



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **18TH DAY OF MARCH, 2009** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Adams, Presiding; Commissioners Fish, Fritz and Leonard, 4.

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

Items No. 263, 264, 265, 271 and 272 were pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

| <b>COMMUNICATIONS</b>  | <b>Disposition:</b>   |
|--|-----------------------|
| 254 Request of Lee Iacuzzi to address Council regarding transgender protections (Communication)  | <b>PLACED ON FILE</b> |
| 255 Request of Daniel Capuia to address Council regarding Mayor Adams (Communication)  | <b>PLACED ON FILE</b> |
| 256 Request of Amy Harwood to address Council regarding proposed liquefied natural gas terminals (Communication)   | <b>PLACED ON FILE</b> |
| 257 Request of Melinda Pittman to address Council regarding Vision Into Action Commission and living wages (Communication)   | <b>PLACED ON FILE</b> |
| 258 Request of Jason Wurster to address Council regarding Mayor Adams (Communication)  | <b>PLACED ON FILE</b> |
| <b>TIME CERTAINS</b>   |                       |
| 259 <b>TIME CERTAIN: 9:30 AM</b> – Accept the Master Plans for Beech Park, Clatsop Butte and Parklane Park as a guide for future development and management of each park (Resolution introduced by Commissioner Fish)<br>(Y-4) | <b>36688</b>          |

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| <p><b>260</b> <b>TIME CERTAIN: 10:30 AM</b> – Endorse a No Wake Zone for Holgate Channel and a non-motorized zone for Ross Island Lagoon (Resolution introduced by Mayor Adams and Commissioners Fish, Saltzman and Leonard)<br/><br/>(Y-4)</p>   | <p align="center"><b>36689</b></p>  |
| <p align="center"><b>CONSENT AGENDA – NO DISCUSSION</b></p> <p align="center"><b>Mayor Sam Adams</b></p>  |   |
| <p><b>261</b> Reappoint Jeffrey Cole for a term to expire February 28, 2012 and appoint Roger Alfred and Anyeley Hallova for terms to June 30, 2013 and June 30, 2010 to the Adjustment Committee (Report)<br/><br/>(Y-4)</p>   | <p align="center"><b>CONFIRMED</b></p>  |
| <p><b>262</b> Appoint Jane Hansen and reappoint Andrew Jansky to the Design Commission for a partial term and a 4-year term (Report)<br/><br/>(Y-4)</p> <p align="center"><b>Bureau of Planning &amp; Sustainability</b></p>  | <p align="center"><b>CONFIRMED</b></p>  |
| <p><b>*263</b> Authorize contract with PB Americas, Inc. for \$125,000 to develop a Concept Plan for Bonny Slope West–Metro Urban Expansion Area 93 and provide for payment (Ordinance)</p>   | <p align="center"><b>REFERRED TO<br/>COMMISSIONER OF<br/>FINANCE AND<br/>ADMINISTRATION</b></p> |
| <p align="center"><b>Bureau of Transportation</b></p>   |   |
| <p><b>*264</b> Authorize Intergovernmental Agreement with the Portland Development Commission for funding of a portion of the construction phase for the East Burnside and Couch Couplet Project (Ordinance)<br/><br/>(Y-4)</p>   | <p align="center"><b>182600</b></p>   |
| <p><b>*265</b> Authorize contract and provide for payment for construction of the East Burnside/Couch Couplet Project (Ordinance)<br/><br/>(Y-4)</p>  | <p align="center"><b>182601</b></p>   |
| <p><b>*266</b> Authorize contract with DKS Associates for professional, technical and expert services required for the South Auditorium District Street Lighting Project (Ordinance)<br/><br/>(Y-4)</p>   | <p align="center"><b>182587</b></p>   |
| <p><b>*267</b> Authorize an Intergovernmental Agreement with Oregon Department of Transportation to retain the services of the Bureau of Transportation to perform traffic control and consultation for the I-405 Marquam Bridge to Fremont Bridge project (Ordinance)<br/><br/>(Y-4)</p> | <p align="center"><b>182588</b></p>   |
| <p align="center"><b>Office of Management and Finance – Business Operations</b></p>   |   |
| <p><b>*268</b> Pay claim of Adrian Bradley (Ordinance)<br/><br/>(Y-4)</p>   | <p align="center"><b>182589</b></p>   |

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| <p><b>*269</b> Pay claim of Kristen West (Ordinance)<br/>(Y-4)</p>   | <p align="center"><b>182590</b></p>   |
| <p align="center"><b>Office of Management and Finance – Human Resources</b></p>  |   |
| <p><b>270</b> Create and establish an interim compensation rate for the new classification of Survey Project Support Technician (Ordinance)</p>  | <p align="center"><b>PASSED TO<br/>SECOND READING<br/>MARCH 25, 2009<br/>AT 9:30 AM</b></p> |
| <p align="center"><b>Office of Management and Finance – Purchases</b></p>  |   |
| <p><b>*271</b> Extend contract with S. Brooks and Associates to provide temporary services/aquatic staff for the Bureau of Parks and Recreation for the period March 23-May 31, 2009 (Ordinance; amend Contract No. 40828)<br/>(Y-4)</p>   | <p align="center"><b>182602</b></p>   |
| <p align="center"><b>Commissioner Amanda Fritz<br/>Position No. 1</b></p>  |   |
| <p align="center"><b>Office of Neighborhood Involvement</b></p>  |   |
| <p><b>*272</b> Authorize \$268,000 for four grant agreements for Immigrant and Refugee Community Organization, Latino Network, Native American Youth and Family Center, and Urban League of Portland for the Diversity and Civic Leadership Organizing Project from November 21,2008 through June 30, 2010 (Ordinance)<br/>(Y-4)</p> | <p align="center"><b>182603</b></p>   |
| <p align="center"><b>Commissioner Nick Fish<br/>Position No. 2</b></p>   |   |
| <p align="center"><b>Bureau of Housing and Community Development</b></p>   |   |
| <p><b>*273</b> Amend subrecipient contract with Cascade AIDS Project for an additional \$141,035 for tenant-based rental assistance and provide for payment (Ordinance; amend Contract No. 38345)<br/>(Y-4)</p>  | <p align="center"><b>182591</b></p>   |
| <p><b>*274</b> Amend subrecipient contract with Salvation Army by an additional \$244,870 for the HOME project and provide for payment (Ordinance; amend Contract No. 38352)<br/>(Y-4)</p>   | <p align="center"><b>182592</b></p>   |
| <p align="center"><b>Portland Parks &amp; Recreation</b></p>   |   |
| <p><b>*275</b> Authorize agreement to acquire two parcels in Northwest Portland for inclusion in Forest Park in accordance with land acquisition procedures approved by Ordinance No. 181710 (Ordinance)<br/>(Y-4)</p>   | <p align="center"><b>182593</b></p>   |
| <p><b>276</b> Authorize Management Agreement with Columbia Slough Watershed Council for its management and use of Whitaker Ponds Natural Area (Ordinance)</p>  | <p align="center"><b>PASSED TO<br/>SECOND READING<br/>MARCH 25, 2009<br/>AT 9:30 AM</b></p> |

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| <b>Commissioner Dan Saltzman</b><br><b>Position No. 3</b>  |  |               |
| <b>Bureau of Environmental Services</b>                    |  |               |
| <b>*277</b>  | Accept a grant in the amount of \$100,000 from Lower Columbia River Estuary Partnership for off-channel habitat enhancement design at the confluence of the Willamette River and Tryon Creek (Ordinance)<br><br>(Y-4)  | <b>182594</b> |
| <b>*278</b>  | Accept a grant in the amount of \$146,250 from Lower Columbia River Estuary Partnership for the Columbia Slough Confluence Habitat Enhancement Project (Ordinance)<br><br>(Y-4)  | <b>182595</b> |
| <b>279</b>   | Authorize contract with Portland General Electric to receive utility relocation services for Sellwood Sewer Interceptor Capital Improvement Project sewer improvements Project No. E06973 (Second Reading Agenda 234)<br><br>(Y-4)   | <b>182596</b> |
| <b>280</b>   | Authorize a contract and provide for payment for the construction of the SE Clay-Taylor Reconstruction and Green Streets TGD-24 and TGD-31 Project No. E08669 (Second Reading Agenda 235)<br><br>(Y-4)   | <b>182597</b> |
| <b>Bureau of Police</b>                                    |  |               |
| <b>*281</b>  | Authorize an Intergovernmental Agreement with Oregon State Police Crime Lab for the use of U.S. Department of Justice, Office of Justice Programs, National Institute of Justice FY08 Solving Cold Cases with DNA grant funds (Ordinance)<br><br>(Y-4)   | <b>182598</b> |
| <b>Commissioner Randy Leonard</b><br><b>Position No. 4</b> |  |               |
| <b>Portland Fire &amp; Rescue</b>                          |  |               |
| <b>*282</b>  | Authorize application to Federal Emergency Management Agency for a grant in the amount of \$342,080 for Fire Prevention & Safety Grant for Safe & Sound public service announcements (Ordinance)<br><br>(Y-4)  | <b>182599</b> |
| <b>REGULAR AGENDA</b>                                      |  |               |
| <b>283</b>   | Support extinguishing all non-essential lighting in all city government buildings and public landmarks for the hour between 8:30 p.m. and 9:30 p.m. on March 28, 2009 in support of Earth Hour; establish March 28, 2009 as Earth Hour Day in the City of Portland (Resolution introduced by Mayor Adams and Commissioners Fish, Fritz, Leonard and Saltzman)<br><br>(Y-4) | <b>36690</b>  |

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| <b>Mayor Sam Adams</b>                                       |   |  |
| <b>Bureau of Transportation</b>                              |   |  |
| <b>284</b>   | Vacate the Alley in Block 5, Albina Homestead Addition subject to certain conditions and reservations (Second Reading Agenda 238; VAC-10055)<br><br>(Y-4)   | <b>182606</b>  |
| <b>Office of Emergency Management</b>                        |   |  |
| <b>*285</b>  | Authorize application to U.S. Department of Homeland Security for a grant in the amount of \$1,000,000 for construction or renovation of State, local or tribal government principal Emergency Operations Center (Ordinance)<br><br>(Y-4)   | <b>182604</b>  |
| <b>Office of Management and Finance – Financial Services</b> |   |  |
| <b>*286</b>  | Authorize limited tax revenue refunding bonds (Ordinance)<br><br>(Y-4)  | <b>182605</b>  |
| <b>Office of Management and Finance – Purchases</b>          |   |  |
| <b>287</b>   | Authorize a \$1,250,000 contract with CSDC Systems, Inc. for continued maintenance and support of the AMANDA computerized permit tracking system for Bureau of Development Services (Second Reading Agenda 244)<br><br>(Y-4)  | <b>182607</b>  |
| <b>Portland Development Commission</b>                       |   |  |
| <b>288</b>   | Approve 182 applications and deny 8 applications for the Single Family New Construction Limited Tax Abatement program from January 1, 2008 to December 31, 2008 (Resolution)<br><br><b>Motion to amend to add three additional approvals:</b> Moved by Commissioner Fish and seconded by Commissioner Fritz. (Y-4)<br><br>(Y-4) | <b>36691</b><br>AS AMENDED   |
| <b>Commissioner Randy Leonard</b><br><b>Position No. 4</b>   |   |  |
| <b>Portland Fire &amp; Rescue</b>                            |   |  |
| <b>289</b>   | Authorize the assessment of \$79,925 for a fire watch at 418 SW Washington St (Ordinance)<br><br><b>Motion to remove emergency clause:</b> Moved by Commissioner Fritz and seconded by Commissioner Leonard. (Y-4)  | <b>PASSED TO<br/>SECOND READING<br/>AS AMENDED<br/>MARCH 25, 2009<br/>AT 9:30 AM</b> |
| <b>City Auditor Gary Blackmer</b>                            |   |  |

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**290** Accept Transition Report: Key Challenges for a new City Council by the  
Audit Services Division (Report)

**Continued to March 19, 2009 at 2:00 p.m.**

**Motion to accept report:** Moved by Commissioner Fish and seconded by  
Commissioner Leonard.

(Y-4)

**ACCEPTED**

At 1:35 p.m., Council recessed.

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**WEDNESDAY, 2:00 PM, MARCH 18, 2009**

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

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**March 19, 2009**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **19TH DAY OF MARCH, 2009** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Adams, Presiding; Commissioners Fish, Fritz and Leonard, 4.

Commissioner Leonard arrived at 2:03 p.m.

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

Item No. 290 was considered in the 2:00 p.m. session.

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| <b>291</b> <b>TIME CERTAIN: 2:00 PM</b> – Implementation of Portland Housing Bureau and consolidation of economic development functions at the Portland Development Commission (Report introduced by Mayor Adams and Commissioner Fish)<br>(Y-4) | <b>Disposition:</b><br><br><b>ACCEPTED</b> |
| <b>292</b> Accept report to City Council on Bureau of Planning and Sustainability (Report introduced by Mayor Adams)<br>(Y-4)  | <b>ACCEPTED</b>                            |
| <b>REGULAR AGENDA</b><br><br><b>Mayor Sam Adams</b><br><br><b>Bureau of Transportation</b>   |  |
| <b>293</b> Adopt the Sellwood Bridge Project Locally Preferred Alternative and project conditions (Resolution)<br>(Y-4)  | <b>36692</b>                               |

At 4:53 p.m. Council adjourned.

**GARY BLACKMER**  
Auditor of the City of Portland

By Karla Moore-Love  
Clerk of the Council

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



**March 18, 2009**  
**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.

**MARCH 18, 2009**                      **9:30 AM**

**Adams:** It's wednesday, march 18th, this is the morning session of the Portland city council. Karla, please call the roll.

[roll call]

**Adams:** I need to move that we have an evening meeting for april 15th.

**Fritz:** Second. You sure you want it on the 15th.

**Adams:** That's what they asked for.

**Fritz:** I thought it was the 16th.

**Leonard:** For what purpose?

**Adams:** Volunteer -- what is it? Into action. Vision into action. So it's been moved and seconded. Any council discussion.

**Fritz:** Yeah, i'd like to discuss whether we can have it on the 16th instead.

**Moore-Love:** They didn't want that date. They changed to the 15th, so --

**Fritz:** Ok.

**Fish:** I don't have my calendar. Is there why we have to do it this way --

**Fritz:** A code change we did requires a majority of the council --

**Adams:** Would you like another week to think about it.

**Fish:** To -- to check my calendar.

**Fritz:** A lot of people are busy in the evenings.

**Adams:** We'll rescind our motion, to work together and come back with a motion that's been vetted.

**Leonard:** Do we actually have to have a motion? We can't just say we're having a meeting if we all agree?

**Adams:** Under code changes we have to have a motion and vote on it. We'll hold the motion over to next week. All right. Karla, council communications. Could you have please read the title for council calendar item 254?

**Item 254.**

**Fish:** Karla, we're still getting no input signal.

**Moore-Love:** We have a [inaudible] they're working on it. Sorry.

**Adams:** Good morning. Give us your first and last name and you have three minutes.

**Lee Iacuzzi:** My name is lisa lee iacuzzi and i'm the editor of "not a good queer." it's been since october of '07 -- 2007 -- that i've been asking for some justice. And I have to -- I came here today to thank the independent police review board. I know people like to come in here and complain about them. But i've been to their office, at first monthly, and biweekly, for over a year. And every time I went to their office, they were really kind, very patient, I would go in there very upset and they were very cool. But time has passed. I have been asking for an investigation from the outcome of this independent police review board. I don't know what the power of city council -- I know dan Saltzman is in charge of the police. I'm asking for an investigation. I need a couple of questions answered. I've been to the district attorney's office. He said that he would look at my case if I had an independent police review board and a retaliation claim. I believe I climbed a whale to get these done for somebody to ask a few questions. On the day of my arrest, I had a

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stalking order on this person and this person had a stalking order on me and I was arrested in my lobby. Because I believed that i'm transgendered. I believe I was discriminated by the police. I was in an all-woman's building and it was good to get the -- get the gender freak out the building. I spent 29 days in the hole and in july I was convicted. And I have stated to the district attorney's office, how can you come after me after i've won two substantial findings of gender kiss cripple nation in the same building from two separate organizations where I was arrested? So i've asked for some justice for white collar crime. I don't know if many people go to jail for white collar crime but I believe what happened to me was deliberate and intentional. The day I was arrested, the video was erased of my arrest. The statements that -- on the police reports do not match. I've been working at this for justice for a year and a half and getting tired. I don't know if it's a protest time or just spring, it's the anniversary of the march last year. I'm not sure what's going to happen. So thanks.

**Adams:** Thank you very much for your testimony. Karla, please read the title for council item 255.  
**Item 255.**

**Adams:** Good morning, welcome to city council.

**\*\*\*\*\*:** Good morning.

**Adams:** You need to give us your first and last name and you have three minutes and that clock in front of you helps you keep time.

**Daniel Capuia:** Thank you. My name is daniel capuia, and it's really both saddening and exciting to be addressing you all. All of you have been elected to protect and serve the citizens. Over the past few -- several of the past few months, there's been a lot of whispers in the community, and I say whispers because folks are afraid to speak out and address their concerns. And so I thought I would come out and share with the council what is going on in the community. If you like to get the job, you would certainly like to keep it. Mayor Adams, how do you suppose that the public is able to trust you? Mayor Adams, you're a liar and the truth is not in you. Mayor Adams, your behave and actions over the past few years have been nothing short of embarrassing and up acceptable. Mayor Adams, where is your moral compass. Are you so -- compass. Would you describe anything and anyone to get what you want? Mayor Adams, are you in possession of a soul? A conscious? These are questions you should meditate on. But I will suggest that based on your actions, I have drawn the conclusion that you wouldn't even know where to begin. Portland is a great city and furthermore, the city is in progress. Much more progress shun requires -- progression, all characteristics you seem to lack. This is a city like many american cities is in crisis. The unemployment rate almost at 8%. Our homelessness is skyrocketing and the drug use and violence are at an all-time high. 50 seconds and i'm going to skip over some of the things I have. But the issue of the major league soccer is not going to help a mother and father who are facing foreclosure. The issue of major league soccer that you're so driven to make sure is brought here is not going to help any of these and we have issues on our table that need to be addressed. I played soccer in high school all my life and I consider myself a soccer fanatic, but I wouldn't under these circumstances lobby to have a soccer team here and the cloud that you have brought over to hide the issues of the unscrupulous behavior that has taken place should not be at the forefront of the table.

**Adams:** Thank you for your testimony. Appreciate it. Karla, please read item 256.

**Item 256.**

**Adams:** Good morning, welcome to city council. You need to give us your first and last name and three minutes.

**Amy Harwood:** Thank you, commissioners, for letting me speak this morning. My name is amy harwod. I work with bark and we've been the watchdogs for mount hood national forest. I'm here to ask you to pass a resolution with thousands of Oregonians saying no to l.n.g. Right now there's a proposal to build three natural gas terminals, this imported fossil fuel not only continues our

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dependency on a foreign energy source but a long list of safety concerns to the communities and impacts almost every energy dependent -- Fishermen, farmers. And the palomar pipeline, through old growth forest and over the most famous hiking trails, including the pacific crest trail. Why am I asking the Portland city council to get involved? Well, i've been working with the affected communities for about two years now and they thought they just needed to get their local leaders to help. So they did that, all along the proposed pipelines have passed resolutions against this development. R, but it didn't work and then they went to the state. And they said, no, we don't need this development and when we found out that major environmental laws would have to be changed in mount hood, we went to senators and senator wyden said that it's a treasured area, it's unacceptable and still the gas companies have not changed their scheduled construction. Despite in diverse group speaking resolutely with one voice, there's only one voice that is loud enough. And that's the consumer. The five of you represent the largest consumer base that the gas companies claim to be serving. In your state of the city address, you called Portland a living laboratory of sustainability. I have the great fortune of spending my work day advocating for the forests and rivers. And we've gone door to door talking to consumers and so many have asked us, what can I do? Over the past few weeks we've asked them to sign a card about this resolution and i'm here as a resident of this city, backed by more than 300 other residents asking you to please pass a resolution in opposition to this destructive development and say no to l.n.g. Development in Oregon. I'll leave a copy of this resolution for each of you in your offices as I leave today and I hope you contact me with questions and thank you for allowing me to speak today.

**Adams:** Thank you -- [applause]

**Adams:** Didn't want to step on the applause. Can you stop by and see lisa libby in my office or amy or megan.

**Fritz:** And thank you for doing the postcards rather than 300 emails. We appreciate that.

[laughter]

**Adams:** All right, Karla, please read the council item 257.

**Item 257.**

**Adams:** Good morning, and welcome to the city council.

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

**Adams:** Give us your first and last name and you have three minutes.

**Melinda Pittman:** Thank you very much. I'm melinda pittman and i'm delighted to talk with you today. I want to start and clarify why the vision in action committee of which i'm a volunteer member asked for -- we actually didn't ask for april 15th. We asked for april 23rd, which is the next wednesday and there was conflicts with something that you were already doing. So our second choice was actually april 15th. So we look at that as a celebration. I'm going to ask you to go back and make that resolution. And pass it now rather than putting it off for a week. Maybe commissioner Fish can look at his calendar on the screen in front of him and figure that out. It would be great. Whatever, we are delighted to have an evening meeting because as you know, the vision into action committee and the whole vision into action coalition, 56 organizations in Portland, have been working very hard building community and building a very strong infrastructure here in Portland. So actually, what I want to talk about is, you know, what are we going to do? What are we going to do about money? This is what we're all talking about at our dining room tables and our living rooms, as we go to bed. What are we going to do about money? And i've been looking at the presentations from the budget committee with the list of priorities, and I see as we go way down the list, that the vision into action commission -- committee is proposed to be cut. And I see that the youth planning commission is proposed to be cut. And, you know, you guys project don't know this, but my other part of my life is i'm an accountant with a functioning personality. Can I believe that? I work with nonprofit organizations who never have enough money to try and figure out what is justice. The visions, values are equity and access, community

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involvement, and sustainability. And when you think about who we're saying to cut, who are those people? I bet you they're mostly women, I bet you they're mostly people of color. Mostly the people who have just gotten a job in our 10.8% economy. And so I think it's an easy choice on paper to cut whole programs. And I think that it's a way to -- to make a short-term crisis into a 20-year crisis. So I encourage you to think about who are the people that are doing the work of building this community. And who are the people that you really want to support and serve. I'll end with a quote from cesar chávez. He said when a man or woman stands up for justice, the heavens rejoice. When a woman or man stands up for justice and is struck down, the heavens weep and the world is saddened. So please do the right thing. Have your meeting. Thank you very much for your time. Oh, I have 15 seconds: Do you want to hear a song?

**Adams:** [inaudible] over. Thank you for your testimony.

**Fish:** By the way, i'm glad you raised the issue of this monitor, because when -- before I got elected I didn't understand what these were. And this allows us to see what the public sees up there. We use it to do power points and things. I don't have a way to access my office computer on this and even if I did, i'd be resistant because as someone who used to testify occasionally, i'd rather have commissioners focused on this rather than doing other tasks.

**Pittman:** That's a good point. Thank you, commissioner Fritz, for coming to the international women's day. You were brilliant.

**Adams:** Karla, please read the title for council item 258.

**Item 258.**

**Adams:** Welcome to city council. You need to give us your first and last name and you have three minutes.

**Jason Wurster:** I've done it before. Thanks. I'm jason wurster, a volunteer spokesperson for recallsamAdams.com. When we're feeling angry, frustrated and upset with one another over sam Adams, it's not the person who we call mayor who define us as Portlanders, but how we resolve conflicts. I'm here to speak about a recall that's based on truth, citizen participation and kindness. The recall has already begun. We just can't collect signatures for another 104 days. He sits before us, an untrusted and politically bankrupt politician whose hand is clinging to his ill gotten power. Do you not realize that it's placed around the throat of our democracy? Hundreds of people around the Portland region have joined together. Because you refuse to resign in the premeditated election deceptions that have diminished the title of mayor, but also Portlander and Oregonian. As citizens of Portland, we're duty-bound to remove you from office for your anti-democratic actions. It's our legacy to blaze trails that will hold their elected officials accountable. Some of the most egregious misinformation cast in support of -- the recall will provide a method of removing sam Adams from office while protecting individuals who fear the well documented political thuggery you have shone yourself capable. The recall is nonreligious and focuses solely on recalling you because of your civic transgressions committed against us. And three, the recall will not associate with those who see this as an opportunity to cast hate against the lbgt community. We will not be slaves to the political apathy that corrupt politicians have come to rely on. This recall will be one that redefines us to the rest of the world as being honorable, intelligent, civil and caring. Thank you.

**Adams:** Thank you for your testimony. [applause] Karla, please read the item title for item 259. Oh, i'm sorry. You guys are right on me, aren't you? We're going to send back to my office 263, unless there's objection. Could you please read the title for 263?

**Item 263.**

**Adams:** Unless there's objection, 263 is moved back to the mayor's office. [gavel pounded] and i'd like to pull 264, 265, and I think 271 has been pulled as well.

**Fish:** 271, I would just like to clarify, we'll pull that and take it up during our regular agenda.

**Adams:** All of them will be pulled and taken first.

**Fish:** Yep.

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**Adams:** So anyone else wishes to pull an item from the consent agenda?

**Fritz:** No. I wanted to pull 272.

**Adams:** 272? It's been pulled from the consent agenda. Anyone here who wishes to testify on the remaining consent agenda? All right. Karla, please call the roll for the consent agenda.

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

**Adams:** Aye. [gavel pounded] consent agenda is approved. Can you please now read the title for council calendar item 259.

**Item 259.**

**Adams:** Commissioner Fish.

**Fish:** Thank you, mayor. As the parks commissioner, I'm thrilled to introduce this item. Before I begin, though, I'd like to acknowledge the leadership of commissioner Dan Saltzman, who is at home no doubt watching on TV as he recovers from an illness and the dedicated parks employees. We have not one, not two, but three east Portland park master plans to share with you. This is the first time I think in history we've brought three master plans as a group before council and these are all significant sites. More than 20 acres each and offer different amenities for our community. With beech to the north, park lane in the middle, and Clatsop Butte to the south -- Clatsop Butte to the south. They were formed a new parks system. We have the rare luxury to design parks with the most popular amenities built in. Right from the beginning. Like off-leash dog areas and community gardens. Engaging a diverse range of east Portland residents including the Russian and Ukraine and Southeast Asian communities. I understand some of the open houses turned into community potlucks. Sorry I missed out. At two of the three parks, Park Lane and Beech, are right next to schools which allow us to design with children and families in mind as well. I'd like to give a special thank you at this time to the Parkrose and Centennial school districts who are excellent partners in this effort and wonderful to work with. There are some thank you's that I will do later in the process after we've had testimony. But we'll just note it takes a big team to create three parks master plans from scratch. I'd like to recognize first the parks team for their excellent work. Brett Horner, Kip, Barbara, and Colleen. We have the parks team. Brett will introduce our presenters, and following their presentation, we've invited testimony from six east Portland residents, two for each park, who've played a critical role in helping to create these master plans. Brett, the mic's yours.

**Brett Horner:** Thank you and good morning. We're happy to be here and present three more park plans and three sites in east Portland. Since the adoption of the parks 2020 vision in 2001, we've acquired over 340 acres, east of I-205, in a strategic effort to improve our service levels in this part of the city. While much will remain as natural areas, we're also focusing on park development. The tools we need to respond to community needs and hear from residents for their desire for additional parks and open space opportunities. We believe these planned improvements once realized will go toward a long way to improving satisfaction levels to parks in east Portland and bring us closer to full -- we believe we'll see our numbers go up in the S.C.A. Auditor's report after these parks built. We thank you for funding these plans in an area of the city with some of the most pressing needs. Kip and David are here now to present the plan and take any questions you have at the end. Thank you.

**Fish:** Thank you.

**Kathleen Wadden:** I'm Kathleen Wadden, the Beech Park master plan project manager. We're without visuals so I think there's a problem with the bulb. I'll go ahead without it. No? Ok. Beech Park will celebrate east Portland reflecting its agricultural history and diverse culture. And that builds community pride. Located in the Columbia River floodplain and Mount Hood view corridor, the site is landlocked by school, farmland and neighborhood. But the 16-acre site lies within a half mile of three Parkrose schools. Will meet both programmed and unstructured needs in a fast growing low to moderate income area. Neighbors, school staff, children and surrounding businesses, engaged in a lively and wonderful dialogue identifying a park vision and goals. The

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surrounding youth community includes elementary, middle and high schools, as well as year-round after-school programs offered by Sunday schools and boys and girls club. We held one workshop, two open houses and four packed meetings. And neighbors in particular are eager to see development of a park long promised to them first by Multnomah county and then later when it was annexed to the city in 1984. The park's landlocked figure-eight hourglass configuration presented both challenge and opportunity. We made an effort to capitalize on the views corridors and its topography and its relationship to the river. But it was -- we needed to buffer the farm and neighbors from park activities and in its final design, it transformed unused vacant land into a valuable amenity for future generations and development of the park will also help meet the park system needs in the outer east. In addition, to key community goals, the project will demonstrate and educate visitors about sustainable design and environmental stewardship. Landscape systems such as introducing native species for habitat. Celebration of cultural element, and water and stormwater management and energy --

**Fish:** We're now live, just so you know. We now have the --

**Wadden:** Ok, so -- what slide are we on?

**Fritz:** [inaudible]

**Wadden:** This last -- the final design for the park provides multipurpose recreation spaces, new park accesses with parking, a play area, and interactive water feature. Community garden, naturalized landscaping. Picnic area, soccer field. B.m.x. Area, dog off-leash and then a meandering figure-eight perimeter walking path. And that's beech.

**Dave Yamashita:** Thank you, do you have the power point presentation in front of you?

**Fish:** No, we have actually --

**Yamashita:** Without that, I'll -- if it's ok, I'll do the analog version of the -- we're going to do park lane first. I apologize. Park Lane has one of our premiere sites in east Portland. If you look at a map, you'll see that it's 25 acres, right in the middle of east Portland. About halfway between I-84 and Powell Butte. It has a potential to meet a variety of needs. [inaudible] 25 acres, as I said, five acres is already developed. This is the site inherited from Multnomah county years ago. The other 20 acres, was a former gravel pit and so this is a piece that provides a lot of potential. What's interesting about this site as well, commissioners, this is also next to Oliver elementary and intermediate school and next to a church. And [inaudible] over here. So in terms of -- is that better? All right. So in terms of overall potential, there is really a critical position, because you're right in the mix of all of these cultural institutions. So that provided a wonderful opportunity to work, as Brett said, with the school district, which was wonderful, and with the church as well. So the goals for this site were to maximize the use of the site. It's flat and got pretty good access. Stark is here. 162nd is off to the right. So we wanted to maximize the use of the site. There's an outdoor aquatic center. There's a community garden, outdoor education facility. Located next to the school. You can have shared parking and there's room in the middle for sports fields and tennis courts and skate park and parking as well. There's a play area and this is the existing development here. The intent here is not to renovate this very much because it really works the way it is, but to then add features. So that's Park Lane park. Then to the south is Clatsop Butte, which is 43 acres and this is a very different character. This is at the top of a hill, and it's very different from the others, in that this is primarily a meadow, and then this is the site of a -- the side of a hill that is heavily forested and so we have a natural resource area -- and just to the north is Powell Butte. It's one of the sites that makes up a collection of other natural resource areas. And the broad area here is to create what we call Forest Park of the East. So you have a collection of natural resource areas all connected by trails. Ok, and so what we have here, again, is we call it a hybrid park, which essentially means it's a combination of what you might consider a neighborhood park along with the natural resource area. So what you'll see on the drawing is a flexible use, open space area. There's room for a soccer field. There's also a children's play area. A place for community gathering space.

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And then hard court. And then it transitions into a more natural area. This is where it begins to take on the character of the natural resource area just to the north and to the east. This issue here, just so you know, is that to get to the site from foster, you have to go through a lot of single family residential. That was a challenge for the project team. How do you maximize the use of the site but also minimize the impacts on the neighborhoods and then also protect the natural resource values as well? Those were the challenges we were faced with. The final thing I would like to leave with you, this was about the cost as you'll see in the slide. And actually, could you pass my -- so these are order of magnitude costs. For the three sites. What we have are conservative estimates. For beech park, it's 35.6 to \$6.5 million. For parklane, it's 16 to \$18.7 million, of which \$6 million is the outdoor aquatic center. And clatsop, it's 35.8 to \$6.8 million. And that's the end --

**Fish:** And these are low [inaudible] estimates?

**Yamashita:** We have a 20%-40% contingency on these costs but because we're operating at the bubble level, they're still relatively low level of confidence.

**Fish:** And how much cash do we have on hand?

**Yamashita:** Not a whole lot right now.

**Fish:** We basically don't have the current funds for any of the master plans we've presented recently. My challenge is to come up with the resource package which could come from a variety of sources. S.d.c.'s. Potential future levy or bond measure. Other tools, but what we're doing is asking to you accept the reports and vision and hear from the community and then my task is to come back to you with a plan for how to pay for it. At this point, what i'd like to do, we've asked two community folks for each plan to come up. So we'll invite them and then bring the parks team back for questions. And i'd like to start with the beech park master plan and invite dr. Russ george and karen gray to come forward. Karen gray is a familiar face in this body. The superintendent of parkrose school district and a member of the beech park public advisory committee. Her vision is to extend on the areas existing resources to build a stronger more connected community that reaches across all ages and ethnic groups. Three parkrose schools are within a half mile of the park and has been noted, shaver elementary is right next door. Russ george, he's a member of the beech park public advisory committee. And mr. George has lived in the neighborhood for -- how many years, sir?

**Russ George:** 40 years, sir.

**Fish:** Only 40 years. His residence sits on the park boundary of the northern parcel and he was open minded and it's -- really excited that this vision came to reality. Thanks for your time and karen, we'll start with you. Take about three minutes.

**Dr. Karen Gray:** Thank you, thank you mayor Adams and commissioners for having us here today. The beech park master plan was an important process for us here in parkrose. I'd like to speak about the process. It was led by kip wadden and included brendan and some other folks and they gathered some very solid community representation for the beech park master plan group. They held several open houses at shaver elementary school gathering more input from the community and showing off the multiple designs and design features. Eventually we had a good conversation with our group and the public about the three designs. And made a recommendation for design no. 2, which was a beautiful design that has water feature, field for rent, community gardens, several dog runs, a small skate park and a basketball area which really fit the needs of our community. The reason why we really would love to see this happen for the parkrose community is because it's much needed in east Portland. East Portland does not have a lot of gathering places for families and community members to be a community. And this would provide a wonderful opportunity for us. Not only brings the community together, but it also forms a solid partnership with the school district as well since it borders three of our schools. While i've got you, i'd like to put in a plug for the idea of a parkrose high school regional soccer field. I have spoken with each of the commissioners and they've been gracious to give us time. And I mean most gracious. Reading

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out of the 2020 action plan which I brought with me. On page 62, it says it develop new sports field fields. Where little area is available, including parkrose high school. That's on page 62 of the plan we feel it's a great partnership. We're not asking for handouts but to be a partner with the city and would very much appreciate that. And then I have a personal comment, since I might have a couple more seconds left. I would like to state after hearing such hateful words against you, sam Adams, i'm moved to say how much I appreciate your work with the east county, the Multnomah county superintendents and i'm speaking with the east cabinet east Portland action plan and I hope to work with you in the future.

**Adams:** Thank you very much.

**Fish:** Thank you, karen.

**George:** Thank you for inviting me to this group. [inaudible] commissioner and mayor. I'm a resident of the parkrose area. I live on northeast failing street, which is one of our great founders of our city. When we moved in, we backed up to our backyard on the north side is the garry farm. Several years later, the pitten family started their family farm there. Because his wife, rose ann is a garry. We were fortunate to have a farmer in our backyard and to enjoy the families that operated those farms. And then the pitten family started to -- decided to stop farming and put their property up for sale. As jim and I kept talking about what was going to be happening next, he kept giving me good news and bad news and then the good newsed it been sold to a green belt type of organization and then eventually the city had that piece of property. The park is located -- two section different sections to it. A hour glass shape to it. Two different phases have been talked about. Phase a and phase b. The north sectioning about phase a. As karen mentioned, the committee, I think, had a very active group. The parks and recreation department did an excellent job, I think, of bringing the neighborhood together. The architect did a good job of bringing together the different pieces that the neighborhood meetings came up with. And then was topped off with the taking the three plan, proposals -- excuse me -- to the parkrose farmer's market one day. Kip was there showing it, and a lot of people coming over and asking questions about it. Shaver elementary school, night out, a huge crowd and a lot of interest in what was going on. And then the argay neighbors night out, held at argay park. All of these went really well and as a result of those meetings, this plan seen before you is the one that we're proposing. It adds a lot to the area and it's really community-designed and look forward to the city council approving its master plan. Thank you.

**Adams:** Thank you very much.

**Fish:** I'd like to just read into the record, the other committee members' name. Cindy, diana. Linda, eric, tom, kimberly. And also the landscape architect on the project is m.i.g. Inc. The civil engineering, the environmental team was pacific habitat services and geotechnical and environmental consultants and we appreciate their good work and i'll say to both russ and karen, we cannot do our job at parks without thousands of volunteers who help us manage our system, do our visioning and our planning, and in this tough economic climate we're proposing to cut planners on our central staff which will have significant repercussions. Even with our resources, we can't do it without engaged citizens like you. So thank you for the time you dedicated to get this thing right. Next up, we're going to ask two citizens who were involved in the parklane park master plan. If ron and julie will come forward, please, and i'll introduce them as they come forward. Ron, who I think joined us yesterday at a budget hearing, so --

\*\*\*\*\*: My other [inaudible]

**Adams:** You're a busy man.

**Fish:** Ron is a vice chair of the centennial neighborhood association and served on the master plan committee and was effective in helping the committee think through the balance of recreational facilities and neighborhood impacts. Through thinks quiet but thoughtful leadership, he was a key player in developing this plan. He was involved in getting the master plan on Portland parks and



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works program and has agreed to participate in the parks development. Julie is a park neighbor and a mother of two young children who attend the school next to the park site. Attended all of the meetings and was helpful in shaping how the park could be developed for younger family who live adjacent to the park. She grew up in the neighborhood and was one of the committee's most enthusiasm supporters. Welcome both. Ron, kick us off.

**Ron Clemenson:** Thank you. Good morning, all. Jan and I, my wife and I moved out in outer east in 1967. At that time, there was a gravel pit. It was about 100 feet from our house. The sales gentleman said, no problem. Don't think you'll have problem. The first morning, we were practically rocked out of bed by the clatter of the rocks grinding into gravel. So we've now come to the point, fortunately, where we have a filled pit. And now we have to decide as the park lain master plan will show, how we'd like to have that look and I think it's a great plan. And I've heard what the parks' folks said and they've covered the basis on what we'd like to see in it. It was a great involvement because we covered the neighborhoods and got people out to make their comments, what they'd like to see and at the proposed parklane park matter plan. So it's been an inclusive event and that's key to anything like this. It's a very large project and I'd like to compliment the parks bureau, the staff and consultants for a great job. They really allowed us, as citizens and other players from the church and schools, to come in and really give their ideas and I think it does have a great prospect. The one thing I would emphasize on this is that in outer east where we're located, we're in the middle, and we're along light rail and since 1967, development as you all know, has been intense. So we have a lot of folks that have joined us from many cultures and a lot of kids, and so I think in the future, as soon as this park can receive some money, we can get money in the future, we'd like to see that built for them because it's really needed and in this fast-paced world, people need a change of pace and a park that has various assets for all ages is really beneficial. So with that, I'll conclude my testimony and just say, hopefully, in the near future, the money will be there. Thank you.

**Adams:** Thank you very much.

**Fish:** Julie.

**Julie Skarphol:** Good morning, thank you very much for your service to our city and for hearing us today. Like commissioner Fish said, I'm a mother of two young children and live very close to the park and I would like to take a few minutes to explain why I think developing this park is so vital to outer southeast Portland. There's a real deficiency in parks. There are parks there, but not very big and very few amenities with them. Currently, parklane park consists of half of a basketball court. A very outdated play structure, green place and a few tables. And that's actually considered a well equipped big park in outer southeast Portland. And those facilities are used heavily throughout the year. You can pretty much find somebody using them any time you drive or walk past the park but they're very limiting as far as the type of activities they can help facilitate. If we want to go swimming, go on a walking trail, play tennis, take our kids to play on an engaging play structure, have our dogs walk off-leash, we have to leave our neighborhoods and drive miles. Since we're driving here and there, we're just very, very spread out. And so some of the people, a lot of the people in outer southeast, I think are skipping activities because it's very hard to coordinate the travel between work and family. I'm one of those people traveling here and there for soccer and tennis and swimming and playgrounds and also sometimes skipping events because it's too hard to get to. So that's why I joined the planning advisory committee. As we embarked on help to go plan, we saw the impact that the lack of parks has had on southeast Portland. The impact that really true, a signature park could have on outer seat Portland and we began to see parklane park as the signature park of outer southeast Portland and we were all very, very excited about it. It would be a park that families could participate in activities together. The schools could use for outside learning and a park where the community, young and old, could come together and it could really be a park that the community could use and be proud of and I think -- proud of and I think that would be a

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boost to outer southeast Portland. I understand there's not a lot of money in the budget, so I would ask you to accept our plan for the master park and somehow make it a priority in the near future to fund the park for outer southeast Portland. I think it would be a real investment for the city of Portland. It would be an investment in a neighborhood, be an investment for family, for children, for livability and really an investment for an entire community. So thanks.

**Adams:** Thank you.

**Fritz:** Further comment.

\*\*\*\*\*: [inaudible]

**Fritz:** Thank you both for coming and your work on this. I know you have many other ways to use your time and I appreciate your service to our neighborhood and city. And I love the fact that you're dreaming big. And you got this wonderful plan which really will make it a signature park and I appreciate the fact that that's what is on the table. Thank you.

**Skarphol:** Thanks.

**Fish:** Thank you for your public service and I would like to mention the names of the other citizens who joined with you.

\*\*\*\*\*: Definitely.

\*\*\*\*\*: Justin, pattie, rick, deborah, kelly, and mike. So we thank them for their service as well.

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

**Fish:** Next up is the clatsop butte master plan and we've invited john and paul to come forward. Paul is a park neighbor and vice chair of the pleasant valley neighborhood association and a long time supporter of the park and its acquisition. He was on the master plan committee and taken the need in organizing neighbors and addresses problems when they occur. He's a wonderful example of a citizen working effectively with Portland parks & rec. He's a young father with three children. And served on the planning committee his first time and was initially skeptical of just what was to be planned. According to john, the master plan, quote, is ones that well balanced for all stakeholders and meets the needs of the closest neighbors in the region as well as balancing passive activities with active activities. Paul and john, welcome to council. And please go ahead.

**Paul Grosjean:** Thank you for the introduction. You left out in spite of my age, I also have two young children. I get to serve the senior --

**Fish:** I think I have you beat. 16 and five.

**Grosjean:** Six and five.

**Fish:** Wow, we'll compare notes later. I'm hoping I can carpool with julie.

**Grosjean:** This might reflect on my judgment. First of all, thank you for allowing us to come and meet with you. As commissioner Fish mentioned, i've been involved in this process for many, many years. The recreation part of this hybrid park was land bank eight or nine years ago, using s.d.c. Funds and sat unused for those year. The open space area was slated for development up until just about when the master planning process began, and then then-mayor Adams and commissioner Saltzman stepped up to the plate and acquired it and it was added to the park land. I would like to quickly mention the process. I've been incredibly impressed with all of the process in making this master plan. The citizen involvement was genuine. We were listened to. And we certainly were part of the process. Our ability to work with the parks personnel was very impressive and the parks personnel themselves are very professional. I can say without reservation that this master plan is -- certainly has my endorsement. I think it's a very well balanced plan. As was mentioned, it respects both the needs of the wide neighborhood, but also respects the concerns of the close-in neighbors, as far as transportation and noise and some of the possible negatives. It's designed to meet all those criteria. It's a very unusual piece of property. Sits at the top of clatsop butte and has site lines of I believe four volcanos and all of the other buttes and provides connectivity to the springwater corridor and, in fact, across to powell butte without walking on any roads. You have to cross foster road, but there's nature trails that connect springwater corridor and

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powell butte and clatsop butte. It's verse till. And we designed it to meet all age groups. Families, seniors, and it was well received when it was displayed to the public. That being said, and other people have mentioned the funding issue, as the master plan process proceeded and started getting into its final days is about when c.n.n. Changed to an economy-only network. And started just scaring everybody to death. And it's clear to everybody that we're not going to go out and start breaking ground for this kind of facility in the near future. But that does not diminish the need for a park. And I would challenge the commission, I would challenge commissioner Fish and everybody else involved, to both challenge and enable the parks department to look for interim alternatives so we can begin to use this facility in some fashion. There's an example at the -- I believe it's called a gates park. Located at 136th and holgate. It's been land banked but the parks department made arrangement with a construction training company where they would go in and use that facility to teach people how to use heavy equipment and over this past winter, they've done a lot of clearing and leveling of the land and then it's my understanding that the -- that it's been ceded so in the -- seeded, so in the springtime, there will be a flat grassy area instead of an unusable pile of dirt. And I applaud that. And I would like to get clatsop butte on the list for similar private-public cooperation so we can begin to make use of something that currently is only used for illegal a.t.v. Activities and negative uses. And i'm a firm believer if you promote positive uses, you can push the negative uses out. I've appreciated the process. I'd like to make particular note of david yoshima, who led this master planning process. He's one of probably 15 or 20 people I could mention, but I make particular note of his contributions and thank you for the time.

**Adams:** Thank you, sir.

**Jon Simonson:** Hello, my name is john simonson. I live one block from clatsop butte park. Which is the main way of getting to the park. Married, three children. 19, four and five. That's an interesting mix for you. Initially, I was skeptical what was going to go on up there. Baseball diamonds and lights and thousands of people. I no longer have those worries. The master plan process was -- is one that's well thought out. Get skeptics like myself and proponents like paul, we talk and figure out the best solution of the committee came up with a plan. It meets the needs of the closest neighbors and balances them well against the needs of the region and fields and other activities. It has a good mix of passive and active activities and an open field that can be set up in many different configurations for a variety of field sports. There are walk trails and an area for dogs to be off-leash. Most importantly, the park has the potential to can hooked up to the springwater corridor. This would allow many people to visit the park and never have to get in their cars. It will be an asset to the local community and region and city. Because of the limited number of parks, I would suggest this park be made a priority for development. We bought our house when katie wasn't even two and michael was learning to crawl. Now katie is five. And michael four. I would appreciate them being able to use the park before they're seven and eight. I understand money is tight. To create and save jobs in building it and draw more people to the region by offering better amenities. One of reasons we bought our house where we did, because there's a potential for a nice park at the top of the hill. It's time to make that park a reality and perhaps on a nice sunny day, the city council wants to take a field trip and see how beautiful the property is, I would be happy to show them around.

**Fish:** Thank you both.

**Adams:** I have a question. Thank you for your great work and I apologize in -- On the other ones, I have a policy and personal obsession with food, security and gardening. I didn't see explicit community gardens on this master plan. Did I miss it? I saw it on the other two we're considering today.

**Grosjean:** There are a lot of specific items that were discussed, but with guidance from the parks bureau, we left a lot of the topics more broad. It has hard -- hard court sports area. It doesn't

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specify whether it's tennis or basketball. And I believe gardens were certainly were discussed and there's certainly acreage for discussion but -- acreage. But we left those more broadly.

**Fish:** I appreciate those comments, mayor Adams. As the new parks commissioner, I laid out three visions for what i'd like to see us expand into. One is improving opportunities for youth sports, and that dovetails with dr. Gray. And a regional soccer facility which I think has great promise. And the second is community gardens. We have a backlog and an opportunity in parks and carefully selected areas. I'm looking at [inaudible] as I say this. And our public schools and other places. You've got my commitment that we'll aggressively pursue that.

**Adams:** This might be an opportunity for maybe early use.

**Fish:** If I can identify the other members of the committee that you served with. Mark brown, lorraine gonzalez, chad, [inaudible] matt clark, bill hawkins and stacy. Thank you for your service to our city.

**Adams:** Thank you very much. Public testimony or -- other people signed up?

**Moore-Love:** One person.

**Adams:** One person signed up? Good morning, welcome to city council.

**Linda Robinson:** I'll keep my comments short but I wanted to address the question of -- the fact that funding is not available. Funding has not been available for a long time. Some of these have been public properties designated as parks long before we were annexed some have been waiting for development for 20 and 30 and more years and I was one of the people who pushed hard to move ahead and do the master plans, because we had looked into possibilities and grant opportunities, and every time we found one that might be a source, we had to have a master plan in place before we could apply for the funds. So we pushed very hard to get these three large undeveloped parks to get a master plan. So that we were -- we would be ready when an opportunity came to get funding for those parks. And a felt strongly they should come to city council together. It's three big parks in east Portland, but not like they're real close to each other. One is way north and one south and the other in the middle and three large undeveloped parks waiting a long time and we're glad we now have -- or soon hope we have a master plan approved by you and when an opportunity is there, we can move forward.

**Fish:** I appreciate that. With the foundation and the city wide advisory group all focused, we'll find a way to get this done. We raised the possibility for a tif available for the gateway park and we'll be as creative as we have to.

**Robinson:** Thank you.

**Adams:** Unless there's additional council discussion, Karla, please call the roll.

**Fritz:** This is wonderful. And it's a credit to the parks commissioner and the previous parks commissioner and the community in east Portland for making sure we do this important planning work. And thank you, linda robinson for pointing out why the planning is important. Until we have these master plans it's difficult to get the money from sources outside the government to fund the improvements. The improvements will be about \$30 million altogether for these three parks. And i'm hoping in the future, when we have master plans coming through that we will be able to identify future sources of money at the same time. So that we have a strategic plan for whether it's 20 years or 30 years or two years is the optimistic parent hoped we could get it done. That we have a plan for how we'll pay for these things. It's not fair to have communities and citizens put a lot of time into planning and then have the plans sit on the shelf. And I believe this council has a commitment to getting things done and not allowing good work to sit on the shelf. And clearly, it's not going to be immediately, but we need to put a lot of effort into funding the improvements to provide amenities for citizens in every neighborhood. Parks are basic services and every neighborhood should have the basic service of a community park where you can go and sit with your neighbors in our space rather than my space in my backyard. I'm happy to vote aye.

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**Fish:** Today marks the third significant event in a trilogy that I think manifests this council's interest and support for addressing issues of liveability east of 82nd and we should take a moment to acknowledge all three. The first was east action plan, a visioning process, the community working with planning came forward with and is a tremendous roadmap in helping us to fund key priorities going forward. Last Saturday, commissioner Saltzman and I cut the ribbon on the new aquatic center at the east Portland community center. Dan said in his remarks that he believes when all the numbers are crunched, this will end up being the greenest, most sustainable public pool in America. And it significantly is the first pool built east of 82nd street with indoor pool with public resources. And third, we have today. We have three master plans. For three parks. That will greatly enhance the liveability of east Portland. The bulk of the hard work here has been done by others before I became a parks commissioner. So I want to tip my hat both to commissioner Saltzman and his team, as well as to the talented professionals in the parks bureau. Who I think have set kind of the model on how you do community outreach and participation and it makes it fun for us at events like this to hear the accolades but we're hearing the people compliment the people in our bureaus who do the good work. And I'm grateful for all the citizen time and energy. I want to note that particularly during these tough times, we can't do our jobs at parks without the thousands of volunteers and tens of thousands of volunteer hours that help us do our work better. I want to thank all of the members of the project advisory committees and those passionate about parks in natural area in east Portland. I didn't get a chance to also acknowledge another member of the consultant team. Walker macy landscape architects and planners. Their work on Clatsop Butte. And I mentioned the names to the parks bureau people involved. Thanks again to them. And I want to thank Hannah Coon and Emily Hicks. And I want to -- Emily Hicks. This is the fun part. The visioning piece and now the challenge is how can we fund it. You have my commitment that we'll be creative and persistent in finding ways to do this. Whether in a staged way or hitting a home run, we'll search for the dollars to bring this visioning into reality. I'm proud to vote aye.

**Leonard:** I'm pleased with this work, not just as a member of the council, but as a member who will benefit particularly from the Clatsop Butte park. Living within walking distance. I appreciate the work of commissioner Fish and all of the citizens who have dedicated their time to getting this right. Aye.

**Adams:** There was a time when city council had extra money. And it seems so long ago, but the last city council had because of a surging economy at that time, we had more money than we had forecast and it was our intent to use a large amount of that extra money to invest in improvements in east Portland. And as commissioner Fish mentioned, the east Portland pool was part of that. The action plan. But there was also money that was devoted to -- devoted to transportation improvement and the vast majority of that went to east Portland. 92nd Avenue. 82nd. 122nd Avenue. Improvements on safer routes to schools. Especially elementary schools and my congratulations to commissioner Fish for bringing it home. Commissioner Saltzman for his good work. And the great team at planning, but especially the citizens who take time out of their busy days and evenings to make sure we do it right. Happy to vote aye. [gavel pounded] all right. Council item 259 is approved. That moves us to time certain at 10:30. Karla, please read the title for council item 260.

**Item 260.**

**Adams:** Commissioner Fish.

**Fish:** I'd like to invite Travis Williams from Willamette River Keeper and Bob Sallinger from Audubon Society of Portland. This may be the formidable threesome since the lineup of the New York Yankees. You, gentlemen, are the experts and will be walking us through the proposal. Ross Island is actually a group of four islands roughly a mile and a half long by a quarter mile wide and together form a unique fresh-water lagoon. Located just south of our downtown core, it provides significant habitat for fish and wildlife that live along the Willamette River. It's also one of the most

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scenic areas. The holgate channel is a narrow body of water found between ross island and the east -- where the springwater trail are located. When you look at this part of the river from a regional perspective, you can see how it's uniquely shaped to serve as a resting and feeding area for birds, Fish and other wildlife. The ross island vision team, which includes members of the willamette river keeper and audubon society of Portland has prepared a wonderful visioning document, which has been distributed it all members of council and has helped us and other citizens to consider and see ross island as part of a watershed, as part of a wildlife system and as fundamentally a part of our city. We have some other folks who will be testifying after you, but I want to turn to you, mike howell, to explain the no-wake zone. There's been confusion on that point and lead our discussion.

**Mike Houck:** I think travis is going to lead off and then bob and I will chime in.

**Travis Williams:** My name is travis williams. I'm executive director of willamette river keeper. We're here today obviously in support of this resolution to create a no-wake zone and a non-motorized zone within the lagoon at ross island. Our proposal to the marine board, which will go in about a week and a half, proposes to create a no-wake zone from the southern end all the way to the northern end, about a two mile stretch. And this in essence, means you can go five miles an hour and under in a power boat and create no wake. Far different than the conditions we have out there during peak use times today. In addition, inside the lagoon, where significant restoration activities are undergoing, in addition to the abundance of wildlife there at present, we're proposing a non-motorized zone for the lagoon where a person can take a kayak and go in there without motorized boat use. For several reasons. For us, it comes from a perspective that we need to protect the habitat investment that's occurring inside the lagoon and we believe there's a real safety issue that occurs during key times of the year and we have multiple testimonial to that. And incidentally, we have close to 400 co-petitioners for the application that will go to the marine board next week. For perspective. In addition, I think there's a real aesthetic issue, when you look at 26.5-miles of main stem river from Oregon city down to the columbia where one can use motorized craft we feel in this relatively small area it's not a tremendous amount to ask for a non-motorized zone in the lagoon and a no-wake zone. I'll leave it at that and learn it over to mike. Thank you.

**Houck:** Commissioner Fish, I appreciate the fact that you brought up the visioning ross island document. This is an issue much broader. It's part of a larger vision for ross island, for the four islands, channel and adjacent [inaudible] as I sat down to write my formal comments that I sent to you, you have copies of, it was 30 years ago, almost to the day that I testified before city council when ross island sand and gravel had asked for permits. And we were seeking a buffer zone around the gray blue heron nesting colony. So 30 years. A lot has happened in the intervening time. A greater role for natural resources in a sustainable city. The resolution that i'm hoping you'll all agree to pass today, is replete with all of the advantages of the establishing a no-wake zone. I won't go into that. Would I like to make two main points. One is this is as much about public safety as it is about any environmental protection of the 350 or 400 letters of support we've received, a number of them describe incidents where -- in one case, a two-person outrigger canoe was literally cut this two by a speed boat in this channel. It's a very narrow challenge. It's totally appropriate to have one area in the city, one area in the lower willamette where you can take a canoe and kayak and not have to worry about your kids being thrown out of the boat by a wake or possibly cut in two. You'll probably hear from some folks who say, it will preclude access to the holgate channel and that's not the case. It will not preclude commercial craft in the holgate channel or ross island, they're exempt. Fishes will still be able it motor the holgate challenge. It remains to be seen how the final application will read, but there will can access, potentially to the lagoon as well. Obviously, you can motor down the channel and row in the lagoon. All it will do is ask them to slow down and you can go through the channel in a motorized craft. I have a boat, when I go through there, I go

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through four to five miles an hour and we would not be precluded from using the channel. Hope you pass the resolution. Pass it on to bob.

**Bob Sallinger:** I'm bob, the conservation director for the audubon society of Portland and we strongly support this resolution in establishing a no-wake zone in the holgate channel and a non-motorized in the ross island lagoon. This amazing resource we have in the middle of downtown Portland. It's been neglected and abused over the years, this is an opportunity to bring it back to life and protect it. We've taken many, many paddle trips out there that have been frankly hazardous because of the high-speed activity and in many ways will preclude low-speed activity as we get more rapid movement through the lagoon, you won't see kayakers and canoers because it's not safe.

We strongly endorse this. It is foremost as mike said about safety. It's about aesthetics. Going to a place being able to see and hear the birds. And as it gets louder and busier, the opportunities to enjoy nature, the reasons we set it aside, are disappearing. Secondly, it's about protecting the habitat. This is one step. And it's about maintaining the wildlife populations, although many species do coexist with human development, the more you increase that, the less you'll see them and some are sensitive. Including the eagles and herons and songbirds. One thing I would highlight, this is a step many -- among many. There's opportunity out on ross island through partnerships. Mike, travis and i, started the friends of ross island and we have over 300 members. You can see a lot of stickers out in the audience. They came to support this. I think paul put it well, testifying about clatsop butte, when you establish good uses, it drives out bad uses. And there's an opportunity for ross island to do that. Moving forward, all three of us are excited about the opportunity to partner with parks and do restoration activities and clean up the garbage and to establish a general atmosphere of protection and conservation and I want to highlight people in the audience. Jerry and kate from willamette river keeper and mary from audubon. If you want to raise your hands. We have staff to contribute to that effort. Working with marissa over at parks. And without a lot of money to go and do amazing things. In conclusion, we endorse this resolution and look forward to working with the city on a lot of other things out there as well.

**Fish:** Mayor, we've limited the number of people speaking in favor of this. But ask those who are here with stickers and support, just stand to show their support. Please stand up.

**Adams:** Thank you for being here. Give yourselves a round of applause. [applause]

**Fish:** We have one other invited guest after we take questions from my colleagues, but can you just once again state succinctly what it is you're asking us to do today and how it fits in with the next step of the process.

**Williams:** We're asking you to support the proposal we're making to the marine board which would create a no-wake zone from the southern end of holgate channel to the northern end, and a non-motorized zone within ross island lagoon. What was nexts we're preparing the proposal to the Oregon state marine board which regulates this activity and that goes in about a week and a half and they take about a six-month period. September, october of this year when they hear the proposal. Assuming they accept it from us, and we believe they will. And at that time, they'll make a motion where to approve or modify or disapprove the proposal.

**Houck:** It's important to point out that the plan will have a public process. A there'll be opportunity for folks to get their thoughts out.

**Fish:** We're going to have one more invited testimony and then any questions my colleagues have, we'll bring you back. I would like to have emily come forward. She's been working on this project. Has contributed her leadership on this and many other city of Portland projects that protect and restore our natural areas. Emily, thanks for your great work and go ahead.

**Emily Roth:** Thank you. Mayor Adams and commissioners. I'm emily roth, natural resource planner from Portland parks & rec. And as many of you know, the Oregonian editorial board pushed the city last year to make this one of mayor Adams' first agenda items and we're following through.

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**Adams:** And we do everything that -- [laughter]

**Roth:** All the time. The proposed designation will assist in the overall strategy that parks is working on to increase the biological diversity, habitat restoration and restoring listed Fish habitat along the willamette river. Since the city of Portland accepted the donation of 44 acres from ross island sand and gravel, parks has been able to establish a willamette river ecologist, mark wilson. Mark is here, raise your hand.

**Adams:** Hi, mark.

**Roth:** Mark and i, plus the parks, have been working to restore oaks bottom and the riparian area along the edge of the river. On the west side of the river, in partnership with b.e.s., restored habitat for migratory birds. The city has invested over \$1 million in parks and projects for habitat and fish restoration in this part of the willamette watershed. And not only has the city invested a million dollars, but we have hundreds of hours of volunteers that have turned out to remove invasive species, plant trees and pick up garbage and take ownership of this part of river. Ross island sand and gravel has also been under consent restoring wetland habitat within the lagoon. The designation of no-wake zone will help protect the investments that the city and others have made. And I will also continue to assist the city in providing nature in the city for all river and spring water on the Willamette users.

**Adams:** What's been the comments from ross island?

**Roth:** They've been pretty neutral. As you know this petition does not exclude, it excludes commercial so all of their operations will be maintained. And Mike has had more of a communication with them.

**Houck:** We've specifically asked and john pamplin won't oppose [inaudible]

**Adams:** Okay. Other questions from council?

**Fritz:** I have a question on not excluding commercial. Don't the jet boat rides go in there?

**Roth:** Yes the jet boat riders do go in there.

**Fritz:** So wouldn't that cause hazards for kayakers and others. I mean, how would they know that they need to hang on to their seats?

**Fish:** This was not a planted question.

**Roth:** I don't know if the owner from the jet boat group is here. He was at our presentation yesterday. There have been conversations with him, talking about what this would mean and proper behavior within the lagoon and all of those things but it does at this point exempt him from --

**Adams:** It does or does not?

**Roth:** It does not exempt them. I'm sorry, thank you.

**Fritz:** Well commercial is exempted.

**Roth:** It's exempted from no wake, that is correct. So the jet boat is a commercial industry, Willamette jet boaters and they will be exempt from no wake.

**Fritz:** Would they be exempt, will they be allowed to go into the lagoon?

**Roth:** Yes, they would be allowed to go into the lagoon.

**Fritz:** So doesn't that create a potential greater problem if kayakers and others are thinking that they've got this nice safe area and then a jet boat kind of zooms in out of nowhere.

**Roth:** We will do our best to coordinate with them and to help us make this a great experience for us.

**Fritz:** There's been discussion about that. That's what I'm hearing.

**Roth:** Yes.

**Fish:** And we would welcome because we view this as where some quiet diplomacy may have some impact and as the commissioner in charge of the river, we'd be glad to partner with you to try and find an accommodation but commercial uses are exempt from this and in this particular resolution.



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**Adams:** Yeah I would like to see a tougher agreement achieved with the jet boat folks or anybody that anybody that produces that kind of speed and wake. I shouldn't limit it to just an operator but I'd like to, if it means coming to an accommodation on time of day, number of trips, I would be very interested in helping whoever wants to do that to achieve diplomacy.

**Leonard:** To be clear the resolution doesn't prohibit motorized boats from going from the slue it says they can't throw a wake.

**Roth:** Correct.

**Leonard:** They can traverse the length of travel.

**Adams:** [inaudible]

**Leonard:** I thought you said --

**Roth:** No, all boating will still be allowed in Holgate channel. It will be non-wake which is defined at 5 miles per hour or less.

**Leonard:** I understand that but the jet boats are not excluded.

**Adams:** They are exempted.

**Roth:** They are exempted from this because they're a commercial operation.

**Leonard:** I'm sorry, I misunderstood you. I thought you said they were included.

**Fish:** Their exempted because there's some legal reasons. Mike, why don't you come on up. Or Travis.

**Williams:** I think the biggest issue here is actually andy moose who's one of the owners of Willamette jet boat has indicated his willingness to talk with us on how to work this out. And also interested in the opportunity in partnering with the city. And while I wouldn't always characterize our relationship as a rosy one, across the board here with Willamette jet boats, I spoke to andy yesterday who came to our brown bag presentation and he's very open to discussing how we can make this work for everybody and my sense is he's willing to go the next step.

**Adams:** I'd really like to provide the non motorized non loud exempted folks as much certainty on time of day, quietness and such if we could work out an arrangement with him, if you're out at a certain day, you know there might be motorized vehicles and other times would not be. It might be a voluntary agreement but would not be allowed.

**Williams:** Right.

**Houck:** Yeah the only thing I would add echoing bobs comment earlier, I think you know over time to some extent I think there will be pressure brought to bear by the non motorized folks if people are really getting out of line. So and we have committed to working with actually other commercial, they support this actually. We did our due diligence, we went to a lot of folks including staff Jennings even which you might be surprised to learn that they support, they felt it was totally reasonable to have one section of the river, even though they sell motorized craft, available for primarily kayakers.

**Adams:** If your negotiations are not fruitful, I encourage you to come back to council.

**Houck:** We'd certainly be happy to do that.

**Fish:** Do you we have people signed up?

**Moore-Love:** Yes, we have 16 people.

**Leonard:** I need to alert the council that I have a prior engagement that I'm going to have to leave at some point for. I would also point out to those testifying, the majority of the council has [inaudible].

**Adams:** Is there anyone here who has testified in opposition or neutral about this issue? Alright, I'm going to take prerogatives of the chair of those three that raised your hand in the back come forward.

\*\*\*\*\*: [inaudible]

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**Adams:** That's the place to do it. Appreciate it. We have a lot of business to transact today. Good morning gentlemen. Welcome to the city council. You need only give your first and last name and there's a timer in front of you to help guide the length of your comments.

\*\*\*\*\*: Who starts and stop's it?

**Adams:** Karla. And you don't want to mess with Karla.

**Bruce Hecht:** Council, thank you for allowing us to speak. My name is Bruce Hecht. I've been waterskiing and recreating behind ross island and in the Holgate channel for about 39 years. I may not look that old but for about 39 years. And I currently for the last 8 or 9 years have been playing with my kids back there and I told them last night that I was going to council meeting this morning which says they don't, city council of Portland doesn't want us to intertube or play or recreate behind ross island anymore and my 9 year old started to cry. I said, I'll go I'll talk to them. I'm glad that the Audubon society and everybody else brought up the issue of safety because I'm quite concerned about safety behind ross island. As I mentioned, I've been waterskiing and recreating back there for about 39 years and have never seen an accident and I actually pulled the Oregon state marine board accident statistics and there is no accident on record by the Oregon state marine board behind ross island and the Holgate channel or the lagoon. There's a number of others around the Willamette river but not in the Holgate channel or the lagoon and that's all online. Also seems like the theme of the meeting and the news is cost and money and the economy, and I'm curious if we, who's going to pay for all this? It's great to have volunteers go out and pick up garbage, I'll go out and volunteer and pick up garbage but who's going to maintain the no wake signs, who's going to install them, who's going to pay for them? You talked about the jet boats and you talked about staff Jennings and there's a number of other boat dealerships and a number of other businesses that pay taxes in Multnomah county that could suffer greatly by not having activity back there that's been going on for 100 years. They also on the Audubon society website, they talk about ross island being in the path of a 100 birds species that use ross island as a migratory path which is fantastic. I mean, my friend don and I we are back there five times a week during the summer and we see deer, we see eagle, we see heron, we see everything back there. With all the activity that's been going on ross island for 60 years, how come these things aren't all gone? How come the wildlife are not gone? It seems like they've learned to adapt and there's eagles everywhere, all the time back there. I don't think cutting the no wake zone or making it a no wake zone is going to have more birds come or more birds go away. I don't think it is going to pose a continued safety issue.

**Adams:** Thank you for your testimony.

**Fish:** May I just ask for a clarification, sir? What is the activity that you enjoy that would be anyway restricted under this resolution?

**Hecht:** Waterskiing and pulling my 9 year old and 12 year old on an inner tube.

**Fritz:** Are there any other places along the river that you can do that?

**Hecht:** Well the Oregon state marine board just closed a 26 or I don't know how many, 14 mile stretch from newberg Oregon to Oregon city for a number of these activities. Yes, there are a number of other places that we could go to, to water ski. The attractiveness behind ross island and the Holgate channel as the Audubon society pointed out, it's a fairly narrow channel, it's protected by wind and it's a lot more fun to go waterskiing when the water is as smooth as possible and as calm as possible and not with two or three foot wind chop on there. And we're very sensitive to the kayakers and the rowers and the folks back there. Last thing I'd like to say in closing is --

**Adams:** Actually your time is up. Go ahead and give us your closing --

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**Hecht:** If we take that stretch, that two mile stretch and say you can't boat or ski or wakeboard or inner tube back there and take all those people, whether it's one or a hundred, I have no idea, and move them out into the main channel, all that's going to do is clog that main channel and make it more unsafe for the canoers and the kayakers that are going to be coming from their docks on the west side to paddle back around. It's going to be less safe.

Adams: Thank you. I appreciate it. Sir?

**Don Sloan:** My name's Don Sloan. I'm an avid sailor, a member of the Cousteau society, I love the outdoors, birds, deer, fish, everything. But I'm also an avid water skier. And we've been skiing back there for years. I started when I was 5 years old, 40 something years ago. We've skied through the channel, we've skied through the islands, before the islands were even put back together so you could actually go right through the slue. It was pretty cool. You can't anymore. I just want to say there's a couple things that we don't do as water skiers. The boats that we use are upwards of \$70,000. They don't make waves. We want the smallest wake possible. They don't make noise. We want to be quiet. Erosion wise, they don't put out big wakes so you know, the banks of that channel through there are slow which is perfect for waterskiing. The waves dissipate very quickly. We're not throwing these big giant wakes like you see with the wake boarders. That's not what we do. I own two kayaks, I like kayaking back there, it's great. Most of the safety concerns for us are when we come around the corner of the river and there's 5 kayaks abreast paddling down the middle of the river. There's tug boats going through there. There's jet boats. The jet boats go a lot faster than we do. And when the kayakers are doing that, they're going to get, there's going to be a problem. It's like the bikers and the buses. You know, the big guy is going to win so they need to be aware and that's just a little bit of education. And in closing, I'd like to say also I've got a lot of time but --

**Adams:** Actually we started the clock late.

**Sloan:** That's okay. I'm done.

**Adams:** I'm not going to disagree with her.

**Sloan:** Another thing that no one has really mentioned and I hate to bring it up but we pay our taxes. We pay our boat registrations which go up every year, they support the marines. People, the marine board, kayakers don't. I own kayaks, they don't have to be licensed. So we should at least have a say.

**Adams:** Absolutely. And you're having it here.

**Sloan:** Thank you.

**Adams:** Thank you. Sir?

**Eagan:** Mayor, commissioners, my name is Bill Eagan. I'm the officer of the Oregon bass and pan fish club and I'm also the program director. I've put some papers to your clerk to pass to you. It's Monroe's blog on the ross island channel. He's got some good ideas there and some comments. There is a concern about erosion in the channel but you're not going to get ross island out of there for who knows how long and they tear it up every time they come out. In addition, the big blue tour boats tear in and tear out. They'll spin around in the middle of the channel throwing huge wakes, I've seen them do the same thing in the lagoon. Those people are exempted. I'm not after these water skiers, I believe the channel should probably be from at least the mouth of the lagoon on up around the rest of it but it's something that the big wake boarders do tear up with erosion. We come to the lagoon, I've been going in there for over 40 years. We have a number of our club members that go in there and fish. We tried to work this out through river keepers so the public would have access to the lagoon and we were told no. They wanted it flat. No motorized boats. There's no problem allowing the public access inside there on slow no wake. All the signage is

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going to go up, is going to be put up by the marine board. Marine board gets there revenue from registration on boats. In addition to that, we even offered to go to electric motor only inside and we were told well that would be our backup position in case we can't get what we want. You know, I see the deer, I see the eagles, I go fishing on the river, I'm on there 150 days a year. During the summer, almost every day because unfortunately, I'm retired because of my legs but that doesn't stop me from running a boat. This group that approached you about this represents a very small portion of the people in Portland metropolitan area and when you talk about boaters, they're probably about 2% of the boating public. I just don't think it's right for one group to take something that should be for everybody. It's unfortunate that that's the position we're in and trying to work with them just hasn't worked.

**Adams:** Thank you very much. Would the opponents of this resolution please stand up so that we know you're here? Emily, could you come back up to the table? The question was raised about fiscal impacts? Can you give us, give an answer for who's going to pay for signage and enforcement?

**Roth:** I don't have that answer right now. Typically enforcement is done by a Multnomah county sheriffs division. Parks has agreements with them already for some patrols on our area and they also look at the ross island. And so we would have to look in and talk to the marine board about signage.

**Adams:** Would the decision maker on this, expressing an opinion, they manage it as well.

**Roth:** Correct.

**Adams:** Okay. Is there any argument on other side, I think that was a good airing out of sort of both sides concerns. Is there anyone who signed up that really wants to go forward and testify? Please come forward. Good morning. Welcome to the Portland city council. You need only give us your first and last name and you'll have three minutes.

**Mark Lawhead:** My name is Mark Lawhead. I'm the owner of Portland ski boat center on Macadam avenue. I purchased a multi million dollar piece of property this summer. I've conducted a water ski school and a wake board ski school and that area for the past 30 years. So as I understand, I would be exempt also so I could continue to conduct my water ski and wake board school in the back area based on what I've heard. I've not been contacted by anybody about the situation. It would impact my business in a big way if I could not do that and I'm a taxpayer in Multnomah county and I have been participating in athletic activities in that area for the past 30 years also. As well as its where I conduct my business. And the reason that there's so many water skiers and wake boarders back there as well as that's the reason why I go back there because that's the smoothest body of water in the Portland area. And as bruce said would not seen a wreck back there. I've not repaired boats at my dealership which is right across the street from Willamette park from a wreck back there ever. As the gentlemen over here said, they're trying to close a body of water for very few amount of people. There's ten months out of the year that virtually no boats ever go back there. I was back there yesterday. It would impact my business in a large way but I guess I'm exempt which what I noticed you nodding your head, that would make it more dangerous because I can go back there and the jet boat can go back there. So these people who go back there from the rowers, they have to come through the most, the busiest body of water in Portland to get there. So they can, if you shove us out there, it's going to make that area more dangerous but they have to go through that area to get back there. They can't just magically put their canoe in that area but long and short of it, I think its safe for now than it will be if this was to pass.

**Adams:** Thank you very much for your testimony.

**Deborah McQueen:** Hi, good morning. My name is Deborah McQueen. I'm the executive

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director for the Oregon marine trade association. I'm here representing folks like this gentlemen next to me. Our association, I guess, I just found out about this about a week ago. And so we're feeling a little left out of the process. The stakeholder that is going to be restricted and basically moved from that area wasn't brought to the table in any kind of a way with enough advance notice that we could actually work together on this. You know, we understand as an association, we have 100 members here and really the Portland metro, we have thousands of jobs. The boating industry in Oregon is a billion plus dollar industry. It's not less than monthly that there is a body of water that is put on the list for the marine board that no wake, no motors, no boats. And so we do need to work together as a council, I would like to you to have all the information before you make decisions about displacing folks because that's the issue. We are going to move them from one to another and then from there to where? So we all need to work together, the buses and the bikes, the big boats and the little boats. We gotta work together so I'm coming at it as a defense is not the Oregon marine trade association best position. We'd much rather be in and say let's look at the body of water that we've got and let's figure out how we can all play together. Thank you.

**Adams:** Thank you very much. Sir?

**Darren Holsey:** My name's Darren Holsey. I'm a Willamette river front home owner and you know as much as I like to see wildlife and everything on the Willamette and the usage for everybody, my concern with closing that -- well, the reason its been mentioned before, the reason that area is crowded with power boat users is the fact that, well two fold, one it's out of the wind. In the summertime the wind blows, in the meantime people come out after work and that's the only smooth water you can find. Pretty much from, you get up to the curves around Lake Oswego on the lower Willamette and the reason people have difficulty boating up there is partly because some of the marine board's previous initiatives which is boat away, stay away from the docks, there's no docks behind ross island. It's a perfect place to stay away from people's private property. Create less issues, create less hazards around the docks. If you displace the power boaters, you're going to push them into lake Oswego area. And then we're going to be doing this again and again and again. It was already mentioned that this happened on the upper Willamette, same sort of situation. Lots of docks, lots of people that don't like the waves and the noise created by specifically wake boarding boats, that seems to be the big issue. And you push people to other places, I mean the industry is a huge industry with a lot of businesses, a lot of different boat dealers that sell those types of boats. You're creating an issue with them. And as far as a place for the kayakers and canoers, there are other water ways besides downtown Portland to paddle your canoe. Tualatin river doesn't have power boats on it. That's a great body of water, the water's relatively close. The upper Willamette is a wider area, tends to be a little less crowded with larger boats, it does have the wake board boats. But as mark mentioned here, it is not filled with boats year round. There's only a relatively short time in the summer, later spring to fall, that the weekends can get crowded. Weekdays are not crowded after work isn't crowded. Same sort of situation, you have behind Holgate channel. There's no reason to displace the power boaters out of there because you want to make a two mile stretch to paddle. There's all kinds of water ways. That two mile stretch canoers can go back and forth, back and forth for an hour. So besides that, the safety issues. You displace the boaters in other places, you're going to make it crowded in narrow portions of the river, specifically around lake Oswego and Oregon city where it's already narrow.

**Adams:** Thank you for your testimony. So given, you can return to your seats. Thank you. I've given about equal time to both sides, is there an argument though that anyone who

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signed up for has not heard? We have not had out on the floor yet? Is there anyone again who is dying to testify who signed up or didn't sign up? I think we've had a good sort of both sides of the issue, about equal time, discussion on council? Alright, then let's, Karla can you please call the roll for this item?

**Fritz:** Thank you everybody for coming in and for putting this item on the agenda. It does go for recommendation to the marine board so there will be a further hearing there. But you may have noticed that I didn't sign on as a co sponsor for the resolution partly because I wanted to hear this kind of debate and for you to know that it makes a difference that you came in and you testified and you brought up some really good points. And its good that we've had a public hearing at the Portland city council because obviously everybody is now aware this proposal is going to the marine board I think next week. And so I'm hopeful that there would be more discussion before the marine board. This is very reminiscent of the dogs in parks issue that the rights of one set of folks impinge on the rights of another set of folks. I'm wondering if there might be some possibility for like off-leash hours that the no wake zone, particularly. There doesn't seem to be much of a question about the no wake zone and the Holgate channel. The issue that's been raised that I wasn't aware of is that use of the ross island lagoon for young learning water skiers, wake boarders and such and also the second issue that I've heard today that I wasn't really thinking about before is the potential for decreased safety if non motorized crafters are thinking they're going to be safe and then a jet boat or other commercial use comes in and creates a lot of wake, that's even worse. So I'm very concerned about that. The resolution does support the city's broader endangered act response. We spent close to 2 million dollars on construction at the Holgate channel to help bring Chinook back. And so while I'm looking at the fiscal impacts, I think the relative cost of signs and their maintenance is outweighed by this huge expenditure which does preserve the possibility of bringing this Chinook back and we've invested a lot of time and city effort in taking care of ross island, getting it back and thinking about how it's going to be restored. So although I'm concerned that we haven't, there hasn't been much of a discussion, I'm hopeful that when the office of healthy working rivers up and running that that office can help coordinate between all of the different entities who are concerned. We've spent the last two months looking at all of the different entities concerned about the Willamette and Columbia rivers and there's lots of them so I will work for that once we have the office of healthy working rivers up and running. But for now because it's a recommendation to the marine board rather than an action that we're taking independently, I'm going to vote aye on the resolution.

**Fish:** Thank you. I want to thank the ross island vision team for the work they've done and the hundreds of community meetings they've hosted throughout the city discussion a vision for ross island. And let's be clear, we're here discussing this issue because it concerns ross island. This is not just any channel adjacent to any particular dirt. This is ross island and this city has said in its 2020 plan through parks, in its negotiation with dr. pampfen, in its establishment of a whole set of priorities that ross island is different. And I've had the pleasure of taking a tour of ross island, I believe we were well within the 5 mile per hour limit and it is astonishing how much wildlife has returned. It's an astonishing thing to see a bald eagle nest and to see other kinds of habitat. We have made a commitment as a city to reclaim this treasure and it's against all odds. We're hoping that in time we can bring it back and my understand is that we maybe the only city in America with a treasure like this in its backyard. So it's different. And we're here today because it's different and I want to address what a no wake zone does and doesn't do. It is a speed zone for motorized watercraft. It would motorized watercraft to travel at 5 miles per hour or less

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when passing through the Holgate channel. It does not extend north, it does not extend beyond the Holgate channel to those who were concerned about its impact in other areas in the Willamette. It would not prohibit motorized watercraft from this area, it only requires them to reduce their speed. I'll say it again, it does not prohibit any motorized watercraft, it simply says they must observe a reasonable speed. And exempt commercial and you've heard from my colleagues that while you may have good legal and tactical reasons at this exempt commercial there is an appetite on this body to revisit that question or at least to engage other stakeholders and how we might address that issue in the short term. There are both ecological and safety reasons and in a sense I think the ecological were shortchanged while we focused on the safety issues here today. The reduction in the speed would help control bank erosion, would lower the amount of disruptive noise, and help restore the connectivity between oaks bottom and ross island. It would also provide a safer area for kayaks and canoes and dragon boats, insuring calmer waters and reducing user conflicts. Now, the resolution also calls for no motorized zone for the ross island lagoon located in the center of the island and that requires that all motors except for small electric motors be turned off while inside this ecologically sensitive area. Again it does not prohibit recreation, including people want to fish, from accessing the lagoon and specifically people who fish would still be permitted to enter the lagoon just as kayakers or people in canoes would. These new zones would allow users of all kinds to continue to access the areas that they currently access. It would simply improve the safety and protect the substantial investment being made to restore the area for fish and wildlife habitat. And finally, establishing these zones not only aligns the work of the ross island vision team has outlined in this document but it also and from my point of view critically aligns with the city of portland's parks 2020 vision, adopted by this council in 2001, that includes goals and strategies to preserve, protect, and restore portland's natural resources. A vote today is a recommendation which would go to the marine board. The marine board will then have a full public hearing and will weigh the views of all stakeholders on this issue. And so ours is simply one of many voices that would go the marine board. I'm pleased to vote aye.

**Leonard:** I've spent considerable amount of time in my political life focused on ross island. Did quite a bit of research on it when I was in the legislature, its original composition has been nearly destroyed by commercial activity. In fact in the 1999 session of the legislature and in 2001 session of the legislature, introduced bills prohibiting any further use of the island for commercial travel, excavation. I got to go to a union meeting that the teamsters invited me to of very angry ross island sand and gravel employees who's jobs would had been eliminated as a result of the passage of that bill but it was something I felt strongly enough about that I agreed to go and defend what I thought needed to be done. This is very much in keeping with what I believe, type of care we must give to this very precious portion of our river. Somebody mentioned earlier that the two islands were reconnected by some fill. They weren't reconnected, they were artificially connected. They are actually two distinct islands which my bill also called to be removed, had that fill removed and allow free flow through ross island. Again, I hope to see that happen some day. But in the meantime it think the minimum we can do is try to do what little is possible to maintain what's there and possibly even restore what's there. And certainly to allow people to go through there in non motorized boats. I am a boater, I bought a year ago a sailboat for \$1400 that my wife tells me I paid \$1300 too much for and so it's challenged but it's a place that I would like to go and be able to know that I could take this little sailboat there and not get swamped by power boats as I'm enjoying that part of the river. So I think that the restriction makes a lot of sense and I proudly support it. Aye.

**Adams:** Great testimony on all sides of the issue. Aye. [gavel pounded] Council item 260

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is approved. Karla would you please read [applause]. Would you please the read title for council items 264 and 265? Go ahead.

**Items 264 and 265.**

**Adams:** So these items both 264 and 265 authorize an iga with pdc to provide for 4.9 million dollars for construction funding. The iga was passed by the Portland development commission on march 11<sup>th</sup>. It's an authorizing for the city to bid and award the contract that shows up as one of the items on the local stimulus package. The total project cost is 17.8 million and the funds are derived from a combination of federal earmark. Thank you congressman earl Blumenauer. It has a high level of confidence and cost estimates. We estimate that it will create 140 construction jobs. Construction is anticipated to start in july of 09 and be completed in 2010. The adjacent businesses property owners, neighborhood and business associations support the project. It provides enhanced vehicle access and flow. It builds transportation improvements on east burnside and northeast couch street that will provide additional traffic access to the bridgehead property. We know we have additional work to do on the left turn from couch back onto burnside and we're working with the potential developer. It significantly improves pedestrian safety. It has been a high agenda item for the urban renewal advisory committee members for years. I'm pleased today to have these items and be able to move them forward. And we have folks here if there are questions that people need to ask. Anyone here wishes to testify on this matter? Everyone who cares about jobs and better east Portland should be jumping up and dancing right now. Karla, please call the roll.

**Fritz:** And that's why it's really good that this is being aired. This is a 17.8 million dollar project and something commissioner adams and now mayor adams has focused on for the central eastside industrial district. And it's getting nearly 5 million dollars of Portland development commission that they're financing. I want to recognize both the urban central renewal area, the burnside bridgehead advisory committee and neighborhood association for working on this. And also to thank mayor adams for continuing to work on finding financing for other projects in that district which won't be, which aren't funded yet but including the hooper detox center and I appreciate that. Aye.

**Fish:** Aye.

**Leonard:** This is excellent work mayor adams. You should be feeling really good about working to this successful and I'm very pleased to support this. Aye.

**Adams:** Thank you commissioner Leonard, thanks to the great team and pdc and the bureau of transportation. Aye. Anyone here to testify on item 265? Council discussion on 265? Please call the roll on item 265.

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

**Adams:** Aye. [gavel pounded] Could you please read the title for 271?

**Item 271.**

**Fish:** Thank you mayor. As my colleagues know, this matter was originally before council as an item through office of management and finance. During our council discussion, we all had concerns of different kinds of concerns about this and in particular, there was a desire to learn more about who's covered and who isn't and how it fits in the overall policies and practices of the parks bureau. I knew enough in this job that I did not have the answers to those questions raised by my colleagues. Here's what I'd like to propose. This contract is scheduled to expire on March 22<sup>nd</sup>. We've heard the concerns raised by council and we heard the concerns by our labor partners. I had pulled this item back to my office for further study so I can report back to you. The reason this matter is before us today though is that in order for me to have adequate time to give you the report you requested, I'm proposed that we simply extend the contract for two months so that we can maintain



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the status quo. That will give me a chance to complete my analysis thoroughly address all the questions and concerns that have been raised and then report back to you in a timely fashion.

**Adams:** Seems like a reasonable approach. Anyone here who wishes to testify on council item 271? Any additional council discussion? Karla would you please call the roll?

**Fritz:** I truly appreciate this approach. Aye.

**Fish:** Thank you. Aye.

**Leonard:** Aye.

**Adams:** Thank you commissioner fish. Aye. 271 is approved. Could you please read the title for 272?

**Item 272.**

**Adams:** Commissioner Fritz.

**Fritz:** I had originally put this on consent and then I pulled it because I wanted to celebrate the fact the previous council authorized this money for what we call our diverse civic leadership partners. The people who are getting these funds, the community organizations who are getting these funds are a part of the office of neighborhood involvement and it's really splendid that we are no longer, organizations that people may have thought of as neighborhood associations many years ago. Now we truly include all of our community partners.

**Adams:** Is anyone here wishes to testify on this item? Any additional council discussion? Could you please call the roll?

**Fritz:** Aye.

**Fish:** Thank you commissioner fritz for your leadership on this and other issues. Aye.

**Leonard:** Aye.

**Adams:** Thank you commissioner Fritz. Aye. [gavel pounded] 272 is approved. With the council's permission, I'd like to move to the emergency 285. Could you please call the title for council item 285?

**Item 285.**

**Adams:** By council charter, council has to authorize any application for a grant. And that's what this item does. Any council discussion? Is there anyone wishes to testify on item 285? Karla would you please call the roll on item 285?

**Fritz:** My understanding is that a million dollars maximum this grant can be applied for. Thank you to Carmen merlo and others for making sure that it gets in. Aye.

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

**Adams:** Aye. [gavel pounded] 285 is approved. Could you please read the title for item 286?

**Item 286.**

**Adams:** Good morning. Welcome to the city council.

**Eric Johansen, Office of Management and Finance:** I'm Eric Johansen, the debt manager in the office of management and finance. This particular ordinance authorizes the refinancing of our 1999 limited tax revenue bonds that were originally issued to fund a portion of the streetcar, the original streetcar project. Interest rates are lower now than they were when we sold both bonds so we have the opportunity to refinance those bonds to save about \$90,000 a year in debt service cost. The debt service on these bonds are the responsibility of the parking fund so the beneficiary will be the parking system of the city. We expect to sell these bonds through competitive binding in probably April it looks like. And at that point, we'll know what the savings look like. Happy to take any questions.

**Adams:** Questions from council? Anyone here who wishes to testify on item 285? There's nobody here that --

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**Fish:** 286.

**Adams:** 286. Sorry. Karla, can you please call the roll on council item 286?

**Fritz:** It's really great that you're watching out for ways to save us money. Aye.

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

**Adams:** Aye. [gavel pounded] 286 is approved. Can you please read the title for council item 289?

**Item 289.**

**Adams:** Commissioner Leonard.

**Leonard:** Could I have our designated folks approach? Other than you, Ted, you'll get your chance. Thank you mayor adams and council. Politics is the art of compromise. I learned that a long time ago when I decided to start a second career for myself but public safety, protection of the public, police officers and firefighters, I'm uncompromising about. I revert back to my prior profession when those discussions are being had. This is an issue relating to the protection of not just the public but Portland firefighters and police officers from injury and or death. People are smiling at that now. Unfortunately, I've had to, as part of my prior career as has each of the people sitting before you, remove people who have died in fires. It is something that steals you for any future encounter you have to deal with circumstances where people can be at danger of injury or death to be uncompromising about. And the building we're going to be discussing here and the incidents that have led up to the action that we're going to take today are surrounding a building that in my view is one of the most hazardous in Portland, the safety of the public and firefighters. So I will ask the gentlemen before us to talk about the specifics of what has led to us being here today. Please introduce yourselves.

**George Burke, Portland Police Bureau:** I'm George Burke, I'm a lieutenant with Portland Police Bureau's central precinct and just to kind of give a little bit of historical perspective, looking at statistical data, we responded to the Greek Cuisina which is the address in question here, from 2003 to 2008, 458 calls for service. And looking at the number of calls for service, I'm sorry five years. 2003 to 2008.

**Adams:** Calls for service?

**Burke:** 458 calls.

**Leonard:** Those are just police calls.

**Burke:** Correct. In 2007 we responded to 117 calls for service to the same location in a one year time period. In May of 2008, we started looking at, or I guess we worked with code enforcement team which was a multi-disciplinary approach to take a look at how we can resolve issues associated with this location to where we partnered with BDS as well as Portland Fire Bureau, to look at not only from a law enforcement perspective but as a complete safety issue to the community as well as to the responding persons to these calls for service. There were 54 calls for service in the year 2008. The majority of those calls for service calls placed prior to any implementation, new strategy, which took place on May 14<sup>th</sup> of 2008. I think that speaks volumes as to what has happened with the cooperation between involving BDS as well as Portland Fire Bureau and law enforcement to look at this in a multi-disciplinarian approach. I think that's where we're heading with my partners here at the table.

**John Nohr, Portland Fire Bureau:** John Nohr, fire marshal. We started in May of 2008, that's when I became aware of prior to that. A fire watch was placed at that location due to the safety violations in the building and the inability of the building owner to properly follow the fire watch that he was allowed to perform initially. Because we're very specific with some very simple rules for following the fire watch and those rules weren't followed, we have the authority in the fire bureau to place a fire watch in a structure. And so we placed

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a third party fire watch into the structure with the understanding of the building owner that he was responsible for the bill for that fire watch. After a --

**Leonard:** And when was that originally?

**Nohr:** I have to get that date specifically but I believe May 29<sup>th</sup>.

**Leonard:** And I want to point out that it was under the then commissioner in charge, Tom Potter.

**Adams:** And what is a fire watch?

**Nohr:** A fire watch is specifically you have someone awake and alert, patrolling the building at intervals that we deem necessary based on the danger in the building. In this particular building, we want patrolled every 30 minutes. The fire watch person must have a form of communication to contact 911. They make direct contact of any sign of fire or other emergency issues. So we initially allowed the building owner to do that fire watch but the person who was the designated fire watch by the building owner was found asleep on a couch, not with a phone, and when asked if he had a phone what he would do, he said he'd call the building owner which was contrary to our orders. You'd call 911 if you have an emergency. So the third party fire watch was in place for a period of time. There was some actions taken by the building owner to bring a few safety issues partially up to speed. One of them being a full alarm and sprinkler system for the building. And at that time, in and again I don't have the specific date in front of my, I think it was October, October 17<sup>th</sup> or so to be more clear, we allowed him to take over fire watch duties again with some specific directions as the building cannot be occupied above the third floor and the basement could not be occupied by more than 3 people at one time, specifically for the storage and retrieval of materials. The basement was currently, was being used in a non permitted way against fire code. Approximately two weeks later, we found evidence that people were utilizing the basement for food preparation and that more, that people were spending more time than just going down, storing material or retrieving material from the coolers. So at that point, he was in violation of the fire watch again and I ordered the third party fire watch put back on.

**Adams:** What kind of food preparation?

**Nohr:** There was evidence that looked like something was going on. Wrapping materials on the table that looked like bread items were being prepared. There was evidence that food had been washed in a sink, in a non permitted sink that was in the basement. A dishwashing area. Prior to this, I should go back and say that prior to this there were ovens and stoves down there, that he did, the building owner, disconnect in June. So we did not have evidence that those were connected and up and running again. But there were signs of minor food preparation.

**Fritz:** Is the problem with the basement is the zoning one way in and out?

**Nohr:** There are 2 ways out and their quite a ways apart. And they're not easily accessed. The two very narrow stairways --

**Fritz:** What would it take to bring the building up to code?

**Nohr:** Specifically the fire code?

**Fritz:** Yes.

**Nohr:** As for the basement I can't speak to that. That's more of a building code. We can have the authority to enforce the violation of the fire code but it's really building issue that the basement is not --

**Leonard:** Let me take a stab at it. We had a meeting in my office with the fire marshal present, the fire chief present, police bureau present, bureau of development services present, papas present, an architect, his banker, and we specifically went through the issues that he was in violation of. Some of which affect the life and safety regulations that

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the fire bureau, the bureau of development services. We indicated a willingness and that was back in July or do you have that on a timeline when we had that? It was last summer. And then we indicated our role in this to the plan that as long as he showed a willingness by demonstrating his work actually being accomplished, we would work with him and I think part of the reason we're here today is none of that was followed up on.

**Fritz:** I'm just wondering structurally in the building, what would it take so that these fire watches would not need to happen?

**Leonard:** It isn't a matter of structures in the building at this point. It is a matter of trusting the building owner to do what he has been requested to do by the fire bureau to have his own fire watch. He has to have a fire watch until there are adequate alarm systems in place, adequate sprinkler systems in place. He's disconnected sprinkler systems, cut holes through floors, created an atrium, he's had a number of significant violations occur in the building. None of which would not allow him to have his own fire watch if he demonstrated that he would follow through with the things he is committed to with the fire bureau.

**Fritz:** So the fire marshal had indicated there was a sprinkler system installed?

**Nohr:** There is one of the requirements to get the original fire watch off, the original third party fire watch, the sprinkler system be tested by an authorized sprinkler company. And that everything was brought back up to speed. There was still some questions about whether or not the atrium area was adequately covered. So I had one of our sprinkler senior inspectors who deals with sprinkler systems go out and look at it. He felt that it could minimally could pass. Part of the issue is, that building used to be a U-shaped building that had a light well for light to get to the inner parts of the building. The owner at some point capped that off and then removed the exterior walls, what were formally exterior walls, and created a large atrium in there.

**Fritz:** [inaudible]

**Leonard:** No permits.

**Nohr:** To keep combustion from rising from lower levels and if there was anybody on the upper floors, they'd be caught in that.

**Fritz:** And what's the progress they made getting the whole structure up to have its permits?

**Nohr:** That is an issue that the owners dealing with BDS with. To kind of specify or to answer your question, the building code official designates what the occupancy is going to be and then the fire code officials, myself, can enforce that. Fire code's related to what the occupancy is. So the building code official can allow the occupancy change in the basement. I can't allow that but I do enforce the fire rules that relate to that occupancy.

**Leonard:** But as to the work plan that agreed to in my office, it's my understand that that has not been followed through on.

**Nohr:** It as far as I know, this is 3<sup>rd</sup> party to me, but it's still in, the owner still's working with BDS attempting to get permits. And I don't know where that's at.

**Adams:** Are we treating this building owner or operator fairly? Did this come to our attention, you know, how did this come to our attention?

**Leonard:** We created a group of BDS officials, police officials, fire officials, to deal with some of the more significantly challenged occupancies in the core area. This was one of them that have year after year after year avoided either complying with police, concerns or fire concerns or building code concerns. This was a building that was, has been targeted by that group for because of the accumulation of the various violations, whether they're police, fire or building code. And they did a thorough inspection, sat down as I said including myself with the building owner, to try and come up with a reasonable work plan to allow him to correct the items that he'd done without permit, to allow him make the

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improvements to the structure as required by the bureau of development services and the fire bureau. And the problem that we've had is we are walking this fine line between how do we, how do I explain to the public if something happens and we lose a number of people that we allowed this building to stay open in the condition it is, balanced against trying to work with Mr. Papas to allow him to continue his business but showing some good faith that he will do the things that the fire bureau and the police bureau and the bureau of buildings has identified that need to be done. So in many ways I think that if something terrible happened, I would hard pressed to explain why we had been as lenient as we had up until now because for a variety of reasons, it is more than enough than just a vacation for the fire marshal at this point to close the building down.

**Fish:** Commissioner Leonard may I jump in for a second? Because separate a part from whatever issues Mr. Papas chooses to make before us and he has the right as a citizen to come before us. I understand we'll give him that opportunity. I want to make sure that I understand procedurally what's before us. The decision to impose a fire watch, correct me if I'm wrong, is entrusted to you chief nohr and you report in turn to the fire chief so that's a decision that by law you have the authority to make that decision. Is that correct?

**Nohr:** Yes

**Fish:** I would say in the 7 months I've been on this job, I don't remember a single time when we as a body were asked to second guess that judgment. So that leads to my second question because again we're a deliberative body and I want to be sure we understand what our scope of authority is. If you were to come to my commercial establishment and put on a fire watch that I disagreed with, what is my recourse as a business owner?

**Nohr:** You could take it to the fire board of appeals.

**Fish:** And that is a prescribed rule in our procedures that gives someone a chance to. Did Mr. Papas take this to the board of appeals?

**Nohr:** He did on October 1<sup>st</sup>. Well, I have to go back.

**Fish:** I actually I don't want to make more work for you. He did take it to the board of appeals?

**Nohr:** He appealed the fire watch agreement, we received in our office 7/15/08 his appeal form. We convened the big board or the fire board of appeals, it does not meet very often, it is a three person citizen panel who heard on October 14<sup>th</sup> and I had said the 17<sup>th</sup> earlier. On October 14<sup>th</sup> they heard his appeal.

**Fish:** And did they take action on that appeal?

**Nohr:** They did not take action on the fire watch. They suspended some fines that were assessed for some other violations, fire code violations. They because he made statements that he was working toward getting his building up to code. They suspended the fines for 6 months, pending they would look at it again 6 months again to see. The 6 months would be mid April to see if he's made progress toward --

**Fish:** Did they revoke the fire watch?

**Nohr:** They did not but I did pull it off. The board did not revoke the fire watch but I took the fire watch off based on the fact his building, he'd finish getting the sprinkler system tested and checked so shortly after that October 14<sup>th</sup> date, I pulled the fire watch.

**Fish:** So you did. So at some point, it was reimposed.

**Nohr:** On October 31<sup>st</sup>.

**Fish:** October 31<sup>st</sup> when you determined that the conditions that had been laid out had not been met by the property owner. And has that action been taken back to the board of appeals?

**Nohr:** No.

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**Fish:** Okay. So is there, I just want I want to make sure that were not establishing a precedent here to come back and to haunt us. Is the issue of the imposition of the fire watch, maybe this is for council to tell us, is that issue before us or is --

**Leonard:** No.

**Fish:** My understanding is the only issue before us is authorizations being sought to levy against, to put a lien on the property --

**Leonard:** Right.

**Fish:** So if that's the case, is it our role here to pass on the merits of the fire watch or are we simply an administrative function to determine what the --

**Leonard:** Well, to be your points are absolutely right on commissioner Fish but I wouldn't want to imply or suggest that any of my colleagues shouldn't appropriately ask the question on the larger subject of why Mr. Papas' building, what is the condition of it, what caused you to take the actions that you did. We are prepared to talk about that because I anticipated that those questions would be asked and they're appropriate but you're absolutely right to question before us is whether or not to lien the property the expense the fire bureau has gone to put on a fire watch to assure itself that the workers at the Greek Cuisina, that the public at the Greek Cuisina and certainly fire fighters and any public safety personnel are protected from what would occur if a fire did break out.

**Fish:** And I appreciate that commissioner and I guess I'll just preview what I hoped to mention in my remarks later which is there's three different kinds of claims that I read in the submission. One is a question of whether the propriety of putting in a fire watch. I believe that has been delegated to fire professionals who run the bureau to make that judgment and I don't think absent extraordinary circumstances that council should second guess that. I don't think we're in a position to. We don't even have a hearing process in order to do that. The second is that Mr. Papas has made general claims of discrimination, again there is recourse through administrative law and the courts if you believe you've been discriminated against, anyone would have the right to pursue that. And third my understanding, he's raised some issue of misconduct on the basis of some sworn officer, again we have procedures that are established to bring those complaints because we're not a judicial body, we don't make those judgments. We review records that come to us when appropriate. So I just want to preview that, I want to be clear that whatever issue we're addressing here is a proper issue for us to consider and that we're not somehow jumping the gun on other kinds of things.

**Leonard:** No as I said I think it's entirely proper for the questions to be asked. I appreciate you focusing on because of your training as an attorney. But the true issue before us, but understanding that this is a legislative body and Mr. Papas has made some of the claims he has. I don't want to feed into that by trying to restrict anybody's right to say what they want to here. But as these gentlemen are trying, it doesn't detract me from what it is that I'm intending to do. And I consider a lot of what's been said and what you'll hear as chaff and intended to detract the focus of this body from what the real issue. And the real issue is the safety of the public, the workers inside, the fire fighters and any other public safety personnel who have to go into that building.

**Adams:** And having been through these kinds of issues before, I want to make sure that and anticipating that they'll be charges of anti-business or what have you, selective focus. I just want to make sure that we're speaking to wider community and due diligence on that. How many years or how long or have you been in a problem solving mode on this before coming to this request to council for this measure? This is a first time that I know of in a couple of decades that this kind of a lien has been imposed so I assume this is a pretty extreme example of what you all perceive to be non compliance. So how long have you

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been in sort of problem solving mode and I don't know who to address it to?

**Leonard:** I think fire bureau most appropriate. Police --

**Burke:** And what I was going to say Mayor Adams is that Sergeant as well as Officer Jeff Myers are both here and they have the specific details that probably address some of the concerns that you may have right up front. But to go back and I don't want to detract from your question that you had just asked but you asked a question about fairness and equity and one of the things that happened is after this incident on May 14<sup>th</sup> where 50 fire violations categories were identified, there was a consultant that was brought in, paid for by the city, John Campbell came in at our cost and met with the owners, the Greek Cuisina to go through what they could do to help alleviate so the problem solving has been on going. We identified the problems, I look back at 2003 so were back at 2003 as to what I have records for in front of me. And I suggest we can probably go before 2003 but that's just what I have. I think the enforcement that was done here was simply a reaction to trying to gain compliance. This is not an effort to certainly not an effort to shut down somebody's business This is trying to bring somebody, bring a business into compliance so that the safety of the people, not only the people who go there, but those people who have to respond there for calls for service are provided their safe access.

**Adams:** Trust me, Mr. Papas, you'll have plenty of time to respond to this. But I want to make sure we get both sides of the story out here so I see you back there ready to explode. I promise we'll let you explode in front of the microphone. Other questions?

**Fritz:** Question for the fire marshal. I thought I heard you say the appeals board suspended the fines?

**Nohr:** For 6 months and at 6 months they're going to go back and see if progress had been made towards fixing the violations.

**Fritz:** So this is \$79,000 is not a fine?

**Nohr:** That is not a fine. That is a bill for the 3<sup>rd</sup> party fire watch.

**Fritz:** And did the appeals board consider taking that off or any, taking any action on the 79,000?

**Nohr:** When they met in October that wasn't the amount. There continues to be a third party fire watch on that building.

**Fritz:** Was there any discussion at the appeals board about whether or not that cost should be levied on the property owner?

**Nohr:** I don't recall but I don't believe that's not something that they would rule on, whether or not that cost should be levied on the owner.

**Leonard:** Let me --

**Nohr:** Fire watch is very specific in that it, the building owner is responsible for the fire watch and to answer the mayor's question, the reason why you haven't seen anything like this before because most building owners take responsibility for the fire watch. We order fire watches on a regular basis. We don't get into this situation very often.

**Leonard:** To be clear these are out of pocket expenses that the fire bureau has actually paid. These are not fines or debatable or you know, who should pay it. They are required under title 31 to have fire watches. The fire marshal has a lot of latitude in what form that fire watch takes. Most often if I'm not mistaken, you have a level of confidence in the property owner that they can perform the fire watch themselves and as I understand, you allow that to happen. In certain limited occasions where there's either not a property owner present or you have no faith that the property owner's going to do it, they actually hire a licensed bonded security company that is trained and follows directions come and perform the fire watch. They're doing just what it suggests, they are watching the building, awake with a radio, with the ability to call 911. Fire marshal wants them there to prevent that from

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happening. In this instance, Mr. Papas as I understand a couple of times has been given the option by the fire marshal after training to have his employees perform the fire watch. Each time the fire marshal went back to follow up on that, he concluded that the building owner was not following through with his instructions and based what the fire bureau's charged with, he had the obligation and not just the responsibility but the obligation to hire a licensed bonded security company come perform those fire watches and what we have before you is the bill for that service. Mr. Papas has refused to pay.

**Fritz:** One final question on that, does the, is the fire watch training for 7 or just when the building's occupied or open?

**Nohr:** I don't have that information in front of me. It was 24 hours a day in the initial part. I don't have the agreement for what we've done since October 31<sup>st</sup>. Inspector would be able to answer that question.

**Fritz:** Thank you.

**Leonard:** And we have the bureau development services to ask questions about the building and the conditions and all that, if you want to get into that. I would remind you commissioner Fish observation that that's not really an issue here. But we are prepared to get into as much as depth at this point as a council wants or you can briefed later but really the issue here is narrow. It is the fire watch, the expense of the fire bureau which as you can imagine is impacting their budget. And their desire to have Mr. Papas be responsible for the bill.

**Adams:** So in terms of other cases across the city that sort of fall into this category, maybe not the specifics but in terms of police, fire attention and concern about deficits and safety, how many of the cases over the past 5 years would sort of be in the same kind of category?

**John Klum, Portland Fire Bureau:** I was fire marshal for 3 ½ years prior to John Nohr taking over that position. And so during my time there, we take the articles within title 31 very seriously because there's a clause in there that gives the fire marshal to authority to declare imminent hazard. And in my tenure I've only had invoke that 2 times, I felt there was significant risk to life. I won't go into detail with what those two locations were but at those particular times, we offered with the building or business owners to perform their own fire watch which in most cases are relatively successful but we had to on one particular incident revoke their ability to provide their own fire watch and provided 24 7. This is a first time that we've had a business owner refuse to pay for it. So this is relatively new area for us to come forward. I think the last lien that was established for non compliant payment was back in the 80s. So I guess the point being is we don't take this in a light tone. It's usually when it gets to the fire marshal's level and this is a key decision on declaring whether there is truly a life safety hazard. Generally speaking we have routine fire watches on a regular basis for multi-family units that have a problem after hours with their alarm systems where we usually get a responsible party and it's seamless to where they can do that on for a temporary basis for 24 to 48 hours. But this particular one there was enough into it and the complexity of having a business on the first two floors with the remaining floors having different occupancy level, it created a challenging situation to where we didn't want to adversely affect Mr. Papas' ability to make a living. In instances, the two instances that I spoke to before when I was fire marshal, we actually shut the place down. It was that significant, we didn't want to have that economic impact on Mr. Papas in this case so that's why we were trying to work with him to try with the fire watch so he can maintain it, viability of his business.

**Leonard:** I will tell you the level of violations they have identified, I have told them that the point at which they feel they need to shut the business down, they had my support. That



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they could have done that easily before this and have stretched I think beyond what some may even think reasonable to try and work with the building owner to keep the business open.

**Adams:** Any other discussion with this panel? Thank you. Mr. Papas? Did you want to bring anyone else up with you? So we've heard some background on what leads us to this council discussion today. Feel free to address any of that and then obviously we would appreciate you speaking to the point of why we should not levy a lien against your property.

**Ted Papas:** Thank you for giving me the opportunity. I heard the testimony of the three gentlemen and everybody else. And also Mr. Fish it was very well placed. What is the reason really for this fire watch? Was it the reasoning to comply with existing violations of building codes and fire codes or was it actually for reasons? And I hope you have the package in front of you, written testimony as well as mine on that issue. Also you heard testimony from a policeman here. The only thing that I want you to put together is this. What do the police records and violations have to do with fire codes and building codes? That's the question to be asked. Now because if the safety of the public in case of a fire is based on the police, I'm right now as a matter of fact that I have an administrative hearing with your city, I'm dealing with that issue. And I wish I could have the transcripts of the testimonies of 35 policemen as well as one of the OLCC inspectors to verify that they lie in the testimony. So I'm dealing with all those allegations of police reports. What I'd like to do today is with the main issue is here. Again, was it warranted under the conditions of Mr. Leonard's hit squad and I will repeat, I'm sorry Mr. Fish but the truth is the truth. I did not call these three gentlemen which comprise the hit squad. Mr. Leonard defined that as a hit squad and I have to prove it. I'm not a liar and I'm a straight shooter. And if I'm offending you Mr. Fish, I'm sorry but this is the truth. But I wanted to point you for the second attachment B please. With their own, it was an article in the Oregonian which because nobody wants to have body bags as Mr. Leonard mentioned on his meeting, out of anybody's building and I agree with him. But there's plenty, the Oregonian reported last spring that a third of the city's 15 residential high rises built without sprinklers. Cannot even be inspected in five years. My building and I repeat, my building is been fully sprinkled and comply with all the requirements by the fire code. Also, goes down to say 1200 high rise buildings due to inspection, those buildings include residential high rises with no sprinklers. So you don't have to be a rocket scientist to understand. When you have buildings, residential we're talking about, with no sprinkler systems and you have a building like mine by the way the gentlemen here to verify how well my sprinkler system works. As a matter of fact on August 17<sup>th</sup> on the written testimony, August 14<sup>th</sup> but it was August 17<sup>th</sup>, my fire alarm went off. And we had a fire watch Mr. Mayor, you asked earlier what does the fire watch does. And this is exactly what he does. He's got a flashlight, he's got a pen and a pad and every 30 minutes he goes up and down the building, looking for fires. On that particular incident which is a fact, the fire alarm went off, the fire trucks arrived at the scene and the fire watchmen didn't even know what was going on. As a matter of fact, I'd be more than happy to challenge Mr. Leonard, you know to this any time. So the issue again today, somehow I've been hearing about all these police reports and all these fire codes. Also wanted to bring your attention to attachment B. Mr. Leonard has declared as the worst of worst. And I quote in this article, Leonard said police officers frustration with repeated violations got him thinking about how the city should crack down. May I ask you what do these police violations have to do with fire and building violations? All of a sudden we have police violations acting as experts on fire and building violations. And further down in this article, Myers and the team and the teams fire and building inspectors decided

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what business to look at based on anecdotes from the colleagues working in the streets. And I'm wondering what kind of anecdotes is that? Is this the actual facts of a building being in danger that we make a hit squad to go after a business for 35 years? Now since when the police has become an expert on inspections of fire violations? I heard earlier from Mr. Leonard said earlier about trusting the owner and he hit it right on. The whole issue is I have never been trusted but have I really been trusted by the fire department and the building department that my architect, my structural engineers, my fire engineers, they have working diligently to solve the violations. The violations occur in the building, yes they have. Out of the 50 violations how many actual violations, I cannot tell you this. We had 50 appeals of all those violations and we want every single one of them. I am, I was, and I am cooperating and so is my architects and my whole team to solve this issues. And I have no problem with the fire department and with the building department. The problem that I have Mr. Fish I address to you, it is with the special squad, they have one mission. To put me out of business and I repeat, to put me out of business. Because by shutting down my whole building except two floors, I like to take you a tour to actually see. I'm washing dishes by hand and pots. They never thought that I would survive up to this day. I do preparation in another restaurant which cost me \$3,000 a month. Have I complied with all those restrictions they have impose on me? Oh yes, you bet your ass I have. And I would tell you this. Not only have I complied but if violations keep occurring, why don't they get cited and I would go to hearing to fight it? Because already they cite me in two different instances and I went to the hearing. As Mr. Nohr said and they suspended those hearings. Fire watch was never brought up. It was strictly whether those fines should be imposed on my building. And the suspended it. Mr. Alderman and I, we have a great relationship. But you know what, if you called Mr. Alderman over here and everybody else, he's not going to say anything against the orders of the commissioner after all, they're under his orders. I know where his heart is. He knows what's going on. As a matter of fact I will tell you this. He spoke the truth. On first week of June and I mark it down, we were together on the third floor and this was his statement because he spoke the truth. He says, Ted if it wasn't for the problems of the night club on the third floor which created all those police reports, we would not be here. This is exactly what Mr. Alderman said. So the connection of police reports and the attack. As a matter of fact, March 26<sup>th</sup> of 2008, I got charged by the OLCC of all these violations, police reports. May 12<sup>th</sup>, I get attacked by the special squad. Four days prior to their raid, an insider that he worked for one of Mr. Leonard's departments, he informed me he says Ted, Leonard has this special task force that they're going to come down and shut you down. I would disclose the name of that individual if I ever been subpoenaed that and I would god that I will. So let's go back to the question, one more time, are we here to look how unsafe my building was and did this all this unsafety proof the squad here is providing you with. Was that warranted to shut my building down? That is the question and if I don't get the right and the judgment in this panel right here, I will tell what I will do. Mr. Leonard. We make sure he calls my building the worst of the worst. We make sure it's the worst of the worst, he said. The bar has to be so high that even the attorney representing the other side does not want to go to court. Mr. Leonard, I take it this statement as an invitation and guess what? I would put my money, not the city's money, my money and your money on the table to go to court. Because I know which side the court would decide. This is how far I will go.

**Adams:** All right could we get back to the facts of the matter in front of us? We let you vent a little bit. Now, you say here that there is an agreement drafted by your architects to satisfy the demands of the fire department.

**Papas:** Yes.

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**Adams:** In your March 18<sup>th</sup> letter. Tell me more about that, what did you do and did the city sign off on it?

**Papas:** Yes. We signed an agreement with the fire bureau to comply with certain restrictions. We in our view, we have complied fully under that agreement. And if we did not, what I'm asking the fire department, the building bureau, give me a citation. They have not cited me. That's what I'm saying. Now, did my architect with all the faith by the way, he could not be here today because he had an inspection in another county. That's why I submitted to you the written statement. He's a highly integrity this man --

**Adams:** I have to interrupt I'm sorry to try and get to some factoids here and I'll let you finish your question. Did you submit whatever your plan was and did the fire bureau sign off on it?

**\*\*\*\*\*:** Fire bureau?

**Adams:** It says here on the 2<sup>nd</sup> page of your letter, was there an agreement drafted by my architect to satisfy the demands of the fire department. Yes. Did they sign off on it?

**Papas:** Yes they did. Yes they have.

**Adams:** With the exception of continuing the fire watch? Obviously they're requiring you to continue the fire watch, otherwise we wouldn't be here.

**Papas:** Right, exactly. The time the agreement was signed, it was for us, for the owners to provide the fire watch. And we did comply. As a matter of fact, Mr. Alderman, he numerous times he congratulate what a wonderful job we do. So somehow, along those lines around September, the end of September, October, Mr. Alderman would call occasionally to verify whether we follow through with the agreement. Somehow that particular night could not get a hold of who was in charge there. And he admitted he was calling the wrong number. So Jeff Myers shows up. Jeff Myers shows up and I will tell you what happened. I do have my other two employees to testify what happened. It was all fabrications and lies. And it was all staged so they can push me out from doing my own fire watch so they can bring the other fire watch.

**Adams:** Okay so let me make sure I understand your point of view. You don't, you believe you have a fully functioning fire watch on the premises now? And therefore the city should not have one and therefore the city should not lien your building to pay for the fire watch that we provided?

**Papas:** That is correct sir.

**Adams:** Is there anything, I think pretty close to the crux of the situation. Did you have more questions?

**Fritz:** I have a question in the record that you sent us --

**Papas:** Yes

**Fritz:** Thank for you the information attachment in F1 of 2. There's a letter from the fire, Portland fire and rescue dated September 11, 2008 that says you're authorized to provide the fire watch on September 11, 2008.

**Papas:** In September 11 to provide yes. And I refused.

**Fritz:** You refused. Why is that?

**Papas:** Because I did comply.

**Fritz:** You felt that this sprinkler system even though --

**Papas:** Exactly.

**Fritz:** So that explains why you're being billed for the entire period.

**Papas:** That is correct.

**Fritz:** And did you bring that to the fire code board of appeals on October 14<sup>th</sup>?

**Papas:** No, because the fire code of appeals it was only 2 issues to be addressed and those were the two citations that I had received. Nothing else.

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**Adams:** So you let me make sure. On the premises right now, you do or do not have a fire watch?

**Papas:** Right now as we're speaking mayor, there's a fire watch. As we speak right now.

**Fritz:** Provided by you?

**Papas:** No, by the City. By the way I can assure you the bill so far is over \$100,000.

**Adams:** And you believe that you don't need the fire watch because you complied with rules in other ways.

**Papas:** God is my witness.

**Adams:** So with the sprinkler system and everything else, you feel --

**Papas:** I have these two gentlemen to testify to that.

**Adams:** Would you gentlemen like to add anything? Do you concur with what Mr. Papas says?

**Tan Huynh:** Yes sir.

**Chuck Heggler:** I'd like to add something. My name's Chuck Heggler. I started, I'm a fire protection company. I started installing sprinklers in 1967. 1975 I got my state license. I've been working in Portland for all these years. About 1982 when Ted bought that property, he did a remodel for the restaurant and we went in under the benefit of a permit and modified the sprinklers. And Portland requires sprinkler system to be tested once a year, it's called a 3C test. A licensed contractor has to come to and we look at everything and make sure nobody's painted any sprinkler heads or moved anything around. We do that once a year. I do that with Ted. The two sprinkler heads that were missing, the scenario is just about like this. You have an exit way right here, you have a shelf like that with sprinkler heads right there. You also have sprinkler heads up high like that. When I did my next yearly inspection, I tell Ted he should have had two heads up there. But however as the fire science, if this table caught on fire right here, these sprinkler heads are going to go off way faster than those. So what I did, I said you know, we're going to have a problem here. We need to get some expert advice. So we went down and I hired dee who I've had my engineers, surveyors go down and I want to know every piece of pipe in that building. Every inch of that building we're going to put on a blue print. We put every piece of pipe on that blue print and then we did our hydraulic calculations. The piping in there exceeds the national code as far as water supply. Then I got dee to come down there and we walked that entire building. Every square inch of that we doubled check every sprinkler head to make sure that someday when we got here we could have some kind of documents say is that building meeting code. And the staff letter --

**Adams:** So would it normally be the course of action that if you disagree with the fire inspector that you would go to the fire board, whatever the right title is? Is that the normal course of appeal?

**Heggler:** Well, I don't know about appeal but on issues like this and I deal with these things daily is how we look how the sprinklers are made, manufactured, and they're used.

**Adams:** Right but if there's a disagreement between you and your other, you and represent a variety of clients and the city's fire inspection team, if there's a disagreement, the normal course of action is to appeal it to the fire board, correct?

**Heggler:** I've never appealed to the city. I've appealed to the state but I think you're correct. I think there's an appeal process in place.

**Adams:** So why haven't you exercised your right to appeal.

**Papas:** Because I put the trust in the fire department judgment.

**Adams:** Okay. Got it.

**Papas:** Simple as that.

**Adams:** So is there any other substance that you want to make sure you get out on the

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table?

**Leonard:** I just wanted to ask, were you aware that he had opened up the atrium?

**Heggle:** That's where we're talking about. Above the heads that were missing on the top.

**Leonard:** And were any of the sprinkler systems disconnected at the time --

**Heggle:** No. In all these years, that system has never been, other than those two heads that were missing, but that system has been active all these years. It's been tested. The fire watch, if that sprinkler head right there goes off, it will dial that fire department within one minute. That's our law. Well when you have a fire watch walking around here if there was a fire up there, he's not going to even know. The fire system will automatically call the fire department.

**Leonard:** The fire heads you're talking about were not in the atrium.

**Heggle:** Pardon me?

**Leonard:** The fire head you're talking about were not in the atrium. That you saying they're adjacent to the atrium?

**Heggle:** Existing system, any sprinkler head on any floor, when it goes off, each floor has its own little system.

**Leonard:** I understand that. But you're describing sprinkler heads on a floor, not in the atrium.

**Heggle:** Atrium.

**Leonard:** Atrium. I'm sorry? When he removed the walls there was no coverage over the area.

**Heggle:** No, no -- what do you call it.

**Leonard:** Right, so you are aware how fireworks, heat rises so the sprinklers you are describing would not have activated.

**Heggle:** I disagree with you.

**Heggle:** When there is nothing in the building. We have to put a sprinkler head and you put a piece of steel, just like that, and that catches that heat.

**Leonard:** That's why we don't allow you to do fire inspections. That's not the way they activate. You haven't fought a fire.

**Adams:** You are not pursuing an appeal because you trust the fire bureau but the bureau is saying you need to do more so how do you reconcile the fact you say you trust the fire bureau but they have asked you to do more, which is to have a fire watch so how do you reconcile you trust the fire bureau but disagree with them on the fire watch?

**Papas:** I disagree with the fire watch because there is proof here that the only way this fire watch, and let's say they have their own guidelines, and the guidelines are what? Imminent danger. The question is, was there, on the building, with the testimony of my fire experts, imminent danger for the building. The answer is no.

**Adams:** Are there any other may I say, one more comment. I kept saying from day one, and I asked the fire department, if the atrium needs to be improved right now, what are the needs? Smoke detector, i'll do it tomorrow. Tell me now.

**Adams:** Ok. Did you create the atrium permit? Was that all permitted work?

**Papas:** All the, all the -- well, no. I admitted, when I took that wall down, i, I did not take a permit. I admit that. No question about it, but the question is this, are you going to shut down my business?

**Heggle:** Excuse me. Excuse me. These drawings have been reviewed and approved by the city of Portland, also. The city of Portland should be privileged. They have an excellent fire department. I work all over the state and these guys are really great to work with.

**Adams:** Great. So, thank you for your testimony. Did you want to add something?

**Huynh:** We had [inaudible] city of Portland to add to the new fire alarm system, and it was final and we tested it with the fire department and it's approved.

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**Fritz:** I have a question. Do you or anyone in the room is a copy of the board of appeals record for the october 14 hearing? The findings from that?

**Papas:** No, I done, but I would be more than happy to go down to the restaurant and get one, but, the, the -- it's, it's -- it's stated that they, they suspended those fines, and I should go back six months later, six months later to review the if I complied, with the, excuse me, the agreement that I had signed with the fire department, ok. But, it was never, never the issue raised whether the fire watch should continue or not discontinue. It was just the agreement that the architect drafted and it was signed by the fire department and, and me.

**Fritz:** Isn't your point that the fire watch was not needed because the citations were not found?

**Papas:** The fire watch should never be there to begin with, that's my position from day one.

**Adams:** Thank you all very much. I appreciate it. And --

**Leonard:** I do want to ask hank mcdonald, because of the, some of what was said here, could mislead some -- hank is from the bureau of development services, one of our managers up there. Hank.

**Hank McDonald, Bureau of Development Services:** Good afternoon.

**Leonard:** Tell what you have identified in the building and what, if anything, has been done to address those issues.

**McDonald:** We did go through the building over on 4th and Washington owned by mr. Papas in may of 2008. And --

**Fritz:** Did you say who you work for?

**McDonald:** I'm hank mcdonald and I work for the bureau of development services.

**Fritz:** Thank you.

**McDonald:** At that time, we found there was extensive work done without permits. We also found that, that a lot of the original construction had been removed, and due to the age of the building, a lot of the construction didn't have what we would consider a u.l. Fire rating. However, inherently, because of the way that shall that the materials, that it was built out of, we know that, that it, basically, performs like a two-hour fire rated system. Well, when all that material was removed, basically, what we did was we exposed the, the primary structure of the building so should a fire occur, it would spread very quickly. One of the things that we also noticed was, was that, that as a result of the removal of the material and also the wall, there was an atrium created, and so the gentleman that spoke about the fire spring lesser made kind of one error. That construction that was in place would have, would have helped to, to contain the heat and the gases of the fire, and so the sprinkler leads probably have gone off. Commissioner Leonard is accurately has pointed out that heat rises so as soon as that heat would hit the ceiling it will, it will travel to, to, you know, the path of least resistance to the atrium area. The spank her heads in the direct vicinity of the fire would never go off. Frankly, I think that, that a large portion of that building would have to be involved in the fire before even the heads of the top of the created atrium would go off, so basically what we saw was a situation we're the majority of the building was a considerable hazard to its occupants. Now, we allowed the person on the second floor to be used because basically, by building code and fire code, it's very difficult to have something, you know, one or two-story building that could be considered dangerous because, you know, as a result of the low height of the building and, you know, the availability of exits it would be difficult not to exit those portions fairly rapidly, so that's why we allowed the first two floors to be used. It was never really our intention to shut mr. Papas down. In fact, if we are guilty of anything, we're probably guilty of being a bit too generous in how we would work with him because we truly did want to get this building into compliance. We have had a very difficult time doing that. We do, in fact, have the submittal in at the bureau of development services right now that we have reviewed and we issued a 55-item check sheet on it. We have not heard back from mr. Papas's designer. Mr. Papas also points out that there were 15

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appeal items but we didn't grand all of those. Some of them were asking for something a bit more than what the code, you know, even, as an appeal, you know, we really could reasonably grant.

**Adams:** You said extensive, unpermitted work? I want to make sure, define "extensive."

**McDonald:** When I say extensive --

**Adams:** And how else it might impact the fire safety of the structure.

**McDonald:** One of the bits of work that was done, and actually, mr. Papas had taken out a permit on this through a compliance [inaudible] on but he never called for any inspections when he completed the work. He closed up what had been a mezzanine between the first and second floor, thereby creating an, you know, an additional floor, so instead of this building being five stories, it's actually now six stories of wood frame construction. Condition that really has never been allowed by any identifiable codes since the writing of codes back in 1922. And in addition to creating that additional floor, he had also changed the occupant classification of the third floor to an occupancy, which if we go back through the history of codes, a occupancy has not been allowed and combustible construction on the third floor because of the spread of the fire. The --

**Leonard:** A is public asimile.

**McDonald:** Correct, a is a high density of people all gathered together in one place. I apologize for those terms.

**Leonard:** Receptions, birthdays.

**McDonald:** Corrected, or, you know, our lounge, dance floor, that sort of thing. So we have a lot of people all together in one place, and we don't allow that necessarily on the third floor in combustible construction because of the, because of the threat. The fire threat.

**Leonard:** Because it spreads quicker.

**McDonald:** That's correct.

**Leonard:** Whole building?

**McDonald:** Whole building is sprinklered but we have a considerable concern that should a fire break out in that building the sprinklers would never have an opportunity to trigger or suppress the fire in a reasonable amount of time.

**Adams:** Are there any other city experts that council would like to bring up to hear from? So we have how many people signed up to testify?

**Moore-Love:** Six now.

**Adams:** Ok. How many are here to testify in support of mr. Papas? Ok. Because I have to try to manage time, as well, are there people that would, would like to testify still after hearing the -- you are welcome to come forward. If you are signed up and you still want to come forward? Come up. Or if you think that your point of view has been covered, the rest of you that want to testify, two others, please come up.

**Fritz:** What's your name?

**Huynh:** Tom wynn. Sprinkler system is a suppressant and we are to detect and we have smoke detectors that covers the whole building, so he said that, um, if there is a fire, wouldn't go off, wouldn't set off the smoke de, the smoke detector wouldn't set off first so we would detect the fire right away.

**Adams:** But the smoke detector -- ok, got it. Thank you, sir. Welcome to the city council, you will have three minutes and you will need to give us your first and last name.

**Amber Blazon:** Amber. I am just here to, to speak to, to why our business has a financial compromise against it and because, because of any inaccurate accusations from jeff meyers and mike alderman on that second occasion on october 25 when they came in and said that we were doing food preps in the kitchen, and we were not complying with fire watch, I assure you that, that nobody took that fire watch more, more serious than I did. When mike alderman came in and he taught us what he wanted to do. I told you on our own meaning, within the greek cuisine, how we wanted to conduct the fire watch. I took that very serious. And I kept his rules. I don't have them

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with me now but I kept them with me to make sure that we were always in compliance. And that day I was doing fire watch, when jeff myers came in, and when he came in and he, he accused us of doing food prep and accused us of not having our fire watch going but all the while, mike wasn't even calling the correct number. That is why he came in. I had to file a report with the independent police review because of the treatment that I received from jeff myers but I think that its really important for you to know that on that day he did not accurately describe what was going on and he put us back into this position of having to have a different fire watch. We were doing everything that we could possibly do to make sure that the fire watch was being conducted properly, and, and it's unfair that, that someone like that can lie, because of the hatred he has for my boss, I want to say that this has been a part of the Portland landscape for 35 years. My parents used to take me there when it's a kid, and people can vilify ted papas all they want but I am proud to say that they work, that I work for him. A lesser man would have thrown in the towel a year ago and he hasn't. I'm proud of him and what we do and what we stand for. We help people celebrate. We're not there to be, you know, greedy, nightclub owners. Our motto is oppa and cheer and that's important to us.

**Adams:** Thank you very much.

**Fritz:** Just a follow-up on the complaint --

**Blazon:** They did.

**Fritz:** What happened?

**Blazon:** I feel really naive because I really thought that I was going to get due process, and what happened was, was they sent another member of randy Leonard's hit squad to interview me, so I don't really feel like my complaints or my concerns really went to anyone who was really concerned about.

**Fritz:** You didn't get a hearing?

**Blazon:** I didn't get a hearing. I got an interview with, with another sergeant.

**Fritz:** Thank you.

**Adams:** Thank you for your testimony. Sir.

**Reno Joeson:** Reno johanson, and i'm ted's project manager and working with the city. They have been great by the way. On getting all of the, of the items addressed with the 16 years of questionable activities that have taken on. We're addressing all of the matters. It's just taking some time with engineering and architects. One question that I have, mr. Leonard, is the safety of my crew as important as the safety of the police and the fire men in this town? I believe the answer is yes. I had one of my crew locked up on the sixth floor for three hours with no waying to down because the doors were locked. And no phone numbers on the inside of the locked doors of who he could contact. And ok, that's not acceptable. Also, as a contractor, I expect reasonable access to the projects that I am working on. And that means those doors should be open and I should have access to all of the areas that i'm working, and the fire watch has not allowed me that access. I pay my, my dues to every entity in this state and this city, to continue work, and I employ a lot of people, and we look forward to getting this sorted out and getting everything on track so that we can all start dealing with the solutions and not the problems. Thank you.

**Adams:** Thank you all very much. Anyone else wishes to testify on this matter?

\*\*\*\*\*: Good afternoon, sir.

\*\*\*\*\*: Good afternoon.

\*\*\*\*\*: Welcome to the city council.

**Adams:** You need to give us your name.

**Peter Rubstein:** I am peter. I've been a resident of this city for all of my life, which is now 68 years. And I am also a resident of new york city. Two places at once. And my father here began the civic opera movement in Portland, and he also was, was involved with the conservatory for many years, and with what I would describe as the republican socialist business of trying to run the business of an epasarrio in city facilities with attendant city unions married to the procedure.



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Throughout the period of my father's being in that business, we noted that really the business of politics in this city, as apart from the business of running a business, involved regular inducements from city officials to, to, to give up money for political campaigns, at the most obvious level, for other things at another level. There were city employees in those years disciplined for that sort of thing. People who are charged, who are charged even with managing the city's halls, and some of them were removed. My wife was here, worked for commissioner mildred schwab as a specialist, and I said to commissioner schwab, who is the fire commissioner, and I don't think that commissioner schwab would ever have come forward to the public with a cheney-like plea about body bags and public safety. This is, this is the former vice president is now telling us that the current president is in, is endangering the country by his conduct in the, and the way he's running the administration. I think that its really time at every level, the former mayor in this community had a great deal of difficulty with the u.s. Attorney and with the federal government about security clearances. And therefore, with, was somewhat at odds with his police force who wanted to participate in the f.b.i.'s post-9-1-1 strike force. That post-9-1-1 strike force reemphasized and reinvigorated a lot of things that had been forbidden to the city, to the city and to the police force for a long time about political surveillance in this city. And I think that really, that you have here a, a serious beman, who satisfies the needs of, of a major portion of the citizenry of this community, and runs, and runs a business that those people want to see around, and I think that we are really ill-served by suggesting that, that body bags or, or, in the case of, of mr. Cheney's accusations against the current president, some other kind of holocaust lies and wait.

**Adams:** I'm sorry, you are out of time. I appreciate your testimony.

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

**Adams:** Sir.

**Theo Papas:** I am theo papas, ted's son. We used to live on the fifth floor before this happened. I lived across the landfall from my dad, and when they imposed the hit squad as they call it, I just want to add to that, your comment about our building being one of the worst and most dangerous buildings in downtown Portland. I think it's absolutely absurd and a joke. And the fact that you can be the leader of the squad, also a member of the city council on this panel, I think is, is, you have a real bias and a conflict of interest as a leader of this team of people. That impose these rules on us. But, when we got kicked out, you know, I had, we had to move our things outfit the building, and with nowhere to go. I had to stay with my sister, my father moved in with his brother, and thanks to all the help of our employees, we moved all of our stuff out of the buildings. And working with these conditions has been not the easiest. Like my father said, we washed the dishes on the second floor, moved all of our equipment, from the basement to do so, and things that, that, the police, as far as jeff myers' statements, with the prep going on in the basement, and things of that sort are all lies, I can attest that every week, twice a week, we take people to do our laundry, 14th and gleason, these men know nothing about food prep and what they say, we have done in the basement, is completely absurd. It has been horrible to see what this situation has done to my family. My uncle has gone into difficult mental state. No longer working at the restaurant from all the pressure and the stress that its caused from the situation. And also, I can attest to that everything that I said of us, not complying with the rules of going into the basement and things of this matter are false because my cousin, my cousin, my uncle's son, used to be the executive chef, and who, when this was first imposed, he didn't comply with the rules, and I attest to that, and since he didn't, we fired him, my father fired him, and this is a member of our family that, that, you know, it was that important to him that we weren't complying with these rules, our own family member wasn't complying with the rules, so we let him go. I have a lot more to say, i'm sorry.

**Adams:** Well said, we appreciate your testimony.

**Leonard:** I want to point out that the apartment you moved from that was extensively remodeled to create an apartment, never received a permit to create an apartment, couldn't have gotten -- we.

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Wait, wait, didn't get a permit to create the apartment, couldn't have gotten a permit because it violated the zoning for that building.

**Theo Papas:** My father went to court for the residential laws of that building, and did get approved for living up there.

**Leonard:** Well, it's an illegal occupancy and still is.

**Adams:** Thank you for your testimony, sir.

**Randy Newman:** I am randy newman, and I will speak about the fire watch. I was trained by mike alderman as fire watch and I was there on the incident that jeff myers came to the establishment, and I was also there for several of the visits. And the one, there was two visits that I will speak about, was the, actually, just the one, i'll stick to that. Jeff had came in due to mike trying to call the fire watch, which jeff myers had came in approximately around 6:00. He came into the building, went straight to the basement and found one of our, our chefs downstairs, and retrieving the schedule that was to be posted. And he had taken some pictures of items that were down there, and the crazy thing is I get a marshall or a, I didn't get a marshall or fire marshall but i'm with the food service and to leave, and I am sure some of you guys probably have made croutons at home that you have to leave them out in a dry space so that's our storage area that we have the bread. So, the bread was, was, was to be made for croutons. As far as wrapping and packaging, we have to store those items because of the limited space that we have upstairs so we use the basement for storage. Stars accessibility, we have three, three badge that is we carry around that we have, we implemented systems for us to be able to access the basement, and during the fire watch, we were very active because most of us knew our jobs were on the line so we took it with that kind of sincerity, especially with the economy the way it is, it's not plentiful out there. And so again, I can contest that we do go out there and, and do our laundry outside of the facility. And anyway, that's pretty much it. That we were, we were very, very dialed in as far as a group and we have enough people to staff the building because at one point we had to be an hour in before the employees were to come in and serve the public and we had to stay an hour after to make sure that the building was vacant and that's when we had exited so we had to put in extra long hours as far as the financial state, a lot of us took it on personally just to stay in that building to make sure that we can move forward and, and correct these problems. And have to go back to square one, and to have these financial stresses added to our daily lives, is just not a fun place, and, and so, again, that's the other side of the story. Thank you very much.

**Adams:** I appreciate your testimony, and I think, like, since we got to confidential a bit, is that you took the directive very seriously and you sought to follow it to the letter of the spirit of the, of the directive, is that correct?

**Newman:** Correct, and also, we received -- I had spoken with mike alderman several times as he came up with the visits so because i'm on-site seven days a week, and we have had great comments as far as doing our jobs, coaching, and we would contact him if we hadn't heard from him in a while as far as showing documentation because he brought us our own pad of paper, and so on and so forth so --

**Adams:** The other point is that you felt like you had lots of oversight from the fire bureau.

**Newman:** Correct. We have a great working relationship in my opinion.

**Adams:** Thank you very much for your testimony, sir. You are the last to testify.

**Jimmy Drakos:** Yes, I am jimmy dracos, i'm a family friend. I'm kind of the sounding board for ted. I've been helping him out through this process. I was originally called when the fire department and the police department are what's been called the hit squad came down to the building and ted called me up in my office in a panic, and basically, said I think that they are going to arrest me. They are going to shut me down so I raced down and came down and spoke of the police officers and the fire marshalls, and could not get commissioner -- commissioner four hits asked the question, what needed to be done to get the building up to code? And I got the same

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answer, that you got, which is the same thing when you say something to your dog, he doesn't understand you and they turn their head. It was, there was no answer. What, what do you want us to do today. Yes, there were some food in the basement but there is a walkin refrigerator in the basement. I mean, they were allowed to be taking things in and out of that fridge. But throughout the process, there was just -- there was no, no -- nobody wanted to work to the point of getting -- telling us what do you need done? We brought people in from another development company that I work for, and, atjuan holdings, they brought in their type people and build highrises to get a plan on what was going to suffice the city, and we could not get an answer throughout the process. It was just, we're put sag padlock on this door, and we're going to put a fire watch, and I mean, i've been in the building many, many times even when the city imposed the fire watch was there, and I saw a guy around back smoking a cigarette one day. I mean, how is that watching the building? But that's, that's -- I just wanted to say that, that ted has tried and has bent over backwards to do the things that need to be done, if you just tell him what needs to be done. He's happy to do those things.

**Adams:** Thank you all for your testimony. I really appreciate it. I think that concludes the public testimony. Council, do you want a discussion of the council and/or does anyone want to bring anyone up from the staff for additional questions and answers.

**\*\*\*\*\*:** I believe this is a fairly narrow issue.

**Fritz:** I have heard a lot of information today, and I recognize commissioner Fish's narrowing of the issue to just voting on the lien, however, I have heard questions on whether the fire watch was needed from, from september 11 onwards. I would like to be able to read the, the fire code board of appeals for, for the appeal that was made to see what was said and not in it. And I would like to read the i.p.r. Report, the independent police review report investigating the allegation that was made of unfairness, and I am wondering if it would be possible to, to remove the emergency clause so we could vote on it next week because I don't really see a compelling need to, to pass this today rather than next week. I'm wondering what you think about that.

**Adams:** My comments are, and so that's, that's been moved and seconded by commissioner Leonard. I appreciate the comments today and the thoughts on both sort of sides if that's an appropriate way to characterize it. The presentation of those comments. The way I look at this is, if it had been a business that did not contribute so much to the uncertainty of the situation, I might come to a different outcome. But, the extensive, unpermitted work in an old building that has a very popular restaurant with great food, with a lot of enjoyment taken by many, that has liquor involved, and I look at the totality of the situation, and, and that combined with our decision today is whether imposing a lien is fair and seems reasonable. If you think that the watch is unnecessary, the course of action is not us, your course of action is the fire board and they make the decision to second-guess the frontline personnel. But, because there are just so many moving parts and this has gone on for so long, I will support the lien whether it comes up for a vote. I encourage you to work post-haste to get everything in order as quickly as possible and appeal to the fire board and they will decide whether you need to continue with the fire watch or whether the sprinkler system really does suffice. So, that's we're I stand when this comes up for a vote. And so, do we need to take a vote to remove the emergency -- moved and seconded. Karla, would you please call the roll.

**Fritz:** I appreciate everyone coming in to testify on this, I would like another week to think about it. I appreciate the work the city has done and certainly it's important to make sure that the citizens are safe. There is nobody here that disagrees with that, so I appreciate all the comments made and the work that the city has done, and I vote aye on the amendment.

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

**Adams:** I also want to thank commissioner Leonard for, for taking this on and bringing it to council. He took a lot of shots today, and I think unfounded shots. I also want to thank the team and, and I look forward to voting on this and seeing the situation resolved and cleaned up. Aye.

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[gavel pounded] A second reading next week. That gets us to, been so long, I lost my place. Would you please read 283.

**Item 283.**

**Adams:** Is there any reason that we should keep our lights on between 8:30 p.m. and 9:30 p.m. On march 28? No reason whatsoever?

**Emerald Beanland:** No reason. I will keep my comments brief. The resolution to support nod sponsored by the would wildlife fund. The participants on march 28, 8:30 p.m., voluntarily turn off non essential lighting and take individual action to reduce the carmen emissions in Portland we have secured the support of [inaudible] they will be turning off the towers, and the rose quarter, there is a blazer game that night, external lights will be turned off so it will like a non event night. We join 1,500 cities and towns in 80 countries all over the world participating in earth hour. Our participation has been largely driven by passionate constituents, and including a painting supply company in north Portland that plans to turn off their lights and encouraged the employees to, so I will move that along if there are any questions, I would be happy to take them.

**Adams:** Thank you. Anyone here that wishes to testify on council item 283?

**Moore-Love:** We have five people signed up.

**Adams:** Please come forward. Because this is already introduced by every member of the city council, brevity will be rewarded in heaven. Please give us your name.

**Darr Fedderson:** Darr fedderson. No need for the timer, Karla. Anyway, I just want to thank the mayor and the city council for hopefully endorsing this event and I think it's an important thing in these difficult times that we keep this in mind. Tonight, there as really good show on the discovery channel with tom brokaw talking about whether we'll be on the tipping pointed or not, and so, it's very important. I know that the city here is, is very supportive of these type of measures, so doesn't mean to turn off the headlights. [laughter] So it's important, but thank you very much, I appreciate that.

\*\*\*\*\*: Thanks.

**Adams:** Thanks for your advocacy.

**Brenda Purdy Demaree:** Hi, i'm brenda and I am here with mike sharky and we both are from the company purdy, and we don't, we'll keep did brief and, and we thank the city for backing items like this, and we have a company with 320 employees there, and we held a company meeting and we told them about this, and, and I think that most of our employees will follow in our lead and do this, and we just wanted to thank the city for, for hopefully passing this.

**Adams:** Thanks for your commitment to a good cause. Sir.

**Mike Sharkey:** I just wanted to second what brenda said and applaud the city for doing what they do and just remind everybody that this is a chance to -- to do something that can be extended throughout the year, as well. Actually, we are working on, in our company, we have seen that we can actually save a whole bunch of money by doing, wasting less energy so this may be an opportunity for you to do the same.

**Adams:** And we're does the manufacturer provide?

**Sharkey:** Paint brushes. We're owned by sherwin williams.

**Adams:** And perhaps the best paint brushes on the planet? [laughter]

**Sharkey:** They are, actually.

**Beanland:** We would like to welcome you, yourself, sam Adams and the commissioners, come out and tour our facility. We're out in north Portland.

**Adams:** I have bought a lot of your products over the years so thank you very much for being here today. Is anyone else signed up to testify? I think we went on too long, and they have left. All right. Unless there is additional council discussion, Karla, would you please call the roll for item 283.

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**Fritz:** I'm reluctant to sign, co-sponsors [inaudible] however I spent the last 22 years trying to get my kids to turn off unnecessary lighting so I couldn't think of a single reason why anyone could --

**Adams:** Show them the resolution. [laughter]

**Fritz:** I know. So I would like us to look at how we can do this on an ongoing basis. The sciences club at Jackson Middle School believes that they can save 100,000 this year in reducing unnecessary energy costs, including things like turning off computers and really, really turning off your television rather than just kind of turning off your television. So, I appreciate your bringing this resolution to start educating people and we need to do a lot more of that, aye.

**Fish:** Aye.

**Leonard:** We hope we have an exemption for people with solar panels, lights powered by solar panels, that would be a nice day. Aye.

**Adams:** Thank you for testifying, Emerald and thanks for your work to get this to counsel. Aye. 283 is approved. Could you please read the title for 284.

**Item 284.**

**Adams:** Second reading, vote only, please call the roll.

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

**Adams:** Aye. Item approved, could you please read the title for 287.

**Item 287.**

**Adams:** We'll do anything to Commissioner Fritz's vote, this is a second reading vote only.

**Fritz:** My diligent staff were not able to google and find out what that is an acronym for so if anyone knows I would love to hear, aye.

**Fish:** Aye.

**Leonard:** It's not an acronym, aye.

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

**Adams:** 287 is approved. Could you please read the title for item 288.

**Item 288.**

**Adams:** Good afternoon, gentlemen. You are what stands between us and lunch. Commissioner Fish.

**Fish:** Thank you, Mayor. We have a replacement resolution. We're going to hand out, due to a clerical error, three fully approved applications, in addition to the 179 approved in the ordinance before you, were left off, and we weighed the impact of delaying approval to some future action or simply amending this to include the three. It seems fair that since it was a clerical error, we amend, moved to amend.

**Adams:** Moved to amend, and seconded.

**Fritz:** Second.

**Adams:** Moved and seconded. Any discussion on the amendment? Anyone that wishes to testify on the amendment? Karla, would you please call the roll on the amendment?

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

**Adams:** Aye. [gavel pounded] Amendment is approved.

**Fish:** I will skip my introduction and go right to you.

\*\*\*\*\*: [inaudible]

**Keith Witcosky, Portland Development Commission:** Since the screen is not working, do you have the power point in front of you? What it is, is, every year by April 1, we are required to submit to Multnomah County's office --

**Adams:** I can't hear you.

**Witcosky:** We are required to submit to the assessor's office, can you hear me now?

**Fish:** Yes.

**Witcosky:** Approved applications, or in this case, the single family limited term statement program. This program allows eligible homeowners, property tax abatements on, on the value of

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the home for 10 years. It goes to the owner. So, what we have is 182 approvals were requesting, and one of those was also tied to a clerical error, and in that case, they received a nine-year abate element but not a 10-year abatement and we have got that specified within the resolution and called that out and I have had conversations with the county assessor, who is comfortable with us having this action today and the way we bring it with the resolution, so, i'll make this quick. The single family new construction program is a program that, that is administered by the development commission and tied to, to the, the Portland planning bureau and the planning commission whereas what the planning commission does is identify key areas in the city that they deem distressed, and the idea is you allow the abatements to stimulate the development to create homes and redevelopment where it would otherwise not have occurred. And I have got some maps of the areas if you would like to see them. From the Portland development commission's perspective, we not only tried to achieve those goals but we also look at this as a opportunity to build homeownership within the city of Portland, particularly also focusing on minority home ownership opportunity. So, this is also, also, so you are aware, this action today was, was previously approved. The program is approved through action that occurred at Multnomah county, in the fall of 2007. We're they approved, you know, the new family, the single family, and a number of other ones to their sunset dates that are tied to the state statute, and I believe on this one, the statute on the single family home sunset, 2012 or there be so we have got their permission to take this action today and continue to use this program, as well. What I would like to do is talk to you a bit about the nature of the people that have purchased the homes. We're they are located and talk about the demographics and seek the financial, speak about the financial impact. So we're are they located? Of the 182, again, this is the pie shape breaks down to 179 because 182 was a late catch due to the work of the staff. 75% of them are in southeast Portland and the remainder are in northeast Portland, north Portland. You look at the demographics, and in this case, both the building, the builder can receive an abate element to build a home and the ideas that they would sell that to an eligible homeowner, so today, not only approving the builder applications but subsequently passed on to eligible homeowners, but also, through 64, in this case, actually, 67 homeowners. They have since gone from builder who wanted the application, and sold it to eligible homeowners which means it's being sold, and I will not go through everything, but less than \$275,000 and that the household makes less than 67.5 in terms of the income. We have the breakdown of the ethnicity, the breakdown of the income, and, and --

**Adams:** Ethnicity? Where is that at?

**Fish:** Page 4.

**Witcosky:** Ok. I think that, you know one thing, I have a note on this slide is that, is that, 27% to the buyers, and the showroom and that's one of the reasons that the Portland public schools, this program --

**Adams:** Does counsel have, does council have any questions for our esteemed panel? Anything you would like to add?

**Fish:** May I point out that there are, there are reasons given for, for the eight denials in our document. In case if there is any public testimony, if someone wants to come following this, as the basis for the granting and the denials are set forth, the authority, joint authority of the city and county to-do list and the guidelines have been met and this has been voted and this is before us. There may be testimony from someone who may object to, to that.

**Javier Mena, Portland Development Commission:** The only thing that I would add, mayor --

**Adams:** Your name?

**Mena:** Javier from the Portland development commission, is that we are continuously auditing our program and also looking at, at, from, from the builders that came in, and we're the abatements were activated and what's happening with those, the home buyers and roughly we have about 216 units, kind of give you an inventory of what's out there. 216 units of abated properties, included in the la

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year's to what's available for abate element for first-time hymn buyers so it's a good time to buy a house here in the city of Portland.

**Adams:** Here, here. Unless there is additional questions do we have anyone signed up?

**Moore-Love:** Two people.

**Adams:** Good afternoon and welcome to the city council. Thank you for waiting. Sorry for the long, long wait. You need to only give us your name and you will have three minutes.

\*\*\*\*\*: Please.

\*\*\*\*\*: I think that she [inaudible]

\*\*\*\*\*: She'll do it right now.

**Allen Prokop:** I applied for the single family new construction limited tax exemption offered by the Portland development commission. My application was determined to be eligible because the house was moved to the site and not entirely new construction. I'm appealing this dazed on the following. This is a single unit house that has been added to the tax abatement area and all the works have been considered new construction throughout the process. The city [inaudible] made me divide the lot into three lots under the requirement. I wanted to divide it recently into two halves but couldn't because of the density requirement. For new construction requirements I will be paying taxes on a third undeveloped lot and since the west side of southeast 77th, which is my side of the street is a dirt road and required, i'm required to put in pavement and sidewalk and eight feet-wide concrete in front of the property in compliance with the land use. I am the only property on my side of the street to have the sidewalks. The rest of it will be dirt for the other homeowners, and when pdot [inaudible] for this right-of-way improvement are about 9,500, and the actual work will cost \$20,000, and I also have to construction a sidewalk, driveway, and [inaudible] approximately 200 feet wide throughout the property, and I feel that it is unfair and inconsistent to apply new land use criteria without giving me the benefit of new construction status. And this house is much better and enhancement to the neighborhood than the 41 houses that were newly built across the street from me. It is 1917 construction. No particles boards left, non recyclable siding and no plastic lamb incidents. Some new construction in Portland is being done with almost entirely recycled materials and should be recycled. Mine was recycled but more assembled to begin with, and I am spending as much on permits, engineering, surveying, soil, and tree tests and reports and the swales and water management as I would have spent on a house built from scratch.

**Fish:** If I could just respond briefly. We'll hear from staff briefly after you go through but one of the challenges that we have is that we have strict guidelines we're required to follow and if we don't follow them, the county won't, won't remove the property from the tax rolls. And so, what I want you to know is we, from time to time, hear very passionate, very compelling appeals from citizens seeking to fit within one of the tax abatement programs, and I will tell you with the housing commissioner, as the housing commissioner, were it within my authority to modify the proposals to meet the arguments raised by citizens, you know, my heart and my head would be in conflict. And there are technical rules we have to apply. This may welcome down to a question of simply whether it's new construction within the meaning of the statute in this property, but whatsoever ruling the council makes on this I just want you to know that, that we're bound by a set of rules, and we hear you, and, and you have made some arguments in writing that are quite compelling but we have a very narrow question before us that we have to rule on.

**Adams:** Mr. O'Keefe, nice to see you.

**Thomas H. O'Keefe:** Thank you, and good morning, or afternoon now, commissioners. My concern is lost revenue to schools, counties, and, of course, the city of Portland. I think that this particular program, not only is cost and lost revenue but will provide unfair competition to individuals that want to sell their homes because of the abatements, and I believe that this particular -- p.d.c. calls it the homeowner opportunity area. State statute calls it single unit housing distressed area, and this, this is a large swath of land that runs from north Portland out to southeast Portland.

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And builders are allowed to use the 120% rule, so if you look at the bottom of the statistics, the average price of a home built that's going to receive the abatement is 244,744. The median, using the regional multiple listing service for Portland, in the southeast, it runs from 206,000 to 220,000. And in north Portland, it's 232,000, so you have overbuilt homes in these neighborhoods which will put the burden on current residents for additional potential tax liability and this, this program, to me, with 120 per, 120% rule, they are allowed to overbuild the neighborhood, and so, you take, you take, as was mentioned earlier, they can build a house up to 275,000, which, and you, in this program, you have the 100% median income reimer, which is mentioned. 67,500. And, and so, to me, these are individuals that can afford to pay school taxes. And you are giving an advantage to the developer as you look at the ethnicity breakdown of who is buying the homes. You are only putting in about 70 people, and it's a great cross-section, although the other people that are buying these are developers, who are receiving the tax abatement, who will use the tax abatement as an induce element to sell that property, and hopefully, and so, as they build a house, they will use these numbers to build the house in order to look for a person that's making that the 65,000 level, and so, when they pencil this out, it will be easier to get the moneys from the lender. The federal government has their own help coming to first-time home buyers of 7500, of, of a, a, an interest-free loan over 15 years. I see this as, as, as the developers have figured a way out, to pencil this out in favor. If you look at the list of the people that are qualified, they are custom home builders. Now, I don't have any problem with, with habitat for humanity and the other ones but the other ones were taken advantage of this system in my opinion.

**Adams:** Thank you, mr. Keith and thank you both for your testimony.

**Fish:** Keith, could you come up and address mr --

**Adams:** You can return to your seats. Thank you very much. I believe it's listed on the bottom of the chart.

**Adams:** Sir, you can return to your seat. I really appreciate your testimony. This is property 8515 southeast 77th avenue, and mr. [inaudible]'s letter, to council, he acknowledges that, that this house was not entirely newly construction, constructed at the time, so could you just tell us.

**Mena:** Also, with me is, is, is --

**Dorian Backle, Portland Development Commission:** Dory. Portland development commission.

**Mena:** And basically, she's, she's the actual work being done [inaudible] work on the [inaudible] and service them. When the application came in, it was, the permit received showed us the new property, not new construction, and also the code, in regard to the manufactured homes, it did not -- there was nowhere in, within the code that kind of allowed us to, to proceed with the application and approve that process. Also, having the experience with the county as to how strict the, the, review of the codes are, for that specific reason of tax abatement is that the rule came out declining their requests. Do you have any additional information?

**Backle:** No.

**Fish:** No, I don't but I thank you.

**Fritz:** What's, the concern right there, in terms of the, of the 74 homeowners that have been identified, how did the developers make sure that the new owner qualifies?

**Mena:** We actually -- the program is specific for first-time home buyers that need that income guideline, and that purchase of that limited price acquisition. And so, when the builder, when there is a home buyer for that unit, in order for them to qualify, they have to submit to p.d.c., incoming information that they are first-time home buyers.

**Fritz:** We're approving 179 [inaudible]

**Backle:** We need to verify the homeowner information and confirm that they meet the criteria or else the exemptions will be terminated.



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**Witcosky:** I think the commissioner is asking how it goes from the builder receiving permission to have a home that would receive an abatement and at what safeguards do we have in place to make sure that, that that's the best to the homeowner and the abatement occurs and how do we make sure the builders and developers do not cheat [inaudible]

**Fish:** Can I raise a question, we do an annual review of all the abatements which is a separate proceeding. And it's a longer question. This is requesting authority to, to grant the abatements.

**Fritz:** I understand that, but I don't understand why it's 170 rather than 70.

**Backle:** With recent changes to the way that the county was implementing the tax exemption, if we were not approving them in the builder names beforehand, once the homeowners would take ownership, there could be a year or a year and a half that they wouldn't have the exemption in place. So, as of last year, the application guidelines were adjusted slightly in order to come up with this process. Based on, on state, state law of, the only, only being able to implement the exemption at this time each year.

**Fritz:** Do we then come back to take it off if it turns out --

**Backle:** That was the audit, that commissioner Fish referred to in september.

**Fritz:** Thank you very much.

**Adams:** Any other council discussions? All right. This is a regular, is it a resolution, this is a resolution so we can vote on it today. Would you call the roll on item 288.

**Fritz:** I support this program. I was on the planning commission when some of the mapping was done, probably before this last mapping, and I like it because it allows single family homes, it is almost 50% half children, turns out in the demographics that we just saw, and it allows people to buy their homes in neighborhoods, which they probably wouldn't otherwise be able to do. Aye.

**Fish:** I, too, support the program because it meets a number of our objectives. First and foremost, it provides an avenue for people to achieve the dream of homeownership whose income would normally be a barrier to, to being able to afford in the current inflated market even with [inaudible] occurring. And second, it provides opportunities for, for qualified, that is financially qualified minorities to cleave the dream of home ownership and in this particular group, about, about four of the homes that were, that we're granting, it looks like there is about 40% are from, from the protected category so that's terribly important. And however, it's not a panacea. It is one of a number of tools that we have, that's been alluded to, the federal government has provided a tax credit, which will help stimulate first-time homeowners. Bridge financing, soft seconds, and we do work within the original districts, outside. We have a whole range of tools designed to help people get into homes and do so in a responsible way so they remain in the homes. This is one in this presentation is yet another piece of the p.d.c., planning bureau presentations to council to make sure that this process is transparency and workable. I appreciate your good work. Aye.

**Leonard:** Aye.

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

**Adams:** 288 is approved. City auditor has taken pity on us and unless there is council objection, we will hear council item 290 tomorrow following at our thursday 2:00 session following council calendar item 292.

**Fritz:** 288 as amended, right?

**Adams:** As amended, correct. We stand in recess until tomorrow at 2:00. [gavel pounded]

At 1:35 p.m., Council recessed.

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

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

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

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**Adams:** Please call the roll.

[roll call]

**Adams:** Why don't you go ahead and read the second one as well.

**Items 291 and 292.**

**Adams:** This afternoon we will hear two of four reports from the reorganizations this council officially launched on January 7th. Today's reports on the creation of the Portland housing bureau and consolidating the city of Portland's community economic development functions within p.d.c. And the consolidations of the bureau of planning and the office of sustainability. We're going to hear those updates today. Followed by a report on the reorganizations of the city's permitting functions on April 1st, and the forthcoming report from Commissioner Fritz on the creation of the office of healthy and working rivers. As council will recall we directed staff to report back within 45 working days with a transition plan and an initial implementation time line for the reorganization. And I'm happy to say that staff has been able to meet and exceed these expectations. As we said when we announced this change, Portland's housing programs enjoy a national reputation for innovation and Excellence, but we know we can do better. And for some time community leaders have asked for fundamental reform of the fragmented housing system. Great people working on these tasks but a system that needed improvement. Commissioner Fish has pledged to bring about this change. And -- by aligning the policy into a new bureau of housing, and with Commissioner Fish's leadership, we are creating -- the recognized economic opportunity initiative into the Portland development commission will align the city's community economic development work within a single agency whose mission is to strengthen Portland and Portlanders' economic opportunity. I'd like to acknowledge the work and cooperation of everyone at the -- that the bureau and housing of community development, the Portland development commission, the office of management and finance, the city attorney's office, Commissioner Fish's office, my team, including Kimberly and Warren, and commend them for making a lot of progress. I'd also like to thank the staff that's been involved with this in what is a very difficult but necessary effort to provide services for the city. There are lots of people to mention, but we're going to hear from two very key ones, and Warren is filling in for Kimberly Schneider, who is home sick today. Casey Short and the o.m.f. Team, Kate, and the entire team with Commissioner Fish's office, and Warren's going to deliver remarks on behalf of our efforts at community development. So who is starting? Casey.

**Casey Short, Portland Water Bureau:** Thank you, Mr. Mayor, members of council. We're going to make this presentation in three parts and be as brief as we can. The particulars are of course included in the written report which is part of your packet. I know council has been quite busy this week and has more items on the agenda today, so we're going to try and keep it succinct. I'm going to give a very brief overview on some of the common things. Kate Allen will speak to the particulars of the p.d.c. Housing department merger or consolidation with BHCD which will be the new housing bureau, and Warren is going to speak to the economic community and economic development programs. Very briefly the time line for putting these changes into place is to get them effective on the first of July with the start of the new fiscal year. That means getting a new budget in place. We have been working diligently on pulling that together, taking all the parts of --

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the different issues involved in this, trying to get them resolved so we can put a budget together in time for the mayor to consider that proposal in the context of his preparing his proposed budget. And that will be reviewed by council and budget approved in may and the budget itself will Go into effect after you adopt it. The mechanism for doing all of these things has been discussed quite a bit. It's been determined and recommended by legal staff that we conclude a series of intergovernmental agreements between the city and the development commission for actually one each on each of the transfers from housing department p.d.c. To the housing bureau, the functions and finances and those sorts of things, and similarly the economic opportunity to p.d.c. And then a separate one dealing with the transfer of employees each way. P.d.c. To the city, city to p.d.c. Much of the rest of the report will be centered on each of the individual components, so i'm going to turn it over to kate to talk about the Portland housing bureau.

**Kate Allen, Portland Housing Bureau:** Thanks. Good afternoon, commissioner and mayor. Nice to be here today. I'm kate allen, the housing policy manager for the city of Portland in commissioner Fish's office. I'm pleased to report on the Portland housing bureau part of this reorganization that we are on time, on track with what we've referred to as phase one. Phase one being a lot of the issue identification and the mechanics of what does it take to take programs, budgets, and a considerable staff component from both p.d.c. And the bhcd and form them into a new housing bureau, the Portland housing Bureau. The report that we submitted and is in your packets covered the status of a range of issues that we've been working on in staff teams. If you get -- we will have an opportunity to acknowledge commissioner Fish will do so, the work, the folks who have been working on this. And so my report represents the work of some very dedicated people who are also doing this job on top of other very important jobs that -- the work they do for the city. The report covers issue areas including the transfer of 38 p.d.c.-identified housing staff and determination of how the support functions that will be necessary to operate the Portland housing bureau will be secured. We can talk more about that if we want to. How the program funding for how we'll proceed through the city budget process, which you've actually heard a fair bit about housing issues over the last couple of weeks in the budget reports. And how those will be finalized in the mayor's budget. We've reported on a host of the mechanics, such as securing office space for the Portland housing bureau, and assuring that i.t. Systems are operational on day one when we all move in together. And a set of leadership and organizational development planning that we're really set to undertake imminently as phase two of the project. And a description of communications, both those that Have taken place to date, and our communications and stakeholder engagement processes going forward from here. And the report covers a preliminary time line, sort of high order the way we've been proceeding at this point. As you can see, it's a very complicated effort involving intergovernmental transfer of employees and programs, assignment of employee classifications in both jurisdictions. Matters of union representation, ensuring compliance with bond covenants and federal grants, laws governing employees involved in the transfers laws restricting use of tax increme funds, integration of software, investigation on identification of office space, accounting of budget structure and these are just the technical components. Status of these issues has covered in more detail in the report. And we're happy and wanting to save time to answer questions that may come from council. I wanted to touch briefly on next steps. And over the next 90 days phase two which arguably is the more exciting aspects of taking this good work forward, really looking at finalizing the details of the Portland housing bureau, funding structure throughout budget process finalize can the determination of staff positions to transfer to the city. And which of those positions may be supported both inside the Portland housing bureau and by other existing city bureau capacity. With mayor Adams and commissioner Fish and the p.d.c. Leadership work through the concerns expressed by organized labor. With p.d.c. And bhcd staff carefully map the work processes to assure that we experience continued and improved productivity, even in the early stages of the Portland housing bureau. Use the general

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time line that's included in the report, to further develop a critical path for transferred tasks and staff impacts. We are imminently contacting with a consultant with our -- our responses are coming in tomorrow, who will work with commissioner Fish and the Portland housing bureau staff and stakeholders, community, and jurisdictional to develop the vision mission guiding principles and performance metrics for the Portland housing bureau and recommend and help structure an initial bureau structure and implementation plan. And finally, implementation of a communications plan that has been developed by the communications subcommittee, a group of staff working with o.m.f.

Communications staff. That sort of captures briefly phase two of the project, which we expect to proceed over the next roughly 90 days between now and June 30th. We would describe phase three of the project as really managing the migration of all of the systems to the Portland housing bureau, a physical move of staff, and ongoing organizational and development. And transition supports that proceeds over the summer, and I think we'd characterize phase four as close out the calendar year as the Portland housing bureau settles into its rudy fernandez teens, engages community stakeholders in policy planning and develops its 10-11 budget. At this point I'll turn this report over to Warren.

**Warren Jimenez, Mayor Adams' Office:** Kimberly is home sick, but she's been doing a lot of work out in front of the effort from our perspective from our office. Just a couple of quick thank yous. To Lynn at bhcd, she's been critical in helping move forward the economic opportunity transfer over to p.d.c. Also Byron at p.d.c., and Casey. Casey thought he -- thought he would ride off into the sunset of retiring. He did not know we had other important work for him to continue forward. So we appreciate Casey's effort. I'm pleased to announce that -- and to report property says of transferring the economic opportunity initiative from bhcd to p.d.c. Is one-time and on track. -- on time and on track. While we have addressed transferring the economic opportunity through a parallel process, which has evolved of course the city and p.d.c. Staff groups determine the staff transfers follow a host of economics and address programs operations and funding. This process has been left complex -- less complex than the creation of the new housing bureau. We did not anticipate any major issues in this transfer. As the report makes clear, the four staff and the bhcd economic opportunity program and the programs and resources they administer will be transferred to p.d.c. Effective July 1st. Following the transfer, p.d.c. Will work with stakeholders and partners to develop a more integrated and comprehensive approach to the community economic development department within the agency. This will involve a strategic planning process that will both be involved and help further the integration of the economic opportunity program and staff within p.d.c. So I'm pleased to step in for Kimberly this afternoon and pleased to report that progress.

**Fish:** I want to add my thanks to a number of people at this point. Casey, I think when you were called back on this assignment were you told this would be a simple --

**Short:** I knew better.

**Fish:** Thanks for your good work. And thanks to the whole o.m.f. Team. In fact, in the last two weeks of our budget cycle we've seen really the best of the o.m.f. Team. To the city attorney staff, led by Linda Meng, I want to thank them for their good work. City bureau of human resources, led by Anna Kenwit, and C.F.O. Julie Cody, thanks for your great work. I want to give special acknowledgment of the contributions of bhcd and p.d.c. Management and staff who have contributed significant effort in addition to maintaining productivity and finding ways to work toward this new housing bureau at p.d.c. That includes Shellie Hack and staff representative John Marshall, and Sean Olman, and at bhcd, Andy Miller, Alyssa Brandy Munkersfield, Beth Kay, and staff representative Latimea Clayton. To Kimberly, who is probably home watching this on t.v., get well soon. Apparently whatever Saltzman has, he gave her. And Kate Allen, thank you for your terrific work. During this complex series of discussions and negotiations, I also Mayor and members of Council want to acknowledge the staff have taken seriously the charge to keep the trains running and have an impressive list of accomplishments that evidence of need, especially in need

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challenging times, to continue and even improve productivity. I have a four-page document of key accomplishments. I just want to hit on a few. I think it's important that you see that the trains are running and we are getting the work done while we're also going through a complex negotiation. On the stimulus package, staff are actively working and collaborating the stakeholder committees to develop strategies to pursue and implement stimulus funds we have work order with Multnomah county to administer the tremendous 6 million dollar if funds from the neighborhood stabilization program. Recently learned that we have been awarded an additional \$370,000 earmark to support the development of homeless veterans housing and south waterfront which to any veteran who might be watching, I promise, this will be built. We will overcome and get this thing done. We've collaborated with partners to bring over a million dollars in MacArthur Foundation funds to Oregon to help preserve affordable housing against market threats. We've represented the city on the housing alliance to successfully lobby the legislature for the first dedicated fund for affordable housing in a generation. We've developed and let three r.f.p.s to allocate money for community needs for foreclosure prevention services, affordable housing development and housing for people with h.i.v. And aids. And we collaboratively investment annual tiff report that was presented stakeholders in a meeting cochaired by me and chair Willhoite. We've also been developing housing to meet community needs in this tough economy and we all know from talking to private developers, looking at the skyline of Portland, there is very little development because of the frozen markets. However, we have been working with key partners to move key projects along. That includes the Clifford, where we've worked to close the funding gap on homeless housing in inner southeast in close collaboration with Multnomah county. It resource access center, where this body and the p.d.c. Board has given us the green light, we have a shovel-ready project, whether it's stimulus, tiff, or other money the mayor and I find we will build this project. Clay towers working with lenders and developers to clear financing hurdles on critical housing preservation product in the south park blocks, and on and on. And in addition, we have been working to maintain the social safety net. Working as incident commanders during the winter emergency, responding to the urgent needs of homeless people during the arctic blast in December. The lead hazard control grant surpassed its grant production obligations by 20%, making an additional 320 units in Portland's safe. We've implemented collaboratively the key recommendations of the quality rental housing work group and are now charged with finding additional funds to make that a reality. We have been together providing leadership on a plan to implement a foreclosure prevention event for May 2nd, 2009, at Memorial Coliseum with a number of partners and we worked on a street count of homeless individuals in the city and county with results to be published soon. That is a kind of selective presentation of core initiatives and projects which are moving forward despite all the challenges of this economy, the urgent needs and the community is in the process moving forward. With this development of a new Portland housing bureau. I would be remiss if I did not also acknowledge the constructive role played by all of the other labor partners and the commitment that the city has made to sit down and negotiate in good faith over all of the legal issues that we're required to bargain over. Let me step back and give another context for what we're doing here. If this was an easy task, this would have been done 10 years ago. If the hard work of government was easy, we wouldn't have these robust of aids. The reality is, it has taken close to 15 years to get to this point. And it is not because of any active opposition, it's because this is really complicated. And really complicated things put us to our test. And along the way we encounter resistance. Now, we have a choice. We can take the easy way out and say that things can't change, can't improve. Or we can take some heat and try to do the right thing. I ran on a platform of bringing fundamental change to our housing delivery system. And I did so because I grew wary over the years of hearing from each and every one of our community partners who said the current system needs to be enhanced. Some people have used the term it's broken. I chaste at that, because Portland has achieved a lot. And I think we make a mistake when we say things are broken. We demean the

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accomplishments that have occurred under difficult times. It's also turned out to be a bad strategy with the voters. When we say our school system is broken, we need more money, that's not the most compelling ad. Instead we say it's susceptible to great enhancement. It can be improved. We know we can deliver a better product and why does that matter? I know what works in our system, and one of the things that works is that we have brilliant, compassionate, dedicated people in every level of this enterprise doing great work. From the folks who work for the city in represented and nonrepresented classifications, to our community partners. I know that's not the problem. The problem is, we have too many cooks in the kitchen. Too many conflicting agendas, not enough focus, too little efficiency and at the end of the day we're not delivering a good -- as good a product as we can, so why did that matter? Does it matter because I or the mayor or anyone else here wants our name on some plaque someday? No. It matters because we serve the most vulnerable people in our community. And if we can deliver a better service, more people are going to be benefited from what we offer and more lives are going to be transformed. That is I it this reason the reason all of us came into this work. It better be something larger -- this is not easy work. Randy and I were talking the other day about this being some of the hardest work either of us have experienced. We do this because we have a vision. And the vision is to serve people at the highest possible level. We have a lot to be proud of. I believe and the mayor believes passionately and you believe that we can do better. And through this merger, and the creation of a new powerhouse bureau, we think we can provide even more. President Obama has said when asked about the challenges we face, he has said, yes, but I want to focus on the opportunities they present. And one of the opportunities we face today is to rethink everything. And just by way of an example, the resource access center today, half block, urban form building, concrete base, with another hoff block available for development for some other purpose, with the savings of \$3 million, is a better project because we had to rethink it. We had to rethink it. And we had to rethink it because of the collapse of the markets and we couldn't get the same return on our tax credits. In Portland we don't say when that happens, where we're going to fold up our tent and go away. We say let's do it better and smarter. And more cost effective. Let me also say that as we rethink everything, let's be clear what we're trying to accomplish here and what we're not trying to accomplish here. By rethinking the current system, we think we can do it better. But we have never said to anybody that we will save money in the short term. In addition, a number of us had a the bit of a colloquy with the police chief. Because there was this notion that in going from five precincts to three it could be done on the cheap. And the budget was \$100,000 to move a couple hundred offices around and do all this. I think we were told prison labor would be used to save extra money. I think there was some pushback on that and we said, this could actually cost a million and a half. A lot more. Let's not under-- let's not low-ball. Let's be candid with people about the cost. We have never said in the short-term this will save money. We have said in the short term this will be enormously difficult. And tax us like no other restructure. In the long term we think we'll spend limited tax dollars more wisely, more strategically, more effectively. That's where we want to be judged. So today is the next chapter of responding to our community partners who for years have said we demand change. And I want to say and compliment the mayor who has only so much political capital he can use at One time for including this restructure as a core priority. By aligning our policy implementation and financials, in the new Portland housing bureau, we many develop and implement a comprehensive housing policy with reslight variety liesed community input, we will streamline a fragmented funding system, we will develop and implement streamlined reporting and results metrics, which is another way of saying we'll be more accountable, we will align project funding with policy priorities and streamline project approval processes and we will enhance and improve our ability to better serve the housing needs of more homeless citizens, more low-income Portlanders, more first-time homeowners, we will be creating more housing opportunities for families in our inner core and our neighborhoods. This is the reason that we have presented this

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opportunity to the council. And today we ask your support as we go down the path towards a successful conclusion of this process. Thank you.

**Adams:** Well said. Very well said. Initial questions or comments from the council? How many people have signed up or how many folks are here to testify?

**Moore-Love:** Three so far.

**Adams:** Ok. Would council like to wait for discussion until we hear from the three testifiers? Ok. Thank you very much.

**Moore-Love:** I might have another Sign-up sheet out there.

**\*\*\*\*\*:** Good afternoon.

**Adams:** Welcome to the city council. Glad you're here.

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

**Adams:** Our rules are simple. Just give us your first and last name, and you have three minutes. Probably one of us will ask a question and you might go longer than three minutes in answering that.

**Ken Allen:** Thank you. My friend the honorable mayor and distinguished counselors, my name is ken allen, the director of afscme council 75, with 25,000 members in Oregon. I don't appear often in front of your body. We are the largest union in the Portland metro area, and we come before you on this issue in not just the labor relations sense, but the alarmest union we're concerned about housing issues in the city. We don't want the city to be where only rich and poor can afford to live.

We want our members to live in the city. Housing is important to us. We're also the housing union. We represent housing authority of Portland, central city concern, transition projects, Portland development commission, city of Portland workers, Multnomah county, and metro. All of you with pieces of this housing issue you're concerned about. We look at housing issues in a big way. I want to thank commissioner Fish and the mayor for the opportunity for our union and Our members to make some comments on the process. I want to begin by reminding you that we just started a relationship with Portland development commission a couple years ago, and in my 35 years of organizing and bargaining, I have never met a smarter and more committed group of employees. This is a really top-notch group of workers. And we went through a lengthy process for that first contract. And to quote the director of the organization, the agency is healthier for us having organized the union and gotten to a first contract. And i'm very, very proud of that. That's not often said about especially a first contract. Last week I had the opportunity to meet with a group of the employees at p.d.c. That actually do the work in the housing department. And hear their concerns about this process. And if I were sitting where you are, I would want the benefit to hear their perspective. Their ability to understand the issue and to deal with the complexity of this is outstanding. This fact shouldn't be a surprise to any of us here because after all, these are the people who work on some of the most complicated financial deals weren't city. With that said, I want to turn it over to john marshall and carl for their comments, and then I will make final remarks.

**\*\*\*\*\*:** I'll try to do this quickly.

**Adams:** Oh, take your time.

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

**Leonard:** Can we consider this as a panel? Without doing the time?

**Fish:** Ok.

**Adams:** Take as long as you want.

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

**Adams:** Settle in, folks.

**John Marshall:** My name is john marshall, i'm a native Oregonian. I currently live in the gateway urban renewal area. I have worked as a commercial underwriter at p.d.c. And the housing department for more than nine years. Implement the manifestation determinationer of p.d.c. And

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bhcd. My parents home was washedgedded away in the flood of vanport in 1948. My community and family suffered from urban renewal and transportation developments when planning did not consider the consequences of projects that tore apart a stable black community and negatively impacted the families my father served as one of the first african-american doctors in Portland. This occurred when the memorial coliseum in the late '50s was built, the minnesota i-5 freeway, and the -- in the '60s, the emanuel hospital expansion in the '70s. The last development removed much of the remaining black businesses nearby father's medical office on williams avenue. I joined p.d.c. To make urban renewal better and to serve all the people of Portland. I am speaking for fellow p.d.c.ars who love this city and Work hard to make the lives of citizens in Portland better. One feature that makes Portland greater than almost any other city in america is the outstanding quality of its housing stock. Portland does not have vast areas of the city with dilapidated housing. It wasn't always that way. Two key factors were p.d.c.'s home repair and hope and urban homestead programs that funded tens of thousands of home repair and homeownership loans over 50 years. P.d.c. Housing says passionate about its good work for the city. That includes assisting projects that help neighborhoods. Like the belmont dairy in southeast Portland, like the rosemont commons in north Portland, which won a national award. Housing also assists mixed use projects to stimulate the economy. The crane rehab preserved a building on the national historic register, retained jobs that would have left the city, created new jobs and new work force housing, leveraged the city funds 19-1, and won an urban land institute award last year. This is done bite housing department. We work with bhcd on programs to prevent foreclosures, request for proposals for new funding, and assist the city's current focus on housing of chronically homeless. It should be noted the city's policies have varied over time. And that's the current focus. P.d.c.'s -- p.d.c.ars are chomping at the bit to work collaboratively to make the housing delivery system that is doing good work, better serve the people that elected you. We know the citizens of Portland expect strong stewardship of city resources, much of it fund by property taxes. This economy is impacting people like my coworkers and creating housing needs that are different from those when the discussions about merging bhcd, p.d.c., the housing authority of Portland, and county social services occurred to serve and house the chronically homeless. Fiscally responsible, both at start-up and operationally, we share in the desire to create a nimble and responsive bureau that serves Portland now and in the future. Sitting beside me is carl, and he will speak to a few issues.

**Karl Dinkelspiel:** Good afternoon. Thanks for having me. I want to thank all the folks that I know about that are working on this. Commissioner Fish is leading the effort, but kate allen and andy miller, shellie, drew, and the legal departments, and I really appreciate their work on this. I'm a senior project manager in the housing department at p.d.c. And my work focuses on housing development, which means I work with developers negotiating deals and buying and selling property. I know you've heard a lot about p.d.c. In the last couple days. First and foremost you've heard a little bit about our message. We want to work collaboratively with you and we want to make Sure we get this right. This really important. So about collaboration. The housing staff has not been involved in any meaningful way. We can provide you with a huge amount of help as you look to find the best twice accomplish your goals. We are the feet on the street, we know what's happening and we know how the programs and the services we provide work. So we want to be involved and we want to work with you. Second thing I want to say is about our desire to see this done right. The report that you guys have from casey and others cover some very important issues, but they are relatively narrowly focused on technical and mechanical issues. So for us, doing this right means examining the goals you're trying to achieve, the organizational structure you're creating, the management that will run the agency, and perhaps most importantly, the problems that are being solved. So far none of these being clearly articulated. To do this right this needs to happen soon era they're than later. At the moment the cart is before the horse. The first issue is cost. I know commissioner Fish touched on this a bit, but I want to point out a couple things that



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are in your report. First that there's a total -- \$625,000 from this year's current budget, and also in the fy-09-10 budget. You mentioned in the report but with no costs attached, the Tomorrow transition, which I think is a formidable task. Clear lay cost will be the hundreds, thousands of hours of staff time and overhead. It seems from this that the cost, the short-term cost would be a million dollars, twice that, maybe even more. There are long-term costs as well. The question is, is this the right time? And more importantly, is it the right way to spend this kind of money.

Portland's urban renewal agency, while there are definitely problems at p.d.c., the agency is very effective, as can be seen by looking pretty much anywhere in this city. P.d.c.'s effect in this comes in part from the three-legged stool approach, which you all know about, which is development, jobs, and housing, as an integral set of sort of three things that we do. I think the big question is, what happens to p.d.c.? What happens to the urban renewal agency once one of those crucial legs is removed? And then lastly, I think commissioner Fish starts to touch on this, which is the idea of effectiveness. We agree that the housing delivery system can be enhanced but the question is what is the best way to address that enhancement. So in the -- in closing i'd like to say -- make three requests of you. The first is that you genuinely collaborate with us as professionals at p.d.c. And bhcd, and as many levels of what You're doing as possible. And as early as possible. Preferably now. Secondly, that you keep in the forefront of your mind and your actions that this process should examine alternatives that lead to the best most effective and least costly solution to the problems at hand. And then lastly, the process switches from one that focuses on the technical and mechanical, to one that starts with a clearly articulated vision or a better housing production and delivery system for the people of Portland. Thank you.

**Ken Allen:** I serve as a port of Portland commissioner and was previously on the safe board. And in terms of this report is a -- as board member of other large organizations, I would want to see more information than what's presented here. I recognize the enormous undertaking to produce a report in 45 days, but I think there's some critical information that's missing as a board member I would want the benefit of staff input. The report ignores the 24 months that p.d.c. Employees worked hard to establish a union contract with p.d.c. and the relationship building there. The time line of the transfer was significantly penalize these employees. The second issue with the report provides some confusing information regarding the issue of union representation. Prior to this idea coming, starting the report being put together, we were told by some of you that we would represent The employees coming from p.d.c. to the city of Portland. That commitment is not being kept. This process thus far isn't consistent with the labor management philosophy that both afscme and city bureaus have worked hard to implement and the positive relationship we have had with the city and have with the p.d.c. Thus far it's been a top-down approach which has ignored the actual employees' concerns. I would ask as we move forward the concerns of the employees be actively solicited regarding the readiness for the new housing bureau to do business. Very simply, the train needs to slow down to get us on board. First let's examine whether this is a good idea and then if you decide it is, let's move forward on this transition as partners and allies rather than having to strike an adversarial approach. Commissioner Fish, the task will only be done well if we do it together. And I speak for the employees that actually do the work. They're the ones with the expertise about memorandum of understanding this is done and how it can be improved. You want to tap that expertise no matter where they end up. This is about the best results for the citizens. I want to assure you this in no way is some kind of a turf war between two afscme locals. Both locals are here together to support. This we work very closely together and we are in support of delivering the best housing program to the citizens of this City and we're in support of all the our members at all of these agencies being able to put together the best plan. So that's why we're here today f there's any specific questions you have of us today or in the future, we're more than willing today rodrigues those.

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**Leonard:** I'm listening very carefully trying to make sure I understand what the concerns are so I heard both a request in the top three concerns outlined and then what you said, that there's a sense that there isn't an effective collaboration occurring. My understanding there were work groups?

**Allen:** There was a work group which Mr. Marshall sat on, but it hasn't gotten -- it dealt with more the technical issues. How do we want to organize that?

**Marshall:** Could I speak a little bit to that there. Are separate tracks that are occurring. The employees' participation in the keys -- key tracks to date have been pretty minimal.

**Leonard:** In listening to commissioner Fish's opening remarks, I was struck by the clarity and the focus on what it was he and Mayor Adams are trying to achieve. So I understand if you have a quarrel with that, I respect that. I'm trying to understand better what about the vision that he articulated in his opening remarks doesn't capture for you a goal which is to bring all the resources that are devoted to housing into a unified central bureau that would then focus all its energy more collaboratively on addressing the needs of the folks in the community we're trying to help. What about that doesn't provide you the vision you're saying needs to happen?

**Marshall:** That's a good question. The report don't say all of housing. That's one of the questions. All of housing activities, or is it a narrower focus.

**Leonard:** You're saying in the smaller meetings you're having on the technical aspects you can't ask that question, or you haven't, or it won't be answered? What's the concern? It.

**Marshall:** Won't be answered until after the merger occurs. Because there is a third party consultant. It's going to determine the mission, goals, values and implementation of the system. That won't be finished until the fall of this year. The manifestation determination will have occurred sometime on paper July 1st and the staff will actually have moved according to the time line, in July. So the mission and structure will be determined after we -- after the employees are there.

**Leonard:** I appreciate that. Is there a trust issue there that you don't think there will be follow-through to make sure the missions and the goals of the new bureau notwithstanding the staff, already move --

**Allen:** Let me address that issue. The trust issue. We were told we would represent these employees when they came over. And now we're being told that's not necessarily true. Now, when the employees think --

**Leonard:** Versus another bargaining unit?

**Allen:** One or the other. Could be -- some could go to nonrep. These are folks that organize at p.d.c. With us, we worked for a long time on putting their first contract together. I think there's -- they would have a more of a comfort level knowing when they got here they still had union representation to look at the whole issues of the transfer, the wages going forward, the classifications, the kind of work they're going to do. And that's not being addressed in this report. We haven't had a chance to sit down and bargain over the decision to make the transfer or the impact. I know you know that we worked on those laws together in the past.

**Leonard:** So are you identifying an issue in terms of the representation, I understand why you would have that concern, is that something you've identified in this process that is being addressed or looked at? Or are you saying you have identified that and are not satisfied with the progress?

**Allen:** We've only recently been told the commitments that were made to us aren't going to be kept, that we would represent the employees when they got here. And that makes it had we been told that four or five months ago we might have had a different strategy or tact on this whole thing.

**Leonard:** So if that issue is straightened out, are there other issues beyond that?

**Allen:** Yeah, there's operational issues.

**Leonard:** Typically what is that?

**Allen:** I'd like to address your question about the vision that commissioner Fish has laid out. I think we can certainly agree we want to provide the best housing delivery, services system in the

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city. I think we all agree on that. That's something we want to work together on. But I think there are a lot of subsets of that, if you will. How do you structure, how do you create a structure that actually delivers that? There are certainly issues that need to be addressed. What are those? Specifically and what has already been tried in order to address those issues? For example, one of the areas of tension between p.d.c. And other speaks housing delivery has been around service delivery. Inside city-owned housing or city-support housing that. Has been a meddle some issue. P.d.c. Has -- does very good real estate development and there are other entities that provide the services in that housing unit. There's always been a very difficult issue. But whether or not that needs to -- how that issue can be addressed is a crucial thing to talk about, and not necessarily outlining a vision of saying, we want to have the most efficient housing system that there can be Don't really get it.

**Fish:** The question of communication is fundamental. Now, we're now in a public forum, and my preference would have been to have a private conversation with you. But we don't have that luxury. We're in a public forum, we're trying to work these things out. The first time that any of these concerns were brought to my attention was when I got a call from "the Oregonian" editorial board last night at a track meet. When I was watching my daughter play -- run in a track meet. And the writer who was working on a piece asked me a series of questions about this merger and concerns that had been raised by people you represent at p.d.c. My initial reaction to that is as someone who's been in this movement for 20 years, is that if an organized group people has a set of concerns about a process, I want to know about it. If there's something I have done that has been -- that hasn't risen to this expectation of people, or people who work for me, I want to know about it. Here's why. And you know this from your executive experience. You and I get to fix problems when they come up. I actually get to intervene and say, fix this. I get to go to h.r. And say, this is how it's going to come out. I actually get to go to the mayor in our system, because we have five sof rents, and I get to say I feel so strongly, i'd like you to do this. So if there is -- we'll get to the representation issue in a second, because that's new information to me as well. But if there is a communication problem I have a I have communicating with me, and my office, a, I have a lot of humility. If I can do it better, I will. But what I would invite the team is, since we meet on a regular basis, union leadership, union members, is bring it to me at a point when I can intervene. Bring it to me at a point -- because I heard the word collaboration used a lot. And to me, the most powerful experiences in my life have been when labor and management collaborated for a common purpose. I was in new york city when the hospital workers in the hospitals were fighting like hell all the time. And when denis rivera sat down with his counterpart and said, let's work together, they got a billion dollars for children's health insurance. I know the power of collaboration. As i'm reading between the lines, if there is is a fundamental communication problem, bring it to me and i'll fix it. If it's a default at my end, i'll fix it. If there's someone who is a surrogate of mine and there's a problem, i'll fix it. Because nothing is more important to me than having the people who are going to come over, who actually I covet, you said this is a great unit. That's an understatement.

I covet the skills and the talent and the passion of these people. I know whether we take this expiewnt marry it with bhcd, we're going to do great things. That's what gets me going about this. But when I hear there are these fundamental miscommunication issues, I want you to know if it's something that can be charged to me, i'll fix it. If it's some other issue, let's talk about it. That is the heart of how we're going to work going forward, and I take that very seriously.

**Allen:** With pride ourselves on being a problem solving union, not a creating one. Some of you are easier to get on your calendars than others.

**Leonard:** Let me follow on that point. I'm in a different set of bureaus dealing with similar issues. Commissioner Fish and I have not had this discussion at this point. And his concerns have a ring of truth to me, because i've experienced much the same thing, and would I hope you would agree, i'm not hard to communicate with, i'm very easily accessible, and have experienced some of what

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commissioner Fish has myself. So I guess for me, he said it better than I could, that I as well, and would welcome to have those same kinds of conversations dealing with the permit consolidation. Beyond, that I also want to acknowledge in my own fowrms i've said this to managers to better understand the angst we're seeing displayed here. And the best way I can illustrate that is by way of an example that happened nearly 25 years ago when I was still working at the fire bureau and the president of that union, and the fire chief wanted to change the name, the designation of the name fire station down on front and ash from station 21 to station one. He didn't want to change shifts or hours, or where people worked, or which rig they rode on, they wanted to change the name from 21 to one. And a lot of what i'm hearing here was said then only with more angst, because people were very upset that we were going to lose the identity of station 21 and all after sudden it's going to be this other number one. And they insisted I invoke a lot of legal procedures to try to stop that. And there was lot of ruckus. After the change, now people laugh when I remind them of that story. It's hard for people to change. That illustrates that when we hear talking about people -- taking people from a building they work in, an office, the structure they're in, and moving them to another building, to different bureaus, with different missions, and certainly a commission form of government even more beyond that, as opposed to p.d.c. Form of government, I would be shocked if we weren't having this conversation right now.

**Marshall:** I think it's not that issue. That's not the issue that's -- the people are concerned about. It's about making a system that works better. The person that works next to me is taking work home over weekends to make sure a deal closes on time.

**Leonard:** I know that.

**Marshall:** What i'm saying s. People are concerned about making this system better. It's not about a change in location. The question is, is this way we're google doing this is going to create --

**Leonard:** The message you're hearing from me and commissioner Fish and I think my colleagues might agree, is you have no more receptive group of people than right here, and in order to respond to it, first we have to hear it. You have to wait not just until the council meeting, but come in before -- i'm sorry. Do you mind? You have to come in and make an appointment, sit down, it's difficult, I understand, but say I have a concern with this issue. And we can't do anything about it unless we hear that first.

**Fritz:** I want to say part of the challenge is the time line that's been set, and that time line is nobody's fault, but it's responding to the budget, the need to have a budget by june 30th, it's responding to the new computer system, the reporting system, the s.a.p. System which is going to change how grants and contracts and all that get worked on. And so that's part of the challenge here, is that there's an artist in some ways an artificial time line to get this Done by june 30th, that in an ideal world there would be more time to make sure all the loops have been closed and all the conversations have been had, and if there's a way for to us extend that time lineup, I for one would be very supportive of that because I do believe there's a lot of good-hearted people in every corner of this controversy, or challenge, who want the same thing. And there needs to be time to make sure all of these issues are addressed up front so we do get to the good outcome.

**Adams:** I want to thank you, and I want to thank your members for the additional uncertainty that this -- for putting up with the additional uncertainty this proposal sums you to. I know the internal p.d.c. Organization, that this followed on the heels of that. And that followed on the heels of reorganization, which organization union organization which was a positive reorganization was a positive, I think this will be a positive. But I know you've been sort of at the crux of sort of a lot of change. And there's wariness that comes with that, and I want to acknowledge it and thank you for it. This kind of stuff is difficult, and there are always sort of bumps in the road. I think you have a commitment from us, from commissioner Fish to redouble our efforts to be good partners with you, but the changes are going to happen. And i've been around a really long time, too long to honestly go forward with the status quo. And I know you're talking about making improvement and all this

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stuff. I've been through a number of improvements in this system, and have concluded with great certainty that this kind of a change in realignment needs to happen for the betterment of the cause and for what's best for the citizens, and I think what is best for those that are as committed as you and your brethren clearly are to the endeavor. I really do. This is going to create the kind of forum following function that should have been done a long time ago in my opinion. It's also going to create three organizations -- three times of family prosperity endeavors that I think are really important moving forward. We have work systems that is responsible for skills training, that is responsible for getting people educated for jobs. We're going to have Portland development commission focus order business assistance and development like never before. And we're going to have a housing agency the third leg of the stool that is going to be focused on delivering on the housing agenda in partnership with the jobs organization and with the business assistance development. I think it will happen more functionally. I think it will happen more effectively. This is fundamentally about improving effectiveness. And it's easy, where we're cutting budgets across the board, and the economic crisis That we're in to think about this efficiency. Clearly we want to be efficient. But this is fundamentally about effectiveness.

**Allen:** Let me just -- I want to assure all the commissioners that this is not a resistance to change. This organization -- this union is one of the leading advocates and change agents in the city. When we make change, we want to make sure it's done the right way. And that's what we're saying to you. Slow down, include the employees that do the work. We are all about making the right changes in this city. I've been to all of you any number of times about big projects that we want to be involved with you. And for us, I believe for you too, the key ingredient is making the changes with all of the partners and getting the wisdom of the employees that do the work.

**Adams:** That really is true, and I want to commend you for that.

**Fish:** I want to say to ken, john, and carl, and to the people that are here with you, some of the things you said today are about a more meaningful dialogue a. Deeper collaboration. I get that. And again, if there -- i'm a top of the food chain on the housing side. That's something we're going to talk about.

**\*\*\*\*\*:** I appreciate that.

**Fish:** I've also heard things today that frankly are news to me. That may be because I am so overwhelmed with the other triage we're doing, or i've reached at able 50 a state of such mental infirmity. But i'm going to follow up with on you those points too, because you've touched on other things which I don't think are appropriate to have a dialogue in this setting. I want to sit down with staff representatives and leadership and I want to have that conversation. And what I think the other people here need to know is that when we do have those conversations, those are robust communications. People are not inhibited in meet cans with me, telling me whether they think i'm doing the right thing or the wrong thing, and I hope in this seven months i've held this job and the remaining year before i'm -- the voters release me, I hope that I have established to everyone's satisfaction the humility of trying to do it better. And if there's something I can learn from this experience, you have my commitment, because I think if we get this right, and i'm convinced we will, I believe this will be a plus for everyone involved. And I would not be leading that effort with the mayor in taking good people down that path if I couldn't look you in the eye and say at the end of the day, I think we're going to be in a better place.

**\*\*\*\*\*:** I think the other core team members will say this is not the first time i've said this, so this is not -- i'm leave it at that.

**Adams:** Thank you all very much. Appreciated the dialogue. Anyone else that wishes to testify on this matter? Is there any additional council conversation on this matter desired? Karla, please call the roll.

**Fritz:** I do have some more questions, but they can be answered as we continue to move o I think one of the big questions is the cost for the movie and how we're going to pay for that in a budget

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where there's 6.5 million of -- not that much money in the one-time cost available to us. So I'm wondering about the timing and looking at possible alternate ways to address some of the monetary issues. The bottom line. We do all care about providing services to citizens who need housing. So we -- I know commissioner Fish will continue to hold that dear and the employees do too, so that's a shared concern as to how much is this going to cost and how can we accomplish it. There's only good intentions in all the work that's been done. The union letter I thought was very helpful to me personally and when I got to the end of the union letter I saw that it was signed by the p.d.c. Union employees. People don't have to put their personal names on the line, and I turned the page and saw page after page of signatures of employees willing to put their names on the line, and I really respect that. It shows people care and that they -- each of you in p.d.c. Is Doing a good job and is willing to put your name there, saying you're willing to continue working on that. I'm constantly amazed by all the organizers and the people who work together, within the city within p.d.c. At the housing authority of Portland, yesterday in my office we had many of the several leaders of our community partners who provide both shelter and affordable housing. Nothing had anything but good things to say. So we have to be careful as we move forward on this to recognize that the p.d.c. Of 2009 is not the p.d.c. Of years past. And significant progress seasons to be made. So in the past it's been fashionable, a political advisor told me you're always safe to bash the p.d.c. Because that's a popular thing to do, and nobody is going to contradict new public. I refuse to do that.

\*\*\*\*\*: I will.

**Fritz:** I hope that a lot of people will now contradict that we have a new spirit of understanding both within each of our organizations and between our organizations, and we want to continue to do that in looking to create the office of healthy working rivers, we've been looking at some of the same challenges on a much smaller bases and how could we do an alternative source model that would not move quite so fast perhaps or as withhold -- can we do it with oversight of a commissioner. So there are other options that I know commissioner Fish is Aware of and looking into. And there are inherent problems with this option, especially the time when the budgets have been short and jobs have been lost. And there may be efficiencies gained in the short and long run. I appreciated commissioner Fish's statement at the beginning that this is not intended to save money. It's intended to do things better. I also think back to our budget session earlier this week with showing the decline in tax increment financing money and knowing that this new bureau is going to have revenue rapidly dropping off as the districts come to a close. I know that's on commissioner Fish's list of challenges to address and the work is in p.d.c., those who will remain there and come over are aware of that challenge. There's a lot more work to do and this report helps us along the way, and so did our testimony today. Aye.

**Fish:** I want to thank the mayor for the leadership that he demonstrated in making this one of his priority government reorganization projects. There's so much capital that you acquire when you come into a portion and have you to be judicious in how you draw down that capital. And there are sometimes easier routes that can be chosen. This is not an easy route. So I want to thank the mayor for his support. As I said earlier, if this was such an easy thing to do, would It have been done sometime over the last 15 years when it has been taught over a period of time which has been talked to death. It's happening because of some leadership, and what we learned today in our discussion is that we have a healthy and robust democracy where even our partners can come forward and express their misgiving and be treated with aren't, and that we -- respect, and have a dialogue. I sometimes think you don't need a letter to prompt that. I think you do it over a cup of coffee, but it doesn't matter how it's done, it's about communicating. And this is the process of bargaining. It's the back and forth that goes on repeatedly. And the essence of trust is not a declaration. The essence of trust is a show-me. And trust is earned. It isn't granted. You earn it through your deeds. Anything I can say here will pale in comparison with how we will be judged. The will council

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directed that this merger go forward, and gave us 45 days to come back with a report. I did not think within 45 days this team, which I happen to think very highly of that was assembled, could come up with this report, but they did. And it is the blueprint for how we go forward. It was not intended to answer every question, and it was not intended to be a dissertation, it was meant tonight outline, The blueprint for how we're going to proceed. And as we heard today, there are concerns about different aspects of this, and that includes concerns about good communication. We take that to heart. And we're going to act on that. But we have fulfilled the mandate of this council to come back with a report. And I wish we had a long period of time to do this. It's sort of how I feel when I come to work every morning. I seem to have more things than I can get done, and I have to pick who am I going to get on the wrong side of that day, because I can't get to it all. And the folks who are actually doing the work at p.d.c. And bhcd are being asked to work in extraordinary circumstances. I think we just ought to step back for a moment and say, what triggered this, the worst economic collapse of my lifetime was a housing collapse. It wasn't with all due respect, a collapse of transportation resources. It wasn't a collapse of -- that occurred in other areas. It was a housing collapse. And so those of us committed to this great enterprise of building housing for people are in the middle, in the engine room of the worst economic collapse of our lifetime. So on top of all the challenges of our work, we're at the heart of the collapse of our global community development that's a nice -- that's a wonderful dynamic. And at the same time, we're being asked tone vision the new Bureau. I don't in any level underestimate how challenging this will be. I think of it as the most challenging thing i've ever taken on. But as we've worked through what I consider the first or second part of this process after through my own consideration was people, what i've observed and the reports i've gotten back, i'm more and more confident we're going to do this the right way. As I said earlier, what i'm most excited about is bringing all these talented people together under one roof. And meeting the charge of this new bureau. I had a chance earlier to thank all the participants. I'll just thank them again for all their hard work. And i'd love to be able to say the hard work is over and now comes the fun part, but the hard work in phase one is over, and now the hard work of phase two begins. And if there are lessons to be learned about how we can do this and in more effective, collaborative way with better communication, I am one commissioner who is proud to publicly announce I don't have all the answers and have not figured out how to do everything at the highest level, and so I will continue to learn with my partners in this. But I do believe that the cause that we are jointly working toward, of having a unified housing system in our city s. One of the great cusses of our day, and at some point we'll Look back and say this was a water shed event for Portland. I'm proud to vote aye.

**Leonard:** What rang true to me in the concerns that I heard were the concerns about representation and the concerns about making sure that people are represented now continue to be represented. As the person who brought forward to the council some time back a resolution supporting the efforts of the p.d.c. People, p.d.c. Employees to organize, I very much believe in the right of people to organize. Sometimes people have confused that to me mean that I will carte blanche agree but then the new represented employees state concerns. And as i've said in many forums, because you don't agree don't mean you're not listening. It would be unfair to say you're not listening to me if I don't agree. I can't even say that because it sounds like commissioner Fish hasn't been afforded the opportunity to hear what some of the concerns are. We can't even get to the point where we can say had you a forum and you stated your case. So there's a disagreement, not an unwillingness to listen. Beyond that, I suppose I depart with one of my colleagues a little bit in one respect in that I have complete faith particularly after listening to commissioner Fish's vision for the consolidated housing bureau and understanding his real focus on making sure things at the city are done efficiently and effectively and equitably, that the package that he's working on Is being done in a timely fashion. Will be done in a way that respects our budget constraints, and will be done in a way that respects the rights of the employees. I know that, and I inherently trust nick to bring a package back that

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does that. That probably don't bring comfort to those of you who don't know him as well as I do, but I hope that my past behavior with respect to working class issues and more particularly union issues gives you some level of comfort that I have comfort in his judgment and his -- fairness. This is a very, very difficult thing to do, even if there aren't wage, hours, or working conditions hours. Even if there aren't issues that affect whether or not people are unionized. It is a very disrupting thing to happen in a person's life. It is -- I don't think it's a stretch to say it's not unlike having a loss in your family. We go to work and we expect to arrive at the same time, we expect to work a certain amount of hours and to have lunch generally at the place that we like to go to. We like to get home at the same time, we like to watch the news hour, we like to watch "dancing with the stars," we like to watch -- when that gets -- I will tell new my own life, when that gets disrupted, I get thrown off, and the older I get the more it affects me. Five years ago we moved to a different house and it took me Six months to just personally settle down and be able to be back to a rhythm just simply because I moved houses, whereas years ago it didn't affect me. So to somehow think and for anybody here listening to dismiss the impact that that kind of a change that we're discussing has on you personally, is -- has to be recognized. And addressed. It has to be discussed. And those of you that are concerned have to be open to hearing that as well. Open to hearing that that could be one of the issues at play here. But in the end, I think what we're going to have is a very, very powerful effective and focused housing bureau that is going to coordinate and be even more effective than it has been. So I very much appreciate hearing the concerns, but I encourage those that have concerns to take commissioner Fish up on his offer and start off with saying, be careful what you ask for, because here I am and here are my list of concerns. And then if you have a problem after that I would be more than interested in hearing what that is. Thank you commissioner Fish and everybody's that's work order this. Aye.

**Adams:** Just to -- I realize maybe in hindsight in opening remarks there might be folks in the room that haven't been of benefited from the full background on why the council is undertaking five major Structural changes within the city of Portland time prove effectiveness. -- having been a student of, object observer of p.d.c. And the city's housing efforts, for 11 years as chief of staff, and for four years as a member of the city council as a commissioner, now as mayor, i've had the opportunity of just personal experience. And to see the opportunity costs of the wait current system is arrayed. But more than just my simple observations or experience over the years, there have been audit findings that years ago starting years ago that called for more coordination, or more consolidation than we are seeking to achieve here. The most recently that was called for yet again in the study for which I don't agree with all the calls for more -- additional consolidation, but I think that the documentation of the systematic dysfunction that has occurred is well made, it has been made over many, many years, and that smaller more modest fixes and changes have been tried with what I consider to be less than adequate results. This is difficult thankless work. And I want to underscore my thanks to commissioner Fish and his team for taking on this task. He's been very generous in recognizing me in this effort, which I appreciated, but the front line work is done by you and your team, and part of the reason that I thought -- the need has been there for a long Time for a change, but part of the reason 80 felt comfortable calling for change and on an aggressive time line was because commissioner Fish's leadership abilities and his experience in this field both inside the system as a commissioner but also outside this system and his work on a number of different endeavors. I want to thank you for your willing to do that. No effort of this complexity ever goes as smoothly as anyone wants. But I amism pressed by the fact commissioner Fish has been so open and candid and willing to recognize the concerns you put on the table, embraced them and commit themselves to addressing them in a manner that's really lacks any defensive posture, so I think I want to thank you for that as well. Hearing the words of commissioner Leonard in terms of might be difficult, about it think are also wise. Change is difficult and we don't always know how change impacts our perceptions. In this particular case I hope that we can get to the point in our future



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collaboration on this issue with employees that we're talking about how to create a system that uses your full talents and in a manner that really improves your professional quality of life. That's my hope. I think it's possible. I know many of you personally, I know how good you are, and I want a system to deliver housing that is every bit as good as you are individually. Thank you. Aye. [gavel pounded] council item is approved. Could you please read the item, the title for council item 292.

**Item 292.**

**Adams:** You are an angel. Did you wait?

**\*\*\*\*\*:** [inaudible]

**Susan Anderson, Director, Bureau of Planning and Sustainability:** Good afternoon.

**Adams:** Good afternoon.

**Anderson:** This will be somewhat briefer, I hope.

**Adams:** Go ahead.

**Anderson:** Susan Anderson, director of the bureau of planning and sustainability. With me here is chief planner, Joe Zehnder. In late December the mayor announced he would merge the office of sustainable development with the bureau of planning and as you know, the planning bureau has a long, long history and is nationally and internationally known for guiding the city's growth and development to become a thriving livable city. Until contrast, the office of sustainable development, which was established by commissioner Saltzman, is a newer organization and it's known for its creative policies, quick action, and its creative sort of technical solutions to promote sustainable development throughout the city. We found that the merger so far has created a new organization that is very much a planning and a doing organization. I'm already the change -- already the change has happening. Staff has found many ways to use each others' resources, to each others' skills and build on each others' missions. I'm going to tell a little bit about what's been going on the report covers much of the progress and the key issues, how the new bureau is organized. How we're integrating staff and learning from our styles and cultures. In terms of colocation, I think it's going to be a while until we're under one roof. However in April we'll shift the small group over to the 1900 building. Unfortunately due to the budget situation, we may have as many as 20 people laid off from planning, which means there will be more room in the 1900 building. That's the budget discussion and not a topic for today, but very real and it could be as many as 20 employees affected by that. In the meantime, the new bureau has been productive. First a climate action plan, the plan will be released for comment in April. It's signs based, it draws a map of exactly what is needed to get Portland to an 80% reduction in greenhouse gas emissions by 2050. The plan is a good example of how the city's planning and sustainability agendas really overlap, how they enhance each other, as we continue to shift away from a fossil fuel economy and focus on fundamental changes in our urban form and transportation in building and in consumption. Many other things have been going on. I won't go through the 50 different projects that have been moving on successfully. Staff has been amazing in terms of under Joe's leadership the planning staff and under Michael Armstrong's leadership, the sustainability staff in that they've been able to continue to get their work done and at the same time begin to grow and actually enhance the work that they're doing by using each others' skills and each others' abilities. We've had fabulous fix-it fairs, East Portland action plan, we've got a new grant for \$500,000 focus on cleaning up transportation diesel engines. We have very promising action on attracting stimulus dollars up to about \$4 million on energy efficiency. And that will be leveraged with our new clean energy fund which I'm going to be coming around to talk to you about in the next couple weeks. We've been working very closely with Mayor Adams to redesign the Portland plan, the central city plan, and the comprehensive plan process. And have a new focus on ecodistricts. The city's work on ecodistricts is another example of merging together, planning, and sustainability. The idea of an ecodistrict is that it is a public and private strategy to focus and leverage investment in a way that

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focuses it on certain parts of the city and looks at affordable housing, green building, energy and water efficiency, storm water, looking at energy systems, opportunities to walk and to bike and putting those things together in one area. Being together in one office makes a difference. It makes us more efficient and allows us to put our work plan together. And enables us to actually dig deeper. So there's a lot going on. I want to you know personally i'm thrilled by this opportunity. It's a great opportunity in terms of being able to bring a new skills together. You know, I've had calls over the past two months from colleagues in other cities who are all very excited and they're thinking what a great idea to put planning and sustainability together. They're also --

**Adams:** It's really like peanut butter and chocolate. You don't know how good it is until you put them together.

**Anderson:** We bumped into each other a lot lately.

**Leonard:** I'd compare that to peanut butter and mayonnaise.

**Anderson:** The amazing thing about these calls they're actually calling to complain because they're saying that it took them 5 or 6 years to finally convince their city councils that they needed a OSD and now we've gone and raised the bar again and made it something new that they have to aspire to. And so I look forward to continuing the discussion on funding as we move forward. Thank you.

**Adams:** A couple of things. One, I want to thank you, susan, and joe and michael and the entire leadership team and all the employees in both bureaus. Had an opportunity to attend a staff gathering of the group and it's a good, lively, can-do spirit and the meshing has really got people excited and that's good to see. So thank you. The -- we have no -- I wanted you to just talk about some of the conversations we've had privately about planning commission and the sustainability communication and our thinking to keep those separate for the time being. And both provide very important functions. We share the sustainability commission with the county. So you want to talk a little bit more about that?

**Anderson:** I think currently planning commission has a very, very full agenda, and so does the sustain and development commission. And the commission, the sustainability commission has been focused both with the county and city and is really the county's only voice in terms of citizen advice directly to the county. It -- together, I think in the long run, there may be a great opportunity to put these things together, but right the planning commission does so much day-to-day work into issues that many of the things that the sustainability group has been working on, the c.r.c., taking action to various topics and it's a much more nimble group, i'd say. We're going to have a joint retreat hopefully in the next couple of months, meeting for three or four hours, where they discuss how can we build on each other and have joint meetings. And I would say within the year, we'll come back with recommendations, do we consider keeping them separate or merging them together.

**Fritz:** The planning functions work program?

**Anderson:** Absolutely, yeah, I mean at this point, we haven't had a retreat, sort of internal, the new bureau because we don't want to do a strategic plan until we know what the budget is. We're going from \$11 million to \$7 million in general fund and that has a huge consequence and I want to make sure we know what the numbers are before we start trying to make decisions about what are going to be our priorities and which things. I think during the budget process, unfortunately, we're going to have to do triage and make those choices and we've had conversations with the planning members, both individually that i've had and as a group about what's important to you.

**Fritz:** Thank you.

**Adams:** Other questions or comments? Anyone signed up?

**Moore-Love:** No one else signed up.

**Adams:** Commissioner Fritz.

**Fritz:** Quick question. The report said some of the sustainability staff would be moving into the 1900 building. Are there others who would be somewhere else?

**Anderson:** You mean moving over later?

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**Fritz:** Is there a remnant of the sustainability staff that won't be moving?

**Anderson:** Yeah, about 49 people in the ecotrust building, we're going to move over maybe five right now. The communications team because I want them with me in the 1900 building. I'm in the 1900 building four days a week, probably and over time, we're looking for an opportunity to cut rent costs in the ecotrust building, to be honest and move the staff over. There's value to having it in the ecotrust building, but in the long run, having it in one place is important. The Oregon sustainability center and p.s.u. And others are trying to have built over the next couple years seems like a great home in the long run. Buts that two or three years from now.

**Fritz:** We had the discussion with housing and p.d.c., what are the down sides with leaving them in a different place?

**Anderson:** I don't have to work out anymore, i'm running back and forth. There are some down sides. The one thing that may be a little different and i'm not sure that more than half of the sustainability staff isn't in the office that much. They're out working with business, with residents all time. And so in some ways, we're used to working by phone, by text, not actually always being in the same office. So that's happened a little. Of course, if we were in one place, it would make my job easier in building a new culture and helping employees feel like they're really one. My guess is what we're going to do is mix it up over time. Because I don't have the money to put everybody together.

**Adams:** And this is an easier merger than commissioner Fish was trying to accomplish.

**Leonard:** Oh, i'm not so sure. Maybe susan just [inaudible]

**Fritz:** Saves money.

**Fish:** In deference to the time, i'm not going to raise the objections that my staff has put together. [laughter] put this in the record, I want my objections noted.

**Fritz:** I have one more question. Sorry, i'll just go to the draft title code language, which I find we don't currently have code language. What the bureau of planning does. What's going to be the citizen input into refining that draft language on what the bureau of planning and sustainability will do?

**Anderson:** At this point, we haven't had much. We've -- I believe, both the planning commission and the sustainability development commission have seen it, but it's very -- we took it as a routine thing. Until we set a new goal and define a new mission, i'd really rather wait and do that. Once we dine what that really is -- define what that is, rather than mess with the code right now. At this point, it's sort of a merged mission use we can talk about that at another time.

**Adams:** Any other council discussion. Anyone else signed up to testify?

**Moore-Love:** No one else signed up.

**Adams:** Thank you very much. Unless there's additional discussion, Karla, please call the roll on item 292.

**Fritz:** There are also a lot of issues contained within this and it's interesting to hear the different approach, but still, projected cost of the Portland plan is \$2.5 million and we have \$1.7 million -- no, \$1.7 million and it's only one-time funded. There's a big gap, with what i'm saying. I'll look forward to that budget discussion and discussion with the community as to what is feasible to get done in the Portland plan. Notwithstanding the excellent staff, going to do a great job. Aye.

**Fish:** I want it say it's a pleasure to get to know susan and have a chance to work with her. And i'm excited about collaborating on the next phase of the update of the Portland plan, and since I have -- I have an interest in obviously, the housing component, the open space and parks component, the ball fields, the community gardens and a few other things, I look forward to working closely with you as we embark on that exercise and as I was sitting here watching you testify and listening to the public cry and hue in opposition, I was -- feeling a little jealous. Maybe i'll get a consultation with you how you've done this so smoothly. Aye.

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**Leonard:** It probably isn't a fair comparison. Those of us who have worked with susan when she was director of sustainability, quickly found it to be a place that gets things done and I remember a cull of years back, we had -- a couple of years back, we had money for a special project and susan and the office of sustainability and to the shock of the p.d.c., we gave it to susan because she came back with an eight-page work plan that was spot on. So i'm not surprised the merger is going as well as it is and appreciate the work being done and know that you're going to revitalize planning. I know when to quit now. I'm getting it from amanda. [laughter] both sides.

**Adams:** Heard enough from you commissioner we're just as frustrated as you are with the constant grandstanding and filibustering.

**Leonard:** I don't know -- i'm sorry. Again, it won't happen again.

**Adams:** [inaudible]

**Leonard:** I can't remember, i'm so flustered. Aye.

**Adams:** Thanks again, susan, and joe and michael. The whole team it's a pleasure to work with you. I want to acknowledge megan and lisa libby and amy from the sustainability team and the mayor's office to help through the changes and work products that's underway. Aye. 292 is approved. Please read the council title for item 293.

**Item 293.**

**Adams:** Would somebody please step forward?

\*\*\*\*\*: [inaudible]

**Adams:** I somehow lost the crib notices what i'm supposed to do. Regarding the sellwood bridge of which you and I have served as a representative on this process which has been a really excellent process and i'm going to let you give the overview and then I think we have some honored guests to hear from as well.

**Sue Keil, Director, Bureau of Transportation:** We do. I'm susan, director of transportation. And as mayor Adams said, I had the pleasure of serving on the senior staff advisory committee for this project. And I want to tell you that it's not often that you can have hundreds of people turn out for a public meeting on something and very civilly talk about the differences and folks' interests on this. I went to a number of the evening meetings, just dropped in unannounced with no particular role and saw this happening over and over again. And I think what that is, is testimonial to the way that the county conducted this process and the very broad involvement from all of the jurisdictions that have any relationship to this project. This really required active participation from the different counties and cities that touch on this project. And the elements of the locally preferred alternative were those that both the citizens' committee and there was a committee in charge of -- you know, really the overall body on this, and our internal staff committee, and the policy advisory group all came to the same place. So I that's pretty darn nice when you can do that. We also worked with our partner bureaus within the city and other agencies to deal with the natural resource issues. And also with the planning commission. Went to the planning commission on this and they concurred with the recommendations here. We have come with a l.p.a. Decision that we think is supported by the community, is supported by the elected members of the policy advisory group, by the senior staff advisory committee, and that's a pretty nice place to be. So I want to turn it over to mauricio who is going to go through -- who is going to go through the technical side and you should know this is an exceedingly thorough process. And staff is here if you have questions.

**Mauricio Leclerc, Bureau of Transportation:** Thank you. I'm from the transportation planning. We're about to get ready with the -- be able to open up a power point presentation but I will say that while we have before you is exhibit a, actually the locally preferred alternative, as well as the b, a list of project conditions, things that the city would like to have examined as this project moves forward. Excuse me. I think I can -- as sue mentioned, we have ian cannon, services manager from Multnomah county, and part of the senior agency staff. And john gilliam, transportation planning section manager, as well as commissioner deborah kafoury. If I can go ahead and have a power

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point which basically will -- sure, and we have [inaudible] distributing. A map, which shows the locally preferred alternative, as well as the power point presentation. And -- ready? So this is two years worth of work as part of an environmental study. Part of following the rules of the national environmental policy act and two years and about -- in about 10 minutes, is bear with me. Here's the sellwood bridge. Located about two miles south of downtown Portland. It's the only bridge between Oregon city and downtown Portland. As you -- as such, it has several constraints. One is that it's very heavily used. As well as geological concerns. And on one end, meets main street, and on the west side, meets highway 43. So the needs of the project evolved to meet the liveability of tacoma and on the west side, the mobility needs of highway 43. In terms of physical constraints, the bridge is located in an area that has unstable soil, specially in the west. There has been a slope - - slide that occurred in the '60s. The bridge had to be cut at one point and put together again and it's been sliding on the west side ever since. I'll show you pictures of that. And on the east side, it has a close proximity to condominiums. With residents, of course. So it is the busiest two-lane bridge in the state. About 30,000 vehicles a day. Most of the trips originate or terminate in clackamas county. It's a critical link in a trail system. You have the greenway corridor, as well as the springwater corridor. It's not -- it's -- it rates two out of 10 in terms of safety. And everybody knows the i-35 bridge in minnesota was rated 350. But the bridge section does a very good job of maintaining the bridge. It's a 10-ton weight restriction on the bridge. Which eliminated bus session in 2005 and trucks and emergency vehicles as well. Emergency vehicles can use it but only in extreme circumstances. And it has inadequate pedestrian and bicycle facilities. Here's examples of large cracking found in 2003 and here's a bandage, to protect it from falling into disrepair. The orange line, is very narrow, about 28 feet wide and only two vehicle lanes can only -- pedestrian and bicycle facilities on the northern side, only four feet. Which is grossly inadequate to meet the needs of the corridor in terms of pedestrian and bicycle access. It's twisting. You can see the lines should be lined up. It's been moving over time, this is on the west side. The needs for the project are clear and they were developed as part of a two-year framework. Working with the citizens, the citizens taskforce that developed the purpose and need for the project and then developed alternatives tested as part of an e.i.s. Project. It ended in the publishing of an e.i.r.s. Report and comment periods and thousands of people have participated in this process. And hundreds of comments and the committee has listened and made recommendations. We have before you, as well as planning commission has reviewed them. And it has been voted by the project advisory group represented by the mayor. The project purpose is to heavily replace the sellwood bridge within the existing east-west corridor to provide a safe bridge that accommodate multimodal needs. And usually these statements are wordy, so basically it means it must provide a transit capacity and be able to with stand moderate seismic events and designed in a geometrically functional and safe manner and meet the travel demands for today and future. And provide for public transportation and improve freight access which is restricted today and provide improvements for pedestrian and bicycle connectivity and mobility. You see the range, this is just showing you the alignment and you have several combinations you can do for the type of interchange on the west end of the type of intersection on the east end, as well as a cross section. We're not going to show you a lot of details but jump into what was decided and we can refer to them if you want to. The alternatives developed in the e.i.s. Were that they were consistent with policy, the transportation system plan, the comprehensive plan and the 2040 plan, which to improve bicycle and pedestrian access and stabilize the west slope. The only alternative that did not meet the goals was the no-build option. Doing improvements over time. Talk a little bit about the area. As I mentioned, it's constrained and has a lot of recreation of parks and historical sites and constrained on both ends. We have river view cemetery which is a historic site and the superintendent's house which is historic and needs access from this end of the cemetery. You have several parks. Marine park to the south of the bridge and actually right underneath on the west end, you have and then you have the willamette

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shoreline track. You have streetcar to lake oswego. That's a project undergoing. And you have also willamette moorage park and to the north you have [inaudible] park. And then on the west side, you have oaks pioneer park and church. As well as springwater trail and the greenway trail. The elements of the l.p.a. Are five. One is to whether to rehabilitate or have a new bridge and then on the western interchange, one was a free flowing that doesn't have any stop signals, for example. Around the -- around about and a signalized option. On the east end, the alternatives were to do nothing. Which is an uncontrolled intersection. A grant avenue extension, a loop that loops around to go underneath the bridge and I have a photo to explain that or awe full traffic signal on sixth avenue. And in terms of alignment, you have the exists alignment and you have options to the north that-by-pass condos and residences to the north as well as a separate pedestrian-bike bridge that was proposed and a cross section, you have a variety between two and four lanes. The four were two dedicated transit lanes and putting pedestrians and bicyclists underneath the bridge. This is what they recommended alternative. And you have a map of that. And you can see how the bridge, the study area compasses a lot of highway 43, that's because it requires improvements to meet odot standards and to be able to weave the two projects together. So to start from the east, it calls for a pedestrian bicycle signal to provide for greater accessibility across tacoma to the parks and school without giving too much way, green time, for tacoma. Tacoma that is a lot of traffic and we must give suffer green time to tacoma. That's a compromise but workable. The alignment basically is existing alignment where the bridge is today but expanded to the south. So from 28 feet, it's going to be about 64 at its narrowest and at the western end, you have a signalized interchange that provides access to the cemetery, as well as to the businesses directly to the north. As well as provide transit access and crossings over the freeway to provide for buses north and south to lake oswego. As well as provide pedestrian and bicycle connections [inaudible] as well as to the trails. The first one to your left is the signalized interchange. The second is a trumpet free flowing and the third is a round-about. And the decision was to go with the signalized. You could have cars stop and people cross and something you could not do with the trumpet. The trumpet, permitted access to the cemetery and staff jennings, ace mentioned. It does meet traffic needs and provides transit connections east-west and north-south and provided for less impact, as well as smaller footprint. On the east side, you had three options. On the left, you had the loop, to go around to access the park, as well as to oaks amuse. Park. However, it was -- the analysis showed that loop could lead to further cut-through of the neighborhood. It's very congested across tacoma and you can do a loop around and skip the traffic and go north. As well as the full signalized interchange. In the a.m., going from north sellwood and get to sixth, so you don't have to go through tacoma. So that's the recommendation. In terms of alignments, they were basically three, one is existing bridge, one expanded to the south, and one that was to the north, which is you see there in the map as alternative e. That bypass the condo minute ups altogether. You can see the difference between the two. Alternative d shows the residential impacts. And swell wood harbor condominiums and one to the north. And alternative e below, bypassed the condos but affected building that has six units. On the business side, alternative d, affected nine businesses. That's basically 48 -- I think that's 30 employees. That is directly under the bridge. That's going to be taken out no matter what. And alternative e also affected that place, grand place with two businesses but also a large business park or complex with 37 businesses and over 200 employees. Also, the differences with that alternative e steered clear from the northern part of -- from the southern part of the river, from parks, and also provided less impact to the oaks pioneer park and the church. And the community came in strongly in support of alternative d. So skip that. The final element was a cross section, whether to have two or three lanes. The citizen group, came split in the middle. The pdot did further analysis to compare the two. Here's an alternative with three. But in the end, public testimony came strongly in favor of two. And that basically meets the needs of the project, and the project advisory group agreed. 64 feet with two vehicle lanes. Accommodates all modes, present and future. There's no

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need for close you are and that I can go into that in a minute. Allows for minimum width for emergency response, because the bike lanes can be used for vehicles to get out of the way in case you need an emergency response vehicle. Accommodate future streetcar and provides the needs for the long term as well as short term. In summary, the l.p.a. Does not lead no closure, which is something that the community is strongly as forked. Especially the business community. Provides seismic and functional sufficiency and is a long-solution and has minimum right-of-way impacts. The alternative does not need to more traffic in the corridor, but it offers more transportation options via bike cling and pedestrian options and transit and bicycling. There are several schemes. One is to build it at once, and one in phases and here you have a scheme in which you can build it, and it's reflected in the map, it would be phase one and phase two. The upper map, we would build the second half, the new half of the best of my knowledge, and while the vehicles use the existing bridge and once finished, switch the car to the new bridge and make the old bridge be for pedestrians and bicyclists and then when another phase comes in, for example, then you could marry the two bridges. And then a final phase would be to reconstruct the western interchange. And those have -- the total cost of the project is about \$300 million, and the cost was not a big differentiator among the alternatives. The -- what you're adopting today is exhibit a, the l.p.a., as well as exhibit b, which includes a list of city issues that we would like to have explored as part of the further work, which is a final e.i.s. And design. To talk about them briefly, would be to do greenhouse gas analysis and to have public representation and city representation as the bridge design plans go under way. To work on funding of the bridge, find a local match. Minimize the impacts of the affected properties. There's five residences affected. Resolve issues in the west interchange. I can spend a lot of time talking about that. And we're doing that as a separate process. To build the bridge in a sustainable manner with sustainable construction practices in a way that minimizes habitat impact and historic resources. To get agency approval, such as today, metro council is approving this l.p.a. As we speak. To get agreements with mitigation. If there are things that cannot be solved. How do we mitigate for them. Amend, change transportation plans, and wait for a biological assessment and because we as go into final design, we'll know how many piers the bridge will have and how that affects the salmon in the river and the west interchange is going to go through a diet, let's put it that way, to see if we can minimize the footprint and that will give us the final answer on the natural resources impacts. And about a year from now, with a record of decision and then we'll move into the bridge -- which bridge type and then the funding of it. That's it. As fast as I could.

**Adams:** Questions?

**Fish:** One comment on your city of Portland issues list. Resolve issues in the west interchange and sustainable practices and habitat protection. We talked about this before, but the parks bureau and audubon and a few other groups are interested in continuing to discuss the interchange on the west side for pedestrian and cyclists with respect to its impact, whatever habitat and other -- and the land beneath it, it appears from the work you've presented, to be the best solution to the interchange, but we look forward to working with you to assess the impact of that design on the natural area below.

**Leclerc:** We're working closely with the parks and reaction and water bureau and the development services to -- as well as our partners, project partners, odot and the county, for example, metro and tri-met. This area needs a lot of attention. You have to expand a little bit. It's -- it must provide accesses to existing land uses. The cemetery, the parks. Up north, maybe I can use the -- well, it's not on, but up north you have access to boat community -- to the boat community. Macadam bay club. As well as commercial uses up to tailor's ferry. As well as provide access for bicyclist as pedestrians. You can see, for example, there's a spiral to bring the bicyclists down from the bridge to the trail. It's quite a bid of high differential there which calls for a large platform. You can only go 4 or 5% and meet e.p.a. The parks bureau has ambition for the area to be a passive park,

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basically for habitat restoration. Up north and just north of the houseboat areas, you have steven's creek, which is an area in willamette moorage park that has received attention -- yes? Wrap it up? Ok. There's a lot of issue there is and we need to work with the different bureaus -- and the different agencies it see if we can shrink that.

**Adams:** I don't think we're found the best thinking on the west side landing.

**Fish:** Look forward to working with you on that. Thank you.

**Adams:** Any other questions from council? You've done a fantastic job and I appreciate the enthusiasm and expertise. John. Commissioner, would you like to say a few words? Welcome to the city council.

\*\*\*\*\*: Never been here before.

\*\*\*\*\*: You only have to give your -- this is your first official testimony?

\*\*\*\*\*: Teasing, sorry.

**Adams:** Give your first and last name and talk for as long as you want.

**Deborah Kafoury:** I'm deborah kafoury from district 1, which includes all of our lovely bridges on the river. And I have with me, ian cannon, he's our bridge manager on behalf the Multnomah county. I would like to thank mayor Adams for serving on the policy advisory group and strong support both public and private of the sellwood bridge project and would like to thank sue and the rest of the transportation bureau staff who partnered with us throughout this l.p.a. Process. We have a lot of work ahead of us, about but the adoption of the l.p.a. Will allow us to enter the next phase of the project time line. I was particularly impressed with the amount of public involvement during this discussion. We had literally thousands of people testifying, writing letters, phone calls. Marching in the street. We closed the sellwood bridge for one morning and had an amazing march across the bridge with parents and dogs and kids. It was quite a sight. Funding for this important project is at the top of the county's priority list and we're committed to work with the city, our regional partners and the state and federal government to get this bridge built. And I think sometimes it gets lost in the process as we're discussing the alignments and all of these interesting details, but this really is a serious need. We're not just building it because we want more jobs or bus we think a new bridge would be really pretty but because of the safety requirements and the really necessary connections this bridge provides for the community and our neighbors regions. So I appreciate your continued support and ian and I would be happy to answer any questions.

**Adams:** Questions for the commissioner or ian?

**Fish:** Since time is not of the essence --

**Leonard:** We're not going to allow it.

**Fish:** I want to thank deborah. She's co-convening with me, looking to find ways to removing barriers to those who have a section 8 voucher and trying to access the private rental market. It's a pleasure -- she brings so much to this job and I want to thank you for, you know, the relationship we're building and also just since you were here earlier for another debate. I want to acknowledge that the person who originally had the idea for restructure about 15 years ago was another kafoury, who now serves on the housing authority of Portland board. She's in a position to -- that's your mom. I want to acknowledge her role because she really was the first person who got it and in turn, all of these years later, we're faithful to that vision.

**Kafoury:** I'm happy to hear that you've learned to take her advice when she gives it. [laughter]

**Leonard:** The mayor's looking nervously at me.

**Adams:** Yes, look at the time.

**Leonard:** He assumes that a county official is here, that I might degenerate into some diatribe about urban renewal areas and that exposes his lack of understanding of our history.

**Kafoury:** He doesn't know.

**Leonard:** He doesn't know. As deborah and I served together in the legislature and she was such an effective member, we elected her as our caucus leader which meant she would have been the



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speaker if she stayed but chose to have children and raise a family instead. Much to the detriment of the state. So much so do I respect Deborah, if she had been the one who came to council arguing against our \$15 million funding mechanism, I would have made the motion to remove it from the package. Fortunately, Ted didn't figure that out yet. And he might and use you as a secret weapon.

**Kafoury:** The metro council are debating on the same measure, but I volunteered to come today here, and he can go to that one.

**Leonard:** It's great to have you --

**Adams:** Courageous county commissioner.

**Leonard:** Don't mistake her demeanor. She went up against the toughest legislators and fought for the principles that she works on daily at the county.

**Kafoury:** Only one time did I have to be taken outside in the hallway and lectured by commissioner Leonard on my tact.

**Leonard:** She said, oh, my god, you're telling me how to behave. I stand and listen. [laughter]

**Adams:** Any other discussion from council? Thank you very much.

**Kafoury:** Thank you.

**Leonard:** Aren't you relieved, Mayor Adams?

**Adams:** I'm very relieved. Quickly, while we're ahead, get out of the room.

**Leonard:** We grew up in the same neighborhood. We share a lot of those --

**Adams:** Anyone else signed up to testify?

**Moore-Love:** No one else signed up.

**Adams:** Anyone who wishes to testify that is not signed up?

**Adams:** Call the roll.

**Fritz:** As a project as complicated and long term as this, this is an achievement that no one came to testify, that shows how well the process has been and apparently, and I haven't had many emails about this either. So good job to all concerned. Thank you for your good work and it's an example of how the city and county and metro and others can work together and we need to continue to work together to find the funding. It's a priority. My son worked at Oaks Park, every day, I was worried that he was going across the Sellwood bridge and it's not acceptable. So I'm very happy that we have the project plan and I will help to try and get the funding. Aye.

**Fish:** It's been stated, but you really do superb presentations on tough issues. I appreciate it, and the last one I remember was Milwaukie light rail and now this. I appreciate the way you take complicated things and reduce it to something that even this council can understand. Thank you for your good work. Sue, as always. Pleased to vote aye.

**Leonard:** This is a very important project and obviously a lot of thought and care has gone into the planning, so I appreciate the work of everybody. Aye.

**Adams:** Thanks again. Look forward to finding the funding for the local match and help with securing state and federal funding as well. Aye. [gavel pounded] item is approved. That brings us to a holdover from yesterday. I refer to as Auditor Blackmer's item. I forgot the number. What's the number?

**Moore-Love:** 290.

**Adams:** Please read the title for item 290.

**Item 290.**

**Adams:** Auditor Blackmer.

**Gary Blackmer, City Auditor:** Mr. Mayor, members of council, Drummond Kahn is not here today. I was going to introduce him, he's going back to Salem, or in Salem. And Ken Gavette who worked on this report is in Hawaii. So I have other places I'd rather be as well. [laughter]

**Leonard:** Let's not start that discussion. That won't end.

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**Blackmer:** Right. Let me talk a little bit about the source of this report. We started realizing we would have a new mayor and two new relatively new council members and a lot of things had changed but there were a lot of things that were ongoing issues that we thought would be worthwhile to put into a report and convey to you. And especially, this is over and above even the economic situation we're now facing. There are some pervasive issues within the -- that are challenging Portland, I think, and they have for a number of years and will for many more years to come and so we wanted to put something together to help you focus on what these key issues are that need attention and it going to take a long kind of horizon to do that. In quick overview, the eight issues are preserving our valuable infrastructure, focusing on results oriented management, assisting the homeless and approving housing affordability, improving services to the Portland's outer east side residents. Working with regional partners to preserve and enhance services, deliver efficient, effective internal services, meeting the challenging of demographic, economic and social change and then resolving recent audit recommendations. I'm going to go over these briefly and cover what's in our report and our report is on the website. And our report is also based on previous audit reports that we've issued and we refer to those at the end of this report so folks can go back and see the origins of some of the our conclusions here. And i'm going to go off the page a little bit. That's unusual. Usually I stay on the facts and the conclusions of our audits. But given where I am in the city and time I have left, I thought I would talk a little bit off the page, so i'll note when it's not an audit and when it's my opinions. Let me start in terms of our valuable infrastructure. You had a great briefing at your budget work sessions on our assets, which total over \$22.4 billion. That's a wealth of inheritance from previous city councils and from the taxpayers that invested in our community and all that we have. And it's really critical for us to always keep our eye on that. So we did a number of audits in the past where we looked at the large bureaus, parks, water, transportation and pointed out the need for better planning and for their operations and maintenance costs, when they acquire new assets. Our audits at parks and transportation show a real and continuing concern. I raised it regarding parks that the facility condition index which we have been pushing for a number of years was conducted for two years and then dropped again. Transportation had been tracking its -- the condition of the streets for over 16 years. It's moving to go a new methodology, new software and we understand the interruption but again, it's a critical concern that's been two years without that measure. It's actually been a valuable element for transportation to talk about needs to the public and be able to articulate it. Which one of the reasons we think it's important to track the condition and the cost to bring these assets up to good operating condition. But again, it really is a concern in terms of deterioration of assets over time and especially in these times when we have limitations in our budget, it's easy to defer maintenance to maintain operations and I recognize that that can be something that you do cut back on, but if you've been cutting back on it for years, that roof that has a small leak at the beginning of the fiscal year can ultimately turn into major damage to a structure by the end of the year. Whereas, if you've kept things in better shape, when the tight times come, it's easier for you to defer maintenance.

**Adams:** I was heartened by the sentence that talks about the need for more funding. I thought that was well placed sentence.

**Blackmer:** Exactly. And from the standpoint of the fact that when transportation asked us to come in and assess their paving operations and it was intentional because they saw they had a paving backlog and wanted to see any way they could tune up the operations to get the most value for the dollars that went into paving. So they knew they had a problem and were able to talk to council about the recommendations they implemented and ultimately that wouldn't be enough to close that gap either. The next area we focused on was results oriented management. This is an area where -- i'm going to get off the page a little bit. We had recommended managing for results. We worked with the office of management and finance on that project. But i've come to the conclusion that this

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is something that's almost systemic in this form of government. It's not entirely bad but ultimately it's something that I think you need to consider as you serve your role as a commissioner or mayor. And let me talk about -- I think the commission form of government, I look at it on three levels. One is accountability to the public. The second is its ability to set policy and direction and be forward looking. And I guess its initiative to address the future. And the third one is management of resources. Getting the best value for the public from those dollars and I would say that, you know, frankly, I support the commission form of government. This is something that I've worked around it, I've seen the strengths and weaknesses and I recognize the voters like it, but ultimately, I think it's because of the accountability mechanism. And when you look around, you see that initiative and that forward looking play out in the city that we have here and I think those are two important things that you don't necessarily get in a strong mayor form of government or in a city manager form of government. However, I think the one area I think it gets weak is on the management side and what I would say is that Portland is well run, but I don't know that this form of government is ever going to get us to world class management excellence and frankly it's because we have citizen managers that what I saw with managing for results was that we had employees and bureau directors who understood what we were trying to do and willing to go that way, but ultimately we couldn't get the council committed to the structure that's required for them to be a part of it. To do the planning, to commit to following through on that planning and how the budgeting is done. To follow through on that budgeting to get the most value, to take the information at the end of the year on what was done or not done, and use that to tune up what you do in the next year. There's a certain amount of flexibility that I think city council wants that's not allowed in the structure like that.

**Leonard:** Do you have an example of a good run city that you compared our form to that we can look to?

**Blackmer:** I think of Charlotte, North Carolina is a good example. They use a different methodology, the balanced scorecard. But there area and actually, I would say the best in the world right now is what's happening in England. They're assessing cities on their governance. Their actually issuing - -

**Leonard:** Yeah, Matt Davis about jumped out of his chair behind you.

**Blackmer:** Well, they're accessing governments their sending out peer teams from one government to another to look at things like initiative. To look at how their financial condition, their s.e.a., their and what their actually doing now they've - -

**Leonard:** Is that all cities in England?

**Blackmer:** They know the worst managed and best managed cities in England. And they do it - -

**Leonard:** Is that coincidental that all of the cities do it? Is there some form of government that requires - -

**Blackmer:** One of the nice things about a federal government is they can impose it on a local government. And they criticized the city councils on their ability to work together. Their ability to kind of reach --

**Leonard:** Obviously, that's not possible for the United States. But you would say Charlotte, North Carolina. Some of us are interested in following up.

**Blackmer:** Sure, and I can give you more on a list like that.

**Leonard:** I'd be interested in that.

**Blackmer:** To me, again it's something that's council's decision. You know, you have your priorities and obviously, fitting within a structure where your budget decisions are determined -- I mean, what I saw and what I heard in these recent budget sessions were you were making policy decisions within the budget process instead of, you know -- it should have been budget decisions made in the policy process.

**Leonard:** I think you heard that exact issue articulated as a concern in the police budget.

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**Blackmer:** Right, and other places as well --

**Leonard:** But we didn't want the budget to drive the policy. But we wanted the policy to be set and the budget to follow that. That was exactly what commissioner Fish articulated in the police budget.

**Blackmer:** When the budget is six months out of year, it's hard to do your work and not be in the middle of the budget process. Is one of the other challenges.

**Leonard:** How do you fix that?

**Blackmer:** That's where you really start conscientiously saying okay what are the things we really think we can do to make government for efficient? And then work those into the budget process. But, you know, what we saw with managing for results was it was being consumed by the budget process. It was a part of it rather than managing for results. If you think about it, it's planning, budgeting, managing and reporting. Budgeting is part of a bigger thing and it was hard to build something bigger than the budget because it's such a consuming thing for this government.

**Fish:** Can I ask one thing about charlotte. I stumbled on their website not long ago and thought they had a much better website then we have, among other things. But is there something about their form of government that you think leads to the improvements that their particular form of government because they have a somewhat unusual form, too.

**Blackmer:** As I recall, they have a city manager there and I think that's one of the ways that this couldn't get driven, a city manager commits but then you lose the city manager and it goes away.

**Adams:** A long time mayor.

**Blackmer:** Well, and that is another advantage.

**Adams:** 20 years or so.

**Blackmer:** You get to a point --

**Adams:** We'll all be there in 20 years.

**Blackmer:** You get to a point and you see, we've done what we can and let's ramp it up. That's where I see Portland. Management is pretty good, but the next step is requiring a serious large commitment of this council. So the challenges remain there and ultimately it's something that is going to be a multi-year commitment and I think, you know, the trade-offs may be that you can't be spontaneous in your budget decision making. It needs to be --

**Adams:** He looked at you. He was looking directly at you and held his gaze.

**Blackmer:** I'm returning to the --

**Adams:** Thank you, auditor blackmer, for delivering that audit result.

**Blackmer:** I'm returning to the audit report. Assisting the homeless and improving housing affordability is going to be a bigger and bigger problem. I remember about 15 years ago a friend of a relative called me from chicago wondering if there were any jobs in housing affordability in Portland. I said, no, you can buy a house for \$15,000 in pretty good neighborhoods and seemed like an odd thing to have someone working on that. And obviously, we've really hit a huge impact in terms of housing affordability in Portland and it's just going to get worse. I think we're leaders in the country in that, but again, the problem is going to keep going farther than we can in terms of what we can solve every year. It's one of those that I think you're going to be struggling with as time goes on.

**Fish:** The only silver lining, gary and it's an irony, is it may be a good time to be a first time owner in Portland because you don't have to sell your home it buy a home. The market's soft. It's a buyer's market. There are federal tax credits. We have city programs and other things. Younger people who are prequalified, this may be as good a time as in a generation to be a first-time homeowner.

**Blackmer:** That's very true. And any ways the city can help would be worthwhile in the long run for the community because obviously, homeowners have a stronger commitment to their neighborhoods and to their neighbors and that can build stronger communities. The east side is

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another problem, and it's actually a consequence of some of the affordable housing near the low interest loans and subprime that's happened. It's created the housing bubble that's brought a lot of rental properties up for sale which has pushed a lot of low-income people out to more affordable areas of Portland and the surrounding suburbs. We saw that getting worse and we started to report on that. We did a special audit where we saw the satisfaction, excuse me where city services had worsened considerably in east Portland. And what we saw was dissatisfaction with housing conditions, with streets, with the services and the access to services out there. Because when you live out there, you're having to drive more because public transportation is just farther away, because of the layout of the larger blocks. So the city has been working in that area a lot. But ultimately, we have a lot more to do because the average income out there is dropping year by year. The density in the schools and the concentration of the children in the classrooms is growing year by year and I think it's really going to require a lot of long term attention by the city in order to address those concerns. This is another one where I'm going to get off my audit a little bit here. This has to do with working with regional partners left and I'm going to talk about Multnomah county in particular. I think we have a great mix of very distinct governments in the Portland area. And what's happened is rather than consolidation, we've specialized and I think that's actually turned out to be a better service for the public than trying to build one very large bureaucracy that is the be all and end all for everybody. But what that means is that coordination and mutual support is also a critical piece of it because the services that one government provides has an impact on the other governments, or the lack of services. And that's ultimately what we're seeing with Multnomah county. I've spent half my career in Multnomah and half of it in the city of Portland. And it's not been 15 years here and 15 years there. It's been a year here, six years there. Five years here. Eight years there. And now 10 years back here. I've seen the initiatives and consequences of those on both sides over my career and I need to tell you that Multnomah county is in serious financial trouble. And it's something that it's not their fault. It's really the consequence of decisions that have been made in Salem and to a certain extent in this building. Over the years, I've seen Portland -- well, let me start with Salem. What's happened was -- the county is an arm of the state and the state basically has delegated more and more responsibilities to the local level without the funds to pay for it. And this is in a time when Measure 5 and other tax limitations have really hamstrung the county's revenues. They depend, almost half of their resources are from the state, and a third are property taxes, which are limited by Measure 5 to 2% or 3% growth. They have 15% that is affected by inflation, their business income tax. So, they really are in what we call structural deficit. Every year they're going to have to make cuts because every year, their costs are going to grow faster than the revenues. What you're seeing now is a big cut and you're going to see another one next year and another one the year after. They can't get out of it with the revenue that they have. The state legislature would have to restructure all of state financing in order to solve Multnomah county's problem. And all the counties of Oregon because they're all in that fix. Mental health got pushed down. Community corrections got pushed down to the local level. Incarceration of felons of less than one year got pushed down to the county level. All sorts of things the state said, here's a little money, go and do it. And the counties have tried to do it with the money they had or raise local revenues. Let me give you one example of how the city has not contributed not very kindly to the county situation. Voters approved a levy for Multnomah county to build a jail, but then Portland blocked the county's attempt to put a levy forward to operate that jail. That was in 1999 for the Wapato jail and the county and it now stands and the county has no money to operate it.

**Leonard:** Can you elaborate that? I'm not aware of what that, what you're describing.

**Blackmer:** Sure, what happened was Bev Stein approached -- well, through the budget office approached the city to say we're putting together a levy we would like to make an operating levy to pay for a new jail. Tim Grewe wrote a letter back, saying, well, we agreed in 19 -- when -- let's see,

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1990, when measure 5 passed that we would respect each other's tax bases. This would violate our agreement from 10 years ago and we don't think it's a good idea. So then bev approached city council and said, you know, I got this memo, here's our response, an explanation for how the world has changed dramatically since measure 5 passed for Multnomah county and we'd like to go forward with it. Well, obviously, you know the answer to that. It didn't happen.

**Leonard:** I'm confused about the technical aspect of that. Did the city council have some legal ability to block?

**Blackmer:** There was a joint agreement that all -- all the governments.

**Adams:** Not legal, it was political.

**Blackmer:** It was political.

**Leonard:** The county could have gone forward had they chosen to but just over the objections of the city council.

**Blackmer:** Yeah, I think it would have been hard for the county to get the voters to approve something that the city council thought was a bad idea. Ultimately, it was their call but going out for a tax increases that is unpopular with a government that has 85% of the citizens of Multnomah county might be a tough sell. So that is one example. I know they tried a business income tax increase prior to that to no avail.

**Leonard:** They just cut the business income tax.

**Blackmer:** Well, it was --

**Leonard:** In the middle of what you're describing, a year ago, they passed a cut to the business income tax.

**Blackmer:** And I think that was the restructuring that this city led the initiative on.

**Leonard:** You thought that was ok.

**Blackmer:** I would not have said that was ok. I think they were trying to align the Multnomah county tax with Portland's tax.

**Leonard:** But it cost them \$800,000 a year.

**Blackmer:** It did.

**Leonard:** Which is the cost of the 12 employees laid off July 1st.

**Blackmer:** They've got over \$40 million, that they're short.

**Leonard:** I'm talking about the pink slip that the employees got was equal to what they cut.

**Blackmer:** That's just a drop in the bucket for what they're facing.

**Leonard:** Not for those 12 folks.

**Blackmer:** We can debate that, but i've got to tell you, i've been on both sides of this. And there's a certain amount of -- i'm sorry.

**Adams:** If I recall correctly, they eventually did go forward. I don't remember all of the details but I know over time they have invaded on that agreement on tax bases. With the library levies. They did move forward on library levies which were -- and we did move forward on the income tax.

**Blackmer:** The three-year income tax.

**Adams:** That also benefited them as well. The polling was never great on the wapato jail funding piece.

**Blackmer:** Well, I hate to say it, but the voters had just approved building a jail. So -- I mean --

**Adams:** Part of the reason I think it wasn't popular, is that they weren't under the impression they would have to pay more to operate it.

**Fritz:** Since measure 5 and 49 and 50, has there been any attempt by all the jurisdictions that can tax the citizens of Portland to get together and make sure we don't put things on the ballot which are going to cause compression and we won't get what we are promises to the voters.

**Adams:** There's been extensive coordination and cooperation over the years.

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**Fritz:** What happens now, because I appreciate this historical perspective. What happens now when a jurisdiction wants to put something on the ballot? What's the process for how the leadership gets together and figures out how to cut the pie.

**Adams:** In different election cycles, my impression has been there's different degrees of formality. And formality there's a lot of consultation, sort of bilateral consultation. A lot has to do with the -- like anything else, early in a political season, they'll say we're interested in this and then they'll do the polling and figure out what is popular and what's not. And those that pass a certain threshold go on for more discussion between jurisdictions. In the case of the school levies, surcharges, there's extensive cooperation. So that that ended up being a measure that was for schools and some for public safety but a lot for social service net as well. That's probably the best example of the most robust cooperation between jurisdictions.

**Blackmer:** And I don't intend to dwell on the past so much as the future. Because ultimately I think something like that is necessary. I had hoped the state would restructure the tax system to help counties. It hasn't happened. And I think what you're going to face with Multnomah county is continuing dire straits with greater and greater burdens on your emergency medical services, police services, are housing services, as they start not able to handle the root causes. I've always seen Portland as the thing that moves the problem around and Multnomah county as the place that has to try and solve it. If it's someone with criminal issues, mental health issues, alcohol and drug issues, health issues. That ultimately Multnomah county is expected to solve them. And Portland moves them. Meaning the police will take them to jail or --

**Adams:** Would you agree though as well with the observation, that isn't in contradiction but stands beside that observation that Portland and Multnomah county provide a level of social services and enhanced services at a variety of levels that subsidize for the entire region?

**Blackmer:** I don't know how you would stop that. I mean, I think --

**Adams:** Do you agree that -- I mean, we provide more services here through the non-profits, through the county, through the city, we provide more robust services than most -- just in the housing arena. We spend more local money on housing and homeless programs than anybody. I mean, any other government up until recently for a long time.

**Blackmer:** Well I guess what I'm saying is your going to have to spend more.

**Adams:** I agree.

**Blackmer:** Because it's going to get worse. And it's not through you know the issue of what the city is failing to do, it's through the issue of what the county can no longer do with its resources.

**Adams:** My point and what the state fails to recognize, that we're a provider for a big swath of both states and we don't get -- Multnomah county doesn't get any credit for that nor does the city of Portland.

**Blackmer:** I agree entirely. So I guess what we would encourage is to think about ways that the city can collaborate more with the county. Looking at restructuring local finances, looking at ways that -- again, the county is in a tough spot in terms of that 15% of their resource base is the only thing that grows with inflation or can keep up with inflation and the rest of it is either -- at the decision of salem or Washington d.c. Or it's just -- you know, the 2% or 3% growth in property taxes. There's been some discussions that commissioner Leonard has been looking at animal control and ways to relieve them of that and actually maybe provide services at a level city residents want. It's not an area that the county considers a priority, but the city does and obviously that's on of those issue where we're in a position where our needs may be more than the county can provide in that area. And, you know, there may be more areas like that.

**Fish:** To give you one example gary, we're waiting for the rule making to be finished in salem on our allocation of the neighborhood stabilization money, which is congress' approach to the foreclosure mess that's sending money to local jurisdictions to buy distressed properties that are in foreclosure. With the understanding they'll be retained as part of an affordable housing portfolio.

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It's a little bit downstream, it's not an upstream solution but it's at least capitalizing on the availability of less expensive properties provided you keep them affordable. There's an allocation to the county, there's an allocation to the city, there's an overhead for administration in both. We've suggested in the county, why don't we take all the money and then work with you on how to spend it on joint priorities rather than have two different government bureaucracies administer. And we really can't afford to duplicate services like that in the future.

**Blackmer:** I think that's good. One of the things working together I think you're going to discover is that I've heard in this government, a little bit of -- I wouldn't -- I'll call it arrogance. There's a feeling that we're -- our managers are better than their managers. And I've heard that from elected officials also. I've audited in both governments and I think there are outstanding department heads in the Multnomah county just like there's outstanding department heads in the City of Portland.

**Leonard:** I hope you haven't heard that about anybody currently elected?

**Blackmer:** No, no.

**Leonard:** I've never thought that or heard that.

**Blackmer:** It's out there. There's the -- I don't know, this place is -- I've always described it as the difference between professional basketball and college basketball. That the city of Portland -- well, let me start with Multnomah county. It's people who don't have the television time, the attention, the salaries that the people in the big leagues have and here it's a more physical game. It's more money. It's more television time. So there's a certain amount of that that goes on regardless of where you feel they are in terms of the status between Multnomah county and Portland.

**Leonard:** I appreciate you saying that because I've lived here all my life and been in politics most of my adult life. That's the first time I've ever heard that.

**Blackmer:** That was my metaphor.

**Leonard:** No, my first time I've ever heard a sense from people in the city, that the people at the county are not as professional. From my own personal experience has been quite the opposite. As you probably know, I reached out and got Jimmy Brown who had worked for the county his entire career to lead the office of neighborhood involvement. And I suppose, I really appreciate this conversation in this context as well because I guess I've had also a different perception about our collaboration with them. In addition to the animal control stuff you're alluding to. For three years, we rented 57 jail beds a year from the county. Gave them money to operate for jail beds that's clearly their responsibility to fund, no questions asked. Spent about a million three a year for treatment services that the county -- so we continued to provide for people who historically have been treated by the county. So I guess I have a different perception.

**Blackmer:** But the difference is why are we having to pay them for something that's really is their responsibility when they don't have the money in the first place.

**Leonard:** Exactly, and we are, because they don't have the money.

**Blackmer:** Right.

**Leonard:** But to suggest we need to collaborate more because they don't is difficult because I feel like we do.

**Blackmer:** Well --

**Leonard:** In recognition that they don't have enough money.

**Blackmer:** The root cause of the problem is financial for them.

**Leonard:** Let's take that a step, I'm glad you raised that. One of my frustrations in funding the Sellwood bridge is we're getting \$35 million from the government's package for transportation, as you pointed out, in your audit, we have a lot of needs, that \$35 million won't meet. We're on the precipice of agreeing to give the county \$8 million a year as a third of the funding package to build Sellwood bridge, though it's their responsibility. The frustrating part for me is that the county had put together a thoughtful, balanced funding package for that and shopped around the cities, one city, Maywood Park, which I would challenge you to call them a city.



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**Blackmer:** I've been to their city hall.

**Leonard:** As have I.

**Blackmer:** Someone's living room.

**Leonard:** Maywood park objected so they dropped the plan. So the alternative is to ask us for \$8 million a year. To me, part of this has to be exactly what you are saying. You said it in your written report. You haven't discussed it yet but you said we should talk about a telephone tax, a cell phone tax. I would go a step further and say we should be raising the gas tax in Multnomah county to pay for the bridge. That's the logical thing to do. But one city raised an objection and we drop --

**Adams:** Just to clarify in fairness, that was the state law. They had to go around and get the approval of selected jurisdictions and any one of the jurisdictions could veto the vehicle registration fee.

**Leonard:** True, but we could refer to the ballot without approval of those cities a gasoline tax. Two cents a gallon gasoline tax the county levies from years ago currently. We can levy two cents or three cents or four or five cents tomorrow that the county had the political will to do it and pay for the bridge. But instead, were giving \$8 million a year that would go to build sidewalks in lents or cully, or streets in lents or cully. I want to be fair. Some of this is about having the political wherewithal to ask for a tax increase.

**Blackmer:** Well, and as a Sellwood resident I will say I think a regional bridge authority is the better answer.

**Leonard:** I like that.

**Adams:** But that's not a realistic answer. Washington county folks are not going to sign up to tax themselves to pay for the Sellwood bridge.

**Blackmer:** But it would be all bridges. It wouldn't be just one bridge.

**Adams:** But so far theirs been absolutely no interest in that.

**Fish:** Gary, I just want to be cognizant of your time. I'm hoping when you wrap up you can also give us a quick update on the hotly contested race for your successor ship.

**Blackmer:** All right. My successor may be around here somewhere.

**Adams:** It's a quarter to five.

**Blackmer:** We point out some areas where work has been done and could be done. In that let me just talk real briefly. Internal services we've been monitoring that and it's a key area because these are the services that help us provide external services to the public. Facilities, fleet, telephone and soforth. So to the degree that that's an area where I think the city always needs to be cognizant that those costs burdens, the efficiency and timeliness of services are - can be a hindrance or a help to the services that are provided. There are the office of management and finance conduct surveys and identifies areas where work is needed and we've contacted bureaus of those that had the lowest scores and we see work happening there. But its just a long term issue. I think council always needs to take -- pay attention to. The, um, the demographic, economic, and social changes that are coming are obviously going to be big ones. The aging population, working couples, and smaller families, and again, the movement of poverty to east Portland, those are all issues that are really going to be a challenge for us to, to deal with, especially, you know, how it affections our economy, now and in the future, um, and looking at our transportation system, I mentioned that, that people living in east Portland don't have as easy access to transit or there is a lot more walking to get to a bus stop than there is if they are living closer in and the buses are closer together. So, those are issues that, that we always need to be cognizant of, and obviously, our education system to meet the next century. Let me, we raised, in the back of the report, a number of audit recommendations that we thought were significant ones in the past that, you know, we just want to bring to council's attention because they are things that will continue, and, you know, the police overtime, the number of detectives, still remains low, he cost model being worked on for transportation, the new payment

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management system, and looking at the construction process throughout the city and how that can be improved, and long-term performance measures to assess the homeless plan, parks needing to reinstitute its facility condition index, and then developmental services, looking at, at the organizational changes underway to approve coordination and make sure that that happens, so, we have references to our past audits in the back report and those are available online for anyone who wants to read them in more detail. That's the end of my presentation.

**Adams:** Very, very interesting comments from the council.

**Leonard:** Appreciate that. Thank you.

**Adams:** Thank you very much.

**Blackmer:** Oh, and you wanted to hear about, about the --

**Adams:** Do we vote on this?

**Blackmer:** Would you like to hear from the candidate, herself?

**Adams:** Sure.

**Leonard:** Were there any rumors of a vigorous write in candidate? Candidate campaign?

**Adams:** Good afternoon, welcome to the city council, glad you are here.

**Lavonne Griffin-Valade:** Thank you. This is truly my first appearance before the city council. Lavonne Griffin-Valade. I'm the former county auditor, and only candidate for city auditor, and I look forward to joining the ranks of the city and, and having an opportunity to go through a transition period and learn from my mentor and retiring city auditor, gary blackmer, and I look forward to working with all of you very much.

**Leonard:** What's the date that you would actually take office?

**Griffin-Valade:** Well, I think I have to wait until the vote is certified and, and andrew has that date sort of tentatively identified as june 17.

**Fish:** Is there any possible scenario under which you could lose this election, yvonne?

**Griffin-Valade:** I suppose that there could be a vigorous write in campaign. That would be interesting. I don't think so. I'm it.

**Fish:** By charter at the county, you have to relinquish your old job to run for this so you are technically unemployed.

**Griffin-Valade:** Yes, unemployed.

**Fish:** Unemployed and a full-time candidate.

**Griffin-Valade:** Yes.

**Fish:** And you also did not opt for public financing, correct?

**Griffin-Valade:** That's correct.

**Fish:** Have you set a budget for this campaign?

**Griffin-Valade:** Um, \$300 for the voters' pamphlet and \$50 for the filing fee, and, and --

**Leonard:** Trying to buy the office?

**Fish:** How does that compare with gary's first race?

**Griffin-Valade:** First race for city auditor, i'm not sure.

**Leonard:** So who filed for your seat at the county?

**Griffin-Valade:** There is only, only one candidate for the county city, as well, and that's steve march.

**Leonard:** Another old friend from the legislature.

**Adams:** Steve march. He's, he's a c.p.a.

**Griffin-Valade:** He's a c.i.a., certified internal auditor.

**Fish:** And you and steve were two of the candidates for, for your previous job, is that correct?

**Griffin-Valade:** Yes, yes.

**Adams:** Ok. Well, we look forward to having you onboard.

**Griffin-Valade:** Thank you very much.

**Fish:** Thanks gary.

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**Leonard:** Good luck.

**Adams:** This is a report and do I hear a motion to accept?

**Fish:** Motion.

**Leonard:** Second.

**Adams:** Anyone wishes to testify on this matter. Matt, anybody Kathryn, Karla? All right. Karla, please call the roll.

**Fritz:** Thank you very much, matt -- matt. [laughter] well matt's been sitting here the whole afternoon, Kathryn too and Karla. Thank you all for being here. Thank you. Thank you very much Gary, it's a very interesting discussion and lavonne when your onboard, I hope that these kinds of, I think it's very healthy to have this discussion amongst elected officials and I appreciate it very much, aye.

**Fish:** Gary, thank you for your service. The state is lucky to have your services going forward, and yvonne, we look forward to working with you here. Aye.

**Leonard:** I really enjoyed the discussion, too, it's very helpful and I want to do that more, aye.

**Adams:** As always, thank you. Aye. [gavel pounded] Council is adjourned.

At 4:53 p.m. Council adjourned.