



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **17TH DAY OF JUNE, 2009** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Adams, Presiding; Commissioners Fish, Saltzman, Leonard and Fritz, 5.

Commissioner Leonard arrived at 10:05 a.m.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Linly Rees, Deputy City Attorney; and Ron Willis, Sergeant at Arms.

Items No. 833 and 843 were pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

		Disposition:
COMMUNICATIONS		
815	Request of Henry Kane to address Council regarding relevant information (Communication)	PLACED ON FILE
816	Request of Ullis Hardiman to address Council regarding prevarications and official misconduct (Communication)	PLACED ON FILE
817	Request of David Regan to address Council regarding the anti-camping law (Communication)	PLACED ON FILE
818	Request of Leo Rhodes to address Council regarding the anti-camping law (Communication)	PLACED ON FILE
819	Request of Shelby Spencer to address Council regarding the sit-lie ordinance (Communication)	PLACED ON FILE
TIME CERTAINS		
820	TIME CERTAIN: 9:30 AM – Approve the designation of twelve trees as Portland Heritage Trees (Ordinance introduced by Commissioner Fish)	REFERRED TO COMMISSIONER OF PUBLIC WORKS

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<p>S-821 TIME CERTAIN: 10:00 AM – Approve the Amended and Restated River District Urban Renewal Plan to expand boundaries by a net 41.98 acres, increase maximum indebtedness by approximately \$325 million and extend expiration date to June 30, 2021 (Ordinance introduced by Mayor Adams)</p> <p>Motion to accept Substitute Ordinance: Moved by Commissioner Fish and seconded by Commissioner Saltzman. (Y-3; Fritz and Leonard absent)</p>	<p align="center">SUBSTITUTE PASSED TO SECOND READING JUNE 24, 2009 AT 9:30 AM</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p>	
<p align="center">Mayor Sam Adams</p>	
<p align="center">Bureau of Transportation</p>	
<p>*822 Extend contract with the Lloyd Transportation Management Association one year and increase by \$90,000 to provide transportation related services to employees in the Lloyd District (Ordinance; amend Contract No. 36766)</p> <p>(Y-4; Leonard absent)</p>	<p align="center">182902</p>
<p>*823 Authorize an Intergovernmental Agreement with Metro and accept \$18,749 to administer the SmartTrips Portland training program for regional partners (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center">182903</p>
<p>824 Grant revocable permit to Bridgeport Brewing Company to close NW 13th Ave between NW Marshall St and NW Northrup St from 4:00 p.m. until midnight on July 29, August 5, August 12, August 19 and August 26, 2009 (Ordinance)</p>	<p align="center">PASSED TO SECOND READING JUNE 24, 2009 AT 9:30 AM</p>
<p align="center">Office of Management and Finance – Business Operations</p>	
<p>*825 Pay claim of Michael Bruce (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center">182904</p>
<p>*826 Pay claim of Cascade Nut & Bolt (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center">182905</p>
<p>*827 Pay claim of Hertz Rental Company (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center">182906</p>
<p>*828 Pay claim of Pacific Cargo Services (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center">182907</p>
<p align="center">Commissioner Nick Fish Position No. 2</p> <p align="center">Bureau of Housing and Community Development</p>	

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<p>*829 Amend subrecipient contract with JOIN by an additional \$48,380 to provide for winter shelter improvements for families and provide for payment (Ordinance; amend Contract No. 38155) (Y-4; Leonard absent)</p>	<p>182908</p>
<p>*830 Amend subrecipient contract with Impact Northwest, formerly Portland Impact, by an additional \$40,000 for relocation services and provide for payment (Ordinance; amend Contract No. 38186) (Y-4; Leonard absent)</p>	<p>182909</p>
<p>*831 Amend subrecipient contract with the Housing Authority of Portland by an additional \$2,984 to provide for additional rent assistance and provide for payment (Ordinance; amend Contract No. 32000027) (Y-4; Leonard absent)</p>	<p>182910</p>
<p>*832 Approve three-year tax exemption extension requested by the Hazelwood Group LLC for the Hazelwood Retirement Community (Ordinance; amend Ordinance No. 181961) (Y-4; Leonard absent)</p>	<p>182911</p>
<p>Portland Parks & Recreation</p>	
<p>*833 Authorize an Intergovernmental Agreement with Multnomah County Animal Services to provide funds for enforcement of leash and scoop laws in City parks (Ordinance)</p>	<p>REFERRED TO COMMISSIONER OF PUBLIC WORKS</p>
<p>*834 Authorize Intergovernmental Agreement with David Douglas School District for the joint use of property at Gilbert Heights Park and Gilbert Heights Elementary School (Ordinance) (Y-4; Leonard absent)</p>	<p>182912</p>
<p>Commissioner Dan Saltzman Position No. 3</p>	
<p>Bureau of Environmental Services</p>	
<p>835 Authorize Intergovernmental Agreement with Clean Water Services District to control garlic mustard and knotweed in the Tualatin River Basin up to \$24,000 for 2008/09 and 2009/10 (Second Reading Agenda 796) (Y-4; Leonard absent)</p>	<p>182913</p>
<p>Bureau of Police</p>	
<p>*836 Authorize a grant agreement with Portland Police Bureau Sunshine Division in an amount not to exceed \$28,000 (Ordinance) (Y-4; Leonard absent)</p>	<p>182914</p>
<p>*837 Authorize an Intergovernmental Agreement with Clackamas County and Tri-County Metropolitan Transportation District of Oregon for the provision of transit police services (Ordinance) (Y-4; Leonard absent)</p>	<p>182915</p>

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<p>*838 Apply for a \$120,821 competitive grant from the U.S. Department of Justice, Office of Justice Programs, National Institute of Justice to improve the quality and timeliness of forensic science services (Ordinance) (Y-4; Leonard absent)</p>	<p>182916</p>
<p>*839 Apply for a \$500,000 competitive grant from the U.S. Department of Justice, Office of Community Oriented Policing Services, FY 2009 Secure Our Schools Program for the development of school safety resources (Ordinance) (Y-4; Leonard absent)</p>	<p>182917</p>
<p>Commissioner Randy Leonard Position No. 4</p> <p>Bureau of Water</p>	
<p>*840 Certify and transfer delinquent sewer system user fees to the Multnomah County Assessor for collection pursuant to ORS Section 454.225 (Ordinance) (Y-4; Leonard absent)</p>	<p>182918</p>
<p>Commissioner Amanda Fritz Position No. 1</p> <p>Office of Neighborhood Involvement</p>	
<p>*841 Amend grant agreements with five non-profit neighborhood District Coalitions to support civic participation services for neighborhood associations and individuals within their respective target areas from July 1, 2009 through June 30, 2010 (Ordinance) (Y-4; Leonard absent)</p>	<p>182919</p>
<p>*842 Amend grant agreement with Center for Intercultural Organizing for additional \$5,222 for development and implementation of the Diversity and Civic Leadership Academy for the period of December 17, 2008 through December 16, 2009 (Ordinance; amend Contract No. 32000012) (Y-4; Leonard absent)</p>	<p>182920</p>
<p>City Auditor LaVonne Griffin-Valade</p>	
<p>843 Certify abstract of votes cast and proclaim candidate elected at the Municipal Non-Partisan Special Election held in the City of Portland, May 19, 2009 (Report) (Y-5)</p>	<p>ACCEPTED</p>
<p>REGULAR AGENDA</p>	

<p>Mayor Sam Adams</p>		
<p>Bureau of Transportation</p>		
<p>*844 Designate Transit Mall and Auxiliary Vehicular Lanes (Ordinance; amend Code Chapter 16.50 and add Section 16.90.392) (Y-5)</p>		<p>182921</p>
<p>845 Vacate a portion of SE 133rd Pl north of SE Ramona St subject to certain conditions and reservations (Second Reading Agenda 806; VAC-10061) (Y-5)</p>		<p>182922</p>
<p>Office of Management and Finance – Business Operations</p>		
<p>*846 Pay claim of Kamichia R. Riddle (Ordinance) (Y-5)</p>		<p>182923</p>
<p>*847 Authorize five-year agreement with Richard E. Sherman & Associates, Inc. for actuarial services not to exceed \$118,130 (Ordinance) (Y-5)</p>		<p>182924</p>
<p>Office of Management and Finance – Financial Services</p>		
<p>*848 Authorize the City Treasurer to make deposits to the Albina Community Bank in an amount not to exceed \$250,000 (Ordinance)</p>		<p>REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</p>
<p>Office of Management and Finance – Purchases</p>		
<p>849 Accept bid of Nutter Corporation for the Powell Butte Reservoir 2 Site Development Project in the amount of \$3,707,777 (Purchasing Report - Bid No. 110303) Motion to accept report: Moved by Commissioner Leonard and seconded by Commissioner Fish. (Y-5)</p>		<p>ACCEPTED PREPARE CONTRACT</p>
<p>Commissioner Nick Fish Position No. 2</p>		
<p>Portland Parks & Recreation</p>		
<p>850 Amend contract with Walker Macy for design and construction administration of the Waterfront Park, Ankeny Plaza and Street Improvements project (Ordinance; amend Contract No. 37303)</p>		<p>PASSED TO SECOND READING JUNE 24, 2009 AT 9:30 AM</p>
<p>Commissioner Randy Leonard Position No. 4</p>		
<p>851 Amend City Code requirements regarding district property management license to include certain owner occupied housing (Second Reading Agenda 813; amend Code Chapter 6.06) (Y-5)</p>		<p>182925</p>

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FOUR-FIFTHS AGENDA

Commissioner Amanda Fritz

Office of Neighborhood Involvement

- *851-1** Amend grant agreement with Resolutions NW for an additional \$1,500 for facilitation of retreat for Diversity and Civic Leadership and neighborhood District Coalition community leadership (Ordinance; amend Contract No. 38117)
(Y-5)

182926

At 12:28 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **17TH DAY OF JUNE, 2009** AT 2:00 P.M.

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

Commissioner Saltzman arrived at 2:15 p.m.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Jim Van Dyke, Chief Deputy City Attorney; and Ron Willis, Sergeant at Arms.

<p>852 TIME CERTAIN: 2:00 PM – Portland to Milwaukie Light Rail: Briefing on Willamette River bridge and acceptance of the conceptual funding plan for the City of Portland contribution to the South Corridor Phase II: Portland-Milwaukie Light Rail Project (Resolution introduced by Mayor Adams)</p> <p>(Y-4)</p>	<p>Disposition:</p> <p>36709</p>
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At 2:50 p.m., Council recessed.

June 18, 2009

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **18TH DAY OF JUNE, 2009** AT 6:00 P.M.

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

At 6:22 p.m., Council recessed.

At 6:32 p.m., Council reconvened.

Commissioner Saltzman left at 8:20 p.m.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Kathryn Beaumont, Senior Deputy City Attorney; and Ron Willis, Sergeant at Arms.

853 TIME CERTAIN: 6:00 PM – Conduct a Proposed Use Hearing on State Shared Revenue (Hearing introduced by Mayor Adams)	Disposition: PLACED ON FILE
854 Certify that certain services are provided by the City to establish eligibility for State Shared Revenues (Resolution introduced by Mayor Adams) (Y-4; Leonard absent)	36710
*855 Accept funds from the State of Oregon under the State Revenue Sharing Program for the fiscal year beginning July 1, 2009 and ending June 30, 2010 (Ordinance introduced by Mayor Adams) (Y-4; Leonard absent)	182927
*856 Close the Water Growth Impact Trust Fund, the Portland Police Association Health Insurance Fund and the Parking Facilities Debt Redemption Fund, and create the Tax Increment Reimbursement Fund (Ordinance introduced by Mayor Adams) (Y-4; Leonard absent)	182928
*857 Adopt the annual budget of the City and establish appropriations for the fiscal year beginning July 1, 2009 and ending June 30, 2010 (Ordinance introduced by Mayor Adams) Motion to adopt the budget as amended in Attachments B, C, D, and E to the June 11 memo “Adoption of the FY 2009-10 Budget for the City of Portland”: Moved by Commissioner Fish and seconded by Commissioner Fritz. (Y-4) (Y-4; Leonard absent)	182929
*858 Levy taxes for the City for the fiscal year beginning July 1, 2009 and ending June 30, 2010 (Ordinance introduced by Mayor Adams) (Y-4; Leonard absent)	182930
859 TIME CERTAIN: 6:30 PM – Adopt and implement the Hayden Island Plan and amend Comprehensive Plan Map (Ordinance introduced by Mayor Adams)	CONTINUED TO JULY 8, 2009 AT 2:00 PM TIME CERTAIN

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At 8:30 p.m., Council adjourned.

LAVONNE GRIFFIN-VALADE
Auditor of the City of Portland

By Susan Parsons
Acting Clerk of the Council

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

June 17, 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.

JUNE 17, 2009 9:30 AM

Adams: I apologize for being late. Can you please read the title for council communications no. 815.

Item 815.

Adams: Mr. Kane, good morning, welcome to the city council. You need to give us your first and last name and you have three minutes and that clock helps count down your time.

Henry Kane: Ok. Your office has my latest written testimony. It reproduces the article in stump, the Oregonian, and then 11 pages of very informed comment. Noticeable, everybody seems to know how to spell. The major reason i'm here is that from what I can gather, the city is not protecting itself from a repetition of what happened with Portland family entertainment. They walked and the city was stuck. And still paying for the bonds. As I see it, the city intends to allow the signatory on a final agreement to be peregrine, a delaware limited corporation. And the experience elsewhere, and i've written my earlier testimony, is that when there's trouble, the assets of the corporation are taken out and the taxpayer is stuck. I don't want to see a repetition of that, particularly, we're not talking about one or two million. We're talking about maybe a hundred million. Nothing is ever built for what it costs. The greatest good for the greatest number is the rule of life. And as I read the papers, there'll be 15 soccer games and 72 or so baseball games, so what would appear to me in terms of income, that somebody would select the game that produces the most revenue. And may I commend commissioner Fritz for calling to my attention the overhead costs of urban renewal bonds. And the -- excuse me -- the consultant's report is very, very helpful to the opponents who are homeowners and the like and not -- homeowners and the like and not members of the [inaudible]

Adams: Thank you, mr. Kane. I appreciate your testimony. Sue, please read the title for council communications 816.

Item 816.

Adams: Good morning, welcome to city council. Glad you're here. You just have to give us your first and last name and you have three minutes.

Ulis Hardiman: I'm ulis hardman. Commissioner Fritz, commissioner Saltzman. I have the pleasure of addressing this august assembly, I hope you will forgive me if I beg off and seek a postponement. I haven't so far been able to get my car back and get the work out there. And the deal I had on my apartment, i've lost that apartment also. But please bear with me and allow me that I will postpone and address you at a later date.

Adams: Thank you, sir. Very much. Appreciate you coming to city council.

Fritz: It was nice for you to come today and say you couldn't speak. I appreciate that.

Adams: Sue, please read the council communication item 817.

Item 817.

Adams: We bring up people individually.

*****: [inaudible]

Adams: Good morning.

*****: Good morning.

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

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David Regan: Thank you. My name is david regan. I've been before you a couple of times wearing my gardening hat and hoping you will like the idea of green work projects for homeless people. Combining housing with work programs can be very inexpensive. But today even though we're -- we take a chance at being disliked by you for coming to you and asking you to do something immediately, we feel we have to do it. There are a lot of people suffering. You've seen the numbers of homeless people are rising very fast. And the big issue is not so much where to sit safely. I thank you for getting back to me, ms. Fritz. I sent letters on may 27th asking you to consider green works for people. Amanda is the only one who has written back and I appreciate that. But the issue today is more immediate. It has to do with sleeplessness. Thousand of people who are literally forced to hide in order to legally sleep within the city limits and you can say let the bums go out to the edge of the city. And most don't know of any food sources other than the ones downtown and in the inner city and many are in poor health. They don't have mass transit fare and they need to sleep close to services and this is especially dangerous for woman who if they did a good job hiding so they can get a good night's sleep, they're in danger of assault. And I believe that what we have here is an emergency. Nothing short of an emergency. And for you to sit and not call it that, I think is -- is kind of a coldhearted dereliction of duty. I know i'm not popular already. It's a dereliction of duty. The mayor has the pour to declare an emergency and I want the commissioners to urge him to do so, for thousands there's already an emergency and we have a petition we've giving you, this is an ongoing effort. There'll be more. If you look at the top page, you you'll see the secretary for dignity village and she pointed out they're turning people away every day. The pat answer is we've got dignity village. The statewide count is 17,000, please do something. Please do something. I -- I thank you.

Fish: If I could respond to one thing? I met with sally erickson, the city a homeless coordinator and she said she's met with you. And she's the senior person in my housing bureau on this issue. I've asked you to look at the materials and get back to me.

Regan: And then it can be said that you've responded. And I thank you for that too. Thank you for responding.

Adams: Thanks. Sue, please read the title for council communications 818.

Item 818.

*****: Leo rhodes is homeless and [inaudible] oh, he is here. Very good.

Adams: Good morning, mr. Rhodes. Welcome. You just need to give us your first and last name and you'll have three minutes.

Leo Rhodes: Hi. My name is leo rhodes and i'm a homeless person. I just want to thank you first for letting me speak to you. And also, I seen in our street roots that you're having a resource access center and it's in play which is great it hear. Talking about homelessness, you know, we have a lot of cops out there actually harassing the homeless. I was sleeping outside one time, out of the rain and sleeping comfortably and asked to leave, 2:00 in the morning. Nobody around and it's raining, pouring down. I asked where I could go. And they said, I don't know, but you can't be here. Another time it was pouring down rain, I went under the burnside bridge to keep dry out of the rain, and again a cop came out and told me I could not stand there. If you treat people like animals, they will be animals, and that's what you're getting. When you have these rental cops who tell the people where to go and tell them they have to go. That's why people acting the way they are, the homeless people. Because they have no place to go. Also I had a rude awakening where somebody hit me over the head. Not once, but twice. And i'm hesitant to tell you that because I know what you're going to say. Oh, we need more city ordinance, more laws. More police. No, we don't need that. What we need is shelters right now. We need a tent city. You keep talking about dignity village and how you like dignity village and it's great. And "street roots" had a great article on that. These individuals had an entrepreneur who came and talked to them about how to raise money. No, these are homeless individuals that aren't supposed to have brains. That's what we get from the non-

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homeless people, that these people can't control themselves. Look at them, they're prospering and productive citizens. Why? Because they have a place to go. Some place safe and secure. If they don't, then you have wild animals out there. And that's what you're breeding right now. One of the things I see, is los angeles or california, you see a lot of homeless out there and I talked to some ladies who have been out there and they tell me, you look, as far as the eye can see, there's tents all the way down the streets. I'm trying to prevent that. We don't want to see that. We want structure here. That's what we're asking for. And in the long run, it's cheaper than your programs right now, with shelters. Just basic shelters is all we need. I have a little bit more on this right here and also my email address. I only got one copy, though. But if you like, I can give it to you guys and you can get back to me.

Fish: My office, if you go out the door, it's to the right. Would you leave in your contact information with my receptionist?

Rhodes: Yes, it's right here and I would like you all to get a copy of this.

Adams: Thank you, mr. Rhodes, for your comments. Sue, please read the title for the council calendar item 819.

Item 819.

Adams: Good morning, welcome to the city council.

Shelby Spencer: Hi my name is shelby spencer. And I was just here to talk once again about the sit-lie ordinance, the camping ordinance. I'm a member of the homeless community. Although i'm a little gussied up today. There's been a system at you can brutality against people in the homeless community. Not just in the political or financial sense by keeping us from having places to go. But in a physical sense. Personally, i've had my stuff slashed. I've been woken up in the middle of the night and had my ribs kicked and got maced and if they were happening to -- maced. And if they were happening to people who had a roof over their heads, it wouldn't be looked at as ok. As soon as you lose these possessions you become less of a person and that's appalling to me and there's a stereotype of what's going to happen when you're homeless. You're going to be drugs and possibly mentally retarded or schizophrenic. I'm going to high school -- actually graduated two weeks ago.

Adams: Congratulations.

Spencer: Thank you, but I feel it's difficult to be doing that when you're woken up five or six times a night and told you're an eyesore or bothering people. I'm sleeping. I remember, I think it was sandra mcdonough, I don't know how to say that. Was talking about the sit-lie. It blows my mind - - the people you're hurting, we're not to be discounted. Just because maybe we don't have the same material possessions as you. It -- I mean, it's truly a state of emergency for us. There are so many people being hurt by this and it just blows my mind that it's something that can just be swept off the table. Did you want me to cede time? Do you want --

Adams: We're not allowed to do that here.

Spencer: I'm sorry, I didn't really understand the laws. But -- and like people have been saying all of today, dignity village is not enough and there's not reason we can't have another hassle-free camping zone. You can't tell people to get out and expect them to disappear. We don't cease to exist when you tell us to leave and we don't come back with housing and jobs automatically. That's not something that happens. And the fact that the homeless problem is looked as a problem as only can tackled through philanthropy or increasing the laws, I don't know, it bugs me a little. For a lot of us, homelessness isn't something to be ashamed of and shouldn't be something to be ashamed of. I feel that a lot of laws in place right now and not just the anti-camping ordinance are classless. When we tried to come into the city council meeting, I don't own a pair of shoes. I'm bothering my boyfriend's shoes and he was asked to leave for not owning shoes. That's not ok.

Adams: I'm sorry, your time is up. I really appreciate your comments today. Well spoken. I wanted to reiterate, this city council, this budget, although we're cutting a lot of programs, there's actually increased funding for homelessness and housing. This city council is going to adopt a

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budget that increases funding for homelessness and housing, affordable housing. And this is the time for the public to comment, and our job is to listen today. I didn't want you to think we hear and -- our point person is the housing commissioner, nick Fish, and he'll be the one getting back to you. Thank you. Unless there's objection, council calendar time certain 820 is moved back to commissioner Fish's office.

Fish: Thank you. [gavel pounded] and can you please read the title for time certain 821.

Parsons: Could we do the consent agenda?

Adams: You're right.

Parsons: I've had a request for two pulls number 833 and 843.

Adams: Anyone else who would like to pull any other items?

Fish: When did you get those requests?

Parsons: 833 from your -- 833 from your office. And 843, before the meeting started, a citizen wants to make a comment.

Adams: Ok. Any other items to be pulled from the consent agenda?

Fish: Just to be clear, 833, mayor, we're asking that be returned to my office.

Adams: Unless there's objections, 833 is returned to commissioner Fish's office. [gavel pounded] all right. Sue, please call the roll on the consent agenda.

Fish: Aye. **Saltzman:** Aye. **Fritz:** Aye.

Adams: Aye. Now, would you please read the title for council calendar time certain 821.

Item 821.

Adams: And i'd like to move to substitute what was turned in to the auditor for what we've distributed to council, there's no substantive difference. Just scribner's errors that are improved and some legal citations that are corrected.

Fish: I move the amended ordinance.

Saltzman: Second.

Adams: Moved and seconded to substitute this ordinance. Any discussion? Please call the roll.

Fish: Aye. **Saltzman:** Aye.

Adams: Aye. [gavel pounded] substitute is approved. This morning, we're voting to approve the amended and restated river district urban renewal plan to expand the boundaries, increase the maximum indebtedness and extend the expiration date to june 20, 2021. In these challenging times the plan once adopted will allow the city and the Portland development commission to embark on worthy series of economic development projects designed to improve the vitality of our community and provide hundreds of new jobs. The council approved the amended and restated river district urban renewal plan in june 2008. This plan received support letters and letters of agreement from all overlapping taxing jurisdictions. It was appealed and remanded by the Oregon land use board of appeals in january of this year. Over this last year, funding for critical projects has been put on hold. These projects would have included the resource access center, improvements to union station, redevelopment of centennial mills and the 10th and yamhill parking garage project and numerous other projects in old town chinatown that had the potential to put hundreds of Portlanders back to work. With these projects on hold however, we've lost opportunities in a critical time and it would have helped the most vulnerable citizens of Portland, those unemployed. While some areas in the river district have had success during the first 10 years of the life of the district, other areas are still in need of revitalization. Investing in these areas would create significant jobs and would further the city's citywide economic development goals. We're going to hear from linda, eric Iverson, bob alexander and elaine howard first. Come on up. Good morning.

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

Adams: Welcome to the city council. Ms. Meng are you going to start first?

Linda Meng, City Attorney: I am thank you. Good morning Linda meng from the city attorney's office. As the Mayor stated just about a year ago, the council approved an amendment to expand

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the river district urban renewal area. The amendment was appealed to Luba and remanded and we're bringing back the amendment today with the revised report and findings in response to the Luba remand. The appeal of the original amendment raised numerous issues. Luba rejected most of those arguments that were made but did remand on two points. Both relate to findings that are required to comply with specific statutory requirements of the urban renewal statute. First, Luba held that part of the amendment -- as part of the amendment process, the council was required to find based on substantial evidence that blight exists in the urban renewal area as a whole. In the original amendment, we relied on the earlier findings of blight for the original district and focused only on blight in the added areas. The second point that Luba raised -- or held, was that where an individual blighted area was added to the amendment, there had to be an explicit finding that buildings that we relied on as blighted were unfit or unsafe to occupy and that's part of the statutory language. And they had to be unfit and unsafe because of certain specified conditions. In the original report, those conditions were identified but the explicit finding of unfit or unsafe to occupy was not made and so Luba remanded on that point as well. So these revised findings and report that we bring to you address those issues. And as one technical matter, the record was delivered to the auditor and I would like to incorporate that record here. The record of the original ordinance as part of this record as well. And now I'll turn it over to general counsel for p.d.c.

Erik Iverson, Portland Development Commission: Thank you, my name is Eric Iverson. General counsel with p.d.c. First of all I'd like to reiterate that the amended plan for the river district which calls for an impressive list of job producing economic development projects and which this council unanimously approved last year is before you again unchanged. The only difference is this year we've delivered to you a revised report which we are confident corrects the deficiencies highlighted by Luba last year and highlighted by Linda just a moment ago. In the interim, p.d.c. has hired a respected list of respected experts in various disciplines to help to collect data for the new report and provide evidence and findings that meet the statutory requirements. What you have before you now, the new report, is what we believe is the most comprehensive urban renewal report that has ever been produced in the state of Oregon. While pure volume alone does not necessarily equate to quality, I would like to point out that the original report that supported the adoption of the river district originally, 11 years ago, was 21 pages in length. This report at 137 pages and filled with data and statistics that are quite impressive, I think adequately and fully what we are trying to prove today. It is your charge, based on this revised report, to find that the river district area as a whole is blighted. Before proceeding further, I think it is important to note, particularly to the public and the press, that the term blight is used in urban renewal statute as applies in this case, is quite different than and quite broader than how that use is normally used in ordinary discourse. The statutory definition is far far broader than what most people think of blight in the Oliver Twist type of sense. It includes inadequate open spaces. It includes findings of lack of proper utilization of areas within the district resulting in unproductive land uses or conditions and, in fact, in this year's Luba opinion, Luba expressly upheld the city's findings that under utilization of development capacity constitutes a condition of blight. It also expressly noticed the existence of modern non-blighted properties within the district do not disqualify the district from being found to be blighted as a whole. Finally, the report is filled with charts and maps that represent where specific indices of blight occur within the expanded district. But I would like to bring to your attention right now a specific map that -- actually the map before you I think reminds you as to what the new and expanded total river district as amended will include. The colored areas are the new areas and the white area is the original area. And if we move to the next one, there it is. This chart shows every parcel within the district. Where a parcel is filled with a color, at least one of the multiple indices of blight exists. Although there's no requirement that multiple indices of blight be found for parcel -- for that parcel to be found blighted, the darker areas show that there are multiple indices of blight that occur with regard to that particular parcel. The report lays this out parcel by

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parcel or area by area in quite some detail. It is your charge to review the amended plan, and the new supporting report and make the necessary findings that the river district as a whole meets the statutory definition of blight and that the proposed projects to be funded by the plan are in the best interests of health and welfare of the city and the district. Thank you.

Adams: Thank you. Mr. Alexander.

Bob Alexander, Portland Development Commission: Thank you. To initiate the blight findings that are before you today, in the original river district as well as the amendment areas we employed three teams of experts to establish whether the conditions were present that would meet the statutory definitions of blight. These experts were chosen to look at three areas of their expertise. Amac earth and environmental is to evaluate the potential for soil contamination, contaminated water, kpff consulting engineers, a visual assessment of building condition and seismic requirements and third, pbs engineering and environmental to look at hazardous buildings, pcb's lead paint, asbestos. Their task was to identify existing conditions throughout the original river district and amendment areas using professional judgment. These firms were selected as having experience with remediation and many have worked on projects or buildings within the amended area. The report before you includes the analysis of the entire area. Both the original area as well as the amended area. We analyzed over 470 parcels within the area and over 400 buildings to determine existing conditions. In addition, we used a 2007 study by the bureau of planning and sustainability to review the development capacity. We also utilized the assessor's records, analyzed assessed values of these properties and to identify improvement to land ratios which you'll hear about in a moment. Elaine Howard is under contract to assist us in preparing the report to the urban renewal plan and also worked on the report before you. She'll detail several examples of those blight findings.

Elaine Howard: Hi, I'm Elaine Howard. I've worked on this report, the original report and the lura remand report. As shown and Mr. Iverson stated, this is the most extensive report I've ever worked on and I believe clearly documents that there is blight in the existing area and in the amended area as a whole. It contains many facts supporting the analysis that blight exists with the original area and amended area. And it covers this information in detail. The testimony I'm going to give will actually only cover two of the indicators of blight as statutorily recited in O.R.S. Structures in need of upgrading and under utilization of property. There are other facts within the report but we don't have time to go through the entire report for you today. The map in figure 8 of the report which is now on your screen and on page 82, represents blight under one of the statutory definitions of 457.010 and that definition is the existence of buildings and structures used or intended to be used for living commercial, industrial or other purposes or any combination of those uses that are unfit or unsafe to occupy for the purposes because of any one or a combination of the following: One of those subsections is defective design and quality of physical construction. This particular blight definition has the most occurrences within the original and amended area it includes buildings which were identified through the visual survey as needing rehabilitation and improved maintenance. It includes those buildings which are not up to current seismic code, may have lead-based paint, the presence of asbestos or pcb's. In addition 60% of the buildings within the original area are over 50 years old. While this alone is not an indicator of blight when its used in conjunction with the other indications, it is a significant fact. As you can readily see by your map, which shows where these conditions exist, this indicia of blight is present throughout the amended and restated area, including the original river district area and these buildings are located through the area as a whole. Figure 9 shows the existence of blight in accordance with another section of O.R.S. Subsection 1h, which is a growing or total lack of proper utilization of areas resulting in a stagnant and unproductive condition of land, potential useful and valuable for contributing to the public health and safety and welfare. This condition is generally thought of as an economic condition identified in this report in three main areas. The improvement to land ratio analysis, the

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2007 central Portland development capacity study and the presence contaminated soils of ground water. The improvement to land ratio typically [inaudible] whether there should be additional value in improvement on the property. For example, vacant land, parking lots, one or two story buildings are generally considered an under development of a piece of property which has a capacity designated in the zoning code for increased development. In the improvement to land value analysis, an expert identified the improvement to land ratio capacity for each of the different subdistricts within the total area understanding they're different subsets that might have more increased development than others. This analysis was then combined with an analysis of the assessor's information about the actual value of the improvements to the land and from this analysis, parcels were determined to be whether they were a low, what could be expected as an improvement to land ratio analysis, there are numerous parcels within the area that are below those established factors. In addition, the city's 2007 development capacity study conducted by the then bureau of planning identified parcels that were under developed within the central city. These were based on a floor area ratio capacity of the block and to what extent that capacity was fulfilled. What this means is if a property has established in the zoning code a floor area ratio of 4-to-1, you would expect to see four floors of development to the one floor of land area. If a building has less than that, it would be under-developed and should be redeveloped in the future to meet the expectations of our zoning code. There are many parcels within the area that fell beneath those standards as identified in the city's development capacity study. This data reinforces the improvement to land ratio data. It's just looking at it in a different way, that there are many parcels underdeveloped within the area. The contamination of groundwater and soils increases the cost of development. Thereby causing a negative impact on growth resulting in a stagnant and unproductive condition of land and the prevalence of contamination in the area is significant. These factors are shown on this map, so every parcel that has a red on it contains one of those factors of blight. Figure 10, which mr. Iverson brought up in the beginning, shows the different findings of blight within the area. So anything that's on this map can either be shown as having a building condition which needs to be rehabilitated. It might have seismic issues, pcb's, lead based paint, ground or water contamination, a low improvement to land ration value or underdeveloped by the f.a.r. study. Again as Mr. Iverson said, the areas in white are typically those areas that have been redeveloped through the use of urban renewal assistance or as a result of urban renewal assistance. So those areas show no contamination and you would hope for that in an area over 10 years old. You would hope that there is progress within the area. The other areas start with a pale yellow and goes to red if it only has one indicator of blight according to those factors that I detailed and it's a pale yellow. If it has all the indicators of blight its read. So what this map shows you is throughout the area both the original river district and the amended area, there's plenty of blight in accordance with what o.r.s. describes as blight.

Alexander: Thank you, Elaine. While this discussion you've just heard is the technical one about meeting the statutory definitions of blight. This amendment is really about jobs, affordable housing, assistance to the homeless, redevelopment of challenged or contaminated properties. This district is about halfway through its 20 year life. While it has had some great success in some area, others are very challenged and need continued assistance. I believe there's following speakers which will address some of these issues and concerns.

Adams: Discussions with council? Commissioner Fish.

Fish: Thank you, Mayor. Linda, could I ask you a couple of questions? The charts that you've given us, when you compare the original submissions, the original findings and these proposed amended findings, is it fair to say there's a substantial increase in the amount of actual blight findings that are now included in this report, in the recommended findings?

Meng: Yes, there's some substantial increase if the findings and there's substantial increase in the evidence that's provided to support the findings. The findings are the specific ones we believe we

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need to make, but there's been a vast increase in the amount of information that's provided to support those findings on the points that luba remanded on.

Fish: I was going to say, that's in conformity with what luba directed us to do?

Meng: Yes. Exactly.

Fish: And a question i've been asked a lot in the communication i've received is how much blight do you have to show in order to qualify? And I guess that's a legal question, as well as what -- practically, what luba has shown. But in laymen's, in plain English can you tell us what the city's position is in terms of how much blight you have to show?

Meng: Well, it's -- I don't know that there's going to be a hard and fast rule. What you have to be able to say is there's blight in the district as a whole. And I think that when -- just visually, when you look at these maps, you can see that the blight is not just in one location. It's not just in a tight little area and the rest of the district doesn't have it. It's going to be a judgment decision that the council makes to find that there's blight in the district as a whole. Based on the indications that are identified in the statute and then laid out in the report that we have.

Fish: My final question is, in some of the communication i've received and some of the briefings, this whole topic provokes very passionate views pro and con on urban renewal, pro and con on terms of specific projects that might be funded, pro and con in terms of city priorities. Can you again remind us what the specific issue is before council? You're asking for us to look at the two issues that were remanded and can you restate them?

Meng: Yes. The two issues that luba remanded on were the fact that there was not a finding in the previous version of this amendment that determined that there was blight existing in the original district as well as the amended areas. And what luba said was that we -- the council made a finding of blight 10 years ago and there was a lot of development that went on and because the substantial amendment that we are proposing requires that you go through the same process you do when you adopt a new urban renewal area, luba determined that that meant you had to go back and find there was blight in the whole area. And they reiterated that doesn't mean every single parcel has to be blighted but the council has to have evidence and make a finding that there's blight in the entire area and what's shown on these maps incorporates all of that. The work that's done, supports that. The other finding is a somewhat technical -- the other issue is a somewhat technical issue of statutory interpretation that when you're relying on a particular building as showing blight, the statute requires you find the building is unfit or unsafe to occupy based on certain specified conditions. And the previous iteration of this amendment found those specified conditions but did not make the interim findings or the ultimate finding there that because of those condition, the building was unfit or unsafe to occupy. So we've gone back and provided the information and made those specific findings based on the statutory criteria.

Fish: Thank you.

Adams: Commissioner Fritz.

Fritz: I'm going to follow up on commissioner Fish's questions, looking at the map, it seems we were very careful in the expansion area to gerrymander the line so that we pretty much only included blighted properties in that. I'm wondering, if we were in a new urban renewal district how much percentage of -- can be not blighted? This area here, would we have drawn the line to exclude that or would we have included those that the newly developed properties in order to be able to have that increment to help the rest of the district?

Meng: Well, this -- because this property -- and erik, if you have other things to add, feel free. But because this urban renewal area is halfway through its development life, were 10 years into a 20-year plan, the part that's in white is the part that had been developed.

Fritz: I understand that.

Meng: If you took that out, you'd be taking out basically our -- what we're relying on to repay the bonds that were issued to do the development. So -- i'm having a hard time trying to think of --

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Fritz: So you couldn't take those out now because they're still being used to pay of the bonds.

Meng: Right. And if you were going to do a new district, i'm not sure -- i'm just having a hard time trying to imagine what it is you would do if you were starting over. Because right now we're in the middle of an urban renewal process.

Fritz: In a new district, does pretty much all of it have to be blighted? No.

Meng: No.

Fritz: Do we have a concept of whether it's 50%, 75%?

Meng: There's really not a number. So it is a -- the concept, the dea is that the council has it find that the area as a whole is blighted. And some of it is what makes sense to hook together, you know, the original district is much more of a unit and the added areas, as you note, are more squiggly lines. Part of that I think is because some of those came out of other urban renewal areas and were added because of that. But districts have lots of different shapes. There's not a particular shape you have to have.

Fritz: Thank you. And then maybe over the course of the next week, when we're considering this before we vote, i'd be interested to hear about the assessment of the risk of how confident we are in our current findings to get some more information on the pros and cons. And my understanding is we're not dealing with the satellite district. That's a different amendment and not up for consideration.

Meng: That was a separate amendment, yes.

Adams: Commissioner Saltzman.

Saltzman: I just wanted to follow up on the line of questioning, commissioner Fritz was pursuing. We're not establishing any kind of a notion of percentage of property that needs to be in blight in a future u.r.a.?

Meng: No, there's not a specific percentage. The statute is not that specific and it is a judgment. Initially, it's a judgment by the council.

Saltzman: And by the same token, then since blight is not the oliver twist notion that most of us think of urban blight but is indeed very broad, so it is conceivable we could form a future urban renewal area that would have maybe a small percentage of properties that meet the blight definition --

Meng: Well --

Saltzman: It could be 10% of the properties and we could probably still under these broad statutory definitions of blight, we could still make a finding that the area is in blight?

Meng: I think --

Saltzman: The entire urban renewal area.

Meng: I think there's a difference the fact that the definition of blight is broad, you still have to have blight and although it may not be a common concept of blight, you still have to have blight. So I don't think it means the -- the broad definition doesn't mean you don't have to have blight. You still have to have blight that meets that definition.

Saltzman: Isn't it true there's virtually nowhere in the city you could go and not find contaminated soil, lead paint, asbestos in buildings, underutilization of f.a.r. ratios. I mean there's virtual no place you can go and not find some of those conditions that produce some sort of a composite map that shows blight.

Meng: That would be blight. That wouldn't mean that you only had a small percentage. That would be actual -- that is actual blight under the statute.

Iverson: Neither the statute nor the courts have ever determined on a percentage ratio what needs to be present, what percentage of the district has to be blighted for the area as a whole to be blighted. I would think based on other cases, that the court would look at whether you in good faith were looking at a substantial amount of blight in a district, I would think you would have problems with the other option you gave or the other scenario where you went in with a very small percentage

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of blight and tried to justify the area as a whole being blighted. I think this case is quite different than the other. We don't have either a statutory or judicially adopted percentage that is necessary to meet that standard.

Saltzman: And substantial doesn't necessarily mean 50% or more.

Iverson: It hasn't been defined right.

Saltzman: Has to be defined - right.

Iverson: Which is one of reasons we wanted to put this in front of you. Was to show, to make your own good faith judgment.

Saltzman: Sure. I have a question probably to bob. The lincoln building, the mccoys building, those are in according to what criteria?

Alexander: They're included in the amendment areas of lincoln building is there as a result of seismic primarily. And i'm going to have to check back to see if there's other indices of blight with that particular one. The mccoys is the same thing with similar issues. I would say that the issue of challenge here in the luba direction to us, they did not find a deficiency in the blight findings of the amendment areas, which were discussed before, but it was the original river district which we had not done blight findings for. Frankly, because it had never been done before statewide to do blight findings of an original district when you did amendments. It was a bit of breaking new ground.

Saltzman: Thanks.

Leonard: I would point out on the issue of blight and the implication that one made and incorporate unblighted areas in an urban renewal, the statute limits the amount of area that can be in an urban renewal area to 15% as is true as well of the assessed value of all the property in the city. So it would be shortsighted to include blocks you didn't need to include. It could limit our ability to have urban renewal in other areas we need to have.

Alexander: That's correct.

Adams: Discussion, any other from council? Sue? Thank you very much.

Parsons: We have -- to testify, commissioner scott Andrews, phil kalberer, sandy mcdonough and mike Andrews.

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

*******:** Good morning, mayor and commissioners.

Adams: Commissioner andrews.

Scott Andrews, Portland Development Commission: I am scott Andrews, president of melvin mark properties and a p.d.c. commissioner. I am here today in full support of moving forward of the river district expansion before you today. The appeal of the expansion has created a real problem in the river district urban renewal area. We have two immediate projects that cannot be funded. The resource access center and the new blanchet house. There are several more in process that will provide much needed jobs and stimulus to the neighborhood. For example the union station project, which I have a letter in support from amtrak that i'd like to submit as part of the record today. You're going to be hearing much more about each one of these projects and several others from people who have direct ties to each one of those developments. As you know, at p.d.c., we've had to give several developers recently more time because they've not been able to find financing. Here we have at least one major project, the access center, that's ready to go. The only thing keeping it from coming out of the ground is this appeal. In normal economic times this would be frustrating. In this economy it's tragic. There are hundreds of unemployed construction workers and those jobs multiple into many more as the workers spend in Portland. In addition, our apprentice programs have come to a screeching halt. Programs that have been so successful at getting many more women and minorities into the construction trades. Without projects, many of those apprentices will not have the ability to continue their training and move into the construction industry. I want to thank you in advance of your support of this important measure and give you an opportunity to hear from folks who are really directly tied to these real important projects.

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Adams: Thanks for your ongoing service on the Portland development commission.

Phil Kalberer: Mayor Adams, council, my name is phil kalberer president of Kalberer company, I'm on the executive committee of portland business alliance, and I also chair the vision committee of old town chinatown when both the vision plan and the economic development plan were put together, which was adopted by city council. First, I want to say i'm full support of the amended and restated urban renewal area as being presented. Let's look at the issues. Particularly those of friends of urban renewal. First was a satellite and I believe that's been put to bed and I think the direction before that time was very apropos. Second is tax and revenue sharing. That issue is at the legislature now and hopefully a good agreement-compromise will be put together for tax and revenue sharing with the counties. The third issue is blight. Let's talk about blight. A few years ago, p.d.c. Commissioner janis wilson did an in-depth study of the center industry urban renewal and indicated that the blighted area was old town chinatown and that the funding should go and be concentrated in that area. Why is that so? Old town chinatown has a real interesting mix. Two historic districts overlap each other, it has height restrictions and seismic restrictions and small parcels make it difficult for private funding to come together. It also has a very, very high concentration of social services and low-income housing. And, in fact, old town chinatown housing and income numbers were used in the early days of the river district to justify what has been invested in that area. I do not regret this because the river district is a shining success example. But blight was not the only reason, project by project and a justification often came from old town chinatown. Every project in old town chinatown has needed public or urban renewal assistance. Perhaps the gas company is the only example not. The port of Portland is public. Mercy corps. University of Oregon. Great projects that really help the area needed subsidy and tax credits and the like. The league of women voters supported the wilson study and affirmed that the money should be spent in old town chinatown. Although they disagreed with the increase of the tax dollars because of the impact on the county. Hopefully that will be taken care of. But if it's not, there will be no monies available to go into old town chinatown. The downtown waterfront urban renewal areas is basically playing itself as the end of time. So old town Chinatown is a catch 22. If we don't expand the river district, we'll not be part of anything. As the study for the new urban renewal area excludes the old town chinatown area. Portland projects, obviously, the rack, the asian market on block 33, the blanchett house, the burnside couplet which is part of a plan that the old town chinatown neighborhood put together as integral and was adopted by the city council. We also need workforce house housing, like louis lee's project. It's time to move forward, create jobs, improve neighborhoods and revitalize important areas of downtown. I ask that you pass this amendment.

Adams: Thank you.

Sandy McDonough: Thank you, mayor Adams, members of council, thank you for the opportunity to be here today. I'm Sandra mcdonough and I'm representing the Portland business alliance. The alliance believes that urban renewal is a very important tool that used appropriately promotes the economic vitality of our city. Urban renewal dollars are available for investments in infrastructure, housing, social services, and public-private partnerships that help keep our city an economically healthy place to live and work and right now, we need all the help we can get to keep our city economically healthy. The Oregon employment division announced just this week that the states unemployment rate is now 12.4%, only michigan with the apparent collapse of our auto industry is in worse shape. And Portland, unemployment is 12.1%. We need to create jobs and we have an opportunity to do that right now by adopting these revised findings which address the issues that have been raised about the river district expansion and we can move forward with the important projects that depend on these funds. These findings will allow us to make investments that will help us to create jobs quickly. In addition, the investments can be made in under-valued areas catalyzing private sector investment that increases property value and then returns those properties to the tax roll so they can support critical general fund services in all the overlapping districts,

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including grade schools and needed human services. And we were very happy it see the legislature adopt a bill that will actually move some of the those dollars to the overlapping districts sooner. I also want to state that the alliance very strongly supports allocation of the funds from the amend river district to the construction of the homeless resource access center. The rac is an integral component of our collective efforts to provide a wide range of services to the city's homeless and low-income citizens. The alliance is a very proud partner in the safe program as you know and we appreciate our ability to work with the city to expand services to the homeless community, such as day shelters, additional benches, showers and restrooms. And the r.a.c. is a very important part of that overall plan. We believe it is time to move forward with the river district and these revised findings should address any issues that have been brought up. So thank you for the opportunity to be here.

Adams: Thank you for your testimony. Sue?

Adams: You can call the third?

Adams: Good morning, and welcome to the city council. We're glad you're here.

Jeff Bachrach: Good morning. Thank you. I'll go first alphabetically, or no -- Thank you, i'm jeff bachrach, I'm chair of the housing authority of portland and here to speak on behalf of h.a.p. First and foremost to support the council in readopting these findings. And getting this expansion of the u.r.a. back on track. I'll be brief. Obviously from my perspective as the chair of h.a.p. is the resource access center project that's already been mentioned several times. It's certainly not the only shovel-ready project ready to go that we've funded by your action but from h.a.p.'s perspective, we like to think it is the high priority in this package and I was pleased that other speakers felt the same way. Just very briefly on the r.a.c., I know this council was well aware of the importance of this project. It was 18 months ago that the city council at that point, former mayor potter and commissioner sten, asked h.a.p. to take on the r.a.c., to become the developer and ultimately the owner of the prjject and to add affordable housing on top it just to add to the complexity of this project. And so for 18 months, it's been the priority for h.a.p. Mike andrews has been the project manager and an enormous amount of time, energy h.a.p. has been funding the soft costs all along. Institutionally, a lot of focus and energy with a lot of partners. Obviously the city and p.d.c. and others and I would just briefly like to give a shout-out to although this project began under prior regimes and handed to us by a former mayor and councilman, I would like to thank this council, particularly mayor adams and the new housing commissioner nick fish in not only bringing continuity to this project but taking ownership of it, providing leadership. It is an incredibly complicated project both financially, socially, politically and keeping it all on track has taken not only the staff work for mike and others but the politically leadership. So thank you, because we're now teed up to finally go on this long-needed project, all the pieces are in place and 120 days, construction will begin. It will be completed on time in the spring of 2011 and we'll be able to bring this important service in housing to the community in less than two years from now. So thank you all. Your vote today will help get us there. One caveat, as part of the leadership from this council and -- there's been an alternative financing plan developed. If unfortunately, this action goes up on appeal again, it's been sort of an interesting political squabble over how you suppose to use urban renewal but unfortunately, when it becomes a legal appeal, the r.a.c. will be a victim. We will then have to look to the alternative financing because the commitment is to start in october, come hell or high water, and there have been a lot of people, your staff, h.a.p.'s staff, putting together an alternative financing on a project this complicated to pull out one stream of source of funding and put in another, is a daunting challenge. I've been following the emails between the lawyers and consultants and it's an unfortunate use of everyone's brain power to figure out how to do it. It will ultimately probably cost on the order of several million dollars in transaction costs to this late in the game switch financing. The bottom line is this project will get done. Hopefully it will get done without this council and the city having to weather an appeal. But if not, the r.a.c. will

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get done. It will just take more brain power, time energy and money but it will get done. So thank you for your action here today and hopefully this will be the end and we won't all be watching the lawyers fight for the next 18 months. Thank you.

Adams: Thank you.

Mike Andrews: I would just add a few things that the council has taken an interest in as we were here before. With the aid of holst architects and walsh construction, we been able to pursue what we believe will be a a leed platinum building. We're currently at 51 points which is just over that threshold. If we have to absorb transaction costs that we were not previously anticipating in the interests of this alternative financing that our h.a.p. board chair had referenced that would cause us to need to make different choices about where to spend that money. We're very proud of being able to reach leed platinum for an affordable housing project. We don't believe that has been done before. We also are very thankful that wells fargo has stepped up and has committed, we have a signed letter of intent from them to provide the construction financing and about \$10 million of equity, they'll purchase our low-income housing tax credits. In this market that was a tremendous expression of their support for the housing authority for this project and in this market, there's equity investors, many that are walking away from projects. So if our schedule were to shift, we'd be in jeopardy of losing a substantial participation by our private source of financing. I offer all those as reasons why this project moving forward in -- as part of the overall river district, as something that is important to this community. Thank you.

Adams: Thank you very much.

Dan Petrusich: I'm dan petrusich, a board member of the blanchet house and here with our president rich ulring, and another board member, bill reilly. Just a little bit of background on the blanchet house. We serve a quarter million meals a year to the homeless and over our almost 60 years existence, I think we calculate over 15 million meals served. The blanchet house has been in this neighborhood, as I said, almost 60 years and there's been a lot of promises made to the blancht house in order to get this new project off the ground. And in order to make it happen, this amendment really has to happen, because our ability to raise the funds to complete the project is really dependent upon the \$2 million the city's committed to the project and the land to the project. So we're out in what is not exactly the best environment to be raising money based on our current economy. And -- and I think we're having good success, but it's all contingent upon the city providing its commitment that was made through the disposition and development agreement that we signed with the city earlier this year. I'd like to also -- we're not in competition with mike, but planning on being a platinum building as well. He might get there first.

Adams: That's a good competition.

Petrusich: Yeah, so we're anxious to be sharing that goal and designation as a leed platinum building. I think that I personally worked on this project about seven years, and we really appreciate what p.d.c. and the city did to move forward with the d.d.a. that we got signed earlier this year. We did work with h.a.p. early on on that and were able to put together separate projects. At one time we were looking at sharing a site. But I urge you to move forward with passing this amendment today and appreciate everything the city council and p.d.c.'s done for us.

Adams: Could you just -- if I could -- and commissioner Fish, I want to publicly thank you for your continued persistence on the r.a.c. project. It's exactly what's called for, but could you sort of bring to life what we're missing? Sort of the opportunity costs for this delay or if the r.a.c. does not happen or if the blanchet house does not happen. We talk about it in terms of the physical development of it because that's what these resources get paid for but what are the services that will be provided that are not now being provided with this delay?

Fish: Mayor very briefly, the resource access center will be the first of its kind nationally and in the model that's been developed there will be 230 units of housing, plus or minus, that are built into the project and that's a mix of affordable housing units for people that need services and shelter beds.

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There will be both indoor and outdoor space to accommodate people as a day center. So homeless individual that need a safe and secure place to come get services, take a shower, be able to hang out peacefully will be accommodated. There's actually two beautiful public spaces in the back side of the building, facing the train station. The building itself on a fairly small footprint, and as people know, this was once envisioned as a full block building. As part of our reimagining of this, it's a half-block building with a concrete construction which allows us to go north and higher. And it will have not only the housing units I mentioned, but it will also have an array of services and the idea here -- and this is something that council's been clear about -- is that we don't want the resource access center to be a dead end. We want it to be a pathway to self-sufficiency. We want it to be a place where someone who is experiencing homelessness can go and get a referral to a job, get referral to permanent housing and get connected to the services that are provided in the community and have a place to escape the inclement weather and have a place to congregate with other people experiencing homelessness and frankly, begin the path of moving forward in their lives. And for many homeless people, for example, just having a place where they have a locker and the ability to put their possessions so they're safe, just having a caseworker that they can meet with. On top of that, is another innovation we've built into the project, we'll have a community court. One of the challenges we've had is that people who are homeless and moving around often have difficulties you know sort of coordinating activities in their life. We want to have a community court that they can access so that is contemplated to be built in. And in addition, by virtue by going to a half block, we have an opportunity to work with p.d.c. to find a compatible use on the other half of the block, which is a great deal for taxpayers. But all that and more suffice it to say, it will be and is in concept and will be when built, a national model for how to create pathways to self-sufficiency for people experiencing homelessness and we anticipate that literally hundreds of people a day will be able to come through the access center receive some kind of service which at a time we are experiencing a street count of somewhere between 1500 and 3,000 people that are experiencing homelessness at any one time in our community and many of those people find there aren't options and so they're camping or just surviving. This offers hope. The longer we wait to create this opportunity for people, really, the more distress that we're visiting on people. And I could not be prouder that this city has made a commitment to invest something just short of \$30 million in a building which I think uniquely, among all of the public facilities in our community, will save lives and help change lives.

Adams: And for the blanchet house, the delay, what's the opportunity costs?

Petrusich: Well, there's a couple of things. The city was trying to accomplish with this new building with the blanchet house. One of them and I think our building most people would walk in and say this building is probably blight. And I think one of the things we're trying to accomplish is to -- we've been in the -- it's a 100--year-old building that we've been in almost 60 years and it really needs to be upgraded. One of the goals of the city was trying to accomplish was to get our lines off the street. And with this new building, we've got a much larger foot print that we're able to get everyone inside so they're not in the inclement weather and not wrapped around the block, which is one of the main things the city was trying to accomplish. The other thing, we are going to do, as part of the building is expand our housing. We provide free housing and our model is set up - - the dorothy day model, the guys live there and work in the kitchen. And they -- it's -- it's a real community. So I think our work -- and I would also say this: As the economy's gotten worse, our demand for our services has gone up substantially. And I think that the other problem we'll have is the increased cost as time goes on. And so we would really appreciate and urge you to move forward now so that we're able to move forward.

Adams: Thank you very much and thank you for the explanation, commissioner Fish.

Adams: Commissioner mohlis, welcome, sorry to keep you waiting. Mr. Lee, how are you?

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Lewis Lee: Good, thanks. Good morning, mayor and council members. My name is Lewis Lee. I practice accounting in Chinatown for the last 20 years during which I made the commitment to Chinatown by purchasing and owning properties in Chinatown. I'm in full support of today's endeavor and annexation. Recently in Old Town there has been a renewed effort in revitalization. [inaudible] and so Chinatown, I received a certain project that has been completed that totally altered the mind set of the Chinese community and along with other developers coming in, both locally and internationally. Myself, being involved in the streetscape project and I had a little head start and decided to take some risks about 6-7 years ago of trying to redevelop my own property there and because of our effort, your organizations and -- having a totally different perspective inside Chinatown about how do we proceed on making Chinatown different down the road and watching my proposal coming up in discussion, we're expecting something different. I think it's more like what do we see as positive down the road in Chinatown internationally, I would like to thank P.D.C. for their recent effort and interaction with overseas in China. And recently we had the Fujin investor coming in and were able to interact with them. They are investor coming in and wanting to take a look at Chinatown. I think where the learning begins for the Chinese community I happen to have a small head start then them six years ago I start. I come to the realization that actually it is inevitable to develop in Chinatown. There's a substantial gap involved. In the marketplace, it just cannot happen. With or without all these genuine thoughts into Chinatown. The recent endeavor of trying to talk about the height is a little bit of an effort trying to narrow the gap. With or without that, we'll be seeing a substantial gap involved. I -- right now I'd like to draw your attention to this map that's in there. And here, we laid out a 10-square block in red of where Chinatown is. And I shaded the color of where the property actually owned by Chinese-American right now and if we look at it, with the exception of one quarter block, all of the Chinese property owner, their property is right in the annexation area. And the learning makes me understand that nothing can happen by ourselves down the road. So this is how we see it. This is how I see it right now. It will be probably down the road, known a little better in the Chinese community once this dialogue begins. So with that, I'm going to leave the message, hey, we want to see it come about.

Adams: Thank you, Mr. Lee. Commissioner Mohlis.

John Mohlis, Portland Development Commission: Good morning Mayor Adams, Commissioners. My name is John Mohlis, I'm the executive secretary treasurer of the Columbia Pacific Building Trades Council which is an umbrella organization representing about 20,000 union construction workers in NW Oregon and SW Washington also one of five volunteer P.D.C. commissioners. And I'm also here to support your actions in trying to resolve this situation. I'm not going to reiterate any of the projects or the effects that they'll have on our citizens, such as the Resource Access Center and the Blanchet House you've heard about. I'd like to speak to some of the other human needs that I see and deal with every day to try and show why these economic development projects hopefully will be allowed to move forward. My local union affiliates depending on craft to craft are currently experiencing between 15% and 35% unemployment among their active members. I spoke with one of my affiliates this morning, their local union is at 20% and that pretty well goes across the board between journey level workers and apprentices and Commissioner Andrews spoke earlier to many of the apprentices out of work, which is always very troublesome. I came up through the crafts and have been unemployed and the only thing worse than being unemployed as a journey level worker is being unemployed as an apprentice. This affiliate that I spoke to this morning that I already mentioned was at 20% unemployed. Some of his members have been out of work since last October he's telling anyone who comes in on the bench now they'll probably -- down on the bench now can expect to be unemployed for at least six to 12 months and possibly longer. These are real people, they have real spouses and real kids and they have real mortgage payments. After they're out of work a certain amount of time and their insurance coverage bank runs out, they'll get a real cobra notice in the mail and they have real mortgages and other real bills to pay. So another thing I think

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that's important to remember is these projects won't put to work just these construction workers. It will put people back to work in the design community, architect engineers that will help draw up the plans and specs for the buildings and it will also as the projects move forward, put work back in the hands of local materials suppliers that supply the lumber and the concrete and the steel and the products needed to build the projects. And all of these are local workers they pay taxes as soon as they get money in the form of a paycheck, they cash it and spend it and it goes out into the local community, into main street businesses and has that positive ripple effect across the community. So again, I thank you for your efforts to try and resolve this situation. And I appreciate the opportunity to be here this morning. Thank you.

Adams: I know I speak for the council and I thank you for your service on the Portland development commission and among other things, the fact you bring the view of working people -- in our case, unfortunately, too many people seeking work -- to our discussions. Thank you. Ms. Gardener.

Patricia Gardner: Patricia Gardner, Pearl district neighborhood association. And I want to give a slight history lesson. I think I'm starting to learn. When I've been around long enough that I know stories you don't know, that's a sign of something. Back in the early 90s when I first moved to portland, I moved into the pearl district, and what was happening at that time was a plan, called the river district plan. The river district plan was both for pearl district and for old town Chinatown, it was not just pearl only. All of the neighborhood associations were working on it together. The business associations and the community that was there, which was very light, you know, I think the map is very telling about what's been accomplished and what hasn't been accomplished. But this plan was in response to the metro 2020 plan which basically had a vision. We created a vision in response to that which was a high density vibrant neighborhood for many, many businesses, across lots of economic levels of housing. Not just one economic level, but many economic levels of housing and a thriving 24-hour neighborhood community which includes parks and all kinds of other things and so this plan was created and in response to that, you had the river district urban renewal district was created. And because part of the river district, the original river district was already covered by another urban renewal area which we found out kind of had a different path toward how they treated old town chinatown. Five years ago, the neighborhood associations and visioning committee got together and said we're going to have an opportunity based on janis wilson's report let's work together and we came up with the idea of a new river district. Which is about both neighborhoods, not just about old town Chinatown, not just about the pearl district and worked really hard to figure out the expansion of both the capacity of money and area and worked very hard with previous administration and have been trying really hard to figure out how to create that balance first laid out in the '90s, where both neighborhoods thrived. Not just one neighborhood but both neighborhoods. So that has been one of the primary reasons we have been in support of it and when you look at that map, the story that is in the map is all there, the map of blight. You can see the opportunity sites and where things are missing. I mean, if this does not move ahead, the opportunity sites that are going to be left behind are of course everything in old town chinatown, but the one I'm most interested in is the big orange block in the middle, which is the post office, almost 14 acres, two-thirds the size of the original hoyt street area. We can bring a corporation here. They can give thousands of jobs, thousands of jobs. That such a property that we haven't seen in downtown since the original hoyt street area. It is the opportunity site to end all opportunity sites. It's hooked into the streetcar, it's hooked into the new max line and without the expansion of capacity alone, we don't expand the capacity of just the existing district and if we don't expand the area we can't start feeding off it into old town chinatown with the u and r blocks and union station. So the opportunities that can't be done without the expansion regarding just that property alone and we can do this. We can go through property after property and have the same story. The last thing I do want to say is I would challenge everybody in this room to walk north of Northrup. I always

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say this but the pearl district isn't done yet either. I mean I think everybody the streetcar doesn't go far enough. Everyone gets off before Northrup and what your missing is the empty fields that go to the river. Empty contaminated fields that are just waiting for more housing, there's not even roads. You keep walking north your going to run out of road. And so just the opportunity that this means to both neighborhoods is huge and to finish that vision. So thank you.

Adams: Thanks ms. Gardner. Thank you all appreciate it. Sue.

Adams: Good morning. Welcome to the city council. We're glad you're here. You can give your papers to sue.

Shelly Lorenzen: Good morning mayor adams, commissioners. My name is shelly lorenzen, I'm speaking on behalf of women league of voters in Portland. As you know council proposes to increase from 225 million to \$550 million the amount that Portland taxpayers would borrow to pay for urban renewal projects in the river district. Its fundamental urban renewal law that these areas have to be blighted. Somebody said today that it's not an oliver twist test of blight, but I would direct you to the words of the statute which say that blighted areas mean areas that, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures or any combination of these factors are detrimental to safety, health or welfare of the community. That's the definition of blight in the Oregon statute. The reason that - - so it may not be a rats running in the streets test, but it's a serious deleterious health and safety test. And the reason that there's such a tough test is because the effect of urban renewal is to take money from the other taxing jurisdictions, school, county, and the city itself. We're seeing huge layoffs today. Whether the river district met the blight test was the focus of the amicus briefs that the league filed with luba. And we were gratified that luba agreed that the city had not made the blight findings necessary to justify the addition of \$325 million in urban renewal debt. The league doesn't think the city has made a credible case that the pearl district and meier & frank areas are still blighted and in need of urban renewal area. I think it's sort of interesting, maybe in sort of the justice black man view of pornography was the same as blight, you know it when you see it. And in this case we had to hire consultants to go out and it in the pearl district. The blight findings are pretty creative and I just want to focus on one which says that redevelopment of properties, potential redevelopment of properties is an addition of blight. That is absolutely not the case. That's like saying, because I live in a relatively modest home that could be torn down today and rebuilt with a 10,000 square foot home with a five-car garage that my home site is blighted. The statute actually says that under developed properties have to indicate a growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land, potentially useful and valuable for contributing to the area. So you know this is an area that has had its assessed value increased fourfold to \$1.3 billion. The area is filled with high-end shops, amenities, parks, and open spaces. To pronounce the pearl blighted is just really -- you know -- a little bit difficult to accept. We asked you to change course. Things have changed dramatically since you originally adopted this amendment over a year ago. Times have changed. Economic times are tough. We ask you to change course and allow the returns of much needed tax dollars to our schools our county and our city at the earliest opportunity. Thank you very much.

Adams: Commissioner fish.

Fish: Shelley thanks you for taking the time to earlier come into my office to brief me on this. I asked linda meng, our city attorney, earlier a question that we were all sort of struggling with, which is what is the definition of river district as a whole that's blighted? What is the guidance that exist in the law? You've seen the new findings and you've seen the city's proposed position on this. Is there some authority that you think we should look at that would give us more clarity as to where to draw the line?

Lorenzen: Well, I think the first and foremost authority is to look at the words of the statute, which I just read to you. They do outline a number of tests of blight. I just think -- I don't think there is

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guiding authority in the case law, but I think the black letter words of the statute give you a good feel for what the city or the state is expecting and luba is expecting in the way of blight finding.

Saltzman: Just to follow up on that a little bit. From your testimony, it sounds to me you're more or less in agreement with the criteria that were used except perhaps for the underdevelopment of property.

Lorenzen: No, no, no. I don't want to -- when you only have three minutes, you have to pick your points.

Saltzman: Ok.

Lorenzen: No. My point is who can drive-thru the pearl district and the meier & frank area and, with a straight face, say that those areas are still blighted. Now, the city has done a very creative job of trying to come up with some blight factors and have had to hire consultants to go out and find them because you don't see them driving up and down those streets. I don't know if luba would consider the possibility that there might be lead-based paint in a building based on its age would be a factor of blight. I think what's also interesting about the findings is there's, I think on page 87, there's a comparison of the old town, chinatown area that's being added to the district versus the original district. By comparison, the pearl district and meier and frank areas are not blighted. They have almost 100% occupancy, they have 80% new buildings. There's just all this new construction versus -- you know -- compared to old town, chinatown. I think if the city's study does anything, it shows that old town/chinatown is indeed blighted. I would also like to see how these figures for the pearl district and meier and frank area compare to the city as a whole. I expect that, in view of all the new construction in those areas, that the pearl district and meier and frank would not be considered blighted, would probably be one of the least blighted areas in all of Oregon.

Adams: Commissioner Fritz.

Fritz: Thank you for testimony for all your work on this for a long time. Your point is kind of what I was getting at in my first questions is that there are certain areas of the pearl that nobody in their right mind would consider blighted now. And those, is my understanding now, contributing to paying back the existing debt. But I think ms. Gardner's point was also compelling that north of northrop there are still areas in the river district which are significantly underdeveloped and blighted. Would you agree with that?

Lorenzen: Well, I think there are some undeveloped areas. There's still \$225 million. We have a plan for \$225 million under the original urban renewal plan. The league is not advocating that we end that but the league has advocated is that we draw in old town/chinatown. This is what started this whole situation. The league proposed drawing in old town/Chinatown to the extent the statute would allow. Add that to the riverfront district and start spending moneys in old town/Chinatown as well as completing the projects on the river district. That was five years ago. So in terms of lost opportunity, we've been at this for a long time. We do believe that you should finish the plan, the \$225 million plan in the river district, and then let that plan expire. Monies would flow back at the rate of \$10 million per year to each of the taxing jurisdictions and more as assessed values increase. And then consider starting a new urban renewal district with old town/chinatown. I want to make sure council knows one thing. Now, luba did give you a great option that I don't think anybody has really focused on. I don't know if technically the league would agree with this, but I want to make sure everybody is aware of it. What luba said is that, if you would make your plan so that money -- that new monies would be spent only in the added areas, only in old town/chinatown, then perhaps you would not need to find that the original area was blighted. So I think that is sort of a win/win situation. I don't know if we technically agree with it, but you have that option of adopting this amendment, putting the monies -- spending the new monies all in old town/chinatown and possibly avoiding having to find an unassailable blight -- meeting an unassailable blight test in the original district..

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Fritz: Thank you. That's very helpful. Let me just clarify to make sure I understand. You don't object to increasing the indebtedness if it's spent in old town/chinatown, in the new areas.

Lorenzen: I think that would be the better alternative.

Fritz: And you didn't have a problem with the current -- so it's the increase in indebtedness if it's continued to be spent in the old area that's the problem,

Adams: The original area.

Fritz: The original area.

Lorenzen: The problem is that you're not allowing the district to end on time.

Fritz: Right. That's the second piece that were extending for one year is that correct?

Lorenzen: Our first preference would be that you allow this -- if you can't -- our first choice would be that you just draw in old town, chinatown and start funneling monies under the existing plan. Rather than -- yes, finish your plan but rather than spend monies polishing the pearl where it doesn't need to be polished, move those monies to old town/Chinatown under the existing \$2254 million dollars in debt. Plan b would be to just let the district expire on time and form a new district in old town, chinatown that could pick up even more acres than it does now and do the projects there. Luba has offered sort of a third alternative that, if you can't see your way to either one or two, then perhaps that's an alternative to look at, which is adopt a bigger budget and extend the area to include old town, chinatown but spend the monies only in old town, chinatown.

Fritz: Am I correct that we're proposing to extend the deadline, the district for only one year. Is that right?

Lorenzen: Right.

Fritz: Why is that such a big problem?

Lorenzen: Because you're adding \$325 million in debt, so it's going to take a lot more time to pay those monies back.

Fritz: Thank you.

Neilson Abeel: My name is Neilson Abeel. I'm a 17-year resident of the Pearl district, and a founding member of the Pearl District Neighbors' Association and a six-year term as president of that neighborhood association from 1996 to 2002. I'm also the renovator of a historic building within the federal historic district, Northwest 13th Avenue, which my wife and I did in 1992. I'm here today as a member of Friends of Urban Renewal and I will spare you all and be very brief. We have handed to your council clerk documents which I request to be submitted into the record, and we have submitted a letter to Mayor Adams and council members stating our positions over this issue. Thank you very much.

Adams: Thank you very much for your testimony. Sue, anybody else?

Parsons: That's all.

Adams: Discussion from council or is their staff anyone wants to bring back up to answer or have further discussion on any of the testimony?

Fish: I may, independent of this, Mayor, just communicate that our colleagues because one of the things that sometimes becomes challenging is separating out issues that people have raised which go to sort of policy questions. Which as opposed to issues that have raised that go to the legal requirements that are before us that have to be met and demonstrated. I appreciate that in the communications I've received from a lot of people, again as I mentioned earlier this has provoked a passionate discussion about urban renewal. And I understand there's some people who don't support urban renewal some people who believe that you should never extend a district on principal. Some people who take other positions and those are important things for us to consider, but I think that as we consider this, it's also important that the council focus on the issues that are before us in terms of the remand. What additional findings we have to make and what are the legal requirements. That's not to say the other issues aren't important but, when I try to distinguish between the two, I think that there are certain issues which are political questions which are

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delegated to the p.d.c. board to make recommendations and ultimately the council. Then there's the legal issue which we have to conform to, and that's set forth in statute. I want to make sure that our focus is on the legal issues that we have to address and not on the wealth or policy questions. Because there are other forums for us to have those robust discussions.

Leonard: I think Keith might be the one to answer this, in an analysis that I received a copy of. I do recall that, in this particular urban renewal area, there is money that goes out to the taxing jurisdictions not in this district.

Keith Witcosky, Portland Development Commission: Not in this district.

Leonard: So it's an option one district?

Witcosky: It's a -- it's not an option of any kind. It's a post 1998 district, so the base, the property taxes that were being generated at the time the district was formed continue to flow to jurisdictions but everything above it, the growth, goes to P.D.C. for investment.

Leonard: Ok. What's an example of one where the money is distributed? I know the airport --

Witcosky: Downtown waterfront is one example where we invest around 7-7.5 million a year and over 11 million is being released to other jurisdictions for investment. Let me make one other point, you didn't ask this, but --

Fritz: What should we have asked?

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

Witcosky: With the new legislation that we proactively negotiated, we intentionally worked to make sure that the river district will apply under the revenue sharing model.

Leonard: Can you explain what will happen then?

Witcosky: Yeah. With the expansion -- and I don't want to get into all the technical levels --

Leonard: What I'm interested in is making sure people understand then that some of those dollars do get distributed to taxing jurisdictions. So maybe to the extent that the legislation does that, would you explain that to us?

Witcosky: Yeah. It does do that so to the extent it reaches certain thresholds, the way the legislation is built, it says that when we begin to receive 3% of maximum indebtedness, sharing is triggered. Sharing means that for every new dollar that comes in after that, p.d.c. can invest 75 cents and 25 cents goes to Multnomah county, the school districts, the city, etc. When we hit the 10% level, when we start receiving 10% of maximum indebtedness then everything above that, all the money above that gets released, so those standards are being applied to this district.

Leonard: So to the extent that we're successful in the new boundaries, taxing jurisdiction benefit.

Witcosky: Exactly.

Leonard: Now what's the purpose?

Adams: Much more immediately than they did on the 20-25 years horizon of the way we did this and that's why we've negotiated that deal, and it applies to this.

Leonard: I just think it's very important for us to make those points when we hear criticisms. I want to make clear that the last time we had an extension of a urban renewal district, I was the only one to vote against it, so I understand a lot of the concerns, but I think the change in the legislation and the way some of the urban renewal areas actually function whether type one, two or three districts do distribute money back specific jurisdiction, schools, the county, fire districts, et cetera, including the city of Portland. What's really important to understand is but for these urban renewal areas, that money wouldn't be available to those taxing jurisdictions. It is those improvements that cause the increase in value that generate the revenue. I think that has to be reminded of people having this discussion. The pearl, before it was formed, was a very stagnant area that produced little today but for the urban renewal area. Not but for but because of the urban renewal area, it generates a lot of income.

Fish: Commissioner Leonard if I could just follow up on that. Two of the issues that have gotten a lot of attention lately, and I think might have been highlighted in Mr. Kalber's op ed piece in the

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Oregonian and elsewhere. And two of the related controversies here, in my judgment, have been addressed through this process. One was to what extent do other jurisdictions that share in the cost -- to what extent do they have a voice in these things? The legislative package that the city negotiated with some other -- with the county and special districts and others provides a mechanism to ensure that other jurisdictions have a voice above a certain amount of expansion in the future. That recognizes that, while there are benefits to everybody of urban renewal, there are also to the extent there are any costs, they need to be discussed with jurisdictional partners. That has been agreed to, that's a leadership bill in the legislature and my understanding it's either passed or will pass. The related piece has been a spirited discussion about what you need to establish with respect to blight. As has been pointed out, we're operating somewhat in the dark, because there's no definition somewhere or case law that says with mathematical precision this is what you have to show. And that was one of the questions that Dan Saltzman was getting at. What is that amount. So recognizing that Luba gave us some charge, that the p.d.c. has now done an extensive job of making those findings and if this is appealed to Luba, the question will be decided. I hope it isn't but, if it you're going to get your answer. It seems to me those two issues were really critical issues that have arisen from this discussion, and I think that I wholeheartedly support the deal that was struck in the legislature. I think that has given our partners some confidence that they have a real meaningful say in expansions in the future, and I think the documentation here puts real content into what we mean by blight but recognizing that potentially the ultimate say on that is Luba and creating some boundaries. But the district as a whole, I mean, that is a very general term. I think for someone to say that the district as a whole has some implied mathematical direction, it's sort of like saying due process of law is clear as to what you can and can't do. There are certain phrases written deliberately broadly and invite you to do your best effort. The question before us is have we made a good faith effort to reach that.

Fritz: I'm new to the council since the expansion was approved, and I really appreciate the league of women voters of Portland and the Friends of Urban Renewal. I think you've raised some very important issues. It would be helpful to me if I could meet with you each over the next week. Particular Friends of Urban Renewal and going over the three points in your letter, we've discussed blight and whether the whole district needs to apply and how much blight there needs to be. I think that's one of the questions on the table. Your second question I'd be interested to hear from the city attorney perhaps again in another briefing, your point is that affordable housing is an important objective citywide, the lack of affordable housing is not a condition of blight. And the council adopted a 30% set-aside as part of urban renewal districts. I don't know that that was challenged, and I'm wondering if this is the appropriate place to challenge that or what the feedback from our council is on that --

Fish: It was in fact commissioner. Originally the friends did challenge the authority to a 30% set-aside.

Fritz: And that was not sustained?

Fish: Correct.

Fritz: Ok. Thank you that's helpful. And then the third point is that the major projects with very high costs are described vaguely, and I'm wondering if p.d.c. can give us more specificity on that. Because I think that's an interesting point of presumably having to come up with a number like 12,775, 702 we actually do know specifically what we're going to be using that money for. If we could get some more information on that, that would be very helpful to me. I'm also interested in the league's suggestion as far as a different way of reorganizing and looking at how to accomplish the proven needs that we have in Old Town, Chinatown and some of the very worthy projects. I think this is really helpful and especially appreciate Commissioner Fish's and Mayor Adams' work on this and the staff at p.d.c. and City Attorney's office. It seems like we're trying to get to resolution and that we're using many different avenues to do that, both the legislature here at the city and some of

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the other work that p.d.c. is doing at looking at economic development citywide and what commissioner Fish is doing by looking at house be citywide. So I'm hopeful that by the time we bring this back for second reading that I can have more comfort that we've reached a package that we've got more consensus on.

Saltzman: I'd like to bring up neilson abeel again. You're testimony was pretty short and sweet. I was expecting you to go into more detail about the friend's of urban renewals concerns about what were considering today. So --

Abeel: Commissioner Saltzman, I think you'll see that in the package I've delivered to the city clerk.

Saltzman: Sure. I get that. I just wanted to ask you about your second to the last paragraph. "Our dearest hope all along was that p.d.c. and the city would examine our legitimate concerns and sit down with us to find common ground and a responsible solution. Despite considerable effort, an effort we thought was leading to a positive result as recently as five days ago, no settlement was reached". So where were things five days ago in your mind in terms of a settlement?

Abeel: I think that -- without going into the details --

Saltzman: Why not go into the details?

Abeel: Because i'm not one that was at the meetings that friends of urban renewal had with either mayor sam Adams and/or commissioner Fish. There were negotiations involved. There was a proposal from friends of urban renewal on the table, and there was supposedly going to be a response from city council through their attorneys. Last wednesday, thursday, it was terminated.

Saltzman: The details of the proposal on the table you're not familiar with?

Abeel: I am familiar with them.

Saltzman: Can you outline that?

Abeel: Yes. I think the position of friends of urban renewal was that we were prepared -- i'm very much reminded by my colleague the discussions that went on with the mayor and the commissioner and the city attorney were confidential. And I'm not at liberty to discussion it any further.

Leonard: It's clear from you are letter and your conditions that essentially you don't want affordable housing built in the pearl while other areas in the city are burdened with affordable housing. You have decided to have affordable housing built into the pearl you find offensive. And that's any simple reading --

Abeel: Those are your words, commissioner Leonard.

Leonard: But I can read.

Abeel: Those are your words we have many affordable housing projects in the pearl.

Leonard: Apparently you think it's enough, which is the basis for your appeal and it's very clear from your letter which I find offensive.

Saltzman: Ok. I guess I would request a briefing from the city attorney about the negotiations prior to next week's vote. Thank you. Is that ok, city attorney? Great.

Adams: All right. Unless there's additional discussion, this moves to a second reading. When is the second reading? Next week?

Parsons: It would be, right.

Adams: Next Wednesday the?

Parsons: Next wednesday. We do have the 24th in the morning.

Adams: So june 24th in the morning. Moves on. [gavel pounding] All right our good auditor is here. Could you please read the title for council calendar item on the consent agenda that was pulled, 843.

Item 843.

Adams: Who pulled the item?

Fritz: I did.

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Adams: Welcome to the council you just need to give your first and last name and you'll have three minutes. The clock in front of you helps you countdown the time.

Jasun Wurster: My name is jasun wurster. As you probably remember, in january I came up and gave testimony about the city auditor's race and had some concerns about our democracy and the quality of candidates that would have been available to run in that race. Don't get me wrong. I want this to be a conversation, everything aside, happy day -- aside, happy days of january. No v.o.e. Funds were used. Our democracy relies on a lot of idea of coming up and allowing citizens to choose from them. My background -- background, I finished my paper, so p.s.u., Portland political science degree. But with the auditor's race with the lack of candidates that ran and the timeframe and professional requirement for the auditor to be a c.p.a -- and there were two others -- i'm totally happy with the auditor we have. What I would like to bring to point is that the time in order to elect or have other viable candidates run is still one of the concerns that I have. Only 38,752 people voted in this election. That's 10%. That's not civic participation. Our democracy relies on civic participation. The onus is on you and our government as a whole to increase that civic park participation. There's an organic intelligence in our city. With the time I have left, there is the potential -- there is the potential of another vacancy happening, and I would like council to revisit the city code that says -- that recommends 90 days of to fill that vacancy should it happen. I think that it needs to be a longer time period. Let us learn from the city auditor's race where no other candidate ran, no v.o.e. Candidates, and also citizens weren't educated. Elections is a wonderful opportunity for citizens to be educated. Keep that in mind, and let's increase the civic participation, should this vacancy occur, and let's make our government better. Thank you.

Adams: Mr. Wurster, appreciate your testifying. Unless there are others that seek to testify, please call the roll on council calendar item 843.

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

Fritz: Well, we've worked really hard to provide public campaign financing capacity for this election, 'cause it was open for others should they choose to ran, that they could have run a viable campaign. I'm getting a nod from our new auditor, and so that would need to be a charter amendment that could get to the chart commission. Even if it weren't, my per speck tiff was that having an incumbent also biases a special election so that we couldn't have gone without an auditor for a long period of time. It's a very important role. So i'm very supportive of what we did and very happy about this.

Adams: An emergency council calendar item 844.

Item 844.

Adams: Good morning. Welcome. Please give council a briefing on what they're looking at.

Nolan Mackrill, Bureau of Transportation: Good morning, mayor Adams and members of council. I'm Nolan mackrill, transportation manager of parking enforcement. Today i'd like to propose some changes in the new bus mall. The new multimodal transit mall design is different from the last mall, the new configuration including lanes for buses, light rail, continuous travel lane down the whole mall. These changes have changed the dimension and utilization of the new mall. Some of the changes that we wanted to designate in this code change is it designates boundaries of the transit mall, designates the bus and light rail lanes as transit lanes, designates the continuous travel lane, the auxiliary vehicular lanes, no stopping or parking in the axillary vehicular lane unless a police officer instructs that to happen. Ingress and egress, maintenance utility time for routine work, creates traffic control plans for lane closures, especially around pioneer courthouse square. This was entered as an emergency item because the future addition of the light rail training will increase and, later this year, the actual routine routes for light rail will be in full force. The buses have been running their routine routes, but there would be addition of the train safety of all uses of the transit mall are important.

Fish: Can I make a suggestion --

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Adams: Can I make a suggestion? If we could discuss those in the street signs that say no right turn. Remember we tried them out on 23rd, and they lasted for about three dozen buses running over them. As we get closer to the rail bill, I think having more of a driver-level signage -- I think I'd ask you to look into it. We've got those two wide stripes, in a normal stripe. The other is, as we have on some parts of burnside is you can go in the -- if you do what we call a jug handle, you can make your way west or east on the transit mall, but you have to go around the block. I'm finding people that know what I look like and approach me saying, I got on the transit mall, and I couldn't get off. We're all -- couldn't get off. I think if we show some of those signs I'm talking about, even if they're temporary, I think that might help people get used to its. We want to keep the cars out of that middle line as well.

Teresa Boyle, Bureau of Transportation: Teresa boyle. We do have special signage especially related to the no right turns that is going to be installed this summer in order to enhance the signage that's out there. The signage there is what's strictly required based on metcd the manual of uniform traffic control devices. Sorry. We will have additional signs up and will talk about putting something in the -- we can talk about putting something temporary in the transit lanes. The trick, though, is to not have something that's going to pop off and following the tracks when the train is going to run. If something gets knocked over, then it runs in front of the train.

Adams: And we don't want that.

*****: We can talk some more. I'll show you what we have planned.

Saltzman: I have a firsthand account of a concern, and that is the Portland streetcar heading south, dead heads in the vehicular lane. They seem to have no compunction about this. I want to make sure the Portland streetcar is included and exclusion from the vehicular lane.

Mackrill: We're going to be doing an additional -- some code amendments in the future for some other title 16 changes, and I'll put that one into it.

Saltzman: It's a real problem, and it's happening now. The streetcar simply stops on southwest 5th southbound. Deadheads, meaning it's waiting for the schedule to catch up, and it's in the vehicular lane, so traffic just piles up behind it, and they seem to have no hurry to get out of there.

Adams: What's the solution then?

Saltzman: That streetcars are prohibited from stopping in the vehicular lane.

Mackrill: We can work with tri-met to not have them do with that -- do with that.

Boyle: It stop as single track from 5th down to 4th. There's a hold space so that the vehicles coming up and out of the south waterfront area have to take turns getting into the single-tracked area at the urban renewal -- excuse me. Urban center. So it's not necessarily just a schedule makeup, but it has to do with who calls the signal first. Your point is very well-taken.

Saltzman: I think southbound traffic in the one lane on 5th avenue takes precedence over what may be going on on fourth avenue.

Leonard: I'd be much more comfortable than on the fly make an amendment based on an experience with having you do analysis.

Mackrill: And we can also work with signals to see about the timing function, too.

Boyle: Do you want us to come back next week with that information.

Adams: I'd like to get this approved this week and file another amendment next week. I don't want to leave this one week longer.

*****: Thanks.

Adams: Any other discussion from council, anything else anyone would like to say?

Vince Jarmer, Portland Police Bureau: Mr. Mayor, town sill -- city council, I just want to support the changes and we've talked about some additional changes we need to make possibly, but I think what this does, as far as publish safety goes, it -- publicity goes, it shows what the actual pattern is now. Getting to where people are obeying the bright line, that will be a chore and it

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would be my job to do or partially my job. But I think it's very definitive, and I think that we're about 95% there with some additional work.

Adams: Thanks for your work. If the council doesn't know, Theresa has been with this project and helped to shape it along with Tri-Met and has done a fantastic job advocating, and I want to thank you for your work. Anyone signed up to testify?

Parsons: I don't know.

Adams: Thank you for your testimony. Anyone issues to testify? Come on up. Welcome to the city council you just need to give us your first and last name and the clock in front of you will help you countdown three minutes.

Margo Mennesson: My name is Margo Menicini, and I'm representing the bicycle transportation williance -- alliance. We appreciate that cyclists have access to these streets, but we know there are concerns about the right turn movements, and we believe there is a solution to making this movement safe and intuitive and legal. And so we hope that the city will take into account this issue, making any discussions regarding the axillary -- axillary the Larry lanes.

Adams: Do you have a plan?

Mennesson: Doable and intuitive so that all the roadways there's no cyclists doing that so that it's informed behavior. We're working with the city -- working with the city to show how we're supposed to do this. We call it a Copenhagen turn. So aligning themselves at the cross street to proceed with traffic at the light.

Fish: This is very anecdotal from someone who's driving a lot on 5th. There's a little bit of confusion on who can do what. I've noticed that cyclists generally will pass traffic going into what appears to be the bus lane or the max lane. The markings -- I mean, I have to get used to the new markings, and there's a lot going on. I think we all need to be educated. The cyclists get out of the designated lanes that the cars are in. I'm afraid someone is going to get hurt. People seem to be frustrated about making turns.

*******:** Right.

Fish: On a bicycle, people seem to be pretty inventive. I think there's some real safety issues there, and I'm not sure everyone understands the rules of the road.

Mennesson: He education will be a big part of whatever solution we come up with.

Adams: Just to be clear right now because safety is our number 1 priority, no right turn for bikes or cars. And stay out of the middle lane and the far right lane. Bikes, cars. That's for buses only. Thank you very much.

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

Adams: So we'll come back next week. As we figure out on the ground how to make this as safe and functional as possible, council should expect that we'll be coming back to them as needed. Sue, would you please call the roll.

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

Fritz: Well, this is really going to evidence that bicyclists' bumper stickers share the road. We're all going to be very, very careful and to drive slowly and be careful and watch out for pedestrians, bikes, buses, whatever is in our streets downtown. I'm supportive of this and also recognize it's going to take some changes in behavior, because it's going to be a complicated system and we want to make it work. Aye.

Adams: So if a bicyclist does want to go right, they have to get off their bike, go to the corner, like I do, wait for the walk sign, and walk across the street. Aye. 844 is approved. Can you please read the title for second reading council calendar item 845.

Item 845.

Adams: Please call the roll.

Fish: Aye. **Saltzman:** Aye. **Leonard:** Aye. **Fritz:** Aye. **Adams:** Aye. Please read 846.

Item 846.

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Adams: Any questions of council regarding this claim? Anybody who wants to testify on 846? Please call the roll.

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

Fritz: Thank you for your work.

Adams: Aye. Please read 847.

Item 847.

Adams: Council have any questions regarding this item? Anyone wish to testify regarding this item? Sue, would you please call the roll on 847.

Fish: Aye. **Saltzman:** Aye. **Leonard:** Aye. **Fritz:** Aye. **Adams:** Aye. Please read 849. Ad 848 was pulled back by commissioner Fish.

Fish: No.

Adams: That's what I have here. No?

Leonard: It's your ordinance.

Parsons: We should read the title later for 848.

Adams: Did I not announce it being pulled in all right. 848 is returned to mayor Adams' office unless there are objections. Now we're back on 849.

Item 849.

Jeff Baer, Director, Bureau of Purchases: For the record, i'm jeff baer with the bureau of purchasing. Before you is a request to approve and execute a contract, and i'll highlight a couple facts. This is on behalf of the water bureau, the powell butte reservoir number 2, site development project. We had a construction estimate of \$13.2 million. Because of the competitive construction market or environment, we received 14 bids on this particular project. They range from the low of 3.7 million up to 7.39 million. The contractor that we selected is nutter corporation, a local contractor. The amount of the contract is \$3,077,007. We identified in the solicitation document -- solicitation document the work that would need to be accomplished. They have indicated their intent to work or identify 88.4 of the subcontract dollars to minority or women-owned licenses. We have a representative from the water bureau here in case there are any important details.

Adams: Questions from council?

Fritz: So the project was initially estimated at 13.2 with optimal confidence and the bid comes in at 3.7. Why the big difference?

Baer: Partially because we are finding a significant drop between the engineer's estimate and the actual contract amount. I think it's simply do to the environment we're in. We had 14 kid the bids on this that is very unusual buff is becoming more the norm.

Fritz: Are we confident this is optimal and will not come back with multiple changes?

Baer: That's the information from the water bureau.

Leonard: And it's a contract.

Adams: Any other discussion from council? Anyone who wishes to testify on council item 8? This is a purchasing report.

Leonard: Move acceptance

Fish: Seconded.

Adams: Moved and seconded. Please call the roll.

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

Fritz: Thank you for your work on this, commissioner Leonard, and for staff's responsiveness. My understanding is that the savings will remain in the budget to address fluctuations, unplanned work, and the potential release for next week's rate payers. Aye.

Adams: Well, our efforts to fast track infrastructure projects to get work out the door quicker than we had planned and to achieve savings in the process is incredibly well I will plus straightened a this council calendar item, this contract. Congratulations commissioner Leonard. Aye. 849 is approved. Please read the title for 850.

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Item 850.

Adams: Any questions from council? Anyone wishes to testify?

Fish: Why don't I speed up real quickly. Today the parks bureau is -- if I could call forward eileen argentina, sandra burtso and keith latosky. Today we bring up another parks department, waterfront park. This space is 95% complete and saturday market has already moved in and is going great guns. It's beautiful and wonderful addition to the old town skidmore area. By the way, the mayor and I attend the ribbon cutting a couple weeks ago, and it's really spectacular. We've had a chance to brief all the council offices on this matter and respond to questions. This time, when I say there's away q and a, I mean everybody's packet but mine. I want to express my appreciation to walker macy, doug macy in particular. He and his talented staff have put the heart and soul into this project. Doug can be very proud of helping to create yet another signature park in our downtown. Eileen and sandra, would you like to make a very brief presentation?

Eileen Argentina, Portland Parks and Recreation: Just a couple comments. Good morning. Thanks for your time. I'm eileen argentina, parks and services manager. The saturday market was part of the revitalization of the skidmore district, bringing other tenants into the district. We're now in the homestretch of this project. Today we're requesting council approval of an amendment to close out the project. The funds have been identified -- bless you -- and will not require general funds. We expect construction to be complete by the end of july. Portland saturday market has been operating on-site over a month. You can see what a success the new location is. On the contract amendment, \$1,294,000 was originally on the contract. Under the 25% threshold requiring council approval brought the contract to 1,546,000. This amendment, necessitated by changes in the construction contract, will add 415,230 for a total of 1,961,524. The construction contract has been managed by p.d.c. The additional design services were requested by p.d.c. As the construction process went forward. This will be paid with urban renewal funds and systems development charges, 250,000. In total p.d.c. funds will cover 1.7 out of the 1.9 million of designed contract cost. Sandra is here to provide a little information on the project and, as commissioner Fish said, you have the q. & a. -- q and a.

Sandra Burtzos, Portland Parks and Recreation: Good morning. I know you're somewhat familiar with this project. I'd like to just briefly reacquaint you with it. This image shows the two project areas outlined in red. Those areas are the first avenue and the area under the burnside bridge between 1st and naito -- naito. These images are of the max retail area under the burnside bridge. The goal was to improve the sense of public safety by activating a previously dead space and improving lighting and sight lines. It includes a 2100 square foot retail space whose curved glass now occupies what was once an overly wide area behind the max platform, reducing the activities in that area. Improvements include changing out the burnside bridge stairs, reducing the sight lines to the area -- sorry. Not reducing. Opening up the sight lines. Also a fresh coat of white paint brighten up the area and replacing the old lighting that provides that orangish cast with a new energy efficient, very bright white light. This project, as you've probably heard, was extremely challenging due to the accelerated design and construction schedules, large numbers of stakeholders with diversion requirements, weather impacts, late permit requirements, utility service issues, unforeseen site conditions that have been caused by the layers of Portland's history that were undocument testified in this part of town, many of them utilities that no one knew were there, that had been buried for years. We had to self things regularly as things were discovered. There's a list of about a dozen key stakeholders on this project. Multnomah county, saturday market as the major tenant, parks and recreation as the owner, p.d.c., Portland water bureau, the bureau of environmental services, and many other city bureaus. Just to name a few. This project required substantial interagency coordination and complex problem saving. The challenges push the team to develop creative and innovative solutions. This image shows the waterfront portion of the project from the bird's eye view of the river. The burnside bridge is on extreme right with the ankeny pump

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station just to the left and backing up to the river. Ankeny plaza is just across naito park. A podium contains a portion of the interactive water feature. The market podium steps down to a circular plaza. This has already become quite a popular viewpoint and a rest from the busy traffic. The large interactive water feature, the bill naito legacy fountain is on the left. That fountain is going to provide much summer fun for all ages, also provide year-round visual identity for the park, there by creating a significant northern gateway into the park. One of the goals of the master plan from 2003 was for this area of the park. The portion of the fountain under the canopy will run when saturday market or other events are not scheduled. Positive, family-friendly actives will take place. When saturday market is using the space, the podium portion of the fountain will be turned off and will look something like this. Can you tell the difference? The top image is an artist's rendering by walker macy during design in 2007 while the bottom image is a photograph untouched by photo shop taken by walker macy the first weekend that saturday market opened in may of 2 now. Mine.

*****: There's an umbrella in the real one.

*****: Yeah.

*****: They totally had this wrong.

Burtzos: They moved the booths around a little bit. I know it was so unfair. The other thing you might note is that the person who photographed it mentioned to me he was disappointed it wasn't a very sunny day for this photograph. Portland parks and rec would like to think again anita campbell, the Portland parks association and those that contributed private funds. We'd like to thank our partners at p.d.c. and all the other bureaus for their support and very hard work to make this project happen. This project is fully designed, funded, and nearing the end of construction. Today we'd like authorization to amend the contract to compensate them for the extra services we've had to request to solve the multitude of challenges that arose with construction. Thank you for your attention, and we are available to answer any questions you might have.

Fish: Could you go back to the first slide for a second? I just want to point -- yeah. There. I just want to point something out for my colleagues. If you look at the top center of this picture, there's the space that's between what is the new mercy corps building and the other side of the bridge, which is the white stag. There is a parking lot in the middle. And for a number of years, that was used for a number of homeless minute tree -- ministry rehab. That will now be used as a parking lot. A number of suburban chumps have been requested to relocate. Hannah coombs is covering that in my office. This is not without challenge, but it's also a pretty extraordinary challenge for -- challenge for relocating, looking at site that's have been identified north and south. If any of my colleagues have some suggestions or places that meet our minimum specifications, preferably something with a cover, homeless individuals that tend to congregate in old town, chinatown or people that are residents of s.r.o.s and others that use the services for part of their meals. We would love to hear from you, and we hope to be making some recommendations shortly. Sandra and eileen, again thank you for your presentation and thank you for, at my request, making sure that my colleagues were briefed on this issue and their questions hopefully addressed in advance of this hearing.

Saltzman: Do you go back to that retail space slide? So that retail space is facing 1st?

*****: Yes.

Saltzman: Facing the university of Oregon building?

*****: It's right under the bridge, just centered under the bridge on the west side. It's kind of where the bridge abutment is and used to be a garage door, storage for saturday market actually.

Saltzman: So it's like 2100 square feet? Is there a tenant yet?

*****: I believe that p.d.c. is working with the u. of o. They have four potential tenants, kevin informs me.

Saltzman: Thanks. Good work, too.

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Fritz: I'm not sure that the questions are directed at you. They're maybe more for purchasing. I'm wondering more about the original certainty about the price. Do you happen to remember what the original certainty was?

Fish: My understanding is there was some low confidence estimates. When the excavation uncovered some things that were not anticipated, including a civil war era Leonard family plot that has to be addressed and relocated to an appropriate place, Ebenezer Leonard's plot that apparently was not permitted, but his remains have been preserved.

Saltzman: Are you sure it wasn't a fort?

Fish: In the briefings I've received, because of the history of that site and because of the shipping history, that area of new excavation presented just a mere yard of challenges which were not anticipated. It was originally a very, very low confidence estimate.

Witcosky: The original eight and a half million was very low confidence.

Fritz: I want to make sure we don't have as many overruns, what the public timing is, some the public process that changed some of the choices that were made as far as what particular items were purchased and not purchased.

Witcosky: I didn't work on it directly, but I kind -- it kind of equated to when we renovated city hall in the mid 90's. You open up in that case an old building, in case an old partner of Portland. As you find things, whether it's the old freeway some of the items that commissioner Fish talked about, in order to address them, you've got to continue to invest more money. When the budgets were looked at in December and November of '08, they really struggled. We have to make sure the painting that Sandra talked about, we need to build the stairs, have a better retail space. It estimated the cost in a situation where it was a purely public project. So you know, the way we do projects and contracting at p.d.c. Is, when we go to the board, we'll have the development agreement. Usually it's around 10% contingency. If the project goes over that 10%, we have to return to the board to get approval to increase it.

Fritz: This is a partnership between the city and p.d.c. Your board was to a proof it before -- essentially it's done now. So my choice here is to either pave the people who have done the work or not. And it seems like it would be fair to pay them for the work. As we move forward and do more projects, I wonder how we can make sure the council and development commission both have the opportunity to decide, yes, we want to buy a fountain orphan seer -- or fancier lights, whatever it is. I don't like being in a position that I have to proof this and use city funds because the decisions have already been made.

Fish: In conversations with your office, a number of the potential issues were ventilated. We have a 25% threshold that triggers coming to council. I know that you have, in the past, questioned that should be adjusted. I don't know what the sweet spot is, because I don't think if council wants to address every single modification. Process. We'd probably have nothing but that on our calendar. Is the 25% threshold the right number? In terms of how p.d.c. and the city work together when they are partners in the project -- p.d.c. Essentially managed the contract and the city had a role, but it was basically a minor -- a subordinate partner and certainly financially a minor partner. If there are some ideas you want to brainstorm with the bureau of purchasing and c.b.c., we'd be very receptive to it. I think there are some valuable lessons learned about the project. One is building until contingencies that is realistic. Parks is likely to suggest that the contingency be bigger to anticipate the cost. But I think this is a fair game for some discussion, and we will welcome any insight you have.

Fritz: Thank you.

Adams: My understanding is from folks that I talked with that the salmon street fountain did not encounter the kinds of complications that then countered, and it was the last major south of intrusion into the ground on the waterfront site. So there was -- looking into this, I'm not sure

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there's a way that this could be anticipated any better. Now that we know building and other contingencies will be known.

Fritz: I thank all of you for coming in and addressing these issues. We have in the code 25% over budget before it comes back to council. I'd like to look at that again especially for large projects. It seems like that's reasonable. I would like the purchasing report detailing the level of certainty -- certainty on projects. Did we think we had a good certainty and why did that not turn out right. How do we do these contracts. And I'd also like to have an evaluation to determine when a contract has been underestimated by the low bidder. Would we have gone with the second low bidder were we to end up paying more. Do we have feedback that could be applied to the next contract, when a company comes in and is a low bidder, that we have some confidence in their past performance, not only that they said what they said they would do for their bids but also worker safety, a number of things which I'm not sure we currently capture in our process.

Fish: One point you said, I think we're at risk of mixing apples and oranges, and I think those are all obviously fair game for any council member to inquire into, but when you expanded the scope of your comments of people who underbid and then are sort of awarded for getting in the door at an artificially low bid and then seeking adjustments, I simply was to contract that with this, because they're not even related. This is a process where there's no question that the original bidding met our requirements. What changed was the community expectations about the project and challenges at the site which frankly could have been budgeted in through a company -- contingency, and we wouldn't be having this discussion. People along the way say, hey, let's expand this project to something else. I think we should have a discussion about how we handle that process, but I'll let you referee that. When you have 15 or 20 partners all well-intentioned and along the way expand the scope of the project to meet public expectations and expand the project -- project.

Fritz: Thank you, commissioner Fish. I contend that we should have a certain expectation on contracts. If we're wanting that -- want can add amenities, I am thinking it should come back to council on enhancing this particular project or not. I'm questioning the whole public process, city process, and just see a lot of -- seeing a lot of questions.

Adams: Think they're very good questions. The city's procurement process is not one sort of fluid managerial process. Hopefully, with our new s.a.p. system, we will actually be able to start having just regular managerial reports that will deal with the automatically flagging above and below change orders requested of stakeholders versus change orders required by unknown circumstances. This has been held back by really antiquated system that's hopefully we'll be able to get on top of.

Saltzman: I would just like to add as parks commissioner at the time, this was a project that was done with incredibly lots of eyes on the project, very tight time lines, Saturday market freaking out about his future and mercy corps having concerns. Every checkpoint along the way was brought to council, whether major cost issues, although p.d.c. did pay for this project for the most part. So I do think this was a pretty under the microscope project and had some very good time lines. I want to compliment the staff for meeting a very complicated project like this. I would just point out the discussion about 25% change orders, commissioner Fritz, each commissioner and the major can impose their own limit. In fact I have a 10% changeover for all my bureaus. You can require your bureaus to bring change orders that are 10%. I think 25% is a thing that most contractors kind of count on now as what they can bid and go to 25% more without city council's scrutiny. It's discretionary to each commissioner in charge of their bureaus.

Adams: I see this as a good work station.

Fish: We're voting on this next week?

Adams: Correct.

Fish: I want to thank the panel for their good work. It's a pleasure to work with you.

Adams: 850 moves to a second reading. Could you please read the title for council calendar item 851, vote only?

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Item 851.

Adams: Please call the roll.

Fish: First I want to thank commissioner Leonard for his leadership in presenting this matter to council. I want to thank staff for furnishing answers to the questions we had. If I had any doubt how to vote on this, I got one e-mail which sealed the deal for me, an e-mail from a former city commissioner in gretchen kafoury who lives in a condominium that would be affected by this. She said, from her point of view, while she doesn't relish having to pay more for anything, she thought this was a question of equity, that if the services that were being provided and benefited everyone in the district were being paid for by less than all the property owners, there was an equity issue, and she simply did not understand why owners of nonprofit housing, for example, providing vital services to people in our community, were being charged but condominium owners were not. As someone who is impacted by it, she said she thought this was simply a question of equity and fairly distributing the cost burden on property owners, and I think that's the right point here. We had a number of people say that the process could have been approved. In my one year on the job and, yes, I recently had my one-year anniversary - -

Leonard: Seems like you just got here 10 years ago.

*******:** Yeah.

Fish: I realize we can always improve. Every issue, people tell us there's more we can achieve, and I take that to heart. To me this is a question of equity and I think the idea has been supported. Aye.

Saltzman: I think the issues raised by condominium owners about projects within the business improvement boundaries and projects that are without and many of those projects are new, and I do think that we do, with the Portland business alliance, need to revisit the issue of the property boundaries in the pearl district or the clean and safe improvement district, because I do think there are some equity issues there. I think there were some good points made. Fundamentally, though, when I thought of many of the arguments last week by condominium owners, sure nobody likes to pay more or be assessed something as opposed to voluntarily paying it, by the voluntarily approach has been proven to not work on a consistency basis. Building owners, like condominium owners, often do have their own private security and other things. I don't think that argument is viable. I do vote aye.

Leonard: First of all, this is really a testament, and I wish mike kykendall was here. This is an outstanding program. This is really -- I don't know if other cities do this or not. If they don't, they should. I mean, as I mentioned last week, i've actually gone out and walked with some of the employees of clean and safe, and I just couldn't be more impressed. It was interesting even the most virulent opponents also proceed their comments with, this is a good program. It works well, which I found as a huge compliment. Not just the security it provides but the jobs it provides to people who used to be dependent upon the system. They're now part of the solution to many of the problems in downtown. And the second thing is that some of the condo owners observed that it is their presence actually that causes downtown to be safer. And I have to respectfully disagree. Condos only began popping up in downtown after clean and safe started doing its work and people could actually imagine living downtown with the improved conditions. I certainly want to acknowledge that and make that really clear for the record. This program has really changed on a variety of levels the die nams of downtown Portland and all for the positive. I'm very proud to work with the program, to work with mike kykendall who does an outstanding job, who also happens to be one of the best bass players i've heard as well along with mike reese who is a fantastic guitar player.

Fish: As long as you promise not to sing with that ensemble.

Leonard: No promises, dude. They do a great job and there's a great synergy. I'm very pleased to support this. Aye.

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Fritz: This is a very good program, and I support adding the condominiums. I'm concerned from written testimony that there could be a legal challenge to the formal. I believe that the city and the city improvement district and Portland business alliance should sit down with the homeowners' associations and work sooner than later on approving the formula for assessments. My understanding from the testimony is that they were estimates, and it seems like there should be some room to look at that 15-year-old formula to figure out if in fact the assessed value and the number of elevators are the appropriate factors to consider in looking at exactly what each condominium homeowners' association should pay. I'm concerned the appeal process only involves whether or not the assessment is correct, not whether the formula is incorrect. We have some scope in figuring this out, and I encourage the opponents to get together. I would be very favorable to bringing together a new formula which I understand is an attachment to the ordinance, and we could probably amend that relatively easily. My understanding is there was a reassessment of the overall form law. In 2011, it's up for renewal. And I would expect the homeowners' associations to be a part of that. The fact that these businesses, these property owners do benefit from the services is compelling to me, and I recognize that they also pay property taxes for police and cleaning services. So do the rest of the city. And there are special benefits to living downtown. It's a wonderful place. It should be that everybody who benefits more should contribute more. So with that I vote aye.

Adams: I want to thank commissioner Leonard for sponsoring this and bringing this forward. I think it's -- and I want to thank the Portland business alliance for standing behind it. The two underlying principles of our tax and fee system are that you should pay more the more services you use, and you should pay more based on how much you make or proportionality. I think this is definitely in keeping with these two principles, especially the first. I think it's a simple matter of the impact of the service. I would like to come up with a boundary extension sooner or later. I think there was a good suggestion for the boundary to go to at least 405, but that can be followed up. Good work. Aye. All right. 851 is approved. I understand we have a 4/5ths. Commissioner Fritz? I'm sorry. Could you.

Parsons: [reading agenda item] the 4/5ths council title?

Item 851-1.

Fritz: I apologize for bringing this on the 4/5ths agenda.

Fish: Commissioner Leonard, to me it's a slippery slope. Today it's 1500. And it's going to keep happening. I'd like to know who's watching the overrun.

Leonard: I'd also like to know who put this out for bid, what they were thinking at the time they did.

Fritz: This is in keeping with the council's agreement during the budget process that we would try to direct mediation to one of our very valued partners. I'm very glad to report that the council was able to find money in their budgets, and this is needed to -- we needed to do it today because it's in the current fiscal year.

Adams: Questions? Discussion? This is an emergency. Anyone wish to testify? Please call the roll.

Fish: Out of respect for my colleagues, I'm going to set aside some of the heartbreak this causes me and just vote aye.

Saltzman: Aye. **Leonard:** Aye. **Fritz:** Aye.

Adams: You're doing a wonderful job, aye. We are recessed until 2:00 p.m.

At 12:28 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.

JUNE 17, 2009 2:00 PM

[roll call]

Adams: Sue, could you please read the title for council calendar item 860. I'm sorry, 852.

Item 852.

Adams: I'm going to make some brief opening remarks, and then we'll turn it over to tri-met executive director fred hansen, mayor virginia to talk about -- vera katz to talk about additional aspects. The Portland-to-milwaukie line of light rail is an important component to our cities. High capacity transit system and a key piece of our development strategy in the coming decades. As we seek to accommodate population growth, preserve the city's livability and reduce our carbon emissions. As some of you might know, we've set out under the climate change action plan to reduce our carbon emissions by 80% based on 1990 levels, by 2050. And we have provided sort of the prescriptive year by year increments of goals that we need to meet. At our june 2nd work session tri-met provided a briefing on the project as well as an update on the willamette river bridge design process. Our discussion today is twofold. To listen to a presentation on the recommended willamette river bridge design from the willamette river bridge advisory committee, and a presentation on the conceptual funding plan for the city of Portland's contribution to that project, the contribution of \$30 million. The committee has met and considered designs for the past year. The group's charge was to help tri-met evaluate the universe of possible bridges across the willamette and to refine the options to create the right bridge for this part of our city. Sue keel, the Portland bureau of transportation director, has led the city's participation in this committee, and has kept other bureau directors and council members informed through periodic briefings. I'd like to invite up fred hanson and mayor vera katz to provide a briefing on this project. Welcome to the city council. Welcome back, mayor katz.

*****: Thank you.

Adams: You each will have 30 seconds. [laughter] we need your first and last name and the clock will guide your comments. We find that what you can say in 30 seconds -- kidding. That should sound familiar. Who is going first?

Fred Hansen, Tri-Met: I think I am, mr. Mayor. For the record, fred hansen, general manager of tri-met. It is a pleasure to be able to have the opportunity to speak to you on behalf of the Portland milwaukie light rail. First i'd like to compliment the city of Portland for the right partnership that we've had with you. If you think back over 30 years ago, with the creation of the transit mall, and your partnership on each of the five light rail linements we've had today, I can -- when I first came to tri-met I remember working with then mayor katz as we put together the airport light rail and then interstate, and now the green line to open on september 12th. But the next project, mayor Adams, has been obviously the key element of being able to put these pieces together, and we look forward torve being a part of the september 12th opening of the currently constructed green line and transit mall. I think we've learned many things since we first built light rail for the banfield and downtown. I think we recognize number one that you can't just build it as if you would build a perfect clock and expect it will run without -- the ongoing maintenance, the ongoing requirements to be able to be able to keep the space active, to be able to keep it vibrant is absolutely a key part. As we look forward to our sixth light rail line, it may be one of our most exciting. The 7.3 miles,

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Portland-to-milwaukie light rail project will extend from Portland state university to south waterfront, across a dedicated transit bridge to omsi. And you'll hear more about that from mayor katz. Through southeast Portland, milwaukie, and on to oak grove and north clackamas county. The dedicated transit bridge over the willamette river will be the first one added to our skyline in 35 years. And likely the only one of its kind in the u.s. That is, the only one that is -- has in this case light rail, it will have streetcar when the east side streetcar loop is extended, it will have our buses that now travel over the ross island bridge and will be able to reduce travel times by coming over that new bridge, it will have pedestrians and it will have bicycles. But it is only those vehicles or those individuals that will be traveling on it, not cars, not trucks, and the truly is therefore a signature bridge that will be able to be proud of, that we can all be proud of for generations. We're just beginning the design phase. Unlike much of the discussion that's been around, as if the design is being settled in final detail, some of the broad outlines of that design are there. We have much more to do and are very excited by that project. And the effort. But it's also important to note that the mobility needs of the whole alignment are going to be critically important. The corridor is expected to see -- all the way down through milwaukie is expected to see 100,000 new jobs being created, particularly driven by the growth at ohsu, p.s.u., southeast Portland, and in north Clackamas county. More than 27,000 daily trips will be carried on this line by 2030. And that is the highest projection we will have for any of our lines in that same kind of projection that is required by the federal transit administration. It is going to be a very heavily used line. And building this line will create 12,300 jobs. Something that in this economy I think we all find ourselves very excited by, even though construction would not begin until 2011. We'll also produce 490 million dollars of personal earnings. I really do think that the new alignment will be one of the most exciting. It will finally connect southeast Portland residents by light rail. It will be the first bridge in 35 years since the fremont bridge was barged down the willamette to its current site. It provides tremendous opportunities to really influence the cityscape in a way that inspires and becomes a destination in itself. Besides having light rail on the bridge, buses and the future streetcar will be a part of it as well. Mayor katz has been instrumental to help decide which bridge design to select. I should turn this discussion to mayor katz.

Vera Katz: Good afternoon, mr. Mayor, members of the council, commissioners. Over the last year, the willamette river bridge advisory Committee that includes designers, architects, environmentalists, property owners, addressed the design of the bridge. As fred said, the nation's first bridge with just transit, pedestrian, and bicycles. No cars. We reviewed a cable stay design -- I wanted the council to see the designs. We reviewed the design, a wave design, which was beautiful and very expensive, and unfortunately taken off the table. A refined cable stay, and a hybrid cable stay. Migel rosales gave us the wave design and the hybrid cable stay, we ended up later with a new designer for our last design work, and this month the group made a recommendation to tri-met to go forward with a refined cable stay bridge. It was selected because it was functional, affordable, and aesthetically appropriate for the site. The advisory committee clearly understood that a bridge means our future. And it's more than a bridge. It's a symbol for the community, and for the future of the community. But the group was also aware that we had another responsibility which was to move the light rail down into clackamas and that in itself was costly. And we couldn't spend all the money up front on the design of the bridge, unfortunately. Our work over cost and aesthetics still needs to be reviewed. We need details on our design, our work is not over. The following are the issues we need to continue to study. The greenway path and the clearance under the bridge. The bulk and shape of the towers. Lighting on the bridge. Location of the lighting and overhead electrical systems. Location, size, and shape of the overlook platforms for views by those who choose to walk across. And the height of the bridge, which will be one of the first issues that we will be looking at in august when we meet again. I urge you to ask the the group to continue to work with the architects on these next steps, a design workshop would be appropriate, and before

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all the design decisions are locked down. The look and the feel of the bridge is too important to be left to tri-met alone.

Adams: Questions for the council?

Saltzman: I'd like to know what is the issue about the height? You said that will be one of the first issues.

Katz: You'll hear about it.

Saltzman: Oh, ok.

Hansen: It deals with river passage issues. Not in terms of design issues.

Katz: The ships or the boats going under the bridge.

Saltzman: Ok.

Katz: It's still an issue.

Hansen: Maybe I could do a couple of conclusionary comments. We really do think -- thank vera. I remember when I first called her to -- with some trepidation To ask her to be able to chair this. It was with great pleasure that she actually accepted, because I think we all know how much passion she is about design issues. I do believe that this bridge will be a signature bridge. I think we will all be proud of the -- the test is in 50 years can the next generation look back and say we're proud of it, I it this answer is yes. The financial issues, we are pressuring very -- pushing very hard the federal transit administration to approve a 60/40 financing. 60% federal funds, 40% local funds. One of the key elements of the local funding has been the \$250 million authorize by the legislature in authorizing lottery back bonds to be able to used for local match. We'll hear more details, but it is key that this project move ahead at 60/40. The past administration had in fact said any project of this size really had to have only 50% federal share, that is something that we have never had as a part of our projects in this region before. We believe the new administration is going to be much more open to that. We're working very hard on that. As we work through the various other issues, these are issues relative to station locations along the whole alignment, the very high priority that the clackamas county and city of milwaukie have put on to make sure it terminates at park avenue in oak grove, a series of other issues are very, very key and ones are being worked through. But I do want to stress we're right now at the very early stages of the design. We are less than 5% design and as we move through this next session -- section of the work, that is moving up to 30% design, many more of the details will be available. With that, we would be happy to answer any questions and you have other presenters as well.

Fish: Could you tell me on a project of this magnitude, how much of this is dedicated for public art opportunities? Is this subject to 2% or something?

Hansen: 1%. 1% against those things that are project related to construction. Our vehicles would not be a part of not historically been a part of that, even though we have to purchase vehicles.

Fish: Is a portion of that money available for some art that's incorporated into design of the bridge?

Hansen: It most -- it would be throughout the area. Certainly the pedestrian areas on the bridge would be typical places where we would have this. Certainly at the station plate forms -- platforms. But this is something we utilize an advisory committee of local artists who both recommend and screen other artists for the projects, and I think we've been very pleased with what we've seen both on interstate max and on the green line.

Katz: Thank you.

Adams: We really appreciate your work. Onward. Sue, do you have the invited testimony, or do I have it? Good afternoon.

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

Adams: Welcome.

Susan Keil, Director, Bureau of Transportation: Susan keel, director of transportation. In anticipation of our need to define a local match of \$30 million, we've had a committee of p.d.c.

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Office management and finance, intergovernmental relations, and ourselves working on a funding strategy for that 30 million. Today what we're bringing forward is a conceptual funding plan that will be tied down definitively this fall, but I would say that i'm very confident we can produce the 30 million out of the sources that were identified -- that we're identifying today, though there is some additional analysis and a couple of categories that will tell us exactly what kind of a mechanism would be the best one to use in those categories. So i'm going to turn it over to art to go through the detail on this, and then we'll answer any questions you might have.

Art Pearce, Bureau of Transportation: So we've identified five sources overall that could be appropriate to contribute as local match sources for this project. The first and I believe you have them attached in exhibit a to the resolution, if you don't have additional copies here. So those five sources are the first identified is p.d.c. Tax and financing in the amount of \$10 million. So that's -- and one important clarification to the note we Added here is that in terms of -- for that tax increment financing it's related to the funding stream being assigned specifically to transportation expenditures, and so it's actually not accurate that it would postpone expenditures towards open space or economic development. So we have some clarification on that. But very specifically towards the funding stream towards transportation. The next funding source is future parking revenues from the bureau of transportation in the amount of \$3.22 million. The next amount -- funding source is \$5 million from a new funding source that we're calling the south central city university district science and technology triangle, and so this is I think the least clearly defined at this point, and so that is either an l.i.d. Or additional tsdc that would be coming from the south end of downtown and also the area that's being thought of as the science and technology triangle and could include properties on the east side that are also receiving benefit of an additional station or light rail. So this source in particular if council approves this conceptual approach would give charge to staff to pull together a committee to further evaluate the source and make sure we understand well the best mechanism and also the best boundaries for that source. The transportation system development charge, 1.78 has been assigned toward the light Rail project and budgeted for 2014 years. That is well in line. The final is the north macadam transportation system development charge overlay, so that's specific to the north macadam u.r.a., in the amount of \$10 million. That was part of council's action on april 8th in enacting that new source, which I believe goes into effect july 1. We would be happy to answer any questions specifically about these funding sources.

Fish: I have a comment. When you came in and briefed me on this, we had our crack team figure out what the leverage was. And we took the amount of the local match and divide it by the total dollars and came to one -- for every dollar of local match we're leveraging \$47 of other sources.

Keil: Pretty extraordinary.

Fish: How dare you come before us -- I wish we had that kind of leverage in housing. But it's actually kind of extraordinary. For every dollar of local match we get \$47 from another local source.

Keil: Right. Not bad.

Adams: Other questions or comments?

Fritz: What was property says for deciding the \$10 million from the tax increment financing district and what won't get done in north macadam because we're using it --

Pearce: Part of the way the council action is arraigned -- arranged, the proposed approach by council And then there's additional process with the north macadam urban renewal advisory committee and with the p.d.c. Commission to discuss the best way of funding this. So there has been some discussions with the north macadam urban renewal advisory committee, but the process is yet to come in some ways. In terms of what won't come as soon as based on this expenditure, I did additional analysis and talked with staff at p.d.c. Specially between now and 2014, there's dwdz 12 million in tiff money projected to go towards transportation, and so by allocating the first 10 of

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that towards light rail in the near term, some of the other projects that we identified in the north macadam transportation strategy which council also heard in april would be deferred some. I think some of the key ones, there's some pedestrian and bicycle connections we were hoping to do in the near term, and another would be the south portal project wouldn't happen as soon as we might have hoped based on this expenditure. I think one key thing is that both light rail and moody were both top priority projects for the transportation strategy, so actually this expenditure is furthering the top two priorities for that, and because moody we're able to believe we're able to achieve that using other sources and not tax increment, we're actually knocking off a \$10 million cost that was expected to be tiffed to other sources.

Adams: If I could take the opportunity and adding to art's very good question, that is sort of citywide fairness of -- citywide urban renewal districts and their relative contributions to light rail and max projects and sort of fair treatment of that, interstate urban renewal district made a significant singular contribution to the construction of that line. It is not without controversy that we're contemplating a \$10 million contribution from tiff resources out of north macadam, nor has it been without controversy that i've asked that the \$10 million of the transportation s.d.c. Overlays be reallocated to the milwaukie -- Portland-milwaukie light rail line. Studied the issue hard, I think both are tough but fair contributions to this project. In part because this district will not work from a transportation point of view if we don't have light rail connecting it across the river and to milwaukie. It also needs the portal and other improvements, but having to prioritize and make trade-offs, i've determined this is the more important first investment and the portal in part because we're in this recession, will be needed but the need for it is pushed out a couple years. So the need is there. We've had to make tough trade-off decisions in terms of priorities, and that's what you have before you today.

Fritz: If I could clarify, the urban renewal advisory council hasn't --

Pearce: It's not acted upon this proposal, but they have had an opportunity to discuss that I believe at their may meeting.

Fritz: The council -- the advisory committee, Portland development commission could say no. Is that correct?

Pearce: Part of the charge to staff based on if this is council's direction is to firm up the commitment along all of these sources, so this new s.d.c. For the university district's technology triangle also needs a follow-up process in terms of its formation and solidifying its commitment. So I think there's a series of steps with each of these sources we would initiate over the summer and bring back this fall.

Fritz: Supposing that the norths macadam advisory committee is more concerned about the south portal in the immediate future than the bridge. Is there any -- if we vote for this today, are we saying too bad, we don't care what you think? Or is there a way for them to come back and say no --

Keil: This is a resolution. So we've got a conceptual plan this fall we'll come back to with the absolute tie-down on each of the funding sources. So if that were to happen, then we're going to have to identify other projects that will be delayed or other funding sources.

Fritz: Thank you, that's very helpful.

Adams: I've met personally with p.d.c. Commissioners to discuss this, so it is as -- as the commissioner -- the liaison To p.d.c., so there is that conversation has happened, and I wouldn't move it forward if I didn't feel it as adequate sort of potential for support. We've had discussions with south waterfront stakeholders, the overlap on the s.d.c. Group, and the urban renewal advisory group is significant. They're not happy having to have these resources reprogrammed. But it is what I think is fair, and it is what we need to move this project forward, which is absolutely critical to meet a variety of our goals.

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Keil: I would say there's no easy choice on here. There is an issue with every one of these funding sources where something else is being set aside in order to make this commitment.

Adams: I understand that. I am coming from the perspective of having come from a southwest neighborhood and being part of the north macadam formation, and knowing how important that south connection has been. It's a problem now and needs to get fixed as soon as possible. I'm comfortable with the process that you've outlined, I just wanted to make sure that we are going to get the feedback from the southwest constituents as well.

Keil: Yes.

Adams: I also met with the president at p.s.u. To make sure assumptions we've made conceptually about funding from the university district were also on their radar screen.

Fish: We're assuming a 60/40 split. 50/50 becomes pretty unmanageable, right?

Keil: This is our opinion, but we think you'd have to go to a regional solution if you got to the 50/50. It's another \$101 million that would be in that local match. It would be very difficult.

Fish: You're asking us to put a \$30 million marker down. Is that figure likely to grow or shrink at some point?

Keil: We'd like it to stay right there. Ache you heard it here first. It stays at \$30 million.

Fish: We have a high confidence level.

Keil: Absolutely.

Fish: And the conceptual point is that -- to follow up on commissioner Fritz's question, it's conceptual because there's an interim process for you to nail down the details that come back to us.

Keil: Absolutely. Yes.

Fish: Thank you.

Adams: And we're behind tri-met wanted this decision, wanted this from us in January. The reason that we are late speaks to the difficulty of coming up with funding sources during a very difficult economic times. I just want to underscore my thanks to you, Sue, and Art, and everyone, Catherine, my staff, but also to the forbearance of all the stakeholder groups for which I interceded at the 11th hour of a variety of discussions around transportation funding for various districts to say we have to change our priorities, and I hope he'll come along. And for the most part they have. And I appreciate that.

Fish: Could I add one thing about tri-met? Since Fred is here? When he was here for the last meeting, we handed him a letter as he was leaving, asking him to on a temporary basis restore a shuttle service that exists up in Washington Park, which would allow people who go to the summer concert series to get home, get access to the Max stop and get home. That program had been scaled back because of budget cuts. And would not otherwise be available to people who were going to come watch the free concert series. And we gave them a letter that morning I think after the presentation, and he called me that afternoon with the good news that he was going to restore out a temporary basis so Portlanders could enjoy the concert and use Max. So I want to publicly thank you for that. Ache think we've got folks signed up to testify. Sue, who is on the list?

Parsons: We have five signed up to testify.

Adams: Welcome back to City Hall. Nice to see you. Can we turn up the lights? I think most of you know the protocols, you only need to give us your first and last name, no address, and you'll have three minutes and on that 56 hunk of wood is the countdown clock. Go ahead.

Susan Pearce: Thank you. My name is Susan Pearce. Thank you, Mayor Adams and commissioners for giving us this opportunity to speak today. I represent the hearings officer -- Hosford Abernathy neighborhood association, and an ad hoc committee regarding train noise. I also am a member of the noise review board and was a member of the original South Corridor Milwaukie-Portland draft environmental issue, and it re-- and remain a member of the current committee. Those two -- I don't speak for those two, but they inform what I have to say. I'm going

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to comment on two issues. First of all, because the light rail will be parallel and following and abutting the union pacific lines through the corner of hosford abernethy neighborhood, they will be required, the light rail trains will be required to sound their horn at 110 decibel as the big trains do currently. So that's 110 decibels in a pattern that is long, long, short, long, at every crossing. There are four crossings, actually 4½, that are -- i'm not talking fast enough -- that are involved, and those include 8th, 9th, 11th, 12th, and clinton. People who live in this neighborhood are already troubled by all the noise. By the time the light rail goes through that will be 200 crossings a day at 110 decibels. In the package you have information about the health effects of the noise and the sleep deprivation. You also have a letter that I left at representative blumenauer's office a couple of months ago when I was going Through as part of a train trip. And i'll let you read those yourself. The effect -- I want you to consider the effect on the use of that station by people standing on the platform with 110-decibel --

Adams: Have you 30 seconds left. I can tell that you this is definitely on our radar screen, and our work to get a variance is underway.

Susan Pearce: Excellent.

Adams: I cannot imagine operating, nor -- I think I can speak for tri-met, I cannot imagine operating this line having to toot the horn that many times.

Susan Pearce: And it's not just the tri-met trains -- excuse me, I interrupted.

Adams: We're hoping to wrap in the whole thing into a quiet zone. So we're hoping to get two benefits with one effort.

Susan Pearce: Excellent. I think -- thank you, you've saved me a lot of comments. I think ultimately you're going to need -- we're going to need to look at a quiet zone for the entire city.

Fritz: Did you have another point not on noise?

Susan Pearce: Just having to do with the bridge and the ped-bike route, one thing that is near and dear to my heart is as the tri-met people know, is the ped-bike route from clinton to caruthers and on up to the bridge, you'll be hearing more from me on that.

Adams: Thank you very much.

Kamala Bremer: I'm another resident of the hosford Abernathy neighborhood. In addition to the packets that you all received, we gave a packet to mayor Adams, which chronicles some of the work that has been done in our neighboring communities to get quiet zones established, including in the pearl district here in Portland, in tualatin it chronicles the source of funding that has been found to go to that including a letter from representative wu to seek federal stimulus funding to help fund quiet zones through tualatin. I visited the washougal a couple weekends ago and you can go through town and every railroad in town is in a quiet zone. I moved to my neighborhood before there were train horn noises. When city of Portland did have what was called then a no hitch whistle zone. And was great dismay I started not to be able to sleep summer nights. So it's really exciting to see the technology is coming where we can make Portland a more livable community and not have people both having negative health outcomes from not getting enough sleep, but also untrackable safety concerns from people who are tired driving through our communities, operating heavy equipment, having accidents at work or with their children. So the safety concerns of having all the train noise is as much -- probably more than -- but not trackable as the risk of people getting hit by trains. So in addition, mayor Adams, we have petitions from now 99 people. We're intending to continue Circulating a petition asking the city and tri-met to work toward a quiet zone. People want something to do with their interest in this, and we thought that a petition that encourages the work toward a quiet zone and stating that that's really the only solution that will work for us, the waiver idea only solves one problem, and if funds go toward that solution we're not solving a permanent problem. So with that, I will give up 50 of my minutes and thank you for really seeking to solve this problem for us.

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Adams: Just by way of full disclosure, I live in kenton, which is just blocks, my house is just blocks from the union pacific line, so I have a personal understanding of this issue. The replica built of it is really hard, but this has got to be a priority. So this section has got to be a priority for us. We'll make it a priority. Hi.

Alyce Cornyn-Selby: Alice corn. It sounds like you're already on board with this quiet zone thing. So are we redundant?

Adams: What's -- what are you doing with your ukulele?

Cornyn-Selby: Gee, now that you ask. Ok. ♪ amazing music, how sweet the sound ♪ you all have a favorite song ♪ but play it 200 times a day, it wouldn't be your favorite for long ♪ light rail is due to inner southeast ♪ but as the construction draws near ♪ put it in your plan of quiet zone, would be music to our ears ♪ if you think my singing is bad, just be glad it's not at 110 decibels. [applause] I am relieved to find out you're so fond of this quiet zone thing. That's great.

Adams: That was wonderful. Thank you. Thank you for coming to testify. Sue, who do we have next? Try to top that, people. Maybe an interpretive dance number?

*******:** Very difficult act to follow.

Adams: Welcome to city council. I think you both know the protocol. Go ahead.

Robert Pickett: Mayor Adams, members of the council. Robert picket, you may recognize me as an employee. In my off time i'm the vice chairperson of the bicycle advisory committee for the city much Portland. I'm here to express the committee's appreciation for an aspect of this project. It's the committee's understanding that the initial plans for the bridge or the willamette river included a 12-foot bike-ped facility on each side of the bridge, and we were concerned about the narrowness of that width, particularly considering the steadily increasing number of people riding bikes in our city. It's also our understanding that through some brainstorming and Thoughtful collaboration between the city of Portland staff and tri-met folks, they were able to find two more feet for each side of the bridge for a total of 14 feet of a bike-ped lane on each side for not too drastically much more money. We want to say that we appreciate the work that's gone into that, and we understand that this is a very complicated and expensive project. But appreciate hopefully the city council giving their endorsement for this project, particularly the slightly increased amount of money for the wider bike-ped facility. I think in the long run our bicycle and pedestrian transportation infrastructure will be paid back in spades in the form of decreased congestion, decreased energy use, clean air environment, increased health, and a stronger community. Thank you.

Adams: Hello again.

Margaux Mennesson: My name is margaux, and i'm speaking for the bicycle transportation alliance. I'll echo officer picket in thanking tri-met and the city for -- and the bridge engineers for working to maximize the width of the bike and ped path to 14 feet. That's our -- that's the extent of the path that can be wideend without changing the structure of the bridge. And we also want to emphasize that it's critical to not take away any of the extra two feet we've been given in light of the goals outlined in the bicycle master plan, the update and the climate action plan, expecting That bicycle ridership may grow to 20, 25, 30% mode share by the year 2030. And just looking at the hawthorne bridge today, which is a 10.5-foot-wide path, that seemed wide in the design process, but now it's -- it can feel uncomfortably and dangerously tight. So, again, we just want to support the 14-foot-wide path. Thank you.

Adams: Thank you both very much. Unless there's additional council discussion, sue, would you please call the roll.

Fish: I'm -- sue and your team, thanks again for the time you spent educating me on this, and briefing us on it and answering our questions. I'm not only very enthusiastic about this project, but just incredibly excited about where we're setting the bar in terms of leverage. This has got to be up there. I'm pleased we're putting down a marker on the \$30 million, and I appreciate the mayor's comments about some of the heavy lifting that is to follow in terms of working out the details and

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work can with folks. But this is the obvious next piece of our buildout, and it's going to be an enormous plus to our community. Fred, again, thank you for your courtesies you've extended to the parks bureau, and the continuing relationship and mayor, thank you for your leadership on this issue. We are ahead of the curve in many areas and in transportation, we keep setting the pace, I tell my housing Bureau, I want at some point to be known nationally in housing the way we are in transportation. And that means every last marginal dollar that's left on the table in Washington we want in our pocket. So congratulations and i'm pleased to vote aye.

Saltzman: I forgot to ask fred hansen about the status of the barbur boulevard light rail line, but i'll save that for the next time I see him. Because I know that's next up. I want to thank you all for doing a great job, the mayor for his leadership, and sue keel, and tri-met. This is an exciting, an ambitious project, but i'm certain we'll pull it off. Aye.

Fritz: Thank you to the mayor and the mayor's staff, the bureau of transportation, bureau of planning, and tri-met. I especially appreciate having a work session on this a few weeks ago. That was very helpful to me to ask my questions in a more conversational setting and I especially appreciate director sue keel and I sharing the concerns we just heard from the bicycle transportation alliance in terms of bicycle-pedestrian interaction. It's good that everyone is aware that we'll do even better on this bridge. That's very exciting. It's a very complex project, it's going to be very complex funding, and so i'm appreciative this is a conceptual plan that's being brought to us before, it's a done deal, and there's going To be more process to phil mickelson out those details. And the project will improve ability for those residents of north clackamas county, southeast Portland, and it entire city. And it will be beneficial in reducing greenhouse gases to the ultimate transportation modes. It's exciting that the city of Portland, Oregon, has the first bridge of this kind. And it's a remarkable design. I think mayor katz -- thank mayor katz for her ongoing participation in this project. It's quite amazing to be to be sitting up here with mayor katz sitting down there. I couldn't think of a single question to ask her. I'll be working for a more -- towards the secure final funding package, i'm particularly interested in working with the station planning on the east side, that's going to I hope be part of the Portland plan and very necessary. Thank you to the citizen who's came in today and voiced your concerns. I think certainly continuing to educate your fellows with the petition is a way of doing it, but it definitely is something that we care about too, and it's not that we need a thousand signatures in order to be able to make this happen. We want more people participating and we want people getting excited about this project and participating in the planning. Thank you for your work on that. Aye.

Adams: I'm incredibly excited To have been part of initiation funding and initiation of threestreetcar line extensions. This is my first extension of light rail. And that couldn't have happened without countless sort of citizens who have been involved with this stakeholders. We've got a fantastic partner in tri-met, and our reputation for innovation in transportation is in large part because of our -- we've got tri-met as a partner, and fred, you're just a fantastic leader. Also because our bureau of transportation is as innovative as any out there, so sue and art, your team, thank you, and in this particular case, katherine, who is my -- the transportation director in my office, thank you for all your great work on this. This has been a hard one to come up with \$30 million sort of in these trying times, but I couldn't be happier about it. Thanks to my colleagues for their support as well. Aye. [gavel pounded] we're on our way to milwaukie. That is the only agenda item that we had, so council is recessed until 6:00 p.m. tomorrow, thursday, june 18th. [gavel pounded]

At 2:50 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.

JUNE 18, 2009 6:00 PM

Adams: City council session will come back from recess. Sue parsons is our council clerk this evening and, sue, would you please take the roll.

[roll call]

Adams: Now, do I read the statement, right now? The state required statement.

Andrew Scott, Office of Management and Finance: We can jump into that in a second. Just to make sure everyone knows what we're going to do tonight. Tonight we're considering the adopted budget to comply with local budget law and there's one resolution and four ordinances and at this point, we can hold the state hearing and i'll make brief comments on each one as it comes up.

Adams: Now I read the statement? Does mr. Jeremy concur?

*****: Agreed.

Adams: I just wanted to check. This hearing is being held by the city council of Portland, Oregon in compliance with the provisions of the state revenue sharing regulations, o.r.s. 221.770. It is to allow citizens to comment on the proposed use of these funds in conjunction with the annual budget process. As proposed for council adoption, the fiscal year '09-10. Totals \$12,276,690 from state revenue sharing under o.r.s. 221.770. Has -- as has been the case in prior years, it's proposed this revenue be allocated in equal parts to support fire prevention and police protection. Is there anyone who wishes to be heard on this subject?

*****: Mayor Adams, the item you're referring to is 853 on the agenda. I don't know that the council clerk has read the item, so --

Adams: Sue, would you please read council calendar 853.

Item 853.

Adams: Mr. Scott.

Scott: So at this point, if there is no -- no one here who wishes to be heard, I think we can close the hearing and move on to the next item. [gavel pounded]

Adams: Hearing is hereby closed.

Scott: So now, we can move on to the next item, which should be the resolution.

Adams: Ok. And we don't -- this was just the hearing, so we don't vote?

Scott: Right.

Adams: Got it. Please read the title for council calendar 854.

Item 854.

Scott: This is a resolution required by state budget law that just certifies that the city is providing police, fire, street construction, maintenance and lighting and sanitary sewers and storm sewers and planning and zoning and water services.

Adams: Anyone who wishes to testify on council calendar 854? Any additional council discussion required? Sue, would you please call the roll.

Fish: Aye. **Saltzman:** Aye.

Fritz: Very nice, nice we're getting \$12 million back from the state. Aye.

Adams: Aye. [gavel pounded] 854 is approved. Can you please read the title for emergency ordinance council calendar 855.

Item 855.

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Scott: Now that we have certified that we provide services this is an ordinance accepting those funds from the state.

Adams: Anyone who wishes to testify on council calendar 855? Any additional council discussion? Call the roll for council calendar 855.

Fish: Aye. **Saltzman:** Aye. **Fritz:** Aye. **Adams:** Aye. [gavel pounded] 855 is approved. Can you please read the title nor emergency ordinance council calendar 856.

Item 856.

Scott: Council must approve both the closing and opening of any new city fund and so every year, this is where we clean up what needs to happen and thisness so closing three funds and opening one as part of the '09-10 budget.

Adams: Anyone who wishes to testify on council calendar 856? Any additional council discussion? Sue, please call the roll on emergency ordinance 856.

Fish: Aye. **Saltzman:** Aye. **Fritz:** Aye. **Adams:** Aye. [gavel pounded] 856 is approved. Can you please read the title for council calendar 857, emergency ordinance.

Item 857.

Scott: So we'll spend a few more minutes on this one. This is the ordinance that actually adopts the city budget for fiscal year 2009-10. You should have exhibit 1 and that walks through the changes that have been made between the council approved budget, which we approved about three weeks ago and now this final adopted budget. To summarize, a couple of changes, and focusing on the general fund, the changes do use an additional \$200,414 from general fund contingent and contingency and leaves a total for 2009-10 of a little bit over \$2.5 million. The general fund -- \$2.5 million. It adds \$66,462 for premium pay for fire bureau divers. You may recall in the earlier budget there was a package to pay for 13. This expands it to approve it for 25 certified who are part of the fire bureau. The second change is in intergovernmental in the \$8,000 for animal services and the third is grant software -- one of the things that's becoming clear as we learn about the federal stimulus, is there's requirements attached to the funding and the city has internal workgroups meeting and we need central tracking system that we can track the grants and make sure we're in compliance with all of them. That's important. Just to know, s.a.p. Actually has developed a specific software application to allow that kind of tracking. But you have to have a certain module implemented under s.a.p. We've not yet implemented that. What this funding allows is to create an interim solution to track it over the next six to 12 months while we implement the larger solution. That will be coming but it's to help us spend the federal stimulus money correctly. The last two are corrections to earlier errors in the approved budgets. The first changes an interagency with the mayor's office. In financing planning, we had switched between the bureau of planning and the bureau of transportation. It switches them back. And decreases transportation's interagency by the same amount. We've giving them the dollars to make them whole.

Adams: So transportation gained \$50,000.

Scott: They did. And then the last error was a parks discretionary budget. We had shorted them \$25,000 and discovered it when balancing the budget and thought it would be nice to add that back. So that's \$25,000. I'd be happy to go through the other changes between approved and adopted or answer questions.

Fish: I think we should take this as an opportunity to go through the fine print.

Adams: Is there any discussion from city council on item 857? In the room who would seek to testify on council calendar 857? Sue, would you please call the roll.

Fish: Well, this is I guess it. This is the end of a long road.

*****: Commissioner Fish, i'm sorry --

Fish: Maybe it isn't it. [laughter]

*****: You found another \$25,000 for parks.

Fish: I'd like to yield back my time.

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*****: Thank goodness jeremy is here to keep us in line. We need to entertain a motion to adopt the budget as amended.

Fish: Move.

Fritz: Second.

Adams: It's been moved and seconded.

*****: And then discussion on that vote.

Adams: I do that part.

*****: Sorry.

Adams: Anyone wishes to discuss the amendment? Hearing none, sue, please call the roll on the amendment.

Fish: Aye. **Saltzman:** Aye. **Fritz:** Aye.

Adams: Aye. [gavel pounded] the amendment is approved. And.

*****: If there's any discussion on the amended adopted budget or any additional amendments that need to be made, this would be the time to do so.

Adams: Hearing none, we've already asked if anyone wants to testify on emergency ordinance 857. Seeing none, sue, please call the roll on adopting the city's budget for the next fiscal year.

Fish: This marks the end -- [laughter] -- of a long and challenging process to come up with a balanced budget that met the council's core priorities during the worst economic downturn of the lifetime of anyone on this dais. I want to take this moment to again state my strong support for the core values reflected in this budget and in particular, three. Number one, preserving public safety. And making sure that fire and police have the resources they need to protect the public. Two, maintaining and as the mayor pointed out yesterday, strengthening the social safety net by adding a historic gesture new dollars for the most vulnerable in our community and those who are experiences homelessness have the resources they need. And third, this budget contains, again, a historic commitment to small business, in particular, in our community, with substantial new dollars going to p.d.c. to be used citywide to help small businesses succeed in a tough economy. And my view, those are the right priorities for any budget, but especially so during tough times. So i'm pleased to support this budget. I want to thank my colleagues for what has been as a first year council person, a challenging but very informative process and while we've had a lot of meetings and a lot of hoops to jump through, I think the public can have great pride in the final work product. And andrew, to you and your team, who have spent so much time in our respective conference rooms that you probably qualify as having an easement. I want to thank you for the work you've done and your patience, particularly bringing the newest members up to speed on the intricacies of a budget that's \$3.5 billion. And mayor, thank you for your leadership on this process and the way you've involved all the commissioners in developing what I think is a very good budget for tough times. For all those and other reasons, I again, vote aye.

Saltzman: Well, thanks to the council, to the public, to our financial planning and most of all to the mayor for bringing us a balanced budget. Aye.

Fritz: We had a meeting of the tax supervising and tax -- reviewed our budget and said the one reason they review it, we don't have citizens on our budget committee because the council is the budget committee and I mentioned then and feel now that I have felt like a citizen on the budget committee having been newly elected and coming from the neighborhood and it's been a honor and privilege and also been delightful. Despite all of the difficult decisions that have to have been made in the \$3.5 billion budget, there's been a lot of input from citizens and staff, from my colleagues on the council. Mayor Adams has done an amazing job of crafting this first budget of his mayoral term and the community has come -- mayoral term. We've recognized we're in this together and we're going it make the best of it and make decisions that are in the best interest of the most vulnerable citizens and make decisions for public safety and prioritizing basic services and look out for all of Portland in all 95 neighborhoods and I thank and drew, scott and jeremy and the entire crew who

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have done amazing work. And extremely helpful to me and I know in each of the council offices, an enormous amount of time has been spent in each of the bureaus, looking into the nooks and crannies to find savings and yet we still have the \$3.35 billion. And I want to recognize the taxpayers and ratepayers and fee payers of the city of Portland. That we as the council recognize we're stewards of this money and we'll make good use the and it's been a good process and we can still do better. We have many budget meetings early in the process and in the office of neighborhood involvement, i'm in charge of, we had seven meetings of which over 50 people came for over three hours to look over the budget and we can do better. And so as we get to the end of this budget process, the county has finalized theirs and the state is getting to the end of theirs and we understand what's going to come from the federal government and there's going to be holes and how are we going to take care of the needs of the community that government cannot fund and we invite citizens to be part of the better together program that the mayor set up and how can we help the citizens of Portland get through these difficult times and still with all the challenges and difficulties it's a honor to serve and a honor to approve in budget. Aye.

Adams: I want to thank my colleagues on the city council for their amazing contributions of questions and ideas and their perspectives as part of putting this budget together. You know, almost all of my original ideas were improved by my interactions with them and I want to thank them. It's a good team effort. I appreciate the complements to my work, but this, I think, was a good team budget and I too, want to thank jeremy and andrew and the entire team at the bureau of financial planning and o.m.f. For just doing stellar work on the entire council's behalf and I also want to thank warren, who was the point person on -- out of my office for handling this whole process. It was a -- definitely a challenging year, but whatever difficulties we have pale in comparison to the hardship that thousands of Portlanders are facing and to be part of a team that put more money into programs and services intended to help those what are feeling the full force of this economic recession, it's been a real honor. So i'm happy to vote aye. [gavel pounded] 858 -- sorry, 857 is approved. That gets us to levying the taxes. Could you please read the title for emergency ordinance council calendar 858.

Item 858.

Scott: This ordinance levies property taxes.

Adams: Any discussion from council? Anyone who wishes to testify on emergency ordinance council calendar 858? Sue, please call the roll.

Fish: Aye.

Saltzman: Well, I want to take this opportunity to thank Portland voters for the fact that we're still funding the children's investment fund. Very pleased. Aye.

Fritz: Taxes provide services and we -- adopting a budget first and now the attaches that pay for them and we can continue to look at ways to spend taxes more wisely and we're going to continue to do that and in the meantime, we appreciate residents, businesses and visitors who pay the taxes here in Portland. Aye.

Adams: Aye. [gavel pounded] 858 is approved. We've got about seven minutes until the time certain at 6:30. So we'll be in recess for seven minutes. [recess]

At 6:22 p.m., Council recessed.

At 6:32 p.m., Council reconvened.

Adams: Hi, brad.

*******:** How are you?

Adams: Nice to see you. All right. City council will come back to -- back from recess. Sue, please call the roll.

[roll call]

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Adams: Just a few upfront housekeeping rules. How many of you have testified before the city council before? All right. For those of you that have not, it's important that you sign up on the list to testify, that sue will have at her desk in about -- now. People will be called in the order in which they signed up. And how many people do we have signed up?

Parsons: About 25.

Adams: We will be giving each member -- each person who signed up two minutes. The normal amount is three minutes. If you have prepared for three minutes and you absolutely need to give us three minutes, we'll make allowances but we find that what can we said well in three minutes can be said even better in two. Often times. I also wanted to notice that tonight is the first of two hearings.

So tonight is an opportunity to listen and to give us your initial feedback. We're not going to be hearing on taking any amendments tonight, but if you have changes you would like to see made in the plan, tonight would be the night to air them out. And then we'll actually be dealing with amendments on July 8th at 2:00 p.m. And there will be not be a vote on this issue until July 22nd at 2:00 p.m. Normally, we only have one hearing, but because this is your first neighborhood plan, we wanted to take the opportunity to have two hearings and to -- any suggested revisions that you have, we'll hear tonight. If there's support on council, we'll formulate those into amendments and the amendments will be considered then on -- 2:00 p.m. On July 8th. Having said that, a couple of points of introduction to this. I'm really pleased to be sitting here today having the city council begin the process of considering a neighborhood plan for Hayden Island. This is something that grew out of among other things, the fact that a bridge was coming forward, plans for a new bridge were coming forward. And that a large scale retailer wanted to locate a new site at a place that was already failing in terms of congestion, but we were worried that it would fail even worse if that -- if that high-volume retailer moved forward. So this is -- we, together, with the neighborhood and business owners, put together a moratorium. The moratorium, although, did not -- is not in place any longer. Did allow some breathing room for business owners and citizens on the island to go through a planning process to figure out what the highest and best way to make a complete neighborhood out of the island. This is a challenging part of town. As are almost every part of town now has challenges in terms of planning but this is especially challenging in that it's an island and we have a flight path from the airport and we have sort of a restriction on how many people can get on and off and this freeway that runs right in the middle of it. So I'm looking forward to hearing the good work that has come forward. And we're going to hear first from staff. And then hear from some of the folks that have been part of the leadership of the steering committee and then we'll open it up to public testimony. So Mr. Zehnder.

Parsons: Can I read the item?

Adams: Yes, you can.

Item 859.

Adams: Thank you, sue.

Joe Zehnder, Bureau of Planning and Sustainability: I'm the chief planning with the bureau of planning and sustainability and tonight you're going to hear a presentation and overview of the plan and the recommended code revision. But I just wanted to introduce the team that's been working on it. The project lead is Alice, supported by Lisa Hamlin and worked with Matt on developing the code and our partner throughout this project on everything C.R.C. Is John with the bureau of transportation and had a consultant team of D.E.A. Led by David Noel. I'll turn it over to Alice.

Alice Ann Wetzel: I'm the lead planner for about two years on this project, and this is the first plan for Hayden Island. Hayden Island in to the city in phases. Through the 1980s and into the 1990s and was originally developed under county zoning and it's the only island community. And as such, it's surrounded by water, has one way on and one way off, and that's by a bridge and you'll hear a lot of conversation about that bridge and the community as we go forward this evening. So it's on the

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northern edge of the city in the island middle of the columbia river. And what we were charged with was to create a neighborhood plan for hayden island to take into account its future growth, its access and connection to the city. Its unique environment on the columbia river and to create a community with a place that feels like an island community. It is an unique community in that on the 600 acres of the eastern half of the island we have a wide range of housing options from manufactured homes to condominiums to floating homes. This -- one of the largest floating communities in the united states and including the northwest and single family homes and so it's a wide range of opportunities and options for living on the island. The center of the island is dominated by commercial. With the residential on the -- and then marine industrial areas to the far east and west including a large auto auction and some transportation facilities on the west part of the island. And by the west, I mean right up against the railroad lines. I don't mean the western half of hayden island. That is what is considered west hayden island and that's being addressed in another planning process as we speak. It is a marine community. The center of the recreation marine community for the city of Portland. There are about 3,000 boat slips. 34 marine businesses there. A few yacht clubs and a large community of boat lovers. Having said that, there's no public access to the water on hayden island. It's all private. So that is an issue that we were trying to address too in the process. So what i've got on the slide here is where the different marine businesses are on the island and the different moorages and slips that exist on the island. Island traffic is a big issue for the residents of hayden island. As I said earlier, there's only one way on to the island and that's with the interstate. People who live on hayden island define their lifestyles by when they can get on the island and when they can get off. They know exactly what the traffic situation is at almost all times of day or night and will take circuitous routes and coming around to the south to get to Portland. It is as we all know, the interstate is the only lift bridge on an interstate in the northwest. The island itself is the highest accident spot for vehicular accidents in Oregon and it's congested a large part of the day. The island also is under the flight path for Portland international airport. So there are two noise contours that cross the island. Those define what kind of land uses can be on the island and the density at which development can go on the island. This will -- areas that are going to be zoned residential, I will explain later on, will show up as commercial and that's because of the x overlay in the density permitted under the airport noise zone. In this process, we had a steering group of about 40 members from the community who came monthly for about 18 months and were a fabulous group of individuals to provide information on the island. Their experiences living there and ideas for the future. They also had put together their own neighborhood plan several years ago, so that was the foundation for this plan. We worked with the technical advisory group of other city bureaus and the Oregon department of transportation, trimet and other outside agencies. We had a number of public meetings throughout this process and open houses on the island and we had a design team from david evans and sera architects that helped to put together a community design group on the island and explained the different ideas and concepts to the community throughout the process. In this process, we came up with a set of principles or themes and goals. And they were to create an island community with a sense of identity. With commercial and employment areas and safe connected healthy neighborhoods. We were trying to protect the environment and open space and actually provide for a little bit more open space on the island since this is under-served by parks. To embrace green philosophies and practices as we go forward and to provide an opportunity for the islanders to get around in an easier fashion both to and from the island and across the island. Currently, there are only two public streets on the island and they aren't connected. One of the things was to provide connections across the island and integrate the transportation network. Right now it's a single mode and the goal was to get to a multimodal network. Getting around includes the columbia river crossing project and it was not just a catalyst for the project, but it was a way of integrating the columbia river crossing or whatever form the columbia river crossing ends up taking into the island plan and to make sure that

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the island is not impacted adversely by the project but that they dovetail each other to work together to get the best transportation and community outcomes for the island. So it was not to meet the needs of the columbia river crossing but to meet both needs we were working together to achieve on this project. So as i've said to the community and the community has frequently said, they are the meat and sandwich on the columbia river crossing and to make sure they're not overlooked it was important to connect the two projects together. We were also trying to create an island community.

The jantzen beach supercenter is auto depend mall under going transition and the goal was to create more opportunity with light rail going to the island for a transit oriented center and create community amenities in the center of the island with the park on the northern edge near the bridge terminus and also to have neighborhood commercial on the east side of i-5 and connect all of that with a main street that connects the eastern half of the island with the western half of the island. We looked at the environment of the island, as I said, there is no public access to the water on the island. There's one single park on hayden island and it is at lotus aisle point right here. One acre park for 2500 residents. We looked at opportunities for more green space and open space for the community and to connect that along the edges with a system of trails and paths, as well as green streets across the island. And looking at the eastern tip of the island, as a potential habitat area, for the environment -- for native species. In the process of the design workshops and working with our design team and the community, we came up with this concept plan, which was the ultimate ideals for the island to create the central core as residential and mixed use and with the neighborhood center, to provide for a park at the northern edge of the island near the bridge terminus. To provide opportunities for residential on the eastern end of the island within the restrictions of the x overlay, the noise contour. And to ensure that the community is able to move forward and grow as a community throughout the process. And that the process does not adversely impact the interchange by putting too much development on the island that the interchange can't handle it in the next 35 year period as required under odot standards. And those were the goals as we went into the design process and came out with the plan. Currently, the zoning is primarily for general commercial on the island. And residential, we have -- we're recommending some changes to the zoning map. Throughout the process and i'm going to walk through those changes in sections across the island. So i've divided it up into four quadrants for the island. Not exactly quadrants, four segments to look at the existing zoning, what's the proposed zoning and the concept plan for the area. We're going to start with the west adjacent to the railroad tracking. Calls for a continuation of the industrial. A park potentially at the northwest corner of the land. It's a lot for sale. Not being rezoned. If there's funding available, it is something that the community would like to see happen, but it is not in the plan per se. As far as changing the zoning. The existing zoning is industrial and residential. With the farm forest along the railroad tracks. We're not proposing any changes in this area at all. West of i-5, looking at the transit oriented development residential for both the manufactured and floating homes and the bridge head park, as i've discussed earlier. The existing zoning is residential and commercial and what we're proposing is to change the eastern half of the manufactured home parks from c.g. To residential. Initially, as we start this had process and went to planning commission, the manufactured home park was not in favor of that change. They have since changed their minds and are in agreement with the change to r2 and you'll be hearing from them later on. There are a few issues that we're still trying to work out and those are the amendments that you discussed earlier, mayor Adams.

Fritz: Why only the eastern half.

Wetzel: Because the we were half is residential.

Fritz: It's already residential.

Wetzel: If you look at the middle map. You can see that the -- there's the stripes and the western half is residential.

Fritz: Thank you.

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Wetzel: The jantzen beach supercenter posed challenges for the plan and for the zoning code as we put it together. Because zoning does a good job with dealing with what's here and the ultimate goal. It doesn't necessarily do a great job with a transition area and this is an area under transition. It is an auto oriented mall. And what we're try doing is protect the viability of the mall as it moves forward in the interim period and then ultimately when light rail is available on the island, to getting to the transit oriented development. So what we were trier to go do is meet the needs of the interim as well as the future and come up with a section in the code to adhere to that and I believe that you'll hear from the jantzen beach supercenter people this evening feeling we have met that need. So what we had to do was work to achieve some height limitations and some adjustments in height so that we can provide for change over time. Sight coverage over time. Creating an internal access system and grid system through the street network and allowing for additional floor area in the future as it goes to residential and allowing for transfer of units within the site and within the noise contours. So under the noise contours, we're allowed to have -- i'm going to use for discussion sake, let's say 1,000 housing units based on what we're allowed. What we're saying you don't have to have all 1,000 on one site. You can spread those out as long as they're within the same noise contour. And that was one of the things we were working with on the jantzen beach summer center as well as other owners on island.

Adams: What's the status of our discussions with odot?

John Gillam, Bureau of Transportation: I'll get to that in a minute.

Wetzel: East of i-5, we were trying to achieve the neighborhood commercial as well as some of the regional commercial that is there. And we're -- it's right now, a mix of generally commercial and multifamily residential. We're changing the area north of tomahawk drive and hayden island drive to provide for the neighborhood commercial in the future and we're changing some of the multifamily and single family residential development still keeping it -- those uses, but to matching the density to the existing density on the ground. So all we were doing was looking at what they were built out at and matching the density that existed and providing open space on the one park on the island currently zoned industrial. And the eastern tip of the island, we were -- we had planned for marine industrial as well as multifamily and the existing moorages and floating homes and habitat areas. Out there is generally commercial and industrial and the eastern tip is farm forest and each of those slivers you see on the eastern tip of land are actually owned by property south of north Portland harbor. On marine drive and they're buildable lots. They own the mud underneath the river. When it was platted out but they're not buildable sections of those lots. So that's one of things we've been working with parks bureau and metro to figure out way to get that accessed and acquired as part of the planning process. We're changing some of the industrial to general commercial and this is for the residential development that I discussed earlier. Under the x overlay, if we zone it residential it can only go to the r10 density but if we zone it commercial, it goes to the r1 density, which is 43 dwelling units to the acre. So that's why you see the change from industrial to commercial but it's really for residential development.

Adams: And the farm and forest designation --

*******:** We're leaving it alone.

Adams: And leaving it alone because --

*******:** Because if we were to change it to anything, we would probably -- acquisition, change it to open space, but we don't own it so we cannot change it.

Zehnder: It's a natural area that we're trying to work with metro to get it acquired.

Adams: Got it. We can change it once it's acquired but before then it would be a taking.

Zehnder: It's complicated but something like that.

Adams: Yeah.

Wetzel: On the eastern end of the island there are two developments proposed by columbia crossing, both residential and the again this was a transition issue. We were providing for height

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allowances for these developments and they're within the noise overlay zone which we're providing for the density transfer again, the one on the bottom of the slide actually is permitted 800 dwelling units on that little sliver of land and what we're saying is we can split these 800 dwelling units between two properties and get a better development and that's one the things we're providing for in the x overlay in the code itself and we're providing for pedestrian paths around the properties and along north Portland harbor as requested by the planning commission. So that's the proposed zoning in a whole -- for the whole island and the changes that we're going with.

Adams: Bless you.

Wetzel: Turn it over to John for transportation.

Gillam: I'd like to highlight the key points, but first to respond to your question about the access to the mall. Was that your question? The property owners, Jantzen Beach Mall and Odot has ongoing negotiations about access to the mall. Odot is concerned because it's at the end of a ramp that leads right into their mall areas so there's concerns about more congestion might create a traffic hazard on the interstate. But Odot and the mall have investigated about four or five potential solutions and one or two of which seems to be acceptable to both Odot and Jantzen Beach Mall folks. There's still details to be worked out. It would involve -- still allow for access at that point with some -- with some minor modifications and -- but it's also based on the assumption that there would be limited growth in the mall area in terms of future development of additional square feet -- square footage. We have Odot representatives that might be able to go into that in more detail but that's the basic status. As far as the plan, the transportation recommendations support the overall goals and themes of the plan. So the transportation part was done in an integrated manner with the plan. And so it supports the goals and themes of the island community getting around, environment and open space. And transportation system plan amendments are being prepared as part of the plan. And the transportation system plan, or t.s.p., is part of the comprehensive plan and policy amendments are being recommended that -- include recognition of the Hayden Island plan itself and the creation of a master street plan and policies related to integrating city streets with regional transit and highway improvements. Another key point on the next slide, is that the transportation capacities are in balance with the land use capacities as relates to the plan. Transportation analysis was conducted for the plan and these were -- and some alternative land use scenarios looked at and evaluated from a transportation standpoint and some of these scenarios were derived from the moratorium work previously. But what has been found is that the recommended land use plan places less traffic impact on the highway system than the current plan, and especially if you look over the long term, if you have continuation of current development patterns over the long term, that this would even create more traffic impact. So the plan meets Odot standards for adequacy of services. The plan also establishes a multimodal system plan and -- instead of the current single mode focus. The current plan and current land use patterns are highly focused on automobile systems and access. The Hayden Island plan promotes the use and network expansion for biking, walking and access to transit. The transportation recommendations are coordinated with the Columbia River Crossing project but not dependent on it. The Hayden Island plan document and process is conducted in preparing the plan important recommendations regarding land use and local circulation to inform the Columbia River Crossing project. A street plan is identified for the Columbia River Crossing project but not adopted at this time. The master street plan is being adopted as time is based on the current configuration of the interchange but the plan also suggests a future street plan just for information purposes that -- that would fit with a future C.R.C. Project. But that future master street plan would be subject to a separate hearing and adoption process. Also, there's more work required, still. There's an interchange area management plan requirement for the Columbia River Crossing project and the city and Odot are engaged in a cooperative process to develop this. And the primary purpose is to assure that the interchange will operate safely and effectively. And the work will involve locating driveways and local street connections, but this also includes a public process and

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recommendations we brought to the planning commission and city council for adoption following this process. So the interchange area management plan, the elements of it, will come back to city council. Likewise, more work is required to finalize the street designs that will be built as part of the c.r.c. Project. A public process being developed to inform the c.r.c. Project and some proposed street cross sections are shown in the plan but they're preliminary and subject to further public review.

Fritz: I have a question about the transportation element. I've received testimony saying we shouldn't adopt the street plan until we know what the c.r.c. Configuration is. Is the intent of this to say this is what we want and make the c.r.c. Conform with what we want?

Gillam: It does provide direction to the c.r.c., yes. And so the street plans being adopted is based on the current highway configuration. But it also allows for -- it's designed in a way that allows for expansion, integration to fit with the c.r.c. Project, as currently contemplated. That has to run its course. Until there's a record of decision about -- about the c.r.c. Project, and when there is one, then we will again look at the street master plan to make sure it fits together.

Fritz: If we adopt this, does our plan trump what the odot people want to have happen here or not?

Gillam: I think it's more of an integration, rather than trumping. Certainly, the hayden island plan has provided very valuable information to the c.r.c. Project. Which they have incorporated on several circumstances related to like the transit station location and -- and some other features. So it's more of an integration of the two.

Adams: In the strictest sense of the word, yes. The federal government can trump local plans.

Fritz: Ok. And then my final question, does the columbia river crossing include a mitigation fund that would be partially allocated to hayden island?

Gillam: No.

Fritz: Isn't that different from other major --

Gillam: When you say mitigation fund, there are impacts that -- that will occur as a result of the project that will require mitigation.

Fritz: But in the interstate projects, st. John's and various things, there's a fund that's allocated to give amenities to the impacted neighborhood. There isn't a proposal for that in the columbia river crossing?

Gillam: No, there's not. There was a fund that was done as part of the delta lombard project.

Fritz: Yeah.

*******:** But there's currently not one for the columbia river crossing project. But there's quite an expansion of system improvements for like pedestrian bicycle systems and other aspects that will benefit the -- create more benefit for the plan.

Fritz: As we continue to work on that, we might want to ask for that, because it could for instance buy parks in this plan.

Adams: The propose that the c.r.c. is taking is that the mitigation is built into the project itself and so there's a variety of different groups that have -- whereas, with delta park expansion, there -- it was less of a neighborhood -- it wasn't -- there were neighborhoods impacted by parts of it, but swaths like near the delta park area where it wasn't clear to the highway people what to do. And so instead of trying to figure it out, they just put money aside. Where on this, a light rail, the trail systems, that will be as part of the right-of-way, but it is -- it is shocking to hear that -- to remember that there's no public access to the water. And so we should definitely, I think, commissioner Fritz's question is a good one. Whether we should pursue and whether it's allowed as part of the c.r.c. to get more public space on the island. Anything else? Commissioner Fish.

Fish: Thank you. I'm very pleased with the proposal to include some new green spaces and parks, but I -- in some of the communication we have, there's a question raised about the location of the new gateway park and it's a park that's contemplated to be partially under the new bridge. And I've been trying to think about an example. I guess the closest example would be cathedral park, with

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the difference being that that span is considerably higher and I use that park a fair amount and noise is never really an issue. So just curious. A, do you have concerns about the location of the park. And b, has there been consideration about an alternative siting?

Wetzel: The location of the gateway park under the -- or adjacent to the highway, was because of the existing land use, a vacant hotel, an opportunity area and we also looked at the west end of the island and a little bit at the east.

Zehnder: It's a challenging -- there's some open space opportunities at the east end, but that's really wildlife area. There's what you get with an island that's rich in water habitat. The land underneath the bridge or next to the bridge as well is potentially an acquisition and staging area for c.r.c. and there's an opportunity there to, you know, if c.r.c. were to go forward it to be a site that's good to be redeveloped anyway.

Gillam: I was going to also mention if you look at the transportation plan maps, also, that there is a perimeter walkway network that's being proposed. And so that will although not [inaudible] areas it does provide improved access to the water.

*****: And we actually --

Saltzman: The entire island perimeter?

Gillam: Not the entire island, but a lot of it.

*****: A lot of the east.

Zehnder: We toured the site and actually tackled this issue with the parks bureau and there was a high concern about noise and I think where the parks bureau came down with us is that the uniqueness of access to the water and this frontage on the columbia, it still was a valuable location and asset for open space and park and we could make the most of it. We haven't done detailed planning but we went out and investigate noise and, you know, considered those kind of livability issues with it and in the end came down on keeping it in the plan.

Adams: It's a park based on opportunity provided by the needed staging area, wouldn't can -- shouldn't be considered or wouldn't be necessarily the first choice. Or the last effort we should make in parks and open spaces on the island. It's what we think will be available.

Zehnder: Correct.

Adams: Thank you. Any other discussion from council? All right. Thank you. You'll stick around. Did we have invited testimony?

Parsons: Brad howton and ed garren.

Adams: The co-chairs of the steering company. Thank you for co-chairing the steering group.

*****: Thanks for the opportunity.

Adams: You betcha.

*****: Who would like to go first?

Brad Howton: It's been a rewarding process all the way around and personally because we've been talking about -- what? -- what hayden island ought to be once it grows up for about the last 20 years. And it's nice to see some progress in that direction and even though it doesn't look like we're going to get closure tonight, I think i'm happy to say that the light at the end of the tunnel is probably not a train. We're going in the right direction here. The other significant reward that came out of this process had to do with the cohesive -- the new cohesive nature of all of the small neighborhoods in -- on the island. It's an unusual area because it has so many neighborhood associations and so many homeowner associations and typically they haven't been in perfect harmony with each other and even though I can say we're still not in perfect harmony, the situation is much better than it has been and we're a strong neighborhood association board at this point that's -- we're well organized and willing to take action on things. So those are really two wonderful secondary opportunities that have occurred here. The basic structure for this new community is in place, and there are conceptual standards for identity, balanced residential growth and respect for aesthetics of the columbia river. We have the plan embroidered with details that suggests what life

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might be like 20 years from now and there's lots of work left to be done. The comments that you have made here in the last few minutes represents some of the issues that we see. We have a yard long list of things that are concerning us at this point that are unanswered. The biggest difficulty and challenge is the giant elephant in the room. Which we're going to try from being stepped on by. We need your help going forward with managing the relationship with c.r.c. We want do it by ourselves. We're saturating the individual committees to make sure we're getting good communication in both directions to the committees and formed an organization through the board that will provide some internal communications and an opportunity to develop strategies about how we ought to approach things and where our continuing issues are. But the reality is that we don't have the strength, really, to deal with some of these things, and so one of the things we're looking for is some kind of relationship, a contact and a commitment on the part of the city to provide some energy and support to what we need to do. We have a significant -- made a significant investment of time and energy in this process on the community level, the city's done the same thing, the planning bureau's been wonderful in this whole process and we're happy to get the significant funding we did at the time we did. It was really our last chance to do anything and I feel we've been successful. So looking forward to our partnership with you.

Adams: Thank you.

Edward Garren: Thank you. I would like everyone who was involved with the steering committee who's here behind me to stand up so people can see what you are. Involved with the process. Probably a small fraction of all the people who were involved. [applause] mr. Mayor and city commissioners, I want to thank you for taking the risk to help us create a vision for the lovely island we all call home. Almost three years ago, you responded to our concerns and voted to protect our community from unwanted development and proceed with a planning process that had been started by a group of residents chaired by mr. Tim helser and if it hadn't been for him, none of this would have happened. [applause] the staff and the city planning department, most notably, joseph, alicia and lisa, have done an extraordinary job of facilitating a process that at times might best be described as herding cats. Cats -- [laughter] -- as in felines. After dozens of meetings with hundreds of people participating, many of which were in partnership with the columbia river crossing project, we have hammered out a plan that's a sound plan filled with collective wisdom, sound compromise and creates a framework for maintaining the essence and soul of what makes our island such a special place to live and work. As with any public process, we've had dissent and not everyone agrees with every element of the plan. All of you know that public policy is developed by compromise, but the goal is always to make sure that as many interests as possible have been honored and we believe that goal has been achieved in this plan. There remain significant concerns about the future of west hayden island. Many of our residents live within 200-yards of west hayden island and will be directly impacted by whatever proceeds on west hayden island. And most of those people are senior citizens and people with respiratory issues and it's highly imperative that we consider it's right next to a very large residential community both with floating homes and manufactured home community. And in closing, I again want to thank the city, and those of you involved in this plan, specifically mayor Adams, for his vision that he shared with us three years ago. And invite all of you to our national night out festivities. Tuesday, august 4th, from 5 to 8:00 p.m. At the hayden island main playground. Some of you have never been to our island and we always welcome guests and friends to share our love affair with the beautiful columbia river, there's no better time than august and we hope you will come out and have fun with us. Thank you very much.

Adams: Questions for this panel? Thank you very much for your co-chairing. Appreciate it. All right. Now we'll go to the sign-up streets. Please repeat the first three. Welcome to the city council. That clock in front of you will count down from two minutes and you need to give us your first and last name. No address.

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*****: But I could give you my address. [laughter]

Adams: You can, but --

*****: Use up my five seconds.

Saltzman: It will cost you two minutes.

Dawn Banker: I'm dawn, and i'll tell you, i'm a resident of class harbor moorage, across from west hayden island on the undeveloped part of west hayden island. I'm here to talk about that the hayden island plan addresses the problems that exist on east hayden island. But include a plan for building a bridge from the marine drive mainland park to the west hayden island -- part of the island. And those particular mentions of that on page 9, 14 and 35 of the hayden island plan. Including an implementation statement on page 35. We're concerned that adoption of this plan will be seen as support for building this bridge to hayden island, west hayden island, and will add momentum to the port of Portland's plan to develop west hayden island for industrial and marine use. We have reason to believe that development of west hayden island will lead to the same problems you're addressing today in the plan for east hayden island. The degradation of the environment. The residents of class harbor moorage and the adjacent suttle road, were not included in the planning process for this plan and they will be negatively impacted if this bridge is built so we're respectfully requesting that the mention of and recommendation and provision for the building of this bridge is removed from the plan.

Adams: And just so you know, and the rest of you know, that's going to be taken out of the plan.

*****: Great.

*****: Well, that cuts me short some of the stuff I was going to --

Adams: Commissioner Fritz has been working on this issue for us.

Fritz: Thanks for the residents who sent me emails ahead of time which we do read. I would like to know how much discussion there was but my understanding from mr. Zinder, the language on page 14, which says maybe was what was agreed on and the language on page 9 and 35, yes, we're having a bridge, is not correct. I proposed amendments to take 9 and 35 -- if anybody wants to tell me that that's not what was agreed on --

Adams: How many of you if you came to testify on that issue we're going to be making the changes and so if you want to not testify -- [laughter]

Fritz: Say who you are and where you came from -- or if there's anything else you want to comment on.

Adams: If you don't want to testify, that's much appreciated. [laughter] but if you do, it is welcome.

*****: I can and little bit a little extra.

LaRee Gashwiler: I'm lorie, and a 29 year resident of the island. Actually go back longer with that with jantzen beach park. And my father running the water department out there. So I have a long history with the island. I'm 62, so you do the -- 62, do the math. I'm here to support the rezoning of hayden island mobile home community to residential and as stated with so much commercialization occurring, the residents of this large community need your help and protection. I'm here to urge the installation of a separate bridge other than the i-5 freeway ramps to be placed on the east side of the railroad bridge. This would enable access for on and off for traffic flow from the island as has been stated. This additional bridge, I would like to emphasize in case somebody wants to get wishy washy on this, would help in the event of an emergency, and I was there in the late '90s, when we had the floods and I can tell you how desperate it was to have a 45 minute exit on that island. So it's imperative we have this flow of easy access off in case of an emergency. Because traffic can get very, very bad on the island. I'm here register, as you said to the west end bridge and the development of west hayden island. My background does include environmental engineering from Portland state. And I can see the horrors that are going to happen if we develop west hayden island into something that's going to add environmental noise and pollution to the

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environment. And we also have salmon runs that continue -- to consider on hayden island. So it's going to be very, very bad. And that's -- but the overall plan, I support and I think it's a nice plan. I've seen the development of hayden island for many years and it's interesting what's happen.

Adams: Thank you for your testimony.

Tim Helzer: I'm tim, the founder and chair of friends of west hayden island. I come here to speak tonight in support of the hayden island plan. I've been involved in that for the last four years and thank you very much for the earlier attention to that detail. I'm very concerned about some of the language that's already been noted in the plan. I -- i'm being generous in thinking that it was an oversight and not an intention. But let me go into a little bit more detail in the minute and a half that I have left. It seems to me that for many years, the port has planned for multiple bridge to west hayden island and the city planning and transportation bureaus have actually been complicit in quietly supporting these plans. However, when these bridge plans came to light in '98 and '99 during the port eight first attempts to have west hayden island annexed into the city, significant opposition arose immediately and the port withdrew its request. Since then, the port has continued to lobby planning and transportation to support their plan for bridge there. And this is resulted in transportation to budget millions of dollars for infrastructure improvement for an eventual span from north Portland to terminal six to west hayden island. As well as the planning commission -- or planning department lending its support to these subtle changes in the plan. As was noticed earlier, i'm supporting this plan with the exception of amending it to redact any mention of west hayden island including any mention of west hayden island bridge and to include it is inaccurate and would be irrelevant to the plan.

Adams: To be clear. I was transportation commissioner in '98 and '99 and we don't have enough money to be complicit on trying to pre-- whatever -- pre-plan or whatever, a bridge. So rest assured that might have been history but it's not the current fact and the fact that some language is in here that shouldn't be is going to be taken out. I understand the need to vent over past things, but there's a new plan and there's a new day.

*****: If you're [inaudible]

Adams: On the july -- like I described at the beginning of the hearing.

Helzer: You'll have that print sod we can print it offer the internet or something?

Adams: Right judge and you want it before that, you can email me and i'll send what you i've proposed.

Helzer: We appreciate that.

Fritz: I'll post it on my website. That will be easier.

Adams: That's really going to happen. You don't have to testify if you don't want to.

Fritz: I'll put it on the what happened page of my website.

Adams: Next three. Good evening, welcome. I can't remember, who did you call first. It's been a long day.

Jimme Peters: Thank you. Good evening, it's jamae peters, a hayden island resident. On the steering group for the hayden island plan and been involved with the c.r.c. And an alternate for the community working group for the hayden island -- west hayden island plan that sam has appointed so kindly. A couple things i'd like to bring up. I know that we've discussed the -- how the arterial bridge option came in, was snuck in and some confusion. That's done and i'll remove that from my list. That you for addressing that, commissioner Fritz. My main question is obviously everyone saw the paper today and our federal highway dollars and the big article on that. How are we going to be regulating to the c.r.c.? I'm unclear on that, even though i've sat on the committees and what are we doing in regard with the i-5 because of the obvious transit issues on the island. It's not an easy fix. You can't change it overnight. But what's our plan b for the columbia river crossing because as we can see the federal highway dollars and Oregon dollars are lacking. Is the best way of putting it. What is it and how are we going about that as a budget issue? The second thing,

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obviously, the west hayden island issue with the community working group and I know that relates because it's in part of the plan for recreational spaces and etc., and the annexation process that the city and port, which I don't quite understand their relationship. I don't understand their relationship because it seems there's a -- they're co-applicants but the city -- it's confusing to me. But obviously, if you've read the recent numbers, number of calls of ocean going vehicles are down 33.3% and the total containers load and discharge, down and let's see, the airline travel down 13.3% out of the port of Portland. So continuing on with the west hayden island development idea, the port, I don't see how they can support it nor can they expect us to support it as tapes.

Adams: The columbia river crossing, the federal delegation has made clear that the projects budget needs to slink. Shrink. And having talked to them personally a number of times, the c.r.c. Staff is in the process right now of looking at how to reduce the cost and or phase it. So that work's under way and the last I heard, it's going to take a couple of months to come back with options. And i'm the representative on the sponsor's council for the city so that connection to the planning bureau and back to hayden island is, you know, top of my mind to make sure that you're -- i'm representing you well and the city council well on that issue. So it's -- it's -- it doesn't open to -- what? -- 2018, and there's years more of work on it. I think four years before ground actually breaks, so this is a long-term process. On the west hayden island, I encourage the port to engage in this process of planning west hayden island. There are conflicting policy goals for west hayden island and it's not part of the city. Officially. Most of you probably know that. So we convened a group -- convened a group that has representation from stakeholder groups that has different ideas. Your represented on there, the environmental groups are represented. And a chair who -- you know, the environmental policy director for governor roberts and considered very fair and very knowledgeable. Comes from the environmental community. So that work is under way, whether it group can try to reconcile the conflicting policies in place right now. And that work is going to take a number of months as well. But it's -- those meetings are open to the public and if you want to be notified of when those meetings are, I encourage you to sign up at mayorsamAdams.com and i'm the one given your plan under way and given the years of sort of conflicting policies and goals on the table, that I would like to get it resolved one way or another. I went to the port. The port didn't sort of come to us. Just so you know.

Peters: Thank you.

Ron Buel: I'm Ron Buel. I'm here today because I've been watching city planning happen for 40 years now. And this Hayden Island plan is the most deceptive city planning effort I've ever seen. I'm referring primarily to its accommodation of the Columbia river crossing. Where in the plan are realistic pictures of what the new twelve lane freeway will actually look like as it goes all the way across the island, and the slue, 70 feet in the air? Please note the 500 million. Marine drive interchange curls round on stilts and runs along side the freeway, across the slue and island, until merges at the river. Please note the two on and off lanes in each direction. Total is 18 lanes wide. That's 250 feet, more than 250 feet, more than a whole city block and that doesn't count the light rail bridge. Where in your plan are human scale pictures like this one which is only 12 lanes wide? How much time have you folks spent underneath or directly along side Fremont? What do you think the impact in dirt and noise and darkness will be on the merchants and residents of hayden island? I showed these pictures to more than two dozen merchants and residents on saturday and got a mixture of shock and awe. Where in the hayden island plan is mention of tolls. Do you think residents will have to pay them if they go south or only if they go north? How big will the tolls be? What about the impact on hayden island family budgets? I watched hayden island residents come before the council and say they were told there would be less air pollution, less noise pollution and less congestion on their island with this new freeway. Does this city council really believe that? Hayden island where is the restudy of greenhouse gas emissions? Since you voted for 12 lanes, both legislatures have met and not allocate add single dollar for construction. Have you not a single

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member of congress asking for a federal allocation publicly. Yet the c.r.c. Staff and consultants are planning to spend 74 million in taxpayer money in the next biennium doing detailed design of this big ugly thing. It's a waste of taxpayer money.

Adams: Thank you.

Fred Nussbaum: Good afternoon, mayor, commissioners. My name is fred nussbaum. I'm going to talk more about the urban design. This plan which has lots of great objectives and goals which I firmly believe in is trying to juggle two irreconcilable goals. One of having a big freeway facility and the other having a pedestrian and transit oriented district. Right now it looks like the freeway may be winning out. All the pictures in the plan have these wonderful views of walkable communities. This is supposed to be where the freeway runs through. In actuality this, is more what it's going to look like from the ground. This is the same picture ron showed, except the extra ramps will block more sunlight coming in. The picture that I base this photo shop on is west seattle bridge, which is 70 feet up in the air. And six lanes wide. I doubled it to get a "two and a half men"-lane bridge and then added the lanes on the side. This is where the river -- the gateway park is going to look like. Roughly. Then we have the whole problem with the transit oriented districts in a stationery that's placed right next to an 18-lane freeway facility. It doesn't make any sense at all. Same thing with the neighborhood shopping center on the east side of the freeway. The plan is suggesting that people will walk to get there. Are they going to walk under a 250-foot-wide overpass just to get to a commercial area? Will cyclists stop there on their way up and down the elevator to get to the c.r.c. Bikeway? I've already discussed the -- have you also brought up the problem with the gateway park. It's going to be dark, hard surfaces, it's going to be dark, it's going to be noisy, it's going to feel dangerous to people. It's not going to be a place where people will be attracted to be. So this plan is based on an unattainable promise which is based on a false premise. I think some of the residents that hayden island have been sold the idea that they can have both better freeway access and better freeway, a bigger freeway running through their neighborhood and have a transit oriented, pedestrian-oriented neighborhood. You can't have both of those. You have to make a choice.

Adams: Thanks for your testimony. Appreciate it. Sue?

Joe Angel: Joe angel, property owner on the island. I own the property where the burger king restaurant is located. I'm here to testify and ask for your consideration and a solution to what we think is a big problem. We've been on the island for about 20 or 25 years. I can't -- I tried to look for the date, but I can't figure it quite out. And we have been there because we serve two communities. The local community, and we served traveling public. Because of that, the commercial zone is very important to us. Because in our facilities, over 50% of the volume of a facility comes through the drive-through lane. The convenience and the portability of our product is part of the reason people stop. We get people from Washington, of course, we get boaters, we get all of the people who come to the island for recreation. And we get local residents. It's proposed in the plan that this be on the east side of the freeway be zoned neighborhood commercial. We think from a planning perspective that if there's going to be neighborhood commercial, it should be over where the light rail station is, not on the side where there are six businesses in a row that are oriented to automobiles and designed to service the automobile traveling public. So with would like a chance to try to figure out a solution. If you choose to make it neighborhood commercial, then we need to figure out how to make that zone work for us. We would recommend that you take those six businesses and leave them with general commercial.

Fish: Can I get a clarification? This would have -- this would affect your business and taco bell, chevron, and others in that area, right?

Angel: Correct.

Fish: It's my understanding, joe, that this is one of the proposed amendments that you will be tackling and bringing back to news.

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Angel: Correct.

Fish: Thank you.

Fritz: I have a question too. How is the columbia river crossing going to change the pattern of traffic around your business?

Angel: I wish I could tell you that. I honestly don't know, because it's changing the flow of direction, and it's counterintuitive flow. They drop off clear at the north end if they're coming from the south. They drop off at the north end of the island, and have to circle back around. So it's a different system, and I wish I had my crystal ball. I don't know exactly how it's going to work.

Fritz: They'll be circling around on the neighborhood streets?

Angel: They come to the end of the ramp and they -- on the street system, I don't think it's a neighborhood street, it's all commercially zoned. They would come around to the right and come down our street.

Fritz: Thank you.

Adams: Good evening.

Cheryl Lund: My name is cheryl lund, and I am a resident of hayden island. I am a friend of west hayden island, and I own a business. And I originally came here tonight to talk about the bridge, the west -- to talk about the talk of a bridge on west hayden island, and so I guess what i'd like to say is Thank you very much for taking action to take that out of the plan. Because I just feel it's absolutely absurd. I don't know how it got in there, but somehow it got in there unnoticed. And thank goodness commissioner Fritz, you -- your attention to detail is amazing, and i'm glad you found three pages --

Adams: It is.

Lund: Yes. That's obvious. And i'm glad to know emails work. Because -- so anyway, I just wanted to say thank you for paying attention to that. I think there's going to be a lot more things coming up in the future regarding west hayden island specifically that if you folks don't continue to pay attention to detail and if citizens like me don't continue to be involved and try and actively stay on top of what's going on, it could be -- we could be -- it would be very bad for west hayden island, because I believe that the city of Portland planning and the port of Portland, they really got -- it seems like the ball in their -- they seem to be so much bigger than -- there's such a combined force together. The citizens, we need to stay on top of it.

Adams: Let's be really clear. You have citizens on the task force.

Lund: Right.

Adams: The citizen task force is staffed by planning. But you have folks from your neighborhood on that task force.

Lund: Right. And -- thank you for clarifying that. I do know that. But again, I just feel like -- I just think we need to stay actively involved. Not just the people on the task force, which i'm not, but -- so thank you very much. Appreciate it.

Adams: Good evening.

Tom Dana: I'm tom dana, and i'm on the board of the manufactured homeowners association. I was on the steering committee for the hayden island plan. I'm also on the community working group for west hayden island. But i'm talking tonight as representing the manufactured home community. And all we want to say, I gave her a copy of this, this is just a signature we've gotten supporting the change in zoning in the plan for the eastern part of the manufactured home community. That was apparently a contentious issue a couple of weeks ago, but it was no longer since park management has said that they support the change in zoning, and they distributed the letter today to everybody in the manufactured home community to that effect. So we're all very happy with that. And they also map -- met with a couple of members and there's no interest on their part in ever selling it. They like it, so they're trying to maintain the affordable housing resource here in Portland.

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Adams: And we appreciate it.

Fish: If I could just note, We're actively working with some legislators in salem to see if we can get lottery backed bond dollars for preserving manufactured homes statewide. A small pool of money, but the idea is manufactured home communities are vital resources, and different parts of the state they're really critical for affordable housing, and so we're hoping to get some money to do that and we'll be looking with the county to preserve as much of the existing manufactured homes as we can.

Fritz: Thank you so much for getting a petition in support. We don't usually get that. We get petitions against stuff. I appreciate it.

Adams: Thank you all very much for testifying. Sue? Welcome to city council. Glad you're here.

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

Adams: All you have to do is give us your name and you have two minutes. Go ahead, sir.

Mike Connors: Thank you, mr. Mayor, members of the commission. Mike conners, i'm here on behalf of hayden island enterprises, who's the owner and operator of the hayden island manufactured home community. As you've heard today, one of the critical pieces of the concept plan that relates to our property is the proposal to rezone the eastern half from general commercial residential. My plan initially was opposed to this proposal. Their concerns related to impacts on the property value. They also had concerns about Potential impacts on the ability to refinance in the near-term future. But it has always been my client's intent, they've owned this park for close to 20 years, to hold it and continue to use it as a manufactured home park. And they gave some real serious consideration to the issues about the message they were sending, looked into the specific issues they were concerned about, and are happy to report tonight that we are now in favor of the rezone. As I indicated there was intent to keep it as the manufactured home park as one of the most successful parks in the entire state. And we want to make that message clear. That's what they're doing here tonight. The focus of our comments tonight are not only a report on that, but we have turned our attention to looking into some issues that we have some potential concerns about. They're more minor in nature, but they're significant enough to bring to your attention about potential code-related issues that could have a negative impact on our ability to the viability of the park. I've introduced a letter that you have with some attachments. I'll i'll tell su we've been working closely with your staff. I think there's agreement on the conceptual ideas of what we're asking for, staff indicates they understand that, and they support it. What we're working with staff and will continue to work with them on is the specific methodology for implementing those ideas. So what we hope is that you'll understand we're making the commitment, significant concession on this issue, and hope that you will support the amendments when they are presented to you on july 8th.

Adams: Thank you. Please convey our gratitude to your client for supporting the plan.

Fish: I have one question. The -- could you just tell us again how you got to 15 years?

Connors: 15 years is based -- the 15-year issue relates to time limits on the ability to replace housing in the event of a casualty. The code is currently written, has a five-year limitation that applies to housing. The concern that we have, we're talk about a 440-site facility. And if there is a mass casualty, a flood, earthquake, that impacted or damaged all or significant portion of it, there would be the need both to do the improvements to the park infrastructure itself, and also to get the individual home sites reoccupied. Five years isn't sufficient based on a specific example that my client had. They own a facility in florida, it's a 275-site facility. When hurricane andrew came and hit, it significantly damaged that park and it took over 13 years for them to get through the process. They were quite frankly even a little surprised at the length of time, but when you think about needing to go through the process of assessing the damage, Insurance, getting the permitting, doing the actual improvements, and then the big lag time is getting the individual homes reoccupying the

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sites, that's a much more challenging situation than your typical replacement of a home or small residential unit.

Adams: Thank you. Good evening.

Harlan Hiltner: My name is harlan, and I want to -- i'm very glad that they have changed their position and support the rezoning. I also noticed in going through a pend -- that the Oregon statutes 90.505 to.875 supply the impetus for that in the sense they actually want all mobile home parks to be rezoned r2 or 3. Because it secures the interest of the homeowners within the park. And decreases likelihood that the park will be dismantled. There are a couple of other things I found in appendix a, which is a reference to two projects. One is 30053, which has to do with west hayden island crossing, and the other is project 30062, which has to do with the west hayden island rail yard expansions, and not being clear on, that i'm assuming that rail yard expansion has to do with the port of Portland's wish to have an auto terminal and unloading facility on west hayden island. But i'm only assuming that, I have no idea what that rail yard expansion would be.

Adams: No idea.

*******:** In light --

Adams: We'll look into it.

Fritz: Can you give me the citation again?

Hiltner: It's project 30062, in appendix a, and i'm not exactly sure where to tell you it is.

Fritz: I'll find it. Thank you very much.

Hiltner: And the only other thing I want to say regarding west hayden island is there's not a lot of trust for the port of Portland around the community up there. The one way to stop them from doing anything is to simply not to annex west hayden island. Because they can do nothing without that annexation. That's all I have to say.

Adams: Appreciate your input. That's sort of what would happen if we do nothing. But at the same time, even if you wanted to continue as sort of what it is, I think there are -- there is a need to improve the habitat as well. Even if we keep it entirely green and open space. So there's a reason to look at it and reasons to not keep it in limbo. But I respect your point of view, and believe me, I know the distrust, and that's why we've set up this process that is painfully transparent. They're not entirely happy being brought to the table either, if it's any cancellation.

Hiltner: I note the Audubon society made an offer to buy it. I would hope the port might change their mind and sell to it them. That would allow all of us to get a nice use off of it and a nice green space.

Adams: Thanks for your input. Good evening.

Jeanett Boreland: Good evening. I'm jeanette Boreland, the director of the south shore mobile park. I've been there for 31 years on the island there. I'm thrilled, i've never been to something like this, so this is scary.

Adams: You're doing a great job.

Boreland: I do have some questions. Like, would the bridge thing be getting off of the island is such a tremendous thing. We experience it when we had the flood back in '96. And we sat there for hours trying to get people off the island. To get them cleared. And people were in ambulances and everything else and they were just sitting there forever. And so then another thing is that i've heard that there's going to be a park down by the bridge on the columbia river side.

Adams: That's what we hope will transpire, what your neighborhoods has put forth as on the wish list.

Boreland: I just have a question about, what are we going to do with all the transients we get on that island? That island is a bed place for transients, and i'm wondering what kind of safety that we would have, and the people along the river in those parks would have for protection from those guys. Because we get begged on all the time, and it's just really, really scary down there.

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Adams: That's an important point, and it's both a design issue and also an issue of -- there's overall issues of safety on the bridge as well. It might have a bicycle and pedestrian path on the second -- second level of the bridge, and so I share the safety concerns. They're on the table at the c.r.c. Sponsor's council. I'll continue to dog them.

Boreland: Does that mean there would be like a -- an overpass that we could walk across? There's a lot of us have to walk over to safeway and places like that. And it's terrible underneath, going underneath that freeway there.

Adams: The plan that your neighborhood has put forward would provide a new way to get under the freeway, sort of in the middle of the island. And so thrb -- there would be three instead of two. The issues of safety are important to raise, and keep on the table in terms of concerns.

Boreland: I want to say i'm -- I give you guys credit for coming as long as you have now with these plans, because there's stuff that we've been -- i've been listening to them for years and years and years, and nothing has been done. And I finally just kind of thought, well, I don't know if I want to get -- keep going with this or not. But i'm really thrilled with the progress that the city has -- that the city commissioners and that have made with it.

Adams: Thank you very much. And thanks for sticking with it. Thank you all for your testimony. I really appreciate it.

Adams: Chris? Good evening. How are you?

Chris Fountain: Good evening. Thank you for having us here and allowing us to speak. Commissioner Fritz, thank you for jumping on top of what could have been a potentially horrible situation. We really appreciate your activity. What I -- I have built up a good head of steam to come here tonight, and you kind of stole my thunder. But I would like to say that as you eliminate that faulty language from this plan, I don't know what's going to happen to that language, but i'm afraid it's going to go somewhere else. And I would like to state my concern about the fact that this language of building a bridge, building on west hayden island, I would like to see there be an option for the entire city that everyone is made aware of through newspaper, t.v., and everything, that there would be a no-build bridge, and a no-build port project, marine project option.

Adams: That is an option on the table.

Fountain: I was not aware of that. I'm a friend of west hayden island, and I thought I had been following this closely, and I did not know that was an option. I thought that had been eliminated as an option.

Adams: Absolutely not. The no-build is an option and the chair and founder of friends of west hayden island is on the committee that --

Fountain: I just spoke to him.

Adams: It is an option on the table for the task force to wrestle with.

Fountain: That's very good news to me. Thank you, mayor at apples, for allaying some of our fears tonight.

Adams: Glad you all turned up.

Fritz: Making dleer was an option was part of the citizen testimony at the previous hearing onsetting the into.al agreement to set up the west hayden island plan. So again, we were responsive to the citizen who's came in there to highlight the fact we need to be clear.

Greg Theisen, Port of Portland: My name is greg theisen. I'm here testifying on behalf of the port of Portland and specifically for susie. Thank you for the opportunity to testify in support of the hayden island plan. The port appreciates the process for developing, writing, and reviewing the plan, it's been thoroughly transparent. Very successfully addressed an incorporated interest of multiple stakeholders from a marine industrial property owners to residential and commercial interests. Our very strong complements to staff, alyssa and alison in particular, for running an inclusive and efficient planning effort that's resulted in the well-support plan you find before yourself today. Spesk to the hayden island plan, following elements are particular interest to the

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port. We're pleased with the coverage within the plan, columbia river crossing, a lot has been said about that already this evening. It's designed an ultimate construction is incredibly important to the success of the hayden island plan, whatever that ultimate design and whenever that ultimate construction may occur. The port supports the no-net gain approach in the plan that distributes additional housing. Within the constraints of the existing codified noise contours. East of the railroad is important and appreciated. That i.g. Zoning retention helps preserve the city's industrial land inventory and hection befer the residential and commercial uses from the nearby railroad. And the port supports the environmental and open space plan elements, some such as the bank design language lay the ground work for a habitat improvements much support by the port and the green streets elements support control and treatment of storm water runoff and approved land use connectivity and residential access to green space. Our commendation to the planning bureau staff, bureau of planning sustainability staff for a well-run process and a successful production of the hayden island plan.

Josh Gutzwiler: I'm with wells fargo bank. I'm here to give option to -- objection to the proposed plan. The change of the zone will drastically affect our business. That's all we have at this point. The widening of the road, it's going to widening of the road will be pushed -- pushing north jantzen drive making our drive obsolete.

Fish: Have you -- has wells fargo communicated that concern to planning and proposed any potential solution to that problem?

Gutzwiler: We've been working with the meetings out there with the small group.

Adams: The c.r.c.? That's one of the potential plans coming out of the new bridge which is the bi-state process. So that's not in this neighborhood plan, but it --

Gutzwiler: The zoning is also on this one, correct.

Adams: But the parking lot issue is is ditch process.

Gutzwiler *: But the zoning one, the change in zoning that will affect the drive-throughs.

Fritz: If we were to preserve the drive-through extras s. That satisfactory, or are there other issues with the soap something.

Gutzwiler: The drive-throughs -- .

Fritz: I understand commissioner len sadr going to propose an amendment.

*****: Thank you.

Adams: Good evening. Welcome. Glad you're here. I think you were first.

Chickee Smith: Thank you for having this meeting tonight. I have only been on hayden island less than two years and I went there kicking and screaming. I told my kids and family I would move my husband there and leave them there. The hospital was by our home, 41 homes in the neighborhood. It was a neighborhood. We'd been there 17 years, yes almost the newcomers. I didn't like using i-5. I told them that's what's going to happen. Two years, I love that place. I cannot imagine living any place else. It's a well managed place, the managers are fantastic. I love it there. It brings the -- a new mean together word community. We know so many people there, and they're the nicest people, friendly people, I feel at home there. After 17 years on the other one, I feel at home with maybe two or three of my neighbors, and i'm a yakky person, you can tell. But I told my husband, it's quiet and nice during the daytime, everything is cool, let's go back at 10:00 at night. We went back at 10:00 at night, people were sitting on their porches, they were enjoying the weather, the skids were flake in the streets. They were not noisy. It was wonderful. I said ok, maybe i'll move here with you. One of the things that bothers me, we're only the fifth home from interstate bridge. And we're right on the river. We have transients walking by from time to time. Even though we put no trespass signs up. You put the park under there, I feel vulnerable. Unless there's a nice fence with razor wire on the top. Because we do have a transient problem. So thank you for your time.

Adams: Thank you for deciding to move to hayden island.

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Smith: Well i'm glad you did. You can thank my husband. I'll admit publicly I was wrong.

Adams: Who is your husband? Good man.

Fish: I found the secret of my marriage is admitting publicly and privately that i'm wrong all the time. So I follow your lead.

Walter Valenta: Hi. I actually want to talk about the elephant in the room as well. And actually agree with what mr. Buhl was saying and mr. If -- that's the worst fear of what we're trying to have not happen with this bridge. But if we're not vigilant, we can have structures that look like their representations. Or we could have structures that are sensitively designed and work. Is it a constant battle. It's not a shoe-in that it won't look like what he's proposing, but i've been dedicating my time as have teams of architects and lots of people to assure that doesn't happen. But I want -- so when I look at this plan this, plan is excellent. But we have to be vigilant and we have to keep going, and we need to know that the council as a whole is going to back up, because everything commissioner Fritz you're saying, they're afraid of that word mitigation at the c.r.c. They keep that out of the vocabulary. They don't want what happened on columbia boulevard. Many i'll ablitte less polite. Washington doesn't like that concept. And they pull a lot of strings In this thing, and odot is frequently the second class dot in this thing. But additionally there's another big fear which is called the -- I don't have to be beholden to any political correctness, on tso i'm going to tell you how I see this stuff. There's other thing which is called interchange area management plan. These are well-meaning plans that tell down in the valley when you build a new intersection how close the truck stop and the gas station and the 7-eleven can be to the interchange. Guess which intersection is being the first real urban application of this new policy? It's hayden island. So what they're doing, what the fel bank was talking about, those loop roads, those are not friendly roads, if you let odot call the shots. So we have to be very village explent hold odot and c.r.c. And the c.r.c. To high standards. I know mayor you're behind this, but i'd like the whole council to be behind us. Otherwise we will get those images like was shown earlier, and there are hundreds of people working to make sure that doesn't happen, and we want to make sure you guys are part of that with cailgt like it is, when it needs to be called that way. So thank you.

Adams: I want to say walter puts in a lot of extra hours and does a lot of extra credit work, and his tireless advocacy on behalf of the island and also on behalf of bridgeport on the the side of the channel. So thank you. I don't know how you make a living, because you spend --

Valenta: I'm a realtor. We don't work anymore. [laughter]

Steve Pfeiffer: My name is steve piper, i'm here on behalf of joe angel. I submitted a letter to your offices and one of the problems with having app client like joe who has spent years on the planning commission, he leaves me with few opportunities. I'm going to stand pretty much on the letter. One point I would make, we would prefer without a doubt for a variety of reasons that i'll answer only if there are questions, that the down zoning or rezone from c.g. To c.n.2 not be approved because it does pose implications beyond the drive-through. Having said that, we've made it very clearwater drive-through is our primary concern and our partial loss of that over time. The site is suited to vehicle accommodating uses and that's our biggest concern. We're continuing to work on finding a solution. We have a couple in the hopper and I think with every reason to believe that we'll be back in front of you on the 8th with something in play.

Adams: Thank you. Thank you all for your testimony. Really appreciate it.

Fish: I've heard you made a purchase to -- an offer to purchase hayden island. Maybe you can explain yourself the source of this new prosperity at your organization.

Adams: But first we're going to hear from roger. But think of a good answer.

Roger Staver: I'll talk slow. Thank you my name is roger, i'm happy to be here representing hayden island neighborhood network neighborhood association on hayden island. The hayden island plan started its life a number of years ago, four years ago, the formal process began about three years ago, I started with this steering group about that point in time and have stuck through it

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and ended up with the job I have tonight. But property says has been rewarding. I think we've done a good job, there's been a lot of give and take. But the plan as it is now has been bent, one way bent the other way, back and forth, and it's coming to you in very good form. The final version, at least the version in front of you, is a good plan. The successful implementation of the plan is going to be dependent on the implementation of c.r.c. S there's a lot of work ahead of us. This isn't the end of the work, this is the beginning of the work. And we know that. We expect a lot more work with the city. We hope for and look forward to a continuing relationship with city bureaus, particularly the bureau of planning and sustainability. We've established good relationships there and hope that continues. I want to talk about the bridge for just a minute. I know the alternative arterial bridge. That subject was first presented at steering group in january of 2008 at the initial -- with the initial concept plan. It -- that was a printed document. Next it showed up in the concept plan itself april of 2008. In that plan also was a feedback form. That feedback form had a series of questions. I brought the final page, and i'm going to leave that together with a letter. That final page -- there were four bridges that were -- four bridge locations that were reviewed. Two were eliminated for various reasons, but good reasons, and it came down to force avenue and the west hayden island location. As it turned out, we can pat ourselves on the back. Today for not choosing forest avenue because it appears very likely if not for sure that the modifications to the marine drive interchange have made the forest avenue location an improbable location because of its proximity to the off-ramps there. The feedback form results showed that 30% more people preferred the west hayden island location for this bridge. It also showed, and this is even more telling, there were ratings of high, medium, and low importance for the response dents to check off. 71.2% of respondents indicated that this was of high priority and high importance to them. We talked about a second access route to the island for many, many years, and this plan gave us the opportunity to see that happen. We also knew that we couldn't do it and the city couldn't afford to do it under probably any conditions, and we were going to have to look forward to some other sponsor that would help this happen. And it became apparent as the possibility of something happening on west end of the island began to emerge that that was going to be one of the ways that it would happen. One of the things to point out too is that the reasons for selecting that location for the bridge having to do with industrial traffic at the west end of the island, having to do with residential areas that would be displaced, having to do with losing another 18-20 floating homes in addition to the 18-20 we're losing to c.r.c., having to do with touch points on both sides of the channel that would not be satisfactory for a bridge location. All of these reasons still apply, whether that's open space and a preserved area. The things that made us recommend from the steering group that that location was the primary and best location still exist, whether the port does anything with it or not. This subject was on the table for a very, very long time, and has been in all of the publications that came out of this steering group since january much 2008. I am way over.

Fritz: You've put in a lot of time, so i'd like to hear what you have to say.

Adams: Luckily i'm so tired i'm going to have to move on.

Staver: Thank you so much for all of the help that the city has provided, particularly the staff people. We couldn't have done it without them. They've done a phenomenal job. We had an awful lot of public and private input, a lot of volunteer time, a lot of volunteer effort. We're not done. We've got c.r.c. In front of us, we've got the plan implementation, there are a lot of things that have to be done. Please give your enthusiastic support to this plan. And grant approval. Thank you for giving me the extra time.

Adams: And thank you for your leadership in the neighborhood association. It's been crucial to our success in getting this plan to move forward.

Fritz: And thank you. May I ask a question? Regarding the bindings that's helpful clarification. I know from participating on the council that the configuration of the proposed columbia river crossing bridge has only recently been decided. So does the fact that the connection -- that there's a

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lane getting on and off hayden island that doesn't involve merging into through traffic, does that change the need for a second bridge or not?

Staver: No, because that alternate route would bring all of the industrial traffic down that direction. The alternate bridge that we'd like to see is meant to funnel as much as possible of that industrially oriented traffic away from the residential areas.

Fritz: Thank you.

Fish: These are the four original locations that were considered?

Margaret Johnson: I'm peg Johnson i'm going to make this short and sweet. I live at jantzen beach moorage. I am a member of -- on the board of high noon and i've been a member of the hayden island steering group. I just wanted to show you, I took this map this, is hayden island, I have taken, which is originally on the c.r.c. Map, which is light blue, you took a felt pen. That's what exists. And then you see the rest of this from here to here. I'm afraid mr. Buhl is wrong. It's more like 600 feet or over that. But he does underestimate our intelligence, a little bit. I'm sorry, mr. Buhl. I think we are all scared to death about the c.r.c. Project. This is my neighborhood. You can call mr. Angel's property and wells fargo property commercial, but i'm the one that walks there. And I can't walk to their places legally. This is a city of Portland community, and I cannot get from my house to the bank or to the grocery store without jaywalking. There's not even crosswalks Painted on the road. It's all private streets. So we need your help beginning now, and for years to come I am so delighted to hear you ask the questions you did earlier. There isn't the money to build out the hayden island plan, but we're going to -- we deserve some help to deal with this new expanded project that we have supported. We have testified over and over in support of this project, because we know what the situation is. So thanks.

Adams: It is really hard for us and the city and the reason why I worked with you and others to get the plan going is, it's really hard for us in the city to make improvements to streets and roads and go up and hustle the state and regional government force money for sidewalks and stuff unless have you a plan. And so you should really take great satisfaction in the fact that you've invested the time and coming up with this plan, because now we can try to get money to implement it. It's a tough environment to get money, but we cannot get money for improvements for neighborhoods that don't have a plan. So you've done a great service for your own neighborhood in working on getting this plan done. Thank you. Bob?

Bob Sallinger: Good evening, bob sallinger, the conservation director for the audubon society at Portland. To answer commissioner Fish's question about audubon's newfound wealth, we offered along with a coalition of 15 environmental groups and neighborhood groups to the island in 2005. I'm very confident that we could have put together a deal if the port was a willing seller, they weren't, and that was the end of the story. But offer still stands. We're prepared to buy it. We also --

Adams: How much did you offer?

Sallinger: We told them we'd name the -- we told them to name their price. We also advocated to have it put as a target area in the 2006 green space bond measure. That wouldn't -- would it have meant they could have sold it if they wanted to. They asked metro to take it out. Tblut have been option, and they remain on the table as far as i'm concerned. We did participate in the development of this plan. Overall we think it's a significant improvement over the existing conditions. In general we supported the adoption. I submitted four issues in a letter, I only want today two tonight. The first is the auxiliary bridge. We appreciate commissioner Fish's -- commissioner Fritz's amendments. We are troubled that this language keeps appearing in documents that presumes development on west hayden island. This isn't the first time this has happened. This is happening over and over again. It really, we need to get across there's a no-vote option on the table.

Adams: Where else it is showing snuff.

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Sallinger: In the west hayden island process documents. Almost every one to date we've made complaints about for that reason. There's a lot of language with the presumption it's going to be developed. A lot of it has been changed, but it keeps happening. We are concerned that there's only one option on the table, because that's going to put a lot of pressure to develop west hayden island for the bridge. We think there needs to be a backup plan. The second thing is parks. Only one customer out of the 700 on west hayden island is zoned for parks. Which this plan is done it will only be one customer there. Are good ideas on the map, but they're not included in the narrative, and we would encourage planning to go back and write a couple of paragraphs about park system in the narrative, because it isn't in there. It describes the natural area, but not the parks and we think that's an important thing to talk about. We also encourage the council to be flexible with the park acquisition because we need to go beyond the plan. Lastly if could I have one more second, on a relate topic I wanted to address a couple quotes in the paper that I think I made about the port of Portland. Mainly the one that I stated that they were public enemy number one on the environment. That was a poor choice of words and i've apologized for that. I want top bring it up today because we're going through a lot of different processes with the port. This one, west hayden island, the river plan, air posht futures, and those comments did not capture the complexity of that relationship. I also think they were somewhat different in the context of a long and informal conversation that hi while I was biking home and they were isolate order page, they came across differently. I thought they 1 productive. We have a lot of things we agreed on, some we're working on, and some we have very strong disagreements on. That wasn't a connive place to start that dialogue.

Adams: Thank you all for testifying.

Fritz: Question for bob, if I may. Regarding the commercial activity in parks. Could you talk to us a about that?

Sallinger: Absolutely. One of the things this plan recommends is 10% or up to 10,000 square feet of the parklands be allowable for commercial activity. The transit center. Park supports that. I've talked to them. I want to be respectful of that. There are reasons to do that. It helps activate the park, it may help fund the park and that's important we be innovative. In terms of how we fund parks. I appreciate that. At the same time with parkland being so minimal, I have concern we may acquire some and turn it into a restaurant. And so I think we should strive to save the area around the park and attract business these are appropriate to accomplish those. I'm not suggesting you change, that I want to be hadn't ffl parks, but put that caveat on there that we think hard about working to keep those uses off the parkland.

Fritz: This is the park under the bridge?

Sallinger: Yes. This could be anything from canoe rental, which may be appropriate, something like a restaurant to me would be better suited next to the park but not in it. So I wanted to raise that point because park and at an absolute premium.

Adams: I would say by respectful pushback that the concerns people have expressed about the safety and such of a parkland and commissioner Fish has raised it under a bridge are well-founded. Whatever we can do to activate whatever open space there is under the bridge I think we should take a serious look at. The only thing i've seen work is the canoe rental shop that was under the bridge or still under the bridge on the other side of the hawthorne is really helped time prove the safety of the bike path, walking path, the dock and everything else. So hope you'll be open minded to sort of recreationally related businesses in that park, which I ream eyes is not necessarily to be applied to all parks.

Fish: And let me say the larger question of commercial or private uses of parks is clearly in play in many different parts of the city. We appreciate the point. We've also learned, for example, tom mccall waterfront park we have a small facility that is at least to a nonprofit that leases -- rents bicycles to people, which we view as a modest intrusion, and a compatible use. But we talk overall

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philosophical point seriously, and we'll consider it as we work with the community on any buildout.

Fritz: I have a follow-up question on parks.

Sallinger: I'm not recommending you take it out. We want to be respectful and I understand exactly the points you're making.

Fritz: I heard about the lack of access to the river, and to the lack of park space. I know in my own neighborhood we have a 1.7-acre park which is an amazing community gathering space. Many of the properties and residents of this island have their private access to the river as we heard. But there isn't really a community gathering space. And I'm wondering in the process of looking at this, was there anywhere else apart from under the bridge? I was just on the esplanade yesterday on the east bank, and it's really noisy. So in terms of a community gathering space, you wouldn't do that right next to the freeway or in this case under the freeway. Is there any other potential site that could be a community park?

Sallinger: Potentially there are a couple other sites that are identified on the map. There's one near West Hayden Island, and there's opportunities within the mall and the transit center also has -- is design to be activated.

Fritz: They're both in the plan, snow.

Sallinger: I believe so.

Fritz: Thank you very much.

Adams: We haven't suggested zoning to open space, because it would change to open space.

Sallinger: I think the narrative could flesh that out better. It's in the map but it doesn't describe it. I think we worked through that in the process, it just doesn't -- it's almost like a paragraph got left out.

Adams: That's good feedback. Anyone else?

*******:** Mr. Howell.

Adams: Always waits till last one.

Jim Howell: Jim Howell, I'm a resident of Portland. I want to express my support for Hayden Island plan in general. Nevertheless, the rest of my testimony is going to be based on the assumption that the Columbia River crossing that has currently developed will never be built. The federal government is changing its transportation priorities from freeway to rail and this is along the high-speed rail corridor between Eugene and Vancouver B.C.

Adams: Do you have any thoughts on the Hayden Island plan?

Howell: Yes. So the fact that this probably will not be built because of the rail use both for freight and passenger and reduce the demand for it, there are two things with this particular plan that have me concerned. And that is where will the light rail go if you don't build the freeway project. It looks like it's joined at the hip with the freeway project. And the other is how do you get additional access to Hayden Island if you don't do the freeway project? And so I think there's a need for a plan B that hasn't seriously been looked at that basically looks at what do you do if you don't have it. There's plan B up there. So I would suggest that there are some things that should be looked at seriously, and that is moving the light rail away from the freeway and crossing it over in the area of the Forest Avenue. And putting Forest Avenue connection at that point. So you get both light rail operation that is not rely on the freeway, and you get an additional access to the island. And as you can see from that drawing, there's also the need for a heavy rail bridge across -- you're about ready to say something.

Adams: Time's up.

Howell: Sorry.

Adams: Your points are well made. We appreciate the many words. Just so those of you listening and give a chance to respond, the feds and the states have not given us the opportunity to look at anything like this, but who knows. We'll see what happens.

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Howell: President Obama can change things.

Adams: Then you call him. Then you call him. Thank you. I want to thank all of you for testifying. Let's just go over what we think some of the issues raised tonight are for further discussion on the 8th and/or amendments. We've got the bridge language issue, we've got the drive-throughs that this plan affects I believe only on the east side of the island. We've got the parks narrative, what else?

Zehnder: Manufactured home community issues. And --

*****: That's it.

Fritz: I have a couple of suggestions. I'd like to clarify the language on the bridge and West Hayden Island issue in relation to the testimony we heard that that was part of the planning process. I want to be clear on that. I would suggest throughout the plan you change the bullets to numbers so it's easier to reference what it is we're talking about. In the future it will be easier to say what the action items are. I think we need to add action items on acquiring new parks and advocating for mitigation fund with the C.R.C. project. I'd like to add a paragraph on the concern about the noise in parks and the need for a community gathering space, and I'd like to add the office -- to the accountability under the leadership sections of each of the action and many vision statements to make it clear that that new office will be very engaged in making sure that things happen here as desired.

Adams: I think I'd propose a variation on the mitigation fund. They're not going to sign off on it, so I think it's important the C.R.C. project include aspects that mitigate or a fund, either one. That the island residents recognize as mitigating the fact the freeway is in their midst and/or a fund. I don't mind pushing for the fund, I'm just afraid we might not get it.

Fritz: Your language Sutton-Chaffin more likely to succeed.

Fish: Since a lot of paper has already been printed, would you do this in the nature of just an addendum, or does this --

*****: You know --

Fish: I think we've republished several hundred pages to add a paragraph here or there. Can it be done with an addendum?

Zehnder: Probably what we would do is we'll put it in the plan itself is not that big a document. All those changes are in this, not in the appendices. We'll make a few copies, we'll have it available electronically with the language so people can see it in context. Many.

*****: Which is what we did this time. We only printed 15 copies.

Fritz: And with these handy binders you can take off the front where it says proposed and make it into "adopted." Thank you Commissioner Fritz.

Adams: Thank you Commissioner Fish. Thank you staff. We are adjourned for the week. Thank you all for coming tonight.

At 8:30 p.m., Council adjourned.