlets and we work with the chambers to do housing fairs and make sure we take advantage of their networks.

*****: Yes, sir.

Fish: Are we making the same investment in terms of outreach to those entities, minority chambers, and newspapers? Are we doing the same or enhanced posting of notices in newspapers both electronically and in print?

September 24, 2008

Quinones: Yes, we are. One thing in response again to commissioner Leonard, we have some very specific plans relative to outreach for very specific job classifications. For instance, each have worked on the building trades in particular, and one component of our plan is that we will be going directly to organizations like etap, and s.e.i., women in trades and so forth, and using them as an outlet for announcing our position. They will be posted as they usually are on Portland online so people can come and take a look at them. We're looking to enhance our diversity in the trades and probably won't be making those announcement in the "oregonian," for instance, because we have enough applications already coming through our online process of dominant culture, majority culture folks, that really when we do outreach to open meadow, to women in trades, to s.e.i., to etap --

Leonard: Which by the way, are diverse associations, a wide variety of people with a wide variety of backgrounds.

Quinones: Typically they are going to be people from lower economic status and at risk particularly for a etap and open meadow.

Fish: Commissioner Adams sits on the board of work systems, inc., the bureau of housing community development we have an economic opportunity initiative and some have programs, so we have a lot of experience at the bureau through our antipoverty programs with some of the issues you're dealing with. Are the folks at the h.c.d. Working with you on outreach issues?

Quinones: Not general outreach issues like for the whole city but specific to the bureaus, yes. To the bureau, yes.

Fish: I mean, maybe you're already doing it, but I think bringing work systems and economic opportunity in, I have some good networks that have been established, and there might be some interesting ideas about how to do outreach.

Quinones: We actually have worked with them in the past. At one point, we had a specific program with work systems to employ students of theirs. Unfortunately, our summer employment program is just summer-based, and they're looking for year-round type of employment. But we had students participate in the summer program, then transfer over to work systems.

Fish: I went to northeastern law school, which has a co-op program, and I remember an employer once telling me that they didn't think northeastern law school was a particularly high prestige law school but the benefit the co-op program was it put students in workplaces where they got to show their stuff and that that actually became an advantage over people who have better credentials coming in off of resumés, so I became a real convert to co-op education. At some point i'd love to know more about our comprehensive plans around internships and co-ops, et cetera. Sometimes it's good to have someone come in, work in a short-term employment, get that experience and maybe a champion and then have that lead to full-time employment. At northeastern, it was a huge equalizer in getting students from nontraditional backgrounds into places they otherwise wouldn't be welcome.

Kanwit: Absolutely, commissioner. And actually there have been students from programs who have a paying city job. We have one who actually has come back and worked for us as a temporary employee. So, yeah, that's a great avenue and I think, in response to the question about the outreach issues, part of what joseph's office is looking at in coordination with our employment and development is smarter use of our advertising dollars and different outreach approach. It's one of the things -- I have met with bureaus, when we meet with them each year. One of the things the bureaus have consistently asked for is more assistance in how to do the outreach recruitment, and we've been looking at that. We've not done thorough evaluation in terms of when we get applications. We do it with the job fair, and it's interesting to see what people look at when coming in. Part of it is where you basically get the most bang. Sometimes it's going to be more focused on electronic advertising. Sometimes it may be something else, maybe the radio. There's a lot

September 24, 2008

different ways in addition to simply Portland online and the Oregonian that I think will be very effective in continuing outreach efforts, and that's what I think Joseph's office is working on.

Quinones: Another component of the program that we're talking about, commissioner, is that we also have to -- also have to start to bring our managers and administrators into connection, into relationship with organizations out both local and regional. And so one of the aspects of this outreach program is we get people who are managers and administrators of city bureaus to go out and go to events which I'm sure all of you attended like say hey events, championship of diversity events and actually going and meeting with the people in the NAACP at the various organizations that really represent people seeking employment for minority communities and have them build relationships and build liaisons with those groups. One of the most effective managers I knew working for the state had a row low dex on his desk. He was a person of European descent. Anytime a job opened up, he would flip that row low dex open, he would start calling people he had a personal relationship with. That kind of personal contact was invaluable to him. He I know variably overshot the goals he had for recruitment and hire can because of that personal contact and those personal relationships. We want to help managers in the city develop those, and then we'll provide the technical support for them to advance their outreach goals.

Potter: I think this is really good. One of the things, though, is after we hire them is to retain them.

*****: Yes, sir.

Potter: I really appreciate the fact that a group minority employees, sexual orientation, people with disabilities formed deep.

*****: Yes.

Potter: And I think deep has had a tremendous impact on the organization in terms of providing support to the different groups within our city, and I really appreciate what they do. Often I feel like they're underrecognized because they do a lot more work than perhaps what we recognize. I have to pardon myself. I have to go to another meeting, so I'll turn it over to the president of the council.

Saltzman: Any further questions?

Leonard: I wanted to make one observation that I've become concerned recently on the subject of current employees who are minority employees. Some of them approach me to express to me their concerns in some of the bureau's promotions that when they walk in the room they sit down and are looking at three white guys and not always from Portland, who have been brought here from other cities, and I agreed with them that that was inappropriate, and I don't think I have to explain to you why. I don't think anybody comes in and sits down and consciously decides on a person's qualification based on their race. I do think and have always believed that there are subconscious -- I don't know if I'll call them biases or preconceived notions that influence how everybody sees other people. And it bothered me quite a bit. What can we do to not just update -- and I appreciate what you're telling me about updating the recruitment and hiring rules for new hires, but what can we do to make it clear to each of the bureaus without singling out one bureau that we have some kind of expectation on promotional exams that the oral boards include -- or even if they're people just reviewing applications, include minority communities? Including, I would say, the sexual minority community.

Quinones: One of the things you'll see in the plan is that many of the bureaus have really taken that into account are ensuring, to the degree possible, that they diversify the panel that are doing interviewing. I pushed that back further actually, and part of the new diversity focus recruitment program is in fact participating with managers when a position comes open to have them take a look at the duties and responsibilities, their hiring criteria they need for that position. In a lot of cases now, managers' positions include in their qualifications or in their duties the ability to manage a diverse work team. And then, when they're interviewed, tell us about that. Where did you get that?

September 24, 2008

What does that mean to you? Where did you learn to do that? Where did you exercise that experience? That wasn't there before. It isn't universal yet, and we're trying to make that universal within the hiring of managers for the city. If you're an engineer or helping run a utility truck, the work of the diverse work group is significant as a manager.

Leonard: Just as recently as this month, a promotional exam for a lieutenant included all white males interviewing a candidate.

Quinones: Yes, sir.

Leonard: I have people that come in to me talking to me confidentially. That's something that doesn't require some of the more focused work you're talking about. It's just really a matter of picking people that are appropriate to be talking to candidates about promotions.

Quinones: Yes, it is.

Leonard: It seems like that shouldn't require a lot work to straighten out.

*******:** No, it shouldn't.

Kanwit: That is simply part of ongoing work that needs to be emphasized as we work with the bureau. I think the other issue that we have to continue to pay attention to is the basis and the reason for some of the training we're doing. The cultural competency training is also so people recognize some of those biases you're talking about. On an interview panel, one tends to be comfortable and drawn to the people that look and act like yourself.

Leonard: And I appreciate that, but there's nothing -- I can sit here and talk all I want about the flight of people of color, but I am not a person of color, and I'll be the first to tell you I will defer to a person that is interviewing candidates that is a person of color to give me an impression that maybe I otherwise can't get. So we can train our employees, but I guess I'm just saying I try to do the simplest things first, and the most simple thing is to clearly say to the bureaus we expect you to have promotional panels that reflect our community.

Quinones: Some bureaus actually have that in place. That's a stated expectation of the bureau director, and that's how they carry out. Some just haven't arrived there yet.

Leonard: How do we get there?

*******:** I think --

Kanwit: Part of it is as the plan rolls out and we have the discussions, many of them, it's set by council.

Leonard: Can you bring us something to put in the rules?

Kanwit: Certainly.

Leonard: I would like to adopt something that required that.

Kanwit: We can certainly do that.

Quinones: And the other thing I would not say is that the affirmative action plan is one component of the overall diversity strategy the city. That strategic initiative, if you will, coincided with the dates of this particular -- the 2005, 2008 affirmative action plan. We are now beginning the development of the new diversity strategic initiative for the city which involves all the bureaus again as this plan did, the affirmative action plan, in setting out the goals for the new strategic diversity development initiative for the city. We can include a lot of it in that that isn't necessarily part of this, 'cause this is a quantitative tell the feds what kind of numbers we've got kind of program. Very good activities, very good action, and I think that it is significant that as a result of this 2005-2008 plan half the people we hired in this period were minorities. That's a significant chunk of business that we did right there.

Leonard: I'm trying to align that with we've increased from 14.5% to 18.5% in our workforce.

Quinones: There's only been 285 new employees.

Leonard: Of the 285, half of of them have been people of color?

Quinones: That's correct.

Saltzman: Is this full-time positions?

September 24, 2008

Quinones: Yes.

Leonard: That's good.

Quinones: My apologies for not being clear about that. For parks seasonal workers, they've gone up from having 20% minority for seasonal workers to 30% seasonal workers, and that's an entree.

Leonard: I agree.

*******:** That's an entree into the parks.

Leonard: Or other bureaus.

Saltzman: Thank you. This is a nonemergency so it moves to a second reading. Thank you very much. 1325.

Moore-Love: We do not have a sign-up sheet for that.

Saltzman: Next item, 1325.

Item 1325.

Kanwit: Thank you, commissioners. Anna Kanwit, chief assistant to the human resources director. I think the title is longer than the presentation will be on this. [laughter] It's simply a continuation. We have employees who have been assigned to the project since the beginning of 2007. Despite the fact that we have delayed our go live dates, including 12-hour days, we can see from the exhibit we have a number of employees, folks who have been on the project since 2007. But even those who started 2008 that have a lot of vacation hours on the books, they're not going to be able to use management leave that has been awarded for exemplary performance but, under our rules, that doesn't carry over to what we're simply asking to do: Allow another continuation for these employees to carry over vacation hours in excess of what the rule normally allows to carry over their management leaves, and that they would be able to use that. Because I am anid the ordinance, it's sort of badly worded. They would be able to use their vacation hours in 2009 and 2010, not just in 2010, and their management leave not used by the end of 2010 would be lost and any vacation other than regular accrual amounts would also be lost, but there's still a lot more work for these people to do to bring this project to success.

Leonard: In addition to working 12-hour days, they've worked weekends.

Kanwit: That is true.

Leonard: This has been a herculean effort and would not as successful as it has been so far without the commitment by individual employees, so I think this is the least we can do to honor their work.

Fish: I remember from my prior life that the typical rule is use it or lose it. Here we're saying, if you can't use it because we ask you not to, we're not going to punish you by having you forfeit something you otherwise would have accrued.

*******:** Absolutely.

Fish: To me, this is a no brainer.

Saltzman: Anybody signed up to testify?

Moore-Love: I did not have a sign-up sheet.

Saltzman: Anyone here wish to testify on this. This is a nonemergency, also moves to a second reading. 1326.

Item 1326.

Saltzman: Second reading. Vote only. Please call the roll.

Fish: Aye.

Leonard: Aye.

Saltzman: Aye. Ok 1327.

Item 1327.

John Dale, Bureau of Transportation: Good morning. My name is John Dale with the office of transportation. This matter concerns the proposed vacation of a one-foot strip of right-of-way between southeast 75th and 76th avenues north of southeast division streets. This strip of right-of-

September 24, 2008

way was acquired in connection with the proposed development for the purpose of establishing a pedestrian path. As a result of an appeal, the city council adopted a zoning change for this site. Council directed the office of transportation to go through the vacation process to put the strip back to the adjacent property owner.

Saltzman: I remember that now. I have no questions. Anybody else have any questions? Thank you. Is there anybody signed up to testify?

Moore-Love: No one signed up.

Saltzman: Thank you. Nonemergency. Moves to a second reading. 1328.

Item 1328.

Andrew Aebi, Bureau of Transportation: Good morning, commissioners. I'm Andrew Aebi, local improvement district administrator. Council previously considered this project to improve northeast 109th Avenue north of Market Street.

Saltzman: We'll give you an opportunity to come up to the table.

*****: Oh, ok.

Aebi: City Council previously considered improving northeast 109th Avenue north of Market Street on August 27th. At that time, Council accepted petitions from 78.7% of the property owners as measured by their dollar share of the project cost. An additional waiver of remonstrance support brought total support to 87.0%. The ordinance before you today would actually form the I.I.D. This hearing was scheduled before I knew that Commissioner Adams was going to be absent. We have already testified the property owners of the hearing. We did not receive any remonstrances from any of the property owners prior to the deadline of filing last Wednesday, September 16th, per the remonstrance procedure adopted by Council and City Code. We do have two property owners signed up to testify today. I believe they own the same property. I haven't had prior communication with those property owners. We'd be happy to follow up with them on any questions they may have regarding the proposal. I would note that, if there are objections to forming the I.I.D., my recommendation for Council and for the other property owners engaged in the project discussions over the past year would be to pass the ordinance to a second reading next week. Directive H. Of the ordinance directs that all remonstrances be overruled, so there would be no further action on the part of Council other than moving it to a second reading and adopting it next week. Again, there's no findings regarding any potential objections because nothing was filed by the deadline of last week. Please feel free to ask me any questions. Finally, I passed out a map to you. This is the map that was included in the resolution of the intent adopted on August 27th. The black area is the area of improvement. The properties shaded in green are those that tendered their petition support for the project. Two properties are shaded in blue. Both properties have waived the remonstrance. Again, I haven't had prior communication with the property owners who are signed up to testify here in a moment, but they're in the upper right-hand corner of the map, and they didn't tender their petitions for it, nor are they a waiver of remonstrance property. Again, please feel free to call me forward if you have any further questions after the testimony.

Saltzman: Thank you. I'm guessing you're signed up to testify. Is there somebody --

Moore-Love: There was a Wesley and Laura Lee Midor, I believe it is.

Saltzman: You're Mr. Midor, I take it.

Wes Meador: Right. Wes Meador. Glad to meet you people.

Saltzman: State your name for the record, and you have three minutes.

Meador: Wes Meador. I own an acre of land that faces 109th there. I bought it in 1965 and built a building there and have had a business there for over 40 years. But I've been retired for about five years, and this is going to create quite a burden for me to pay for this. I think it's kind of an overkill that the road is tore up some on the north end by a bark dust company and Mr. Welch's trucks turn around down there to unload their bark dust, and it's caused quite a bit of damage to the road. As

September 24, 2008

far as sidewalks go, I never see anyone walk down that street that needs a sidewalk. That's about all I've got to say, but I don't know how I'll be able to afford this.

Fish: Sir, were you aware of the deadlines for filing a remonstrance?

Meador: Yes. I turned in a deadline -- a letter. You didn't get it?

Saltzman: Maybe we'll call Andrew back up here.

Fish: I don't think we've seen any. When did you turn it in?

Meador: It was the day of the deadline, about 3:00 in the afternoon.

Fish: Who did you give it to?

Meador: My boy delivered it next-door here. Maybe that was the wrong place to take it, but he -- I understood he took it to the proper place.

Saltzman: Did you have any further testimony? No.

Saltzman: Thank you. Why don't you have a seat. We'll ask Andrew to come back up here and tell us if he received a remonstrance.

Aebi: Thank you, Commissioner Saltzman. Andrew Aebi. City code requires that remonstrances be delivered to the city auditor. They either have to be mailed via U.S. mail or they have to be delivered in person. I would note that, in most cases, when remonstrances are filed, I usually have an inkling that they're coming. Usually people call me and ask me questions about the project and I advise people of the procedure. Usually, when a remonstrance comes in, it's not unexpected.

Again, I haven't received any prior communication from the property owner. I certainly wasn't looking for it. I would anecdotally say on some prior projects I've had people put the wrong address on the remonstrance. It goes to the wrong place. If you delivered it to somebody in person other than the auditor, I'm not sure exactly where it went, but that's exactly why we have a very specific procedure in city code to ensure the remonstrances are received in a timely manner so that I can respond to them and provide answers to council in terms of the issues that were raised.

Unfortunately, I didn't receive a copy of it. But, again, what I would suggest is I'd be happy to take a copy of that and follow up with the property owners and address any questions they have and concerns that they have.

Saltzman: That sounds good. Mr. Meador, if you could provide a copy your remonstrance to Andrew, we will vote on this next week actually so he will have time to look at your remonstrance, consider it, and we'll have a chance to consider it on our final vote.

Meador: When should it be turned this?

Aebi: It was last Wednesday, but let's talk outside the chamber and I'll make arrangements. The question I'll ask is are we officially holding open the record for this remonstrance or are we simply dealing with it administratively at this point?

Walters: I guess in part that's the council's prerogative. The council members do require that a remonstrance be submitted at a specific time within a certain deadline, and that did not apparently occur in this instance.

Leonard: But if it was a legitimate mistake, I mean, we have the right to decide just how we're going to vote, and I would like you to look at his remonstrance and see if there's any substance to it and be prepared to answer any questions.

Aebi: I guess what I would propose then, Commissioner Leonard, is that I get a copy of that late remonstrance, put together a memo to council, send it around to all few of you, and you'll have a chance to review that before you vote next week.

Fish: If I could just add, the question of where you deliver something, you've made it very clear that the rules require it go to the auditor, but I'd be interested next week in knowing if in fact it was received by some other entity of the city. I think you were pointing to the municipal building. If there's some record of it being received by PDOT or somebody else, I'd like to know that.

Aebi: I'll put that in my memo.

Saltzman: We'll move on to a second reading next week. And we are now on 1328.

September 24, 2008

Fish: 29.

Saltzman: 29. Excuse me.

Item 1329.

Saltzman: Second reading. Vote only. Please call the roll.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. So item 1331.

Item 1331.

Saltzman: Second reading. Vote only. Please call the roll.

Fish: Aye. **Leonard:** Aye. **Saltzman:** Aye. So we stand adjourned until 2:00 p.m. this afternoon.

At 11:56 a.m., Council recessed.

September 24, 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.

SEPTEMBER 24, 2008 2:00 PM

[roll call]

Potter: Prior to offering public testimony to city council, lobbyists must declare which lobbying entity they are authorized to represent.

Items 1332 and 1333.

Potter: I've been following the development of the north pearl district for some time, and i've had several conversations with gil and other folks regarding this project. We have discussed the concerns of various stakeholders about the potential new development to create a complete community that's sustainable in the long term. The bureau of planning and the other partners working on this plan have craft add plan that will influence the creation of family focused housing and generally greater diversity of housing than we've seen in the pearl to date. The plan also includes incentives to create public amenities such as a community center, a school, and day care facilities that are desperately needed as the district and larger central Portland area continues to grow. The plan also includes measures intended to preserve and protect historic and architecturally significant buildings throughout the pearl district. These efforts will help us to Support not only the growing and diversifying residential population in the pearl but also to support employers as well as employees. The staff have been working with the community to create that vision and provide a predictable future for this area. Involve neighbors, property owners, businesses, realtors, developers, architects, as well as urban planners to come up with strategies and proposals that will meet community needs and desires for the area. The plan meets our larger goals for the pearl district and the larger central city area and marks the starting point for similar discussions that will be part of the central plan about how to support a growing and more diverse population of residents and businesses in the central city. With that i'd like to call forward gil and his folks.

Gil Kelley, Director, Bureau of Planning: Thank you, mayor, good afternoon. Gil kelley, director of planning. I want to make a few brief introductory remarks. I'm joined by troy dos, project manager, and mauriceio, and I wanted to thank these two in particular, but also joe zender, mark, laurel, and all of their colleagues and p.d.c., b.e.s., and parks. We had a wonderful group of community in the pearl as opposed to the first time, our first pass-throughout pearl, we now have a resident community who have been actively participating in the development community and the discussions. So this product is a very good Outcome of that community conversation. Just wanted to put two things in context. One is that this is one of two efforts within the 1988 central city boundary that we agreed to take on in terms of replanning in advance of the central Portland plan effort, which is now underway. The other being the skidmore old town area, zoning modifications of their. So there will be other opportunities going forward in the central Portland plan to look at other issues that may come out of this discussion today and to look at other parts of the central city. But we felt it was important particularly in this area where at least when we began the project the market was very hot, where the current entitlement were low, we thought we ought to respond and do something to allow the continued development. Even while we were gearing up to do the review of the central city plan. That's the first point I wanted to make. The second point is that in 1988 when the central city plan was adopted, the policies for us was to encourage a mixed use downtown

September 24, 2008

and so we were offering bonuses and incentives really to create any kind of housing downtown. When you look at what we've grown into now, we've really matured, and so part of the hallmark of this certain to really say, well, now that we have matured and now that for development purposes values have risen and rents have risen, can we now take on another sort of level of community building through some of these planning efforts? So the notion here that we focus on families and family oriented amenities more design attributes as well, and historic preservation, things we didn't pay quite as much attention to in the first go-around are very live issues. So that was the focus of the effort here. So it's a little precursor as we've discussed as what's ahead in the central Portland plan in the sense that we're now maturing central city and we can take things to the next level. We did not -- we were careful in this discrete effort not to trip the wires of external constraints and particularly here i'm speaking about the larger traffic constraints, which we butched up against in the northwest district planning a few years ago. Those kind of bigger heavier lifting, if you will, kinds of issues will be done as part of the central Portland plan. So we tried to live within the framework that's there, but to address what we're seeing as community needs as the pearl is maturing for broad range of incomes and families. So just wanted to frame that for you. At this point i'd like to turn it over to troy, who is going to give you a presentation. Mauricio will address new terms of traffic concerns.

Troy Doss, Bureau of Planning: Thank you, gil. As mentioned i'm troy, the project manager for the north pearl plan. I want to walk you through the basic elements of our plan. To get you acquainted with the area, the north pearl plan area is really the portions of the central city north of northwest lovejoy. So it's those portions of the pearl that largely haven't been developed yet, vacant land as well as older industrial buildings that are pretty likely to be redeveloped in the next couple years. I would -- it also includes the waterfront areas north of the Broadway bridge, fremont, as well as the riverscape parcels, the old terminal one site north of the fremont bridge. We had a lot of partners in this process. It was a joint process between the bureau of planning, Portland office of transportation, as well as the Portland development commission. I want to thank steve shane and fred warren's group, they've been instrumental in helping us pull this plan together. The project advisory group we pulled together for this met with us over the course of about 13 months. We met almost every month and it included members of pearl district neighborhood association, northwest district association, development, such as hoyt street properties, riverscape development, pearl real estate, and central city concern. And we also had a number of at large members of the residential and business community there as well as a number of architects and urban designers, and then experts in sustainable development as well as affordable housing on our committee. The basic premise of the plan was to investigate a discrete increase in f.a.r., and a very small portion of this area. The areas we're talking about f.a.r. increases in this plan is only -- only constitutes 13% of the total plan area there. Was also a conversation about how we might increase height in that portion and other parts of the plan area, but what we wanted to do is have a broader discussion, as we increase entitlements, what kind of community do we want to create? Do we want a more complete community, how do we expand our transportation, multimodal transportation network? And also how do we result in an urban forums that complimentary to the pearl district we already have and takes us into the next couple decades of development? The first concept is complete community concept. It's really the main element of the plan. What this means is we've been very successful in encouraging a lot of residential development in a very short period in the pearl district. What we found is that the complexity of that residential development and the population was really kind of one kind for a long period. We started to see that the community started to diversify, families started to occur in the pearl. The needs started to change. We had to counter a couple of myths as we started this project. These are fairly common things you've heard in the past. Housing is too expensive, there are no children that live in the pearl, it's mostly retired couples and singles who are never going to have kids. The district is pretty rich with amenities already. We

September 24, 2008

started counter can those things and look the at, if you look at housing affordability, almost 50% of the housing in the pearl district is affordable to those who make 80% or less of the median family income. 25% of that housing is available to people making less than 50% of the median family income. So there's a lot of affordable housing in this district. We also started looking at, what are the birthrates here? It's true that around time the plan was developed, the only river district plan in the mid 90s, it's the first housing parcel started coming in until about 2000. The birthrate was low. But this housing boom started in the early part of this decade. Those numbers really accelerated overnight and we found just last -- the last year we have good census data for birthrates, 2006, we've seen 48 births occurring in the pearl district. That's about two to three kindergarten classrooms being born every year in the pearl district. Problem is we don't see the housing keeping pace with the needs or not really compatible with the needs of families. 80% roughly of the housing or a little over 80% of the housing in the pearl consists of one bedroom and studio apartments. Less than 20% of that housing has two or three bedroom units. And none of these projects have been designed with family needs in mind. We started looking at, what would be a family compatible housing criteria? We looked north to vancouver, b.c., and they have design centers that have been adopted for guiding family compatibility housing. They find you need to have two and three-bedroom units, what was interesting to us, you need about 20 or more per housing project. It really creates a critical mass so you can collect a certain amount of families. There's not just one family off in its own in these buildings. The units can be designed to be fairly small, but they can be laid out in a way that accommodates play and storage. You're going to need more storage for family needs, strollers, bikes, and other types of play equipment. And then you need to have shared family gathering spaces. So you're looking at things such as exterior play areas, as well as common rooms inside the buildings. And then lastly you want close availability to things such as parks, schools, day care, and community centers. And what's important about those things is it becomes an extension of the home, if you many. So the community needs to -- we start looking at what's there. The closest community center in the northwest district is well over two miles away. The closest elementary school is chapman in northwest district. Over a mile away. Though it's not at capacity currently, based on the birthrate we're seeing in the pearl alone, plus the birth rates in the northwest district, it's not too long before we expect to see that school district at capacity. The middle school is east the west is sylvan, it has over 900 students and they've had to split into two campuses to accommodate capacity they do have. When you go to day care, there are no day care facilities for children in the pearl. Not one. But there are three for dogs. We'd like to see that trend reverse. Based on this information, we work this through with family advocates and our stakeholders in the pearl district and looked at what kind of policy we wanted to create. We looked at how do we complete community that brings in public communities, encourages retail sales and services, that reflects this population, especially families with children. And -- family compatible housing, influx of public amenities. Next we looked at how do we bring in the whole issue of sustainability? We brought together led by p.d.c., it brought together experts in the field of sustainable community developments. We looked at not just traditional aspects we usually looked at, green building design and storm water, but social equity, development of healthy neighborhoods, how to create a sustainable economy as well as one that relies on the green industry. How do we not look at storm water management but trying to deal with a more analysis item approach to storm water management. Storm water that reflects the predevelopment pattern of runoff and then how do we extend our multimodal transportation system to reflect these ideas. We took each category and broke them down into goals. They're reflected in the plan. It's pretty expansive, but we have these goals with deal with each of the key areas. As well as the number of action items. Already as a result of this thinking the office of sustainable development has initiate add process by which they're look at the ability to do districtwide energy through the pearl district and expand that. So that process has already started. We also would recommend rather than code

September 24, 2008

identify these ideas, which we'll want to consider as part of the central Portland plan, we suggest for an interim period we do a monitoring report that really sees how the public and private development has met these various metrics that have been identified. Then we adopt this community policy and various objects I just -- objectives I just discussed. A big focus was growth and urban Design. Really was how do we shape the urban mass, the urban form and building mass and just overall character of this district as we go forward. We held the two-day charrette in fall of last year. And the members of our design commission. What we did is identify a couple key themes we really wanted to pursue. As we create this urban form, how do we bring in high density mixed use development, but also incorporate our goals of sustainability, direct how we want to put in community assets and public amenities, create a quality street network and character, how do we shape our building height, and design quality to reflect our desires, and how do we create a really well-designed network of open space, streets, and accessways, public and private. From that shook out a series of goals, and rather than go through those, I'll hit some of the high points. All this thinking led to a creation of urban design framework plan where we started looking at areas where mixed use commercial might be more appropriate, we could do continued expansion of our residential populations, based on those locations where we might better suit public amenities such as a community center or k-8 public school, how we could expand the green streets network, make connections to adjacent districts as well as portions of our plan area and make a stronger connection between the Pearl district located west of the railroad tracks to those waterfront properties east of Naito. We'll cover some of these issues as we get into the zoning code amendments. Related to how we would address the urban form and shape the skyline, how we could set building mass to reflect preservation of pedestrian scale, not shade out our street environment, not shade out our public amenities, just our parks, and a big issue which came from the Pearl district neighborhood association was how do we expand our protection of historic resources in the district? A lot of the buildings that are there have a very old historic character, but very few of them are historic landmarks. We wanted to look at how we could preserve those. They speak to not only the architectural heritage, but have a big impact on how they preserve scale at the pedestrian level and help offset impacts of having a district that's entirely large-scale tall development. The existing guidelines are completely text based no, graphic images, and they also speak to the prior industrial sanctuary that used to exist in the Pearl that's no longer there. So we wanted to update, correct factual errors, but also keep the general guidelines because they're pretty good, but infuse them with series of graphics. Next are transportation policy. Transportation in the district has been a big issue because we recognize that the northwest area does have a fair number of transportation concerns. But when we looked at what we're proposing we modeled based on that premise and built in strategies. How do we take advantage of that existing street network to make sure we can maintain our capacity and try to reduce congestion. How do we increase the percentage of nonauto trips, improve our transit, bicycle and walking network, reduce parking network, and implement a transportation management association for the whole Pearl as well as expand our green street connections. This diagram helps to show how those concepts came to play. We expand our grown street concept currently, it's just on Petty Grove. We extend to it Raleigh and consider other streets as well. And a key feature that may get brought up in discussion later on is the concept of taking the Lovejoy and Northrup streets and turning them into a cup let that would extend from Northwest 10th to Northwest 16th. So it really contains that primarily inside the Pearl district. What it does is help relieve congestion that's occurring on Lovejoy. It also helps to improve streetcar capacity through the district. As we were talking about street hierarchy and character, how can we design our streets differently to better handle storm water capacity as well as influence increased pedestrian and bike usage, be compatible with transit, and in some cases allow for spilling out of retail and cafe uses on to key streets to enrich of life of those street bases. From all of this became this transportation policy where we really look at this idea of how do we provide a transportation

September 24, 2008

system that really addresses the full range of options and looks at our sustainability goals as well as our reducing -- our attempt to try to reduce reliance on the automobile as a sole means of transportation. One thing that came up during our plan commission reviews, there were requests to look at a couple properties that are on the east side of the railroad tracks. These properties primarily are serviced off naito. There's a number reasons why we didn't want to support that, and why plan commission design commission didn't want to support, that but primary one for us was that we've done some transportation modeling that showed if we were to increase the floor area ratios, we would have failures in our transportation system. But what we'd like to do is say, rather than just say no to those requests, we'd like to say not now and come back to that as part of the central Portland plan and investigate that. We can look at all of our transportation constraints. One of the big problems, if you look that the diagram, you see these arrows, it shows the few places in which the traffic has the ability to get off naito. When you increase capacity. It's different than the rest of the district, because the grid pattern allows you any number of ways to bleed the traffic off the grid. Getting down to the implementation strategy, the zoning amendments, there's the old pattern of boundaries that reflect prior industrial sanctuary that used to occur in the pearl. That's gone now. And what we want to do is expand the north pearl subarea to take over what used to be the northwest triangle, and include some other parcels as well. The old industrial tract as well as the riverscape site north of the fremont bridge. That would be our first move. And then this map here shows the area highlighted in green is the only area we're proposing, so that area has a floor area of 2-1, and in this case we would be increasing it to 4-1. The green area is the area where we're increasing the floor area ratio. The same time, we have an existing policy in the plan that targets residential developments. This goes back to 1990. We were hoping we would encourage residential development to happen in the pearl. It's happening, we don't need a residential target area, we also have a bonus target area. This is probably the bigger offender. What you look at here is within this area if you were to do development and were you going to take advantage of development. Bonuses, the area on the left, it would show if you develop in that area, use a bonus you have to use the residential bonus before all other options. The residential bonus only gives you additional floor area just for doing residential development. It doesn't give it to you as affordable housing or market rate, it don't matter fits a single bedroom or four bedroom. So what we wanted to do is turn that on its head and say let's create a new target area where we see most of the residential development occurring in this plan area, and set up a couple different incentives. We reduce the residential bonus rather than getting a maximum 3-1 you'd only get 2-1. Next we brought in this new family housing bonus. It provides as much f.a.r. as the residential bonus, but it does it in exchange for family compatible housing. In this case you would be getting a bonus of 2-1 for every two-bedroom unit you create, 3-1 for every three-bedroom unit you create. You have to provide 20 of them per project, and then you need to create some on-site interior common rooms as well as exterior play space. Next to get at this community amenity bonus, how do we get k-8 schools and community centers and day care facilities. Let's target those specifically. And what we'll say is you build that as part of your mixed use project, could be residential or commercial, we won't hold the f.a.r. used to create that amenity against your overall Project. It's a benefit both to the service provider as well as the developer.

Saltzman: Is that strictly for school or day care?

Doss: It could be day care, it could be school, it could be community center. It could be library. Community center school and day care are the primary focus right now. Those are the only amenities you would be -- that would qualify for this bonus.

Fish: Can you go back? Where it says the proposal three-bedroom units, 12,000-square-foot max, get the 3-1, can you -- 1200 square foot max, 3-1 bonus, can you explain why it's a max and not a minimum?

September 24, 2008

Doss: We didn't want to give a bonus for really large units that were going to be so expensive they would be out of reach of most families. This isn't by any means only available to affordable or subsidized housing, but we wanted to keep them small enough they could be affordable for subsidized housing as well as market rate housing. We've talked to some of the developers, this isn't that far off from what they're already doing when they do build two-bedroom units. So it may seem small if you were building in Alameda or Irvington, but it's not that small for the Pearl District and it's not that different than multifamily development you see around the city.

Kelley: And it doesn't limit the housing that might be provided. Inside the other housing bonus, only within this family bonus.

Doss: The last -- we put in a new transfer provision for f.a.r., which focuses on these historic buildings. We already have a transfer provision from landmark structures, but we want to say, if you were a designated historic resource in the Pearl District, we're going to go ahead and extend this transfer provision. So this map shows a number of buildings, the only blue ones have historic designation, but the other ones, except for the red, have some type of historic designation within the city. So we said, let's go ahead and create a new area that includes the entire Pearl District. If you are an historic landmark, contributing structure, or a rent resource, we'll allow you to transfer your f.a.r. That will give us additional building potential, it will help us preserve these buildings and generate income that will help the owners of those buildings rehab the structures that way. -- they've really generated the neighborhood association's ideas, and this is a very valuable tool. We've also should note we've ran this past the landmarks commission, design commission and plan commission and they're wild about this idea.

Kelley: It might be important to note, give them in case the council took up over a year ago, the Allegro, we're limiting the transfers town side the shade area. So they're not cross-town transfers, they're within the same traffic analysis areas, and that was important for us.

Doss: Lastly is how we were approaching height and building mass in the district. Currently this is the existing rock core framework. What starts off, every building inside the Pearl District for the most part is limited to hundred-foot maximum height. If you get more height, you have to earn a certain bonus f.a.r. And you get a certain amount more height unless do you residential and you can get an automatic 75-foot increase off the bat. We wanted to broaden that and say, let's target areas inside this plan area. And if you use floor area bonuses, to get above a hundred feet to create the building above a hundred feet, we're going to go ahead and let have you more height. We want to be sensitive to our concerns. The waterfront area, we want to limit to a bonus of no more than 75 feet above the maximum 100. But rather than set a maximum on the Pearl District that's west of the railroad tracks, let's have no height limit. And this was shockingly not that controversial, because what it does is rather than regulate by maximum height, we're regulating bite amount of floor area have you available to you. So it's going to allow to you get only so tall. The taller you get the thinner your building will have to be. So that's one keynote. One thing we want to say, we want to make sure we were regulating these, because you could still get a massive building with those regulations, so for the first tier, which is from a hundred to 175 feet, we're going to make sure you're facade lengths aren't any longer than 150 feet that. Will allow for visual permeability and won't overly shade out the pedestrian realm. It also -- let me come back to it. The next tier, when you get above 175 feet, we crunch that mass down even more. They can't be any longer than 120 feet and floor plates can't be any longer than 12,500 square feet. So really what we're trying to get at is mastings that don't crunch the pedestrian scale, they don't shade out the environment, they allow for view corridors and still allow for variability in how those buildings are programmed. Lastly, what we took on was this notion of how do we extend the petted environment that's on 13th northward and protect that before development occurs there? If you go down northwest 13th, I think the photos show you, really have you these older buildings, typically somewhere between 50-75 feet in height, and it creates a pretty dynamic pedestrian realm. You experience that when you go there

September 24, 2008

on first thursdays in the summertime. So what we wanted to do is make sure we could replicate that. What we decided to do, we would limit the building heights immediately adjacent to that right of way to no more than 75 feet. And then once they get above 75 feet they need to step back another 25 feet before they go any taller. What you're going to experience is the 75 feet, not the taller masting. So we create this new setback criteria. In summary, I want to thank our project advisory group and our partners, they've stuck with us, and they've helped us create new plan amendments to deal with this complete community process, sustainability concept, and then a series of code amendments and our undated river district design guidelines. And i'm going to conclude with that. Thank you for your time.

Leonard: I had the benefit of having some of the members of our audience take a tour here some time back, so I was really focused on the aspect of the day care and the schools and the community center, because that's what they wanted me to focus on. So I was very pleasantly surprised that not only have you acknowledged that, it seemed to be a large component of this plan. Is this incentives are intriguing the way you've -- which I really appreciate, increasing the f.a.r. If the -- if those amenities are in sight. Is that something we've done somewhere before? Is it just because this effective lobbying on the part of these very powerful women?

Doss: There's a day care incentive that exists in the code, but there's a drawback to it, and that is that it requires to You keep that facility in perpetuity. So as long as the building is there you have to have this day care facility. You find only tenants there for the long haul can commit to that. So the two buildings that exist, one is a federal building and one is a state building. So we've said if you can create that amenity for a periods that's no less than 10 years, you're going to create such a demand you won't have to worry about the expiration date and you won't create the space and leave it empty as a developer. So we think there's incentive, and as we were cooking all these ideas up, we tested them with economist and developers to make sure they had viability, but we still wanted to see when they might be used. We have a developer who is ready to go and waiting to do a project. So i'm not sure if said here, he can talk about his project, but he has an affordable family housing project proposed, he's waiting for these amendments to get adopted. My understanding is he has a pre-k public facility as well as day care coming into this facility in the ground floor. So it speaks exactly to these bonus provisions.

Leonard: Excellent. How about affordability factor? Is there anything that we do in the design strategy as we are doing this now that also addresses it? I also I think -- I didn't just learn, but reinforce the -- not The pearl -- there's a lot of working class people with kids there who are needing these kinds of services, so it's great there will be a day care facility, but have we addressed the issue of affordability for parents, or is that something just the developer decides?

Doss: To a certain -- you're talking about house or the day care facility?

Leonard: Day care specifically.

Doss: We haven't addressed that specifically, no. Although maybe ed can speak about his thoughts and his project. But we haven't set any ratios. Even for the housing we didn't want to set affordability rate. We want it available and at sizes we could subsidize for affordable housing, but also allow market rate to occur. So no, not specifically.

Fish: If we adopt the zoning code amendments, I realize you're planning, not p.d.c., but in general, your understanding, how much of the plan development that is dependent on tiff gets tied up because of the river district amendment appeal?

Kelley: Without predicting the time frame --

Fish: Deposit at worse case a couple years.

Kelley: A number of the projects, particularly hoyt street, are -- they have an agreement with p.d.c. Which has certain stipulations. I don't think that -- steve is probably here, that that project contemplates money coming from tiff into those particular housing projects. But i'm going to ask shane to respond to that. So they're pretty much free to go. Essentially what's been holding them

September 24, 2008

back is the low 2-1 base f.a.r. at that end of the district. I think the return of the market is probably the more important factor at this point. And just to get back to commissioner Leonard's point, we've been sort of anxious to tinker with these ideas of how we negotiate more public benefit out of entitlements, and that being said wouldn't take anything away from the effective lobbying efforts of people you spoke w they were great partners pushing us along.

Potter: Did you want to say anything?

Mauricio Leclerc, Bureau of Transportation: Not at this time. I think troy captured -- .

Fish: Are you prepared to tell us how we're going to pay for light rail to milwaukie?

*******:** Not yet.

Fish: Ok. [laughter]

*******:** We're working on it.

Potter: There's three invited speakers. When you speak, please state your name for the record. Anybody can begin.

Kristen Lee: My name is Kristin lee. I am the founder of a group called central Portland families, which began in november of 1907 -- no, not that long ago. 2007, and the group is focus order advocating for people who live, learn, work, and play in the central Portland area. I'm a resident of the pearl district since 1999, and we have been raising our son there since 2003. I just want to prove to you that we do in fact have a son. She now 5. This is him when he was 3 and he was playing on one of the tiny amenities in the school district, one of the bike racks, and it's one of his favorite things in the city, in the neighborhood where we live today. This is another picture of him with his grandmother enjoying tanner springs, proof that people really do go to tanner springs and enjoy it, and he asked me the other day, when is that other park going to happen with the play structure? And I said, I don't know. Because -- and I just talked to my neighbor today who was on that committee, she said it's been held up for a year, the process has been stopped. So that leads me to the first thing I would say, I would encourage you to adopt and move forward on implementation of the north pearl plan as soon as possible, because i'm afraid that stuff is going to happen otherwise that won't take into consideration all this important work that there was a lot of community input on. I'm here to ask you to adopt that, and to do it with hayes, and to remind them this has already been stated, it was a really great collaborative partnership between the city and the citizens, developers, and business people that culminated in this plan. And my hope is that it will not go to waste all that work, and that it won't just remain a document and a bunch of stuff on written paper.

The development of the north pearl plan was a community process that received continual input from parents, people and families who care of building a vital, dense, neighborhood. That welcomes diversity of residents of all ages and income levels. Perhaps even more importantly it seeks to create an environment where they can and will stay. It will not just welcome them, but they will be able to stay there and they will be the quote unquote amenities that will make it a desirable place not just to come, but to remain. If the north pearl plan gets adopted and implemented, I think it will create the best that the city can be, a place that people can move to, a place they can call home, a place where children can be born, and families and all their formulations can grow and thrive. And that it will be a great place to grow old and having participated on the advisory group that created the north pearl plan, I see it as encompassing a lot of really important concepts that can expand into the larger Portland plan as it develops. There was a lot of thought into how to make the central city as well a vital place for not just families, families in particular, but for people of all ages. And I encourage to you adopt it.

Leonard: Have you invited commissioner Saltzman on the same walking tour I had?

Lee: We have invited him, and we actually ended up coming to his office.

Leonard: You need to get him out like did you with me.

Lee: I think -- .

Leonard: Let me tell a secret, he's in charge of the parks bureau.

September 24, 2008

*******:** Get that field built, mister.

Saltzman: I hear you.

Leonard: You're welcome.

Potter: Please proceed.

Nancy Davis: Thank you. Nancy davis, i'm here to testify in support of the north pearl plan, especially the complete community and the family aspect of it. As with kirsten, I hope that you feel our sense of urgency that this happened, that the plan be approved and that it be implemented. I want to share two trends, one observation, and five very consistent questions that get asked in our neighborhood. The first trend troy already touched on, but it's there are lots of babies. You saw those 2006 numbers, basically two kindergartens. There are a lot of babies. A lot of births. 2006 was a white ago. We're also interestingly seeing fewer families moving out. Which a cynic might say because of the froth in the market has made it harder to flip condos, but we're also seeing just a different type of resident. People who are moving here, not for a short-term investment property, but rather to raise their families here. So we want that trend to kind of be factored into what we're seeing and finally, well, i'm going to call this an observation, but it is very unique, not something we saw Even nine months ago. We're seeing families move in rather than children being born here. If you appreciate that disteens. We used to see that because widen and kennedy or someone else would recruit someone, and a family would locate here. But in the last two weeks i've met a family of three who moved from west linn, a family -- a family with three kids who moved from west linn and a family with two kids who moved from newberg. So we're curious. We won't just be factoring the birthrate, we'll be factoring in migration. Another thing that has happened since some of you toured, and we spoke while you were a candidate, there was lots of excitement, is that we've opened a clubhouse. And we're very grateful to glen for donating the pace and so zimmerman community center for funding it. It's 490 square feet, a cement floor and no bathroom. So not -- .

Leonard: [inaudible] [laughter]

Davis: There was discussion about 1200 square feet, 1,000 square feet. My son spent first three years of his life in a 1200-square-foot apartment where he was in the bathroom. That might not seem like a lot to folks who have more space, but we have families here who with us today who are living in far fewer square footage, and a thousand to 1200 square feet with bedrooms would be a real luxury. Affordability is a huge issue. We've put together a focus group To take a look at some of the plans that ed has for his family housing site and the energy and enthusiasm in the community for a true affordable building that has a family focus and is affordable in the long run was intense. Working moms and parents, though it's often the moms, are always asking, where are the day cares. Troy is a little off, there is actually one day care in the pearl, it's run out of somebody's condo. It has a max of eight kids and it also has some extreme limitations. Families get that day care has to compete with retail rates, but we'd love retail rental rates, we'd love to see creativity around how to do that, how to have it be high quality, affordable for families who work and live in that neighborhood. We've heard although we can't confirm that chapman just add add kindergarten class, and there's also a lot of questions from parents about emerson, because it's a charter school. So it's right, there people would love to walk their kids three or four blocks. I'm not saying change emerson, i'm just saying there's tremendous interest in having that type of thing in the neighborhood. And finally, the idea of a community square -- community space. We're very grateful and we feel blessed to have the spaces we want. But more square footage and a bathroom would be a nice thing. So those are the five things, The two major trends and the observation I hope that you will vote in favor of the plan and implement it soon. Thank you.

Fish: Can I respond to one thing you said about affordability? I'm the housing commissioner, and the mayor-elect has asked me to give him a blue ribbon sort of blueprint for where we go in housing in the next four years. You can use as you know, you can use the zoning code to achieve certain

September 24, 2008

goals, but you can also use tax base or what we call tax incentives to do the same thing. Or to compliment that. And one of the things that we'll be looking at is, are there ways of using tax abatements more creatively to create incentives for certain kinds of socially desirable housing? And that would be including family housing. And certain parts of the city. So it's politically it's an uphill fight for a lot of reasons. It's forgone revenue, tax abatements are not very popular citywide, but it is a tool, and I want to park that idea that as we complete our work on the zone can code, there's this other piece we can look at that could be helpful in terms of incentivizing certain kinds of housing and affordability. I'd love to get your feedback.

Davis: We have parents here who are in market rate housing as well as Portland housing, and I know were you active with that. So we would be more than happy to help in any way possible.

Fish: The mayor-elect is very strong in his commitment to Schools and housing and that tie. Family friendly housing. So we want to at least make sure we've looked at all the tools available, put them out there and have a debate about them.

Davis: Thank you.

Saltzman: One further question. You mentioned something about two or three bedroom units having bedrooms with doors as opposed to closets.

Davis: Loft.

Saltzman: I think is that encompassed in the f.a.r. bonus for family housing, that it not be -- it would be something that's more conducive to bedroom sites?

Davis: It would be great. You saw --

Saltzman: Is that contained --

Davis: Yes. That slide that shows -- there was a question about it. The idea of why would there be a thousand square foot max or 1200-square-foot max. It's that slide and it spells out the importance.

There are two and three-bedroom units. You have to have a million bucks. So the beauty of what our fabulous folks in the planning department have put together is what is acknowledged in other cities where there are big urban populations, which you can just compress that in because we outsource so much else. We outsource our yard, our family room, etc. So, yes, it's in the plan, everybody i've talked to is -- it would be better than what they have now.

Leonard: That bedroom is as a specific definition in the building code. A closet has to be -- certain amenities a loft, you couldn't call a loft.

Lee: Actual components. And I guess I would add one thing on to that, which is a very, very strong component of the north pearl plan. It is talking about building a community that is an external extension of the home. That because people, many people are being asked to live in a dense environment in smaller square footage, the outdoor community, the outdoor spaces need to -- and the neighborhood as a whole need to include the thix that are an extension of the home. That are a yard that are a place to play, under cover. And various comments you can't do in a loft or apartment or a place with a restricted outdoor space.

Lloyd Lindley: Good afternoon, mayor Potter, commissioners, welcome commissioner fish. I'm lloyd lynnly, 620 southwest main street, Portland, Oregon. I'm the chair of the Portland design commission, and here representing the commission. I'm going to read my comments, because they reflect commissions, comments. Vice chair and I participated in the first north pearl workshop conducted by the bureau of planning. The commission has also been regularly briefed on the planning work by troy dos and laura and mauricio of the office of transportation -- office of transportation. We received testimony that was highly complimentary and the commission would like to thank troy and laura for their briefings and diligent work on bringing stakeholders, property owners, and neighbors together to balance community needs and as inspirations. As you may know, the design commission has supported higher density mixed use development, especially within the central city. This work before you is a positive and progressive evolution toward more compact and sustainable development. The commission supports four points. One, increase f.a.r.

September 24, 2008

From 2-1 to 4-1 in the designated area. Two, provide a bonus of 9-1 north of lovejoy. Including f.a.r. Transfers from contributing registered historic buildings, inclusion of neighborhood facilities such as schools, community centers, and libraries, and i'd like to add that a clear definition of a community center is now in the plan and code commentary, which provides a better basis for awarding bonuses. Before it was -- three, historically the commission has consistently requested three-bedroom and larger units that would be suitable for families. However, we have had mixed results at best. We strongly support the new efficient family size unit housing bonus option. Four, the design commission has requested and supported the concept of point towers. Point towers are slender Graceful building, typically rising from a three to four-story podium. You sought diagrams that troy had. The result, urban form provides maximum view permeability, light and air penetration, solar access, and graceful building mass. The design commission agrees with proposed building height, floor plate, facade length, and bonus provisions. These zoning amendments in conjunction with river district design guidelines can deliver a diverse and open skyline that will enhance sustainable living and working for all. The design commission through a number of briefings and work sessions is pleased with the consolidation of and the amendments to the river district design guidelines. Staff's work has eliminated redundancies between the central city fundamental design guidelines, and the river district special design guidelines. The process provided an opportunity to apply past lessons and successes that will enable the design commission, development community, and the public to continue shaping our great city. The guidelines expand the sustainable and expressive values that strengthen neighborhood personality and advance Portland as a national and international urban model. The design commission supports city council adoption of the north pearl district plan and requests that council adopt the amended river district design Guidelines. Thank you.

Potter: How many folks have signed up to testify?

Moore-Love: 14 people.

Steve Abel: My name is steve able, i'm an attorney with stoel rives. I represent summit properties, and summit is the owner of the profit commonly known as the crescent electric building. On the riverside of naito parkway south of the fremont bridge b a week or 10 days ago I sent you a proposed amendment that characterizes as a friendly amendment and i'm pleased to see that a document I saw earlier today your staff has prepared language that respond to the amendment and it too labels the amendment as a friendly amendment. I'm glad we're all friends about that. My amendment that i'm proposing simply provides some equity with respect to heights in that particular location and the amendment proposes that instead of a 100-foot height limit that under some circumstances there be 175-foot height limit. That height limit would be consistent with the remainder of the properties located along the river's edge north of fremont bridge. Somehow that height got lost if you will in the planning commission deliberations. What we're not asking for is any increase in f.a.r., instead we're asking for height only and that height only is being asked for so that we won't end up with a bunch of short and squatty buildings in that location. I'm pleased to see the language that staff has provided to you Limb of implements that request and we do accept that language if you choose to adopt it as a part of the design package. Jech is here as well, representing the same property owners to talk about the design aspects of the request.

Jeff Stuhr: Good afternoon, jeff store, 110 southeast 8th avenue. I'm also here on behalf of summit properties. I will try to be as brief as steve. We are asking for this modest increase in height and we believe it really offers tangible public benefits. I've given you a simple handout a. Two-pager. The front page shows you kind of the massing that could currently be built on that -- on those sites in that area right now. And what we're asking is that -- as lloyd mentioned, we're asking for a bit more flexibility so we can take ?af massing up and also reduce floor height in that area. That would be the trade-off. And I think those two diagrams start to show you that there are a number of benefits that result from that. It gives the design team or development team greater

September 24, 2008

flexibility in how they sculpt the buildings along the river front edge. Clearly it also does allow more permeability for pedestrian traffic, from the district to the river. And that's what this will help support, is a much more you're pain and lively waterfront in this situation. It's the only remaining reach of the river on the west bank that Really can have the city come down right to the river's edge. We don't have that as strongly as we might like in this area, and it's something that's been common repeatedly in the design charrette for the neighborhood as well as forums in the design commission. It also will create greater access to air and light, both from the district towards the river and vice versa. And we see that as a great attribute. I would point out this request is consistent with the planning that went on throughout this process, and was really highlighted in the sure that was held last fall that Troy mentioned. We've got a great neighborhood association working in that district, they've embraced this new urban style of living, and we're quite supportive of this. So we is the did approach planning on this and i've had further discussion up stairs and i'm happy to see that's being considered. Thank you for your time.

Jeff Bachrach: Jeff backrack, here today as part of the ownership group riverscape lot eight. I gave amap to be sure there's understanding of where liverscape lot eight is. My issue today is really complimentary to what you just heard to create equity so all of the waterfront properties in north pearl are treated the same. Like you just heard, my issue is not f.a.r. Not asking you to increase the f.a.r. For this site. The issue is height. And let me back up a step and just first of all compliment Troy in the process. He said he's been at 13 months, my notes show we had our first meeting 18 months ago. So there's been a lot of issues, and I think Troy has done a marvelous job in managing a long process with lots of issues and we're awfully close to being in agreement, Troy and I, but there's one issue that Troy and I and the planning bureau couldn't quite get in sync on, and that's what I'll try to explain in my remaining two minutes. This is the issue. The planning commission and the planning staff agree that the 175-foot height opportunity should be available to riverscape lot 8, as you've heard. We're in agreement there. There was no code language in front of the planning commission to implement that recommendation. And so when the code language was presented to me last week to implement the bonus opportunity of 175, I -- it does not allow the same bonuses to get to 175. Let me try to explain that better because I confused myself. The way you qualify for the 175-foot bonus, it's 100-foot base of bonus to 75 feet more to get to you 175. You qualify for additional height by first qualifying for f.a.r. Bonuses. You get a bonus, 1% for the art gives abonus. Ecoroof gives abonus. There's a whole menu of desirable attributes that get You f.a.r. Bonus. That full menu sue not being made available to riverscape lot 8 because unlike every other property in the north pearl, this site is zoned r.x. All the other sites are e.x. If this site was zoned e.x. We'd have the same menu of bonus opportunities, the rest of the waterfront does. The two bonus opportunities that don't apply to our site would be a housing bonus and a bike locker bonus. So the request i'm making is that there's already a friendly amendment for riverscape lot 8, which we appreciate, but we'd like a further amendment to it so that the full range of bonus opportunities that apply along the waterfront would apply to lot 8. Let me say the distance is we have this zone that's different than anybody else. The response i've got is woam, because you have a different zone, the different -- it's a different situation for bonuses. I don't think that's what the planning commission had in mind. They are understanding was, lot 8 has an opportunity to get a height bonus. There was never a discussion that, yes, they have an opportunity for a height bonus, but we're going to limit the menu they can use. And I -- so I think giving us the full menu is consistent with the planning commission, and in closing, I would moint out there are two key policies for north pearl. These are policies the planning commission recognized, and I think they inform the request I'm making to you. The first policy says, develop a dense and active mixed use waterfront. So to develop a dense and active mixed use waterfront, I would say, which includes lot 8, we would want the full menu of opportunity. Full flexibility to try to achieve that goal of a dense and active mixed use waterfront. The second policy which is very specific to lot 8 says that the

September 24, 2008

commission recommends that the city and the site owner, that would be me, pursue an agreement to develop the eastern half of lot 8, that's the waterfront half, as a public open space. Hopefully we can do that in the years to come. There's not a development plan yet for this property. So there's opportunities to look at different ways to develop it. But again, the more tools we have in the tool kit as we try to develop the site, try to achieve an active mixed use development, try to achieve a public amenity, the more opportunity we have. And so if i'm clear on what i'm asking the request today, you already have a friendly amendment from staff, which I support and appreciate, but to further amend it, I don't have proposed language, to say we're regardless of lot 8 zoning, it can pursue all of the same bonus opportunities the rest of the north pearl waterfront can pursue.

Leonard: Jeff, i'm trying to understand what the concern was, the staff must have give 89 you a specific reason beyond what it's zoned at for their concern, What was that?

Bachrach: The concern would be that typically the housing bonus, which is the key bonus, it's not available to lot 8, suspect applied in the r.x. Zone. And that is true. Typically you don't apply the housing bonus in an r.x. Zone. But to me that's a form laic response. This isn't how we normally do it. It doesn't go to the planning policy. The reason I don't think that's a -- a compelling answer is, the r.x. Zone is still a mixed use zone, we just have a certain component. But the policy goal is as it applies to lot 8, be a dense and active mixed use waterfront. That's the same goal for the rest of the waterfront. Try to develop in a way that's active, dense, mixed use. So we have the same goal as the rest of the waterfront and that's why I think the housing bonus should -- is one important tool to do that. It applies to the rest of the waterfront you think from a policy standpoint it can apply lot 8. It don't set a precedent. The north pearl subdistrict is a unique subdistrict, lot 8 is a unique site within the subdistrict. So I don't think you'd be -- you wouldn't be creating a precedent. I don't think you'd have r.x. Property owners all over coming in and saying, me too, we should get the housing bonus.

Leonard: I'd like to note for the scwution staff, prepared to Talk about that.

Fish: As I understand it, whether you're zoned r.x., you're zoned r.x., whether you get this change or not, could you still use other bonus opportunities to get to 175 feet.

Bachrach: Correct.

Fish: It's not a question of whether -- it's not a question of height. You're going to get to 175 feet if you want using whatever bonuses are available to you. If you wanted to get to 175 feet --

Bachrach: The difficulty in answering, we don't have a development plan at this point. I can't say for sure that piecing together the different existing bonus opportunities will get us enough f.a.r. To get to 175 feet.

Fish: Theoretically you could get to 175 feet off of r.x., it's just a harder path.

Bachrach: Yes.

*******:** Ok.

Fish: You mentioned -- so height is not the issue here. It's the question of how you're zoned and then how the rules apply.

Bachrach: It's how -- it's our opportunity to achieve -- the decision is from a design standpoint you should have the opportunity to get to 175 feet. Then you have to use certain tools to get there.

Fish: You mentioned it was an anomaly that this property, the riverscape property is zoned r.x. Can you flush that out? I see it's part of the contours of this proposed district, it is a different zoning designation Than properties to the south. Do you know why it is r.x., while others are e.x.?

Bachrach: This is somewhat anecdotal, but I used to be owned by the port, and sometime in the '90s the port decided to sell it. They wanted to sell -- they want it out of the industrial designation and for some reason r.x. Was chosen. I don't really know there's much of a conscious thought process, 10-plus years ago as to why r.x. Certainly the way the pearl, north pearl is developed, it's not the appropriate zone. I think there would be broad consensus -- well, as evidenced by the

September 24, 2008

guiding policy of an active dense mixed use waterfront, the logical zone to achieve that goal is e.x. You can do it through r.x., it's just harder because of the vagaries of the code.

Fish: It seems to me as i've been flying to track this, that there's potentially two ways to get to where you want to be. One is simply give you the residential bonus. The other is to rezone the property. So that you would be eligible for the bonus. As I understand it, there's two ways you can do that. You can apply and direct planning to do so. Could you tell us the relative -- from your point of view, what are the relative merits of those different approaches?

Bachrach: Well, in terms of the art of possible, in terms of the process in front of you today, the direct way is simply to make the housing bonus available. That is consistent with the process before you, it's a simple direct solution. Ideally in a -- in an easier planning world I think there would be -- I think there would be broad support for the rezoning, but your process doesn't lend itself to easy -- easily rezoning properties. It takes time, money, effort. Am I close to answering your question.

Saltzman: I had I guess one clarification. Are you asking that your property be subject to the new family housing bonuses?

Bachrach: It already is. That's not the issue. It's only these two and bicycle lockers, it's only these two f.a.r. Bonus opportunities, we don't get everyone else in the pearl gets, and just as a safety valve, another tool in the tool kit.

Saltzman: I can't resist since we have a former planning commission chair sitting next to you, if -- if you're allowed to go off the clock and offer your perspective on the issue of giving the bonus versus the rezone --

Abel: I really don't want to do that. Your staff could answer that better than I can.

Saltzman: Ok. Fair enough.

Potter: What's the bonus you're going to be requesting in terms of the height?

Abel: 75 feet above the base of the 100. And the proposed language, I don't know fits been submitted to you yet, it's clear in what's Required to get the 175.

Potter: You haven't designed your building, once this is changed and those are the two requirement, you're required to comply with that as you design your building. Is that correct?

Bachrach: Yes.

Potter: What are the reasons you're requesting the specific criteria, family housing, what else?

Abel: Ours is not -- ours is not connected, if you will, with the issues, in some ways that jeff is bringing up. Ours is much simpler in that this property located south of the fremont bridge has a base zone of 100 feet coming from the planning commission. The underlying design commission, we're concerned about 100, limitations in that particular location being a little short and squatty and causing an urban for thawm didn't make sense. We approached your staff to talk about that same concern and came up with the idea that, yes, just like the properties north of the bridge this owct to have -- and jeff's property already is an fishery, 175, provided there be limitations of the base of the building. So this is not an increase in f.a.r. It's just an increase in height. That's what the proposed amendment shows.

Potter: There's nothing you're proposing that would add to the value of the total community in terms of additional family housing or --

Stuhr: We would be -- to get those Bonuses above 75 feet we would be subject to those same provisions. It's in conformance with the rest of the district if this plan is adopted. So to get those bonuses, you would use any number of those things. You could apply the family housing in that situation.

Potter: Do you have an idea what you're going to be applying for?

Stuhr: There's no current plan. Again, it sets itself up. With the extra height it's more likely you're going to find mixed use development that will be a combination of commercial and housing on the - - on those locations. I think the other public benefit is permability and views through and

September 24, 2008

connection from the main part of the pearl into the district. It just lets you put more of that f.a.r. Up above in the air and a more slender tower rather than on a squat building on filling out the property.

Potter: Thank you, folks.

Bachrach: There is a fannie mae friendly amendment for lot 8 as there's for these folks. Whatever you decide, there's a friendly amendment that is at least halfway there.

Saltzman: These are labeled potential friendly amendments, I take it.

*******:** That's correct. Staff made it easy. Thank you very much for your time.

Potter: Please call the next folks.

Patricia Gardner: Patricia gardner, I am chair, planning chair of the pearl District neighborhood association and i'm going to be talking about things I didn't expect to be talking about. Is based upon the last testimony. First off, we've been working on this plan for over three years. One way or the other way, more formally over the past year. And one of the big drivers for it is we have a lot of developers who want more height and more f.a.r., and the community said, great, what are we going to get for it? If you want more height and f.a.r., how are we going to stay a community? So the one-on-one uses that were -- that are in this plan are about that. It's about creating balance between development and community and sometimes they get out of whack. And the -- they're very clever bonuses, we're very proud of the bonus these are in this code. They're very clever and if they work you're going to see them all over the place. The first place you're going to see south of lovejoy, we're going to get this spread throwrks because I think they're going to work. So I guess one thing want to say to get the paperwork out of the way, we absolutely support this -- what's on the table right now. We urge you to vote for it. In regards to the last testimony, I do need to speak a bit about those items. Because we work so long together as a community, mr. Backrat has been at every meeting we've been in for the last 14 months, so I'm very familiar were what he's been asking for. I have to go back to what our recommendations were. Our original recommendation, our original recommendation was that the riverfront should be 175. So the summit property people that was what we had asked the planning commission as a community -- as a committee to take to the planning bureau to take to the planning commission, and so that's in line with what our visions are for the riverfront. It's a little bit more challenging when you go north of the fremont bridge. We've always had issues with mr. Backrat's land. He got 175 that we didn't want him to get. The reason why we didn't want him to get it, is because he's out of context. He's not in -- he's not surrounded bite rest of the pearl, he's surround bide warehouses. And it's a big question for the central city plan that needs to be answered. What happens north of the fremont bridge? And so I guess I just want to say, these two things, the two people came up before you, the two groups are not the same. What they're asking for is not the same. And there's some very big issues that are revolving around the northwest. What's happening at conwearks north of fremontthey're going to get studied in the central city plan and I would just recommend let them be studied there.

Fish: I'm going to urge that We give you additional time.

Leonard: We can cleverly do that without -- [laughter]

Fish: I also want to give her a chance --

Leonard: Be prepared -- .

Fish: I think we could give her another few minutes.

Potter: How much more time do you need?

Gardner: That is about that. The one thing that isn't going to get talked about a bit is the bonus that's actually very dear to our heart, the historic structure bonus. That's one that really we're going to use a lot of. It has to do with how you keep short buildings next to 15, 16-story buildings. How do you balance out a one-story historic building? And I think we have a tool to do that. I think you'll see a lot of other historic neighborhoods looking for something similar.

September 24, 2008

Leonard: To demonstrate to commissioner fish how we extend one's time -- [laughter] let me ask you a question. I couldn't help but observe that your body language seemed to appear you didn't agree with can what mr. Backrat -- but when the commissioner fish was asking questions, you became clearer to me that the height was not an issue. That under either set of circumstances mr. Backrat could achieve 175 feet. Do you understand that, or do you --

Gardner: That's what I understand. I do understand he's got height that he's wanted.

Leonard: So it sound as though the issue is what is comprised within the structure that is at issue. Do you have issues with that?

Gardner: I think what he wants is the easy bonus. If i'm going to be blunt about it. He wants the 2-1 residential bonus, he's forced by code to do residential, so he gets to get two extra f.a.r. For doing what code tells him to do. Instead of taking the hard path, which is saying, while i'm having to do residential, maybe i'll put affordable housing in here and get extra f.a.r. I want. So --

Leonard: That's what he'd have to do under current set of circumstances.

Gardner: Correct.

Leonard: If we asceded to his request, he wouldn't have to do some of those affordability --

Gardner: That's correct. The residential bonus kills bonuses because it's easy to get.

Fish: Is your position that you support the friendly amendment south of fremont but not north?

Gardner: Correct.

Fish: What i'm struggling with as I think about this, what i'm not sure I understand is that if we are talking about a different property owner just to the south of his property, they would get the benefit of the easy bonus. So help me understand. If the height is no longer the issue, help me understand how -- why we on the one hand Don't have a problem with someone just to the south getting the easy bonus, but mr. Backrat not being eligible for it if height is not issue.

Gardner: This is the big question. It has to do with the industrial sanction ware and how we're going north of fremont. Right now you've got his area that's more pearl. Right across naito it's mixed -- it's a mixed industrial area. That is going to change. Until we say, where's the line? Where's the line in the sand for the industrial sanctuary? How far is the pearl going to keep going north? Where is that boundary? Every time -- if you get a tall building at the end of his property, a big tall metropolitan pearl building, it starts toe rode the industrial sanctuary. And I think we need to have an opinion about it as a city and say, ok, here's the edge. We kind of lost it once we let everything go north of fremont. And so as a city we need toe have an opinion about it as a -- it's a conversation we haven't had. Because you don't that context of everything, the context he's in is terminal one north, which has all kinds of derrick and is very industrial, and so we don't -- there's not -- he is right now two blocks wide. His land is two blocks wide versus being an entire neighborhood wide. So I think it seems to me, it's not that he's necessarily wrong as he's not in context, whereas somebody who is south of fremont Is in context, and the city needs to ask the hard questions and figure this out before we just let it out the door and do it by accident.

Fish: I think mr. Backrat raised the question of precedent. In terms of precedent, the fact we're still operating within the boundaries of the north district plan, pearl plan, doesn't give us some assurance that it doesn't bleed into the industrial area?

Gardner: If you do proceed with him, change his zoning to e.x. That is the cleanest way. There's no developer anywhere who's going to be able to say, you get the bonuses because you're e.x. It's a little bit more messy if you keep it r.x. It's not messy at all if it's e.x. There's no precedent that's being created. I think you are kind of messing with this idea of r.x. pretty strongly when you give somebody residential bonus on top of having to do residential.

Fish: I'm getting a crash course in this. This is very helpful. Let me ask you a follow-up obvious question. If he were -- if we were to direct planning or he was to go on his own to seek a zoning change, to e.x., which would be the -- in your view the cleaner way to achieve this, would you oppose that?

September 24, 2008

Gardner: That's much harder to oppose. I would have a really hard time because right across the street is e.x. and so then all of a sudden he's becoming -- and it starts the people across Naito to start having a big conversation, well if he's got 175, why don't I. You know what I mean? So it changes the conversation quite a bit.

Fish: And I'm not putting words in your mouth --

Gardner: So in other words --

Fish: That's more of the front door way of getting there rather than the back door from your point of view?

Gardner: Correct.

Fish: Okay, that's helpful.

Leonard: Well, what does that do to address the context issue? I'm interpreting what you're saying as yes he can get to 175 feet but as a practical matter, he won't. And you want that because then you kind of have a stair step down --

Gardner: I don't want it, what I want them to look at this really hard in the central city plan and say what is this area north of Fremont becoming, what is the line between industrial sanctuary. It's obvious that it's going to grow, it is growing but it's very sloppy right now and we need to decide where that boundary is, what's going to happen is we're going to start engulfing this industrial sanctuary and it's going to get messy.

Leonard: Cleaner, defensible line.

Gardner: We've got a zone of e.x., that's the line. No more. No more e.x. That kind of thing but we need to address it straightforward and what's been happening is block by block, it's been change to go e.x. It's happening through the back door and that's not how things should --

Fish: One other part of this, you said it would be harder to oppose. If people were to oppose it, would they criticize us from engaging in spot zoning?

Gardner: Again, it starts being in context. I think regarding spot zoning, if you slap it on 'em, that's spot zoning.

Potter: You talk about being north of fremont, it's like a finger sticking up.

Gardner: It is.

Potter: What's the difference?

Gardner: And this is why we had opposed the height. Right now, what i'm going to say, if you change it to e.x., then I went everything to go to 175. What we've got now, because you have a two -- everything is built out as far as right now, if you go to his site, it's all townhouse, three-story. He's got a 150 building and now he wants 175. To me, it's going to be one building. One building only. Looking an awful lot like big pink because everything around it is short. This is a question I always ask, what's our skyline. What does it want to be? What are we trying to do? How are we shaping it? And once we cross the fremont bridge with a building which is pearl size, what are we doing. It seems like to have one building versus 10 buildings is creating a funny kind of skyline to me.

Potter: Right across naito, it was e.x.?

Gardner: It is, e.x., but the height isn't the same. You would know off the top --

Rich Michaelson: It's 75 feet.

Gardner: 75. Not 175. And that's the next move is to get that to go up in height. As long as we're playing chess, so -- thank you.

Joan Pendergast: I'm joan, and i'm here representing the zimmerman community center. I've been a board member for about nine years and we've been working real hard to bring the community center to the river district. And I see -- I want you to support the family amenities that goes along with this amendment. I think that you have seen the children here. You've seen how far nancy has organized central Portland families and we're getting community. And I think those of you who have children, remember some of your fondest friends are those you made when you were raising

September 24, 2008

children and that's happening with this group and we want more of that. And we see the bricks and stones going up in the neighborhood but we really want people and community and families and groups working together and I think this amendment would work. I'm here to talk about those amenities at this times and hope you pass those -- amenities.

Fish: My problem is i've reached the age where people think i'm my four-year-old son's grandfather.

Pendergast: You meet a lot the grandparents that way.

Leonard: What's wrong with that, by the way? Mayor Potter and I would like to know.

Michaelson: Good afternoon. I'm rick, a resident of northwest Portland on the other side of the freeway. Pleased to talk about this project because this is a terrific piece of planning work. I think it's innovative and creative and does the right thing and it's almost perfect. However, there is one action item in the list that affects my neighborhood and the area I live in that i'd like to see changed.

And that's transportation item 10. Which says recommends a couple of concepts using lovejoy from northwest 16th to northwest 10th. And I think that should be changed to say -- recommend the street concept, making lovejoy one way eastbound from north 14th. It's clear that there's a congestion problem on lovejoy and it's clear while you can make some improvements, in the long run, you got to make it one-way eastbound. However, there's nothing there that says making that street one way necessarily requires that another street be one way westbound. The traffic might disperse. It might not need that balance. Most of the transportation you have looks at the eastbound and doesn't consider the impact of the westbound traffic if northrop backs another piece of the run -- if northrop becomes a piece. Presently, they use lovejoy and we're trying to keep that traffic as much as possible there because that's the district collector street. Two changes that i'm proposing in this thing is, first, I think the one-way portion of lovejoy should start at 14th. Heading north on 14th and make a simple left turn on lovejoy and go up the hill. The second piece i'm urging is not to make a couplet going the other direction. If you do think you need one, northrop is not the right street. That leads directly through the neighborhood to 25th and where it's a faster route for people to travel than going back to lovejoy. If you -- so there are a series of steps. The first is fix lovejoy, see where the traffic goes, see if you then need a one-way in the other direction and look for the appropriate street. Which I think is marshall, not lovejoy. Thank you.

Fish: Rick, have you discussed this with planning?

Michaelson: I discussed the fact that i'd be here testifying about it --

Fish: It is, in any event, framed as a recommend, which is going to require, as I understand it, a whole traffic analysis and pdot. And so --

Michaelson: This is an early step. Just bringing this to your attention to make sure that the couplet language doesn't become memorialized in our thinking -- memorialized.

Moore-Love: Next three. John, ed and jim wink letter. Followed by steve, tad and camille white.

Potter: State your name and you have three minutes. Anyone can begin.

John Hirsch: Good afternoon, my name is john, mayor Potter, commissioners, i'm here to speak as a member of the north of pearl taskforce and a representative of the pearl district planning group that penny chairs. I want to speak in support of what we as a taskforce did and I want to particularly underline the exemplary efforts and process that involved the business community, the neighborhood, government and developers. I entered into this process with great question of whether it would produce changed thinking on anybody's part. And the beauty of what I saw in those 13 months is that people did change positions, developers changed positions, planning group changed positions. And what our goal was, of course, is to have quality living in a densely populated urban area. My underlying point is that delicate balances were reached and negotiated over this long period of time. Transportation was thoroughly considered. The couplet was considered. The changes that are recommended to -- along the park east of naito, which we're suggested be amended here are fine with us except for lot 8. My request is that you buy the

September 24, 2008

package as a whole and not cherry pick, because there was give and take, a lot of thought. You can see the innovation created through openness and I would hope that this community process would be respected and I urge your approval.

Ed McNamara: I'm ed and here as a member of the taskforce for -- I thought it was about 18 months, but it was a lot of fun. I want to speak in support of the family housing provisions. As you know, i'm a developer and I want to put you at ease and let you know i'm not asking for anything. No changes. I'm happy with it.

*****: [inaudible]

Leonard: Today?

McNamara: No, no. [laughter] So cynical for such a young man.

Fish: Ed, who is in charge here?

Leonard: Not me.

McNamara: I'm going to be brief. I think you heard about the -- the family housing provisions sound shocking but to me, they're just building on the trends happening. You heard about the birth rate. If you've been around that neighborhood, you know -- a lot of you know nancy and central city families have been building this organization. Got kids play spaces and zimmerman community center has been working on it. And central city concern. And p.d.c. did a great study on the market that was useful information for everyone. The businesses are moving in. Jamison square. There's a toy store and a children's clothing store and the businesses start to realize that market is changing. We're recognizing that the trends are happening and reinforcing them and advancing them. Taking the city's goals to support a community and making the policies align. And it's a great move. I think you heard a little bit about my project. Looking at 135 units of family housing up the street from the sitka. Large play spaces outdoors and community rooms or every floor. Some day hope to lure zimmerman community center up there to the north end of the pearl. Looking for daycare for the ground floor and committed to finding that and I think -- talked a lot to the county and Portland public schools. Blocking out a space for three classrooms for Portland public schools that they would lease. No capital cost. To start to capture the kids being born there. There's nothing signed yet but we started this conversation over a year ago and i'm excited about the possibility. I think it's going to happen. As they talk about it more, their concern isn't will it succeed. But what will happen when there's too much demand for t. How will we expand? It's going to succeed without these provisions but I think my project is going to be so successful --

Leonard: I delayed your time, so go ahead.

McNamara: Thank you. There are a couple of blogs mentioned. I've had three phone calls from people who can sign up for the units ready in two and a half years. So there's a lot of interest. I think this will be to wildly successful that it's going to convince the other developers in hoyt street and conway and industrial area that they should take advantage of it, that there will be a market and a demand and I encourage you to adopt.

Leonard: So the features, are they as a result of these changes that we're contemplating in this plan or were you doing that notwithstanding?

McNamara: No, the latter. I've been working on this concept for about two and a half years. It almost looks like the project -- the plan was written for this. But i've seen the same trends that the neighborhood and planning district saw that we have this convergence.

Leonard: Does this have the ability for you to enhance of development that you were contemplating before this or just affirming what you've already done?

McNamara: I think it's affirming what i'm already doing. There was something in the plan about the diversity of housing choices and we're going to convert this to a could opt in 15 years. And it will continue to be affordable for 60 years but all of the tax flow will go to the tenants instead to a private owner or nonprofit owner.

September 24, 2008

Leonard: Communism in the pearl?

McNamara: Something like that.

Fish: Is there financing contemplate some public contribution?

McNamara: Yes, p.d.c. Has been working on it and provided a predevelopment loan for it. And been working on it in their budget. Land's expensive but it's going to need about the same money that p.d.c. invested in the senior housing project five or six years ago. By comparison, it's a bargain.

Fish: Let me ask you, if the appeal of the river district amendments drags on for up to two years, so that p.d.c. Puts a hold on who gets what in the short term, does that effectively kill your project?

McNamara: I was supposed to meet with p.d.c., i'll find out a live little more about that.

Fish: It doesn't help your project. To have that cloud as the consequence of the appeal?

McNamara: It's safe to say it doesn't help. It's not in the expanded areas. I think it would be the expanded debt limit that might be -- put it in competition with other projects and I think p.d.c. will decide what are the top priorities. I can't make those decisions if there's limited funds.

Saltzman: If there is more worthy projects competing. It may be that this gets delayed. The danger is -- one of the things about this sites, it's one the undeveloped sites in the census tracts.

Fish: There's another.

McNamara: And that could change.

Fish: There's another danger. The cost of construction are going up every year and factor of about 10% or whatever. So it's going to become more expensive the more we delay this.

McNamara: That's a real danger, yeah.

Potter: Thank you.

Jim Winkler: I'm jim, and in the audience with me is my partner, bob naito. There's much about this plan that we admire and wish to see implemented. Unlike john and ed, we weren't invited to the party and no point engaged in this public process and we feel that our absence contributed. The original recommendation of the taskforce was uniform treatment for all of the parties. Subsequently we were advised that the naito parcel would be subservient and remain two to one. Ours is two to one on the portion we own and two to one on the portion we're acquiring from p.d.c. We thought this exchange, because we had done a detailed analysis of the naito parkway that showed traffic had declined over the last seven years. We shared this with planning and engaged a more detailed analysis. We went to a series of meetings in which we were given four justifications of why our property would be treated differently. We found in the transfer analysis it was based on gross tools.

A regional transportation analysis. A macrostudy. Like flying over Portland in an airplane and making a land use, as opposed to in-field study. On the basis of that, we believe that the transportation analysis is flawed and that there's far greater capacity along naito parkway. And I would talk a lot about this process or what was characterized as a hinky process by planning senior staff but what I would like to suggest to you is that we would like you to direct planning to talk to us about a friendly amendment which would involve a compromise-to-so that this can go forward without further acrimony. In the future periods, hope that all properties would be treated essentially equally unless there was a significant reason to do otherwise. In the future, i'd love to see properties rezoned in accordance with a more sophisticated traffic analysis rather than a gross tool. Also like to make a brief comment. We're a developer of office builders and they do not fair well in point towers. It's environmental performance is generally inferior I don't remember and the floor plate isn't acceptable. So it's tantamount to saying beneath a certain height we'll have offices and above them, it's highly improbable.

Leonard: You said you weren't part of the process. Were you not aware.

Winkler: We were.

Leonard: And why didn't you participate?

September 24, 2008

Winkler: Well, we weren't asked to participate. We had an architect on the taskforce and so we received periodic briefing.

Leonard: Now is that not you participating?

Winkler: Well, the architect represents a number of people and represents us in some matters. So we heard briefings of how the process was going. But had we been a member of the taskforce, it was modified by the decision of planning to treat the naito properties differently.

Leonard: Did the taskforce take comments.

Winkler: About the naito property.

Leonard: About anything from anyone.

Winkler: I'm sure they did.

Leonard: Why didn't you go and participate in that?

Winkler: That's a question I ask myself. I thought all of the properties were being treated similarly. The input we got from the architect was there was no reason to go. We had similar input there other people. Didn't realize it was an issue until after it was announced we heard about it and then spoke with planning staff and troy and joe and the head of planning. But the surprise to us is we didn't think, based on our much greater understanding of the transfer and based on the studies we had prepared that there was any reason to suspect there was a traffic constraint along naito and I still believe that there's significant remaining capacity in the year 2030. And the transportation draft study that was I think sent out last thursday, the 18th, talks about looking at this again in the central Portland plan and six months ago, we had this conversation, we could have done an in-depth study.

Leonard: Maybe I missed this part. It's important to me. At what point in the process did the traffic analysis become of concern to you?

Winkler: The traffic analysis became a concern -- it wasn't done at any time during the taskforce.

Hirsch: Not completed until after the last meeting.

Leonard: After the last meeting of the taskforce?

Hirsch: However, everybody -- many people came to our meetings, both at the time of the taskforce and subsequent to the taskforce, there were public meetings. People not on the committee --

Leonard: What would you call that? Those public meetings? Who headed those up?

Hirsch: The planning group.

Leonard: So during that process was this transfer analysis done and available for comment?

Hirsch: You'd have to ask them.

Winkler: I don't believe so. To my knowledge.

Leonard: You're saying you had to opportunity to ever respond to --

*******:** That's correct.

Leonard: There was no representative or notice to you? And when was the first time you became aware of that? At what forum were you allowed to speak to the traffic analysis?

Winkler: When we first became aware of it, I telephoned troy and asked to have a meeting with gil. Later we had a meeting with --

Leonard: Thinking about a public --

Winkler: There was no public input on this.

Leonard: There wasn't? Ok.

Winkler: And we went to the extraordinary measure of hiring our own traffic analysis. And making the information available. Because we wanted to be part of the record. What I understand, that was not incorporated into the thinking of the planning.

Leonard: Ok. Staff I want to follow up on this.

Fish: I want to narrow a few details if I could. You have currently an approved design review?

Winkler: We do.

September 24, 2008

Fish: And where -- and I understand you've taken action on your leed platinum project.

Winkler: It's a pre-certified leed platinum project. The first in the country, I believe.

Fish: And have you used all of the f.a.r. Bonuses available to you?

Winkler: I believe we have. We've used all that we have. We may even have unused f.a.r. I think this is more to me a matter of principle and of process than of the specific outcome of one waterfront. If for some reason we desire to augment the scale of one waterfront, it would be helpful to have more f.a.r. But it's the desire that some parcels are subservient that indicates that shouldn't be the case that is distressing.

Fish: At least it's possible that you would continue with the current design for your building even if you got the relief you were seeking?

Winkler: Absolutely. In fact, it's the likely outcome.

Leonard: I appreciate that, because that causes me to ask this question. What's the potential difference between what it is you can currently do with all of the f.a.r. And bonuses and what you could if the traffic analysis you had conducted was accepted?

Winkler: If it was conducted and didn't do the scheme that's been designed and millions invested in, then we would develop, I think, a taller tower.

Leonard: What's the difference?

Winkler: Three or four floors.

Leonard: The implication of what you're asking us to do is three or four stories?

Winkler: I wasn't thinking about it specifically for our project; it was more the process that concerned me and why a particular series of parcels would be treated different. But in our case, if we had more f.a.r. and starting today, we would design perhaps a different project and if for some reason our scheme were to evaporate, perhaps incorporate a residential aspect. There are a number of modifications but I was mainly concerned about the practice and fairness and whether or not this was truly a transparent process, one in which people were forthcoming and whether it had the appearance of transparency and there was something that I couldn't fathom going on. I was extremely uncomfortable with the fact that the transfer information required for me as a developer was materially less than that required from a significant legislative rezone.

Leonard: A what?

Winkler: A legislative rezone, in effect. I like the plan, overall, except as it affects us and I would like to see in the interest of fairness and creating an appropriate precedent a friendly amendment that allows to you resolve this matter.

Potter: Are you saying you're two to one and the others are four to one and that's what you want too?

Winkler: The building site, yes, we would like it four to one. That would change it by 114,000 square feet in this area. I think if you look at this map, you'll see part of our map is two to one. If you look west at the railroad tracks it's four to one and most of the properties it's four to one. We had expected it to be four to one, those were the reports we were getting from the architect representing our firm and we were chagrined by the unexpected change.

Potter: Other questions? Thank you, folks.

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

Potter: How many more folks do we have?

Moore-Love: Five more people.

Potter: Please call the next three. State your name when you speak and you have three minutes.

Tad Savinar: I'm going to proceed, steve, because i've got a car across the street that's in a 4:00 zone that will be towed in approximately a minute.

Potter: Better hurry.

Savinar: Tad, Portland 97296. I was a member of the c.a.c., the citizen's advisory council on this project and property owner who owns property adjacent to this area. What I want to talk about is

September 24, 2008

process. It was an incredible process. Any time you gather citizens and developers together to talk about view corridors and sunlight and civic pride and kind of factor that in with present aspiration as a hunch about the future might be in a city, it's a complex organization of considerations. Our first meetings were tense and somewhat posturing but by the end we were making decisions together. It was not a process based on winning and losing but rather on common sense, cooperation and true collaboration and the reason for me was the way the staff handled the meetings and the participants provided an opportunity for anyone at the table to speak. Everyone was heard. Over and over again, schedules were shifted and documentation engaged in and investigation engaged in. Whatever the c.a.c. requested, staff was there to pursue those considerations and make a great plan. I just have to say in my professional life, I go and do some of the same kind of -- I go and do the same work in other communities. You have no idea how the process works in Portland. I've seen public meetings where people boo for two hours and meetings where four people make decisions about 20 miles of light rail without any planning or public involvement. So we're fortunate to have this process. I want to compliment the staff and make sure you're aware it was a true, transparent, wonderful process. Thank you very much. I'm going to move my car.

Potter: Thank you.

Steve Pinger: My name is steve. I'm a northwest Portland resident, on the northwest district association board. And i'm a former chair of the pearl district planning association. I'm here representing the northwest district association and will read from a prepared statement. We he, too, believe that the plan is almost perfect. We have a couple of comments. The northwest district association borders the north pearl district study area to the west. The former terminal one portion of the study area, however is within the northwest district association boundaries. We have reviewed the north pearl plan for consistency and we've submitted written testimony to the planning bureau. We wish to reiterate, n.w.d.a.'s position both as a neighbor and stakeholder. The n.w.d.a. Strongly supports the goals and objectives of the north pearl plan and support its adoption by council but have requested the following three conditions be required. First, at the terminal one riverscape site, the creation of the height opportunity area on the further northwestern parcel is inconsistent with the underneath district and should be referred to the central Portland process or withdrawn so that the height opportunity area applies on to the parcel directly adjacent to the fremont bridge head. Secondly, the granting of additional allowable light at terminal one through the creation of a height opportunity area has been proposed with an understanding of a concurrent public benefit deriving from the provision of an area to be allocated for a public park at the greenway frontage by the developer. To date, there's been no indication of the mechanism for the design. Funding or development of such a park. The creation of this height opportunity area needs to be conditioned to the identification of these mechanisms. Third and lastly, the proposed north pearl district plan's provision of increased densities relies heavily on a transportation analysis that depends on what appears to be extremely hopeful mode splits. As a neighbor, likely to be impacted, believes that the adoption of this plan needs to be conditioned by the independent verification of the underlying assumptions of -- are creditable. Thank you.

Camille White: I live at 920 northwest kearney. And i'm here to speak to the needs of the families in the pearl district that have any financial restriction. We live on less than \$40,000 a year and we make do. The pearl district is super-important to us because we can ride the train everywhere we go. The streetcar and the people who live there are fantastic. And we -- are fantastic and we spend time look talking to our neighbors and to get an understanding of the type of people who live there, it's so mixed and we all have different needs. I would like to have daycare, maybe a community center that we can go to. It'd be nice to have a school that we could stay in the neighborhood. Many of my friends have had to leave because of no school of that's besides chapman where we don't have to be in a lottery system. It gives an opportunity for us to stay. Many of us have had to

September 24, 2008

leave because the lack of school and daycare facilities and we would like to encourage you to vote quickly on this opportunity -- on this matter. Thank you.

Potter: Thank you very much.

Saltzman: Did you say you have to be in a lottery for chapman.

White: That's correct.

Saltzman: Aren't you in the natural boundaries?

White: No. We would be -- sorry. Nervous. We would have to be a part of the lottery in order to get in. Unless we moved closer to it, northwest.

Potter: It is the natural boundary you're in?

White: No, for some reason, we fall out of that boundary.

Potter: What is the boundary.

White: I don't know the answer to that.

Saltzman: Thanks for coming down.

Potter: Is that it?

Moore-Love: Last two.

Potter: Read the other name.

Abra Hartley: I'm [inaudible] and i'm a former resident of the pearl district. I used to live in the pearl court apartments with camille and now that i'm engaged and about to be married I went from being in poverty to being middle class and we could no longer afford to live there. We had to move and buy a small ranch home in lake oswego. We cannot afford a \$700,000 condo for the square footage we needed. And we would like to see something that people of a middle income could afford to purchase property. So you can stay there. You have to be wealthy or in poverty to be in the pearl district. There's a weird lack of the middle ground. Some of the families have been since property was affordable. And my friends are all there. The community is great there. The people are great. And I -- that's really it. We would have liked to have been able to stay. Thank you.

Fish: Thanks.

Potter: Staff come back, please. Questions from the commissioners?

Leonard: Jeff baccarat's issue, I think we heard discussion after he testified. Is there anything you can add to that.

Kelley: If I could, commissioner, maybe take three of the issues that I heard that were open issues for you throughout the hearing and maybe we can dispense with some more than others. One had to do with rick's concern about the recommendation to pursue the lovejoy/northrop couplet. Some of you may know i'm not a huge fan of couplets.

Leonard: I was chuckling when you said that.

Kelley: What I can say this one actually is responding to real capacity constraint where some of the past ones had a different genesis perhaps and didn't have that capacity problem.

Fish: Be careful.

Kelley: Yeah, so what -- he can respond in detail. But I think we can live with language if you would be willing to entertain it that would change the word recommend to consider and to also consider the proposal that mr. Michaelson advanced. They're at a very preliminary stage of the thinking.

Leonard: The only other thing I would throw out, I want to -- obviously any public process, we should honor all who participated. But this, in my experience beyond just this today as I indicated on the tour I went on, this is an extraordinary problem-solving focused neighborhood that -- so I don't want to do anything that is capable of end running what I think is a process that all of here would want to honor.

Kelley: That's a good point.

Leclerc: We know that the couplet does work and it's a solution that's on the table before you today. And to do the -- we could recommend a couplet but also consider that we see --

September 24, 2008

Leonard: Not asking what your opinions are as I am -- I want to make sure what we do reflects the work of the community.

Kelley: If we water the language down, are we violating the -- violating the work of the group?

Doss: I don't believe so. I think it was a way of addressing the congestion issues. I don't think in terms of the urban forum -- no, I wouldn't say that's the case. I think we want to look at both. We did really model one [inaudible]

Leonard: Look at both as opposed to just picking one version or another. Just say we'd like both sides to be looked at. Consider both options.

Leclerc: I think it would be ok. I'm not sure if Portland streetcar is here. But we have a project, a streetcar loop and that's coming for funding soon and construction and the conversation in the community and the conversation with Portland streetcar is that a couplet is needed in the future and needed regardless of the f.a.r. And the couplet as modeled works and works for Portland streetcars, so i'm not sure -- and they need to move fast.

Leonard: But then you're saying that gives me more pause to change anything. That kind of reconfirms my original --

Leclerc: From a professional perspective -- and we haven't done the analysis. The proposal seems sends it eastbound. And the majority of the trips, according to our model go through the northwest district. Actually rick's neighborhood. I believe to the east side of the bridge, of the river. We don't know where they come back and they may come back in areas we don't want and may affect the facilities in other areas. So -- [inaudible]

Leonard: If we have both concepts on the table, it doesn't do anything but allow for further discussion and exploration.

Kelley: That was my impetus. And we should talk about it.

Fish: Furthermore, if you have to have a firmer answer, we can come back and talk about it. Rick, correct me if i'm wrong, but you're an advocate of the streetcars in our city. So I don't think you're trying to block the streetcar.

*****: [inaudible]

Fish: We want to keep both options on the table without making a judgment.

Kelley: One -- I want to distinguish, first of all, mr. Baccarat's situation from the other testifiers. I think there's a difference in the situation as patty gardener articulated and we should take those one at a time. If the situation is differentiated in two respects. The base zone underlying them is different. One is e.x. and one is r.x. and the other differentiation is one is in the waterfront area that had a different part of the urban forum discussion than the north end. So for that reason, I think we can talk about them separately. We have no issue with the middle section, troy has advanced to you a friendly amendment that would not increase f.a.r.

Leonard: Before we jump to that one, we have to conclude on the jeff baccarat one. You don't have quarrel with the analysis --

Kelley: I'm going to come back. With regard to the summit, we have an amendment that works. It does depart from what the planning commission said, which is we're not against height there, but we ought to study the waterfront in the central Portland plan in terms of height but it seems consistent with the community discussion and if that's the way you want to go, we have the amendment prepared and it doesn't bring up traffic or other process issues. That's a choice. With regard to the baccarat issue, it does get a little trickier and in my mind, you have five options and there's complications with all of them. The first has a variance. One is to go 0 -- to reject what the planning commission said in terms of have a height on the riverscape properties, the properties north of the fremont bridge and east or north of naito parkway. The whole development there. There are two parcels at either end. One at eight end that would take advantage of additional height. One notion would be advocated by the northwest district association and some of the patty gardener's comments. Leave it at 100 feet. You heard one person testify, maybe the height would

September 24, 2008

be ok next to the bridge but leave the northern most at 100 feet. So you have 175 and 100 of that's option one with a couple of variances. The option two is go with the planning commission, not increase f.a.r. On the site, allow building heights to go the extra 75 feet. And it would be done through what I think patricia described as not so easy bonus --

Leonard: Affordable housing.

Kelley: You wouldn't get the automatic two to one bonus.

Leonard: That would reinforce our last testifier's concern.

Kelley: Yeah, he would have a slightly more difficult route than the summit properties, because they start with the two to one and then get the extra height through the family bonus. But it would be consistent with the philosophy of earning additional height through the family-oriented bonus. The next option would be to say let's give them the easy option. Just give them the extra two to one or the extra height without having to do -- just for doing the housing piece, primarily i. Which is what other property owners can do. Many of them -- we could do the easy option. That's not consistent with the r.x. Zoning, so in this case, we'd probably want to come back later on the Portland plan and clean it up. The next option would be the zone change, which patricia advocated. Make it e.x. It's the only r.x. Parcel there. I want to say we want to throw out a caution about that. In many ways, that's the simplest and cleanest one. We said going in that we were not going to change the base zones. I remember at the beginning of my testimony, we said this is a discrete action and we're going to be mindful of traffic constraints and this will pertain to comments about the link letter comments in a moment. In discussing this with pdot, the e.x. Zone comes with a potential to do office uses, which has a different traffic pattern and intensity and peak usage times. So it may not be enormous. It may be minor or substantial. We didn't exam that because -- examine that because we said we weren't going to change the base zoning. Pdot would probably want to do a traffic study before you change the zoning. Your final option may be to lead with one of the middle two options and say in the future you may consider, as part of the Portland plan, rezoning, but not do it now. And when we do the bigger traffic study.

Leonard: Harkens back to my original observation about the process. That there wasn't enough inclusion of their opinions. There really isn't a disagreement that jeff was fully participating throughout this process and this was on the table, discussed, vetted, debated, if you will, and what we see is a result of that process and your recommendations.

Kelley: Correct.

Doss: We did not discuss the application of the realize bonus to that zone largely because we don't ever apply it to the r.x. Zone. One thing --

Leonard: Is wasn't discussed in the public process?

Doss: Never discussed because it was not contemplated as a possibility. We don't apply that bonus to that zone many one thing I would caution, as I mentioned before, we brought down the potential to use the realize bonus from a total maximum of three to one down to two to one of that was a compromise. There were a number who wanted to keep it and a number that wanted not to. It doesn't give us affordability or family housing. And there was leadership on planning commission who pushed us, why aren't we getting rid of that? We need to reinvestigate that through the central Portland plan. Lower it to two to one and keep it. But there was never any consideration --

Leonard: The point is there was a opportunity to have this discussion and it did not happen --

Doss: Did not get raised.

Kelley: I think what's clear is that the additional height, there were two opinions, was discussed. The multiple pathway, that nuance was probably not fully discussed.

Leonard: There was an opportunity?

Kelley: There was an opportunity.

September 24, 2008

Fish: It wasn't discussed, i'm wondering, this property was part of the district, it was put into the strict and it's part of the planning area you looked at. And it -- so one of the things jeff said, you have goals in terms of density and height, so is the stumbling block here the zoning designation?

Kelley: I think so, in many ways. We didn't go back and reexamine the 1990 base zone. This is a strategic fix. Let's not go back and examine everything.

Fish: If this riverscape property was zoned e.x., would we be having this conversation or would the proposal you're presenting include giving him the same options as any other property owner?

Kelley: I think -- it's a departure to where the planning commission was. They said go cautious on the waterfront. But from a staff level, understanding, you may want to go a different direction, we don't have a philosophical issue with the height and we wouldn't with e.x. What we have is a procedural question about whether we've done the adequate analysis traffic wise to flip the base zone because of the office question, primarily incident --

Fish: In light of that, your preference would be if we were to adopt -- if we were to keep it where it is now, your preference would be to have the applicant make -- apply on his own, for a zoning change and have it dealt with that way?

Kelley: We think that he can get to where he wants to go without the zone change.

Fish: We've learned that.

Kelley: We think he can get to where he wants to go. He'd like easier options available to him. He could pursue a quasi-judicial zone change. That may not -- that tends to be long and expensive. I would probably advise him to wait for the central Portland plan process in that case.

Fish: The other option you presented and didn't advocate it, but you said, give him the benefit and we'll clean it up during the comp plan.

Kelley: Of the easier of the two --

Fish: Yeah, give him, and then clean up the zoning.

Kelley: Without changing the bonus, without changing the base zone, you don't bring the office question in at all. You keep it as realize primarily and then creating a new anomaly, a housing bonus in a housing district, which is the r.x., and that way, take up your decision on a particular circumstance and then change it later.

Leonard: There was at least the opportunity to have this fully vetted discussion.

Kelley: There was, yes.

Leonard: Whereas, I have -- none of us have shied away from in the past interjecting ourselves into contentious debates between developers and neighborhoods where we determine one side was being unreasonable, cutting the baby in half. I don't sense that was this process. And i'm not wanting to wade into waters where there has been good interaction and collaboration but for somebody not bringing something up. That's not defensible in my mind to the point of end running a whole -- the point of end running a whole community process. I'm not comfortable with that.

Kelley: [inaudible]

Leonard: I --

Potter: I'm comfortable with it going to e.x. with a traffic study preceding it. I think --

Leonard: Changing the zoning?

Potter: Yeah, I --

Leonard: That's actually what patty said. She said -- I mean, and i'm fine with that as well. But then they need to undergo that process. What i'm concerned with is us interjecting our judgment, allowance for housing bonuses there that is unique that doesn't take into account the concerns we heard articulated here today, which I thought were reasonable.

Fish: I appreciate that, but it's e.x. to the south and e.x. to the west. So in effect, it is a little island.

September 24, 2008

Doss: It's not e.x. to the west. Just to be clear. There's comp plan e.x. to the west. You have to go through a whole process to amend. It's not automatically e.x. to the west. There was an error in patty's testimony.

Kelley: That would enable the traffic studies to be done. Further nuance, you could do a comp plan of the e.x. --

Fish: I'm getting a headache.

Leonard: And i'm where mayor Potter is. There's a way to get there. It's a more clean cut position that's consistent with our current processes. I'm very supportive of that happening and being considered in that context. Because the justification I heard made sense. I mean, it was do it in the context of the entire area, not just spot zoning this one. Which, again, I don't mind doing if there's a reason for us to have to interject ourselves. But I don't see any evidence of either party being unreasonable as they go through this process. And for that reason, I don't want to allow anyone to be end run.

Fish: How long would that process take?

Kelley: You could tell us to come back with an e.x. Zone designation, that would take us a little while to do. Do the traffic analysis.

Leclerc: I'm not sure where -- we're stretched right now. And we don't have -- you know that pdot doesn't have the resources and we have a budget for the central Portland plan and i'm not sure where we can find the time and resources to do it. But it does take several weeks.

Leonard: I want to be clear, even if we do what the mayor and I are both agreeing should be done, I don't want to do an extraordinary process that doesn't include the community. They've made a compelling case for a long time that we they want to plan their community and well. And they've invested blood, sweat and tears to make that happen. And I don't want to send a message that we're not honoring that. If there's a process by one rezones their property that includes public notification and comments and public processes, I don't want to do anything here today that somehow makes that different than what it would ordinarily --

Kelley: I think there are three options. One is to tell us to do it as part -- [inaudible]

Leonard: That's what i'm saying.

Kelley: You could tell us to -- your intent is to designate it to rezone it, then he would go through a quasi-judicial process --

Leonard: I'm saying I don't have enough information to give you any direction on anything. Jeff has an independent right to file for a zoning change. I encourage him to use his rights and then the process will include much the same kind of interaction you had to do this plan with the community. I'm not comfortable hearing a community articulate concerns about the boundaries to their community that make sense to me to somehow interfere with that, we should be encouraging that discussion and not doing anything to say it's ok for someone to come here and circumvent the process and ask us for something they could have asked for during that process.

Fish: You said there were three choices.

Kelley: With the rezone, you could do what commissioner Leonard said. Adopt the planning commission recommendation, which signals the height, the e.x. base zone change, he would apply for through b.e.s. and do that process.

Fish: And that's not without controversy, we've heard some suggestion that -- the planning process, we prefer we not go to far.

Kelley: We generally discourage single parcel rezoning. Check choke to go this route, you articulate, he'd have to approve the traffic works but the larger public purpose is being served by broadening the zoning designation. It's for of a policy call to do that. It's -- it's frequent we will do rezoning for individual parcels where the comprehensive plan already anticipates a change and it's a matter of demonstrating you have the services available to do that. It's a different standard to say I think we should change city policy about what set of uses ought to be allowed on that property. But

September 24, 2008

that's -- those are the two primary options. Do the planning recommendation and let him file. You signal you want to change the comp plan designation but not the zoning. But the debate is narrowed to the traffic concerns and not the broader policies that you've talked about. Three, you say we want to consider this as part of the central Portland plan.

Potter: Are these questions that we envision being addressed by the central Portland plan?

Kelley: Yes, they are. When patty --

Saltzman: [inaudible] as apartment the of central Portland plan.

Kelley: That's the one we should signal which ones should be cleaned up.

Leonard: That's your preference?

Kelley: From a policy and community involvement point of view, that's the preferred option. If this is something you feel is relatively minor and you want to make a decision about today, you could exercise one of the options.

Potter: In terms of time lines, the scenarios you've mentioned, what's the approximate difference between them? Obviously, we could -- go quickly, but --

Kelley: The option where he would go it alone through the quasi-judicial process, he would first have to prepare a development proposal and he would need to be clear that's what he wants to do. And then apply for that. Conceivably that could all be completed, including appeals, at least to your body, within the next year. The central Portland plan extends that another year beyond that. So -- but again, we think for his -- the proposal that we understand he wants to do, there's a pathway to get there under the planning commission proposal.

Fish: By taking advantage of the middle income housing bonus and newly created family bonus, water feature bonus, the myriad of things available.

Kelley: And to achieve the height, he would be creating ground-level open space of some kind, so to the extent he enters into an agreement with parks to dedicate that space, there could be credit in f.d.c.'s and a number of things that help that aren't necessarily part of the zoning debate. So -- with regard to the wink letter property, i'm going to let -- wink letter property, his architect was will for the community meetings and there were two subsequent post-committee meetings that were held publicly. Once the traffic analysis was done. What we made clear to the committee was we've got a choice to make. We can wait for the traffic analysis to be done, to conclude the committee recommendations and there was a wait the metro schedule to provide the modeling was backed up and talked about that. And we can extend our process and come back to the committee and rework the recommendation -- and rework the recommendations or you can make your recommendations provisional on having the traffic analysis done and having that debated in open public meetings. Including the planning commission meetings and that was the preference to move the process along.

It was snapped by troy and mauricio that the properties to the river side of the railroad had traffic constraints that we needed to examine through the modeling. The modeling done was done at a gross district level. And that was debated by jim and his traffic engineer to whether you can make any one intersection work. Speaking to the process, I think there were opportunities to raise those issues. Once the traffic analysis did come out.

Leonard: To be clear on the concern i'm trying to raise is given the lateness of the hour and with all due respect, i'd not want to hear the traffic modeling, but i'm concerned about the process. Am I hearing you say there's an opportunity to address jim's concerns about not having a fair shot at arguing the conclusions you reached through your own traffic analysis by adopting some other process by which the community would be involved to be able it look at and analyze, and make a judgment of what would be appropriate at that point?

Kelley: I think what he's asking for is --

Leonard: That's what I thought you said.

Kelley: No, what I was trying to describe is what did happen already.

Leonard: I thought you said if the future we could adopt some --

September 24, 2008

Kelley: I think that would be difficult to carbon dioxide he's asking for a legislative change now.

Leonard: I thought you said we could adopt some provisional findings contingent on you having some open public process. Did I misunderstand you?

Doss: He was talking about the process that led to the planning commission process. We did talk about the transportation, our last two advisory committee meetings. We're doing our analysis all the way through. Unfortunately, the modeling came late. We did do modeling runs before we concluded and that was shared with the project advisory groups. They knew what we were proposing along naito and then we further discussed it, through four meetings, where additional analysis was run and there was a lot of opportunity to investigate the proposals that mr. Winkler is making. Our meetings, we had 19 members of the project advisory group but we also had open meetings. We had a lot of people who participated. They were able to talk and share information. And i'd say some of the best ideas came from those individuals so this wasn't a closed process and we were willing to entertain anything. We did at one point consider can we do increases that he's suggesting along naito. We looked into it. And the transportation analysis said no, we can't at this time. We ran the concerns across odot, they've looked at our numbers, maybe two or three times recently and as soon as just two weeks ago and concurred. So we feel confident in what our analysis has shown.

Saltzman: Our analysis was maybe less rigorous than their own?

Leclerc: It's true that the model we used came late to the planning process and came from metro. We take original model, used for light rail in this case and customize it for the study areas.

Basically the river district, burnside and northwest district and the bridges. And then we go through a project, that we call calibration, so we add more streets -- calibration, and we add more streets in our analysis. From that, we run future land uses, based on comprehensive planning designations and that provides the basis for a typical legislative planning process such as the one we have today.

So it came late but we did have, as troy mentioned, the two last advisory meetings discussed this and agreed that we were going to go ahead and basically our traffic analysis showed there was a congestion issue on lovejoy and lovejoy from 9th to pretty much -- lovejoy from 9th to 14th. And so based on that, we also learned if you increase land use north of -- i'm sorry, west of -- east of -- sorry. Then it would generate traffic that would really congest, 9th and lovejoy. I don't know if you're familiar with the area. Need a map. We concur with mr. Winkler and let them borrow our findings for his consultant to do more detailed work. Site specific, with traffic intersections and everything. And what came out of that, naito and 9th was not a issue and that's what he spoke to you about today, but both analyses, there were assumptions made, agreed that you start opening up - - going back to the planning area, that adding so much more north of the tracks leads to for traffic on 9th and lovejoy which fails in the future of it's ok at naito, but one out of five trip want to go on the Broadway bridge and head east. So we're stuck with another congested point and based on that, our standard, performance standards for -- performance standards. We believe we were worked cooperatively with mr. Winkler and we did reach the same conclusions.

Leonard: You disagree with the remarks that he didn't have an opportunity to present his case.

Leclerc: We talked about it twice. And they agreed with our recommendations.

Doss: I want to note, they didn't say no, what they said we concur with the city's pdot's findings, but we think it's a bigger issue. If we can get more capacity along naito, that's going to benefit a lot of people. Let's look at it through the central city Portland plan and see how much capacity we can get out of the system. And it seemed like the perfect place to put that request.

Fish: The default is to kick it to the Portland plan and that will be resolved in a couple of years, his argument is if he could take advantage of the bonus, he would want something resolved now.

Doss: The available f.a.r. He has available, he's only used 50% of it. So if there's still more potential already on the site he's asking for more in addition to that.

September 24, 2008

Potter: May I make a suggestion? I have a 5:00 appointment I have to be at. We have both a resolution and a nonemergency ordinance. The city attorney's office suggested we vote on them at the same time because of the link between the two. Could we continue this to next week?

Leonard: I'm ready to proceed now, actually. I've heard all I need to hear. I mean, that would make me --

Potter: I'm not.

Leonard: You're not? Ok. That's fine.

Potter: I think we've heard -- there's four different parties and we've heard a number of recommendations for each, and yet there's nothing on paper here and we're trying to keep all of this in our heads. I think it's quite a bit.

Leonard: My one recommendation, I was pulling out the paperwork now, was to go along with the potential friendly amendment and leave the rest of the recommendations as presented to us.

Fish: From mr. Michaelson?

Leonard: That we've been handed --

Potter: Which one?

Kelley: There's two and they're not alternative. You could do both.

Doss: Staff -- [inaudible]

Fish: South of fremont?

Leonard: Correct.

Fish: And mr. Michaelson, we agreed to some language on that?

Kelley: Right. We didn't talk about today, but is a no-brainer, which would be a benefit to mr. Baccarat, remove some of the language we made that was redundant.

Potter: We can't vote this week anyway? I would be ok with moving these amendments today and next week on further review, when we have more time.

Potter: Both of them?

Leonard: They said we could do both.

Doss: We support both of the friendly amendments before you in writing. And we would agree to amend the plan to reflect mr. Michaelson's request about further study --

Fish: I may be the one suffering the most in the late hour. There's four issues. South of fremont, north of fremont, michaelson language and then the winkler language.

Kelley: Right.

Fish: Four pieces.

Leonard: And two are noncontroversial and i'm proposing we amend those and the ones --

Potter: You say these are not controversial? Block 8?

Leonard: No.

Fish: The one where we got the diagram of what it would look like.

Leonard: These are what we heard initially --

Kelley: And we have a written amendment in front of you that would accommodate that. And we have a second one that basically eliminates some redundancies with requirements for mr. Baccarat's property that we think is a no-brainer. It doesn't -- it doesn't interfere with the other larger issue that he raised. So we recommend both of those, pretty clean. We could certainly craft language for the sun reading for the -- second reading on the rick michaelson --

Leonard: As long as the mayor --

Potter: I -- I would prefer we slow down a little bit.

Leonard: It's not a final vote. We could vote again --

Potter: I'm not sure I agree -- I just need to --

*******:** Make sure council is aware. You have two amendments that you have language, those are easy, but because of the five-day rule, if you're going to amend anything else, you couldn't vote next week. If you're going to amend. We're going to have language prior to that.

September 24, 2008

Potter: That's fine. What I heard with the exception of the winkler property, no one else has an actual architectural plan in play?

Fish: Mayor, i'm prepared to follow your lead on that, I would just urge that gil talk to mr. Bachrach.

Leonard: But -- but -- I don't want to send two different messages.

Fish: What I meant, there's an amendment that troy has prepared that cleans up things and doesn't -

Leonard: Right, doesn't go to the other issue.

Fish: And alter the process.

Leonard: I understand.

Fish: I'd like them to confer with mr. Bachrach if that's a viable option.

Leonard: I don't think that's in dispute. I want to send a big c caution out. I would send a message to you that any further discussions about -- this is from my perspective -- about potential changing of zoning or additional f.a.r. Is not a message I want to send. So I don't know if that's different than what you're saying, nick, but --

Fish: No, the troy amendment is something on the table which I think none of us understand. That needs to be discussed with mr. Bachrach.

Kelley: I guess what we were hoping for was some direction about the two larger issues, which are --

Potter: Yes, maybe, and no.

Saltzman: I would like to see additional information about the traffic analysis. Shows failure at 9th and lovejoy. With respect to the winkler naito.

Leclerc: I would like to review the michaelson amendment, I would like to review for legal procedure. We need to find legal findings based on --

Leonard: As opposed to these two separate amendments, a document that includes three separate amendments. From my perspective, I intend to vote on three separate amendments. The one that we've discussed that i'm ok with, if there's more than we discussed -- and i'm clear about what those are -- then I will not support them. I need one piece of paper with those three amendments.

Kelley: The other two need discussion.

Fish: We all have different needs here. Randy is entitled to his needs. Troy and steve coming back next time -- troy coming back next time?

Kelley: We need to find a date on the calendar.

Fish: In fairness, when we have the final vote, many of the councilmembers want to thank them for their work on this project.

Potter: Ok. So -- I do believe we need at least -- some people say three, I think there's four different parties that have been involved. The michaelson, the --

Leonard: There is. Of the different ideas i've heard, i'll support the two listed as noncontroversial and the one from --

Kelley: Rick michaelson.

Leonard: Rick michaelson.

Kelley: And then the two that are the larger issues that are outstanding.

Leonard: I appreciate, but at this point, given what i've heard, I can't support.

Fish: Thanks, gil.

Potter: What do you need from us in terms of giving you direction what we want to see next week.

Kelley: A date right now when we can come back. I don't know if we spend more time today, if we're going to get more agreement about which way to move on the larger two. Why don't we clarify the issues of the two outstanding for you and come back with those.

Fish: There's a couple of questions that I [inaudible] follow through with staff and make sure we understand the legal issues and i'm prepared for five minutes of discussion [inaudible]

September 24, 2008

Leonard: Hopefully i'm not plagued with those kind of concerns.

Potter: We're adjourned until next week. [gavel pounded]

At 4:50 p.m., Council adjourned.