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CITY OF  
**PORTLAND, OREGON**

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**OFFICIAL  
MINUTES**

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A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **8TH DAY OF JULY, 2009** AT 9:30 A.M.

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

Commissioner Leonard arrived at 9:35 a.m.

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

On a Y-5 roll call, the Consent Agenda was adopted.

<b>COMMUNICATIONS</b>		<b>Disposition:</b>
<b>923</b> Request of Brianna Hinojosa to address Council regarding school budget cuts (Communication)		<b>PLACED ON FILE</b>
<b>924</b> Request of Dylan Amo to address Council regarding the escalating unsafe public traffic conditions along the RiverPlace Esplanade (Communication)		<b>PLACED ON FILE</b>
<b>925</b> Request of Ron Swaren to address Council regarding Columbia River Crossing and freeway loop (Communication)		<b>PLACED ON FILE</b>
<b>926</b> Request of Hector Lara Cervantes to address Council regarding unauthorized demonstration and experiments on innocent citizens (Communication)		<b>PLACED ON FILE</b>
<b>927</b> Request of Ron Tucker to address Council regarding Cascadia Behavioral Healthcare (Communication)		<b>PLACED ON FILE</b>
<b>TIME CERTAINS</b>		
<b>928</b> <b>TIME CERTAIN: 9:30 AM</b> – Connecting Green Alliance’s new name for our regional parks system: The Intertwine (Presentation introduced by Commissioner Fish)		<b>PLACED ON FILE</b>

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<p><b>929</b>    <b>TIME CERTAIN: 10:00 AM</b> – Office of Human Relations and community members share their experiences as newcomers to the United States, in recognition of the July 4<sup>th</sup> Holiday (Presentation introduced by Commissioner Fritz)</p>	<p align="center"><b>PLACED ON FILE</b></p>
<p align="center"><b>CONSENT AGENDA – NO DISCUSSION</b></p> <p align="center"><b>Mayor Sam Adams</b></p> <p><b>930</b>    Reappoint Jim Neill to the Regional Arts &amp; Culture Council for term to expire June 30, 2011 (Report) (Y-5)</p>	<p align="center"><b>CONFIRMED</b></p>
<p><b>931</b>    Appoint members to the Portland Plan Community Involvement Committee to serve a term from July 2009 through December 2012 (Report) (Y-5)</p>	<p align="center"><b>CONFIRMED</b></p>
<p align="center"><b>Bureau of Planning &amp; Sustainability</b></p> <p><b>*932</b>    Extend Intergovernmental Agreement with Metro from June 30, 2009 to June 30, 2010 to continue the implementation of the Portland Recycles! Plan business outreach and assistance program (Ordinance; amend Contract No. 30000593) (Y-5)</p>	<p align="center"><b>182967</b></p>
<p><b>*933</b>    Authorize application to the United States Department of Energy grant announcement Recovery Act-Solar Market Transformation: Solar America Cities Special Projects to promote market expansion of solar within the City (Ordinance) (Y-5)</p>	<p align="center"><b>182968</b></p>
<p align="center"><b>Bureau of Transportation</b></p> <p><b>*934</b>    Amend contract with DGM Systems to add contractual spending authority and add/delete additional contract terms (Ordinance; amend Contract No. 34769) (Y-5)</p>	<p align="center"><b>182969</b></p>
<p><b>*935</b>    Revise easement acquisitions to include indemnification to the Port of Portland Permit and Right of Entry and Deed for Right-of-Way Purposes in connection with the NE Alderwood Signals Project (Ordinance; amend Ordinance No. 182490) (Y-5)</p>	<p align="center"><b>182970</b></p>
<p><b>*936</b>    Designate a parcel of City owned property located adjacent to 7315 SE 152nd Ave as public street right of way and assign to the Bureau of Transportation (Ordinance) (Y-5)</p>	<p align="center"><b>182971</b></p>
<p><b>*937</b>    Call for bids and to authorize contract for construction of NE Sandy Boulevard Safety Improvements project (Ordinance) (Y-5)</p>	<p align="center"><b>182972</b></p>

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<b>*938</b>	Extend contract with Bicycle Transportation Alliance for one year and add \$300,000 to continue provision of education and encouragement services through the City of Portland Safer Routes to School program (Ordinance; amend Contract No. 38140)  (Y-5)	<b>182973</b>
<b>*939</b>	Authorize a grant agreement with the Bicycle Transportation Alliance for \$25,000 for the 2009 Safe Routes to School National Conference (Ordinance)  (Y-5)	<b>182974</b>
<b>*940</b>	Grant revocable permit to NECN/Mississippi Business Association to close N Mississippi Ave between Fremont St and Skidmore St and N Shaver St between Michigan Ave and Albina Ave and N Failing St between Mississippi Ave and Albina Ave Alley from 6:00 a.m. until 10:00 p.m. on July 11, 2009 (Ordinance)  (Y-5)	<b>182975</b>
<b>*941</b>	Grant revocable permit to Fenouil Restaurant and Alliance Française de Portland to close NW Johnson St between NW 10th Ave and NW 11th Ave from 7:00 a.m. until 10:00 p.m. on July 11, 2009 (Ordinance)  (Y-5)	<b>182976</b>
<b>*942</b>	Grant revocable permit to PGE Park to close SW Morrison St between SW 18th Ave and SW 20th Ave from 5:00 p.m. on July 13, 2009 until 11:00 p.m. on July 15, 2009 (Ordinance)  (Y-5)	<b>182977</b>
<b>*943</b>	Grant revocable permit to Alfa Romeo Owners Club to close NW Johnson St between NW 11th Ave and NW 12th Ave from noon until 11:00 p.m. on July 16, 2009 (Ordinance)  (Y-5)	<b>182978</b>
<b>*944</b>	Grant revocable permit to Home Builders Association of Metro Portland to close NW Davis St between NW 10th Ave and NW 11th Ave from noon to midnight on July 30, 2009 (Ordinance)  (Y-5)	<b>182979</b>
<b>*945</b>	Grant revocable permit to Rogue Ales to close NW 15th Ave between NW Everett St and NW Glisan St and to close NW Flanders St between NW 14th Ave and NW 15th Ave from 6:00 p.m. on July 31, 2009 until midnight on August 2, 2009 (Ordinance)  (Y-5)	<b>182980</b>
<b>946</b>	Grant revocable permit to Bridgeport Brewing Company to close NW 13th Ave between NW Marshall and NW Lovejoy St from noon until 11:00 p.m. on August 15, 2009 (Ordinance)	<b>PASSED TO SECOND READING JULY 22, 2009 AT 2:00 PM</b>
<b>Office of Management and Finance – Business Operations</b>		
<b>*947</b>	Pay claim of Carol Marmaduke (Ordinance)  (Y-5)	<b>182981</b>
<b>*948</b>	Pay claim of Eric Feeney (Ordinance)  (Y-5)	<b>182982</b>

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<b>*949</b>	Pay claim of Integra Telecom (Ordinance) (Y-5)	<b>182983</b>
<b>Office of Management and Finance – Human Resources</b>		
<b>*950</b>	Create a new Nonrepresented classification of Internal Business Services Director which is exempt from classified service (Ordinance) (Y-5)	<b>182984</b>
<b>Commissioner Dan Saltzman Position No. 3</b>		
<b>Bureau of Police</b>		
<b>*951</b>	Apply for a \$906,235 grant from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance Edward Byrne Memorial Justice Assistance Program Grant to prevent or reduce crime and violence (Ordinance) (Y-5)	<b>182985</b>
<b>*952</b>	Authorize an Intergovernmental Agreement with Multnomah County for the use of funds from the Edward Byrne Memorial Justice Assistance Grant Program FY 2009 Local Solicitation (Ordinance) (Y-5)	<b>182986</b>
<b>*953</b>	Authorize an Intergovernmental Agreement with the City of Gresham for the use of funds from the Edward Byrne Memorial Justice Assistance Grant Program FY 2009 Local Solicitation (Ordinance) (Y-5)	<b>182987</b>
<b>*954</b>	Amend contract with Li'l Rookies for day care services (Ordinance; amend Contract No. 35342) (Y-5)	<b>182988</b>
<b>*955</b>	Authorize a \$50,000 grant agreement with Volunteers of America to assist victims and survivors of domestic violence (Ordinance) (Y-5)	<b>182989</b>
<b>*956</b>	Authorize an Intergovernmental Agreement with Housing Authority of Portland for Portland Police Bureau to provide police officer patrol services at New Columbia housing sites (Ordinance) (Y-5)	<b>182990</b>
<b>Commissioner Randy Leonard Position No. 4</b>		
<b>Bureau of Development Services</b>		
<b>*957</b>	Authorize an Intergovernmental Agreement with the State of Oregon on behalf of Portland State University, for the use of parking permits and access cards at the 4th Ave Garage and provide for payment (Ordinance) (Y-5)	<b>182991</b>

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<p><b>*958</b> Accept contributions from private parties to fund resource efficient, high performance residential building projects through the Portland Energy Efficient Home Pilot Grant (Ordinance)</p> <p>(Y-5)</p>	<p align="center"><b>183010</b></p>
<p><b>*959</b> Authorize the Bureau of Development Services to provide individual grants and contracts of up to \$12,000 per housing unit to City of Portland homebuilders through the Portland Energy Efficient Home Pilot Grant (Ordinance)</p> <p>(Y-5)</p>	<p align="center"><b>182992</b></p>
<p align="center"><b>Commissioner Nick Fish</b> <b>Position No. 2</b></p> <p align="center"><b>Bureau of Housing and Community Development</b></p> <p><b>*960</b> Amend subrecipient contract with Outside In by an additional \$79,523 for technical assistance and extend the contract period and provide for payment (Ordinance; amend Contract No. 38237)</p> <p>(Y-5)</p>	
<p><b>*961</b> Authorize payment to Portland Development Commission not to exceed \$1,364,666 to fund Caritas Housing, LLC Sacred Heart rental housing development project (Ordinance)</p> <p>(Y-5)</p>	<p align="center"><b>182994</b></p>
<p><b>*962</b> Authorize subrecipient Intergovernmental contract with Multnomah County Health Department to conduct follow-up testing and evaluation activities of the Portland Lead Hazard Control Program (Ordinance)</p> <p>(Y-5)</p>	<p align="center"><b>182995</b></p>
<p><b>*963</b> Extend an Intergovernmental Agreement with Multnomah County and Housing Authority of Portland for Schools Families Housing Initiative to June 30, 2010 (Ordinance; amend Contract No. 37754)</p> <p>(Y-5)</p>	<p align="center"><b>182996</b></p>
<p align="center"><b>REGULAR AGENDA</b></p> <p align="center"><b>Mayor Sam Adams</b></p> <p align="center"><b>Bureau of Transportation</b></p> <p><b>964</b> Vacate a portion of SE 104th Ave between SE Cherry Blossom Dr and SE Main St subject to certain conditions and reservations (Hearing; Ordinance; VAC-10046)</p>	
<p><b>*965</b> Authorize an Intergovernmental Agreement with the Multnomah County Sheriff Office to provide inmate work crews to the City of Portland Bureau of Transportation (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>182997</b></p>

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<b>*966</b>	Amend contract with Stacy and Witbeck, Inc. for advanced procurement of rail and special trackwork material for the Portland Streetcar Loop Project (Ordinance; amend Contract No. 30000609)  (Y-4; Leonard absent)	<b>182998</b>
<b>*967</b>	Authorize a contract with Oregon Iron Works, Inc. for the production and delivery of six Portland Streetcar vehicles and provide for payment (Ordinance)  (Y-5)	<b>182999</b>
<b>968</b>	Authorize Intergovernmental Agreement with Tri County Metropolitan Transportation District to provide enhanced maintenance of the Portland Transit Mall and the Light Rail Transit Loop segment (Ordinance)	<b>PASSED TO SECOND READING JULY 22, 2009 AT 9:30 AM</b>
<b>969</b>	Authorize the renaming of 39th Avenue within the City of Portland to César E. Chávez Boulevard (Second Reading Agenda 860-2)  (Y-5)	<b>183000</b>
<b>Office of City Attorney</b>		
<b>*970</b>	Amend Legal Services Agreement with Ball Janik LLP for outside counsel (Ordinance; amend Contract No. C38231)  <b>Continued to July 9, 2009 at 2:00 p.m.</b>  (Y-5)	<b>183011</b>
<b>Office of Management and Finance – Business Operations</b>		
<b>*971</b>	Authorize acquisition of vehicles for use by City Bureaus at \$51,300 (Ordinance)  (Y-5)	<b>183001</b>
<b>Office of Management and Finance – Human Resources</b>		
<b>*972</b>	Adopt revised City Commercial Driver's License Drug and Alcohol policy and Driver Education Materials (Ordinance)  (Y-5)	<b>183002</b>
<b>973</b>	Create a new Nonrepresented classification of Senior Treasury Analyst (Second Reading Agenda 915)  (Y-5)	<b>183003</b>
<b>Office of Management and Finance – Purchases</b>		
<b>974</b>	Award a contract to Oregon Iron Works, Inc. for the purchase of six streetcar vehicles for the Bureau of Transportation not to exceed \$19,998,000 (Purchasing Report - RFP No. 108841)  (Y-5)	<b>ACCEPTED PREPARE CONTRACT</b>
<b>975</b>	Accept bid of Moore Excavation Inc. for the Sellwood Sewer Interceptor Project for \$1,966,370 (Purchasing Report - Bid No. 110423)  <b>Motion to accept the report:</b> Moved by Commissioner Leonard and seconded by Commissioner Saltzman.  (Y-5)	<b>ACCEPTED PREPARE CONTRACT</b>

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<b>Commissioner Dan Saltzman</b> <b>Position No. 3</b>  <b>Bureau of Environmental Services</b>		
<b>*976</b>	Authorize the Director of the Bureau of Environmental Services to execute an agreement with ATC Transportation, Inc. as part of the Portsmouth Force Main Project No. E06902 (Ordinance)  (Y-5)	<b>183004</b>
<b>*977</b>	Authorize the Director of the Bureau of Environmental Services to execute agreements with Daimler Trucks North America LLC as part of the Portsmouth Force Main Project No. E06902 (Ordinance)  (Y-5)	<b>183005</b>
<b>*978</b>	Amend Intergovernmental Agreement with the Oregon Department of Environmental Quality for regulatory oversight related to contamination management for various capital improvement and operative projects (Ordinance; amend Contract No. C35684)	<b>REFERRED TO COMMISSIONER OF PUBLIC AFFAIRS</b>
<b>979</b>	Amend contract with Parametrix for additional work and compensation for the SE 83rd Ave Wastewater Pump Station Project No. E08376 (Second Reading Agenda 916; amend Contract No. 37227)  (Y-5)	<b>183006</b>
<b>Commissioner Amanda Fritz</b> <b>Position No. 1</b>  <b>Office of Cable Communications and Franchise Management</b>		
<b>980</b>	Authorize a settlement for \$15,300 in utility license fees with Verizon Northwest Inc. (Second Reading Agenda 920)  (Y-5)	<b>183007</b>
<b>Commissioner Nick Fish</b> <b>Position No. 2</b>  <b>Portland Parks &amp; Recreation</b>		
<b>981</b>	Amend the South Park Block 5 Support Agreement with the Portland Parks Foundation to allow the Foundation to provide a marker identifying the Park not to exceed \$27,000, and allow the Director of Portland Parks & Recreation to negotiate and execute any further amendments to the Support Agreement (Second Reading Agenda 921; amend Contract No. 52984)  (Y-5)	<b>183008</b>

At 11:36 a.m., Council recessed.

**July 8, 2009**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,  
OREGON WAS HELD THIS **8TH DAY OF JULY, 2009** AT 2:00 P.M.

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

Commissioner Saltzman arrived at 2:07 p.m.

At 2:20 p.m., Council recessed.

At 2:31 p.m., Council reconvened.

At 3:28 p.m., Council recessed.

At 3:34 p.m., Council reconvened.

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

<b>982</b>	<b>TIME CERTAIN: 2:00 PM</b> – Adopt and implement the Hayden Island Plan and amend Comprehensive Plan Map (Previous Agenda 859; Ordinance introduced by Mayor Adams)	<b>Disposition: RESCHEDULED TO JULY 22, 2009 AT 2:15 PM TIME CERTAIN</b>
<b>983</b>	<b>TIME CERTAIN: 2:30 PM</b> – Establish the Clean Energy Works Portland program to reduce carbon emissions, cut household energy use and create local jobs (Resolution introduced by Mayor Adams)  (Y-5)	<b>36713</b>
<b>*984</b>	Authorize an Intergovernmental Agreement with Multnomah County to partner on the Clean Energy Works Portland program (Ordinance introduced by Mayor Adams)  (Y-5)	<b>183009</b>
<b>985</b>	<b>TIME CERTAIN: 3:15 PM</b> – Adopt City of Portland Economic Development Strategy—A Five Year Plan for Promoting Job Creation and Economic Growth (Resolution introduced by Mayor Adams)  (Y-5)	<b>36714</b>

At 5:37 p.m., Council recessed.



**July 9, 2009**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,  
OREGON WAS HELD THIS **9TH DAY OF JULY, 2009** AT 2:00 P.M.

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

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

<p><b>986</b>    <b>TIME CERTAIN: 2:00 PM</b> – Proposed Improvements to Public Works Development Review and Permitting Services (Report introduced by Commissioner Leonard)</p> <p><b>Motion to accept report:</b> Moved by Commissioner Fish and seconded by Commissioner Fritz. (Y-5)</p>	<p><b>Disposition:</b></p> <p><b>ACCEPTED</b></p>
<p style="text-align: center;"><b>REGULAR AGENDA</b></p> <p style="text-align: center;"><b>Mayor Sam Adams</b></p> <p style="text-align: center;"><b>Office of Management and Finance – Purchases</b></p>	
<p><b>987</b>    Adopt findings and authorize an exemption to the competitive bidding process for development of a Major League Soccer Stadium, pursuant to ORS 279C.330 and City Code Sections 5.34.810 and 5.34.820 (Ordinance)</p>	<p><b>PASSED TO SECOND READING JULY 23, 2009 AT 2:00 PM</b></p>
<p><b>988</b>    Authorize sole source acquisition and execution of a contract with Peregrine Sports, LLC for a Predevelopment Agreement and Operating Agreement for a Major League Soccer Stadium (Ordinance)</p>	<p><b>PASSED TO SECOND READING JULY 23, 2009 AT 2:00 PM</b></p>

At 3:50 p.m., Council adjourned.

**LAVONNE GRIFFIN-VALADE**  
Auditor of the City of Portland

By    Karla Moore-Love  
Clerk of the Council

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

**July 8, 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.

**JULY 8, 2009                      9:30 AM**

Would you please call the roll.

[roll taken]

**Adams:** We're glad you are all here. We have five people signed up for communications. Karla, can you please read the title for communications item 923.

**Item 923.**

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

**Brianna Hinojosa:** Hello.

**Adams:** Just give us yourself first and last name and please have a seat, and that clock on that big hunk of wood will help you count down three minutes.

**Hinojosa:** Ok. Hello. I am brianna hinojosa. I will be a senior. Everyone knows the issue of, of schools and the, the loss of funding that, that, um, that currently our state is going through, and I think is growing as a nation. And I think that, that we can start to help school funding, at more of a city, community level, and I feel that if we bring awareness such as like, like say, say a fundraiser at the waterfront, something like that, it would help to build bonding of the community and also school funding. I feel that going to gresham right now, we have a lot of -- we're not getting hit hard, which is lucky, but we are experiencing some negative effects from the budget cuts. When our teachers grade papers, they can't print the papers out and correct them. Now, we have to sort of really rely on technology and use, go online and look up our grades and things like that. And I feel like it makes it harder for students, let alone the homework, but also, we have to worry about how to communicate, see our grades we're our area we can work in, and I feel like it shouldn't have to be like that. Also, school activities, I know that, that partly the responsibility is for the school to, to build fundraising for that, but if we had the back of the, of the city and the communities, I think that, that we would have a better turnout, and, and I just hope that we have more support and maybe next time I can talk about more ideas but I wanted to put that on the table and be an advocate for the student body and, and really, let, let you guys know that we care and it's our future that is relying on this, and it shouldn't be in jeopardy, so thank you.

**Adams:** Thank you very much. We really appreciate your passion. Can you please read the title for communications item 924.

**Item 924.**

**Adams:** Mr. Amo. Ok.

**Item 925.**

**Adams:** Good morning, mr. Swaren. How are you? We'll get those handed out. I think you are probably familiar with our protocol.

**Ron Swaren:** Yes, I am.

**Adams:** Glad you are here.

**Swaren:** Ron swaren be I live in Portland. And I participate a lot in discussions regarding the columbia river crossing but I would also like to, to bring up a, a, another subject that I think is important, called the freeway loop. And there is a freeway loop study. Mr. Adams participated in it, and matt garrett from odot, and rex burkholder with that. And but first, i'm with a group proposing something different than the columbia river crossing. This is the columbia river crossing

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is probably most recently envisioned and we're proposing a bridge in the, in the rail corridor, and that would, actually, go towards, towards west union era. Anyway, I know that, that it's, it's difficult to raise money for the c.r.c. Project, as the cost approaches \$4 billion. The cost could lessen. Construction costs have come down, but is probably a good ballpark figure, so I would like to ask, how much, how much more harder would it be to find money to complete the freeway loop, and for those that participated in it or have read it, this study says that, that more traffic to, to i-5 in downtown Portland will, will necessitate a major reconstruction project, and one of the main recommendations was, was a, a removal project, relocating i-5, that in 2003 dollars was estimated at \$3 to \$6 billion. So, if this was not done until let's say 2015, what would the cost be? I would think with both the c.r.c. And the freeway loop, that the costs could be around \$20 billion so once we start down the road of rebuilding the c.r.c., then this really becomes kind of a, kind of critical. And I think this should have been disclosed to the task force and the council. Do we really need a 20 billion project? So, what i'm suggesting, I know that people like to see the, the waterfront on the east side reclaimed, but, as I pass out to you, and I will hoe it to the crowd here, there have been other efforts in other cities to, to build things over freeways. This is a photo of, of the freeway park in seattle we're the convention center is. It was built over the freeway, and I also passed to the council some photographs of i-696 in detroit we're there were two built over the freeway. So, this would be another way of reclaiming the waterfront without embarking on, on a project that would probably be at least \$10 billion, in addition to the \$4 billion of c.r.c. We recommend another route that goes out to Washington county.

**Adams:** I appreciate your testimony. Would you please read 926.

**Item 926.**

**Adams:** Mr. Cervantes, welcome. How are you. Just have to give us your first and last name and the clock on the hunk of wood had help you count down the three minutes.

**Hector Lara Cervantes:** I am hector lara cervantes. I am here today, this is about the third time that i've been here, regarding the illegal experiments and operations going on here in the city of Portland. The main concern here is the children of the city of Portland, and next, I feel that have been used for, for illegal experiments and implantation of devices. Which sounds bizarre, but i've been in contact with the, with sacramento and they are investigating a lot of their cities because of this. And my main concern is, basically, that it's going on here in the city of Portland, and i've been to a lot of their demonstrations -- well, some of their demonstrations, but the thing I found out was that law enforcement was also using the technology, which is a federal crime to be doing that, according to the justice department, in wash. And not only that, but the, the, not only that but the manners -- there is a group of hispanic people that came down here from california, with the biotechnology, implantation of devices that, that have been actually committing a crime against people of the city of Portland. And the people of the state of Oregon, and you know, I was going to bring legal documentation stating the fact, and also, stating the fact that they are also investigating and the cities in california, so my main concern is, do the citizens and the children of the city of Portland being used for illegal operations implantation of the devices. Which I would like to send you the city council with more legal documentation so they could look at this. I would also like to start a committee regarding this mater to investigate this illegal operation and also, I ask the city council for -- in california, I did the same thing, and I became very successful in doing this, but in a different mater, but anyway, I would like to thank you for your time and I would like to send some documentation to you folks so you could take a look and give me feedback.

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

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

**Adams:** Karla, could you please read item 927.

**Item 927.**

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**Adams:** Mr. Tucker. Mr. Tucker. All right. Mr. Tucker is not in the room. Presently. So, that gets us to the communication -- sorry, consent agenda. Does anyone wish to pull an item from the consent agenda? Hearing none, Karla, would you please call the roll on the consent agenda.  
[roll taken]

**Adams:** Consent agenda is approved and that gets us to the 9:30 time certain, can you read the title for calendar item 928.

**Item 928.**

**Adams:** Commissioner Fish.

**Fish:** Thank you, I want to welcome david bragdone and he will introduce the new name for the regional system of parks, trails, and natural areas. As metro president, david has been committed to promoting sustainable systems that keep our communities connected, healthy, and green. Portland has become a model for integrating these values into our regional planning and environmental management, and metro has played a lead role in this movement. We are continuing to strengthen these partnerships across agencies, sectors, and jurisdictions, to reach our goal of a truly world class system of regional parks trails in natural areas. Making this vision for our region a reality, is the work of the connecting green alliance. A group of non profits, state and local agencies, businesses citizens from across the region working to, to plan, develop, and promote connecting green. Many of these partners gathered last week for the unveiling of the new name for the regional park system.

Senator merkley attended the celebration and was so enthusiastic that he asked david to testify in front of the senate environment and public works committee in d.c. David will be one of three local officials from across the nation providing testimony on july 14, and it is expected to tell the Portland region's story about how good transportation, planning, and urban parks figure into the climate change being debated in congress. At this time, I would like to thank david bragdon for leading the connect green alliance and to talk about how we are improving our regional system of parks, trails, and natural areas. David, welcome.

**David Bragdon:** Thank you. Mayor Adams, I am joined by the director of the audubon society, and is one of the stall warts of the connect green alliance, which consists of members across the region, that have come together on this issue. We also hope to be joined this morning, I believe, by the trust for public land but he's not here. And we've been working with commissioner Fish, as he mentions, with regard to parks issues but this is really an organizing principle. Weave been working closely with mayor Adams on the bicycle and trails january, with regard to, to the national bike summit last february, we're we were able to make a join approach to the rails to trails conservancy and have a joint proposal there. We've been working with commissioner Leonard with regard to, to the water bureau's interest around dodge park and relationships with the forest service there, and I think in the future, i'm sure we'll work with commissioner Fritz with interest in the rivers, commissioner Saltzman, grade a green, working on ac significants in johnson creek with bureau of environmental services. So connecting green is not an institution or an agency, just a way of doing things. An organizing principle that we can use to approach a lot of different problems, and, and challenges. There is a couple of premises that of course that we started with. One is that, is that this region has some tremendous assets. And the city of Portland is, is the owner and proud operator of many of those. A lot of them are natural assets. We've got five great rivers. Any one of which would be the envy of any other metropolitan area. The sandy river. The clackamas river, the willamette, and the columbia, and hillsides and forests and we have national forests, not very far away, and we have dormant volcanos. We have got all sorts of things that nature has given us and we have inherited the olmsted parks, and laurelhurst, sellwood park, so we've inherited great stuff, and the test isn't what you lucked into or got to inherit from somebody else, but what you are doing with it and how are you working to make it better for future generations? And on that we're lucky. We have got a lot of people doing great work in this region. A lot of great agencies working on, on parks and natural areas and a lot of great friends groups and non profits who are working together.

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We also have an industry here, whether it's the bicycle industry or whether it's the outdoor recreation industry. Companies like Keen footwear and Adidas who make their living off the outdoors, so a lot of great assets that we have here, committed citizens and companies, and committed governments. What we've been lacking, really, is a way for us to work together. And to make all the sum of the great parts add up to more than just the sum of the parts and present a united front to parks users and potential funders, whether they are taxpayers or, or other levels of government, and we have also been lacking a way to share efficiencies and, and work together because really, all these great parks that we have in this region really aren't adding up to what they could, if we worked together a bit better. We have a very fragmented system right now, the user, who wakes up on Saturday morning, and wants to go for a hike or for, for a birding trip, there is no single source of information, whether you are coming from out of town or you live here, about all the different facilities, and we have great plans that aren't being realized, we have a plan for 900 miles of trails, and, and less than 200 of them built and part of that is an interjurisdictional issue of the fragmentation of the system. And over half the publicly owned land in our region, over half the forested land in our region is threatened by, by invasive species, and there is a mismatch often between the agencies that have money for restoration and the agencies with money for capital acquisitions, so we need a means of getting them together. And the -- there is a quarter of this region, particularly, un, incorporated areas we're there is not a provider of parks at all. The city of Portland, which provides a higher level of service, bears the brunt. You may 100% of the cost for operating forest park, 40% of the user are coming from outside the city limits so there is some inequities there, and two and five people in the region don't live within walking distance of a park, which seems wrong in a region like ours. And we have 45% of the state's population here, yet the state parks have very little activity and few expenditures in our region, and despite the fact that we're surrounded by federal lands, the federal government is not a very active participant in our parks and recreation areas, and mostly because we've never asked. And as Mayor Adams knows, we have done a great job of mobilizing a federal agenda with regard transportation. Our premise is we need to do the same with regard to natural resources. So, to take advantage of all these opportunities that we see and work together better, we put together this new alliance. It's not a new agency or organization. There is plenty of organizations and agencies that are already doing great stuff. Really, this is connecting green alliance has been a way of working together better with each other, and, and, and to do our work better, so that's, that's what the intertwined is. And it's an alliance with shared identity to all the different constituent parks, whether they are government or non profit agencies, gives a means for the non profits and, and foundations and companies to come together to work and support the natural roars. And intertwined is a place and a set of experiences, and it's a place that we can map and describe to visitors and as well as to ourselves on the web, and or on, on maps. And Travel Portland has been another of our great partners in this. We went to them with this idea a couple of years ago, and they said boy, this fits with what we are trying to tell outsiders about the Portland area. One of the great things about Portland is that the thing that we're selling to outsiders, visitors, things we're telling them, are the things we tell ourselves, things that visitors love about Portland are the things that we love about Portland. So we worked with them and hired Sockeye Creative, a great local company based down in Union Station, to work with Travel Portland to come up with this logo and to link it, ultimately, on the web with Travel Portland's, go see Portland, such that the experiences one can have in the outdoors will be linked in cyberspace to the experiences one can have in the business establishments. We have a couple other great new partners on this. Keizer Permanent funded a walk their book. If their patients, young or old, get out in the natural areas and spend less time on the couch or in front of the computer, they will have a healthier client base, and finally, Keen Footwear, which six years ago had zero employees, and was a gleam in someone's eyes and now has 60 in Northwest Portland designing and marketing and, and selling footwear, all around the world you, Keen Footwear has been a great partner in this. Now,

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other places are ahead of us. Other places are doing this around the country, and the st. Louis area, about seven different counties together, urban, suburban, all of them working together, and to, to brand their system as the great rivers greenway so that regardless of we're you are in the st. Louis region you know we're you are relative to the missouri and the mississippi river, and a lot of different jurisdictions working together there. Chicago wilderness, despite being hundreds from the nearest national fores have put together a group of chicago wilderness to become a magnet for u.s. Forest service conservation urban conservation funds, again, the sort of thing we need to be asking for and senator merkley has been supportive of. And so other places with fewer assets are doing it, and that's what we want to be doing. Next up we're working on signature projects connecting Portland with mount hood. And through clackamas county and chairman peterson has been very supportive of this, and, the city of sandy has been supportive and we've been working with commissioner Leonard with regard to, to dodge park, and the mount hood national bureau property up there. We'll be working on, on the, the signage issues and, and mapping issues so that the user has better access, whether they are coming here from pittsburgh or they live right here in Portland. And we'll be putting together a federal and state agenda recognizing u.s. Fish and wildlife service and forest service and corps of engineers and bonnevill power. Mayor Adams, all of them have funding streams that august to be serving the urban area and we need to ask and participate in those.

We've been working together with pdot on the active transportation agenda with regard to the transportation bill coming out of the federal government over the next 18 months, and the o.d.s. Company, jonathan nicholas has been a leader with us on that, and along with mayor Adams, and then, the next big event, september 18, and this is in conjunction with, with kempton hotels and the monaco hotel in the vintage plaza and the trust for public land will be sponsoring parking day in which, parking spaces around the country are taken off for a day and small parks are built in those to promote the use of, of natural areas in urban areas. So, those are the next things that we have coming up, and we look forward to your participation in all those fun events, and the lobbying and, and the, the welcome that we have ahead, and so it's all a matter of taking on natural assets and from future generations and the great, great human assets that we have, people like organizations like audubon and converting those into a model that really works to get things done. So, appreciate the chance to update you on that, and, and happy to take any questions or ideas that you may have.

**Adams:** Thank you, mr. President. Questions or comment? I want to say thank you for your leadership in this area and your great partnership with our great parks commissioner and we don't get, we don't have often the opportunity to say it, but, but, in my work on transportation and funding for streetcars and, and all of the planning and everything that goes into that, I want to thank you for, for today, we're buying six streetcars, and that's helping the jumpstart of a brand new industry here and that wouldn't happen without the, the support and the work of your institution, but specifically, your leadership, so thank you.

**Bragdon:** Thank you. Now I will be back in front of you july 23. We have an agreement with regard to management of lands we just purchased and we have a good partnership with various agencies of the city government.

**Fish:** If I could say, we often talk about a regional perspective but it's a term that, that, an aspiration that doesn't have content, and intertwined is an example of what a true regional vision is around our parks, trails, and natural areas and grateful for your leadership and all our non profit partners and our other governmental entities and just as an example of the collaboration we have between metro and the city, jim desmond, from your office, sits in on our monthly, one of our monthly meetings with my parks bureau to share the metro perspective on what we're doing here, and that is on a small scale intertwined, recognizing we're all linked. So, thanks to jim and zari for their leadership, for you and all the partners, and I think that intertwined is a terrific idea and I think that sockeye hit it out of the park.

**Bragdon:** Great.

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**Adams:** Thank you.

**Fish:** Thank you very much.

**Adams:** There is, that is the presentation. So there is no council vote. We have another presentation, that is item 929. Could you please read the title.

**Item 929.**

**Adams:** Commissioner Fritz.

**Fritz:** Thank you, it has been my honor and privilege to be the commissioner in charge of the office of human relations and the off of neighborhood involvement, and I have come to know a lot more of our citizens on a very personal level, and, and seeing the great work that we do in those, we're the staff and the citizens and the programs that happen in those bureaus so in observance of the July 4 holiday, I am pleased to present a the Indonesian word for "talking story," and pelo, who works in the office of human relations, and three participants in the engaged 2009 and 2008, are going to tell us, going to give us that story, and, and I am delighted to introduce this. You can do yours and then we'll have our engage participants come up. For those not familiar with the engage program, both in 2008 and 2009, we, in the office of neighborhood involvement and human relations, help train leaders and communities, newcomer communities in Portland, help them to come to city hall, they get to sit in those seats and we turn in our seats right here, and to experience that this is, this is their city hall, as well as everybody else's, and that we want everybody to participate fully in citizenship in the United States. So, without further ado.

**Polo Ronault Catalani:** Good morning, and thank you, Mayor Adams and commissioners. Thank you for welcoming us to our new home. It's Saturday. It's real early, it's time for citizenship class. Our parking lots abuzz at Asian family centers, sleepy grandkids dropping off ancient antys under coats inside wool scarves. Good morning, teacher, good morning, they bow, they chatter like anxious leopards in the air, and I lift my face, I straighten my spine, and embarrassed I am by our elders respectfulness. And they unlock the upstairs door in the elementary at 8:00 a.m., except slow, slow mode, like \$6 million man pumping across the Mohave. 22 minutes later everyone is up the stairs and out the winter stuff into their usual seats. And Mrs. Sanchez gives her Saturday morning citizenship pep talk, same as last week. You can do it. You must. Polite is real important.

Say good morning, sir, remain standing until Mr. Examinee. Invites to you sit and answer always, no, sir, yes, sir. And polite speak when you have no politics and these elders got no punch. Social security stops cold unless they pass, and the citizenship desk. Ok, I say and they look my way. 10 grandmas, and one smiling Mexican grandma, we're level 1, the A team. Today I say to them, we'll work on who. I write it real big, who, I pace up front. Who is president, I say? Who? President. And everyone drops their eyes while I stalk like you and me in algebra, didn't do the homework, please don't call on me, they write, they try. We don't want them to write, we need them to listen, the key words, most can't talk or read English anyway. And I stop in front of Mr. Sanchez, and who is president, senior, who is president? He knew last week, he did, he thinks, he thinks hard. He says, George. Yeah, yeah. That's it, and I dash to our white board and I write George Bush and circle it, George Bush, George Bush. And they chant with me, George Bush, and we're having such a great time chanting George Bush, when is harder, I know it, they know it, they squint, killer concentration, ok, ok. When is Independence Day, when. Oh, I wish that I could say Freedom Day. Everybody knows there were Freedom, translates easy, no political sciences necessary. But I know Mr. Examiner won't use Freedom Day. He'll insist on Independence Day and either I go down there with tiny grandma, hold her trembling hands, I just make it worse. Like the time I went with sweet Mrs. Mary and Mr. Examiner read, if so required by your commander in chief, would you be willing to bear arms in defense of the nation? Bear arms? She knew bear like little sun bears back home be she knew bear, sure, like naked, bare like naked, like decent ladies don't, not with men folk around. And she knew arms, like you dip into cool or ice water, how you hold the baby tight and cradle your soldier boy when he understands he's dying. She's a ma. These things she knows. And

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I was boiling mad, you barracuda bureaucrat but then I saw all of that in grandma's face, so I said, instead, through his interruptions, I said grandma dear, listen. If america has a big, big fight, if mr. Bush asks you to fight, will you? Will you fight, will you fight for america? Oh, yeah, too tiny fists. I fight. When is hard, I write it real big, when is independence day? I walk in front of grand old madam kim. She'll remember. She likes our game, she's 75, she thinks a little slow but she knows it's in her eyes, you just have to wait a second. Back home 75 is not like 75 here. No Oregon water or winter green toilet or mints. No toilets, no one a days with calcium or maternity leave. 12 babies, four wars, I should hand her my citizenship ticket. I lean lower, ask softer, when, madam, independence day. When. Her cloudy eyes rise, 4 july, she smiles.

**Adams:** That was beautiful. [applause]

**Catalani:** As new Portlanders we're filled with ambition and optimism, and we have families, vigorous businesses, and I would like to introduce to you three new Portlanders. Dr. Bahudi, an iraqi psychiatrist, jim hidalgo, director of the after house program refugee, and community of Oregon, and the pastor zam king who has been getting our newest newcomers and tribal people living since 1958, in rebel camps, fighting the government. Suddenly, showing up in far east end of Portland, and doing his dog on best to keep his people, his families in order. I don't quite know how to proceed. I think we should begin with my doctor friend because he takes care of me. [laughter] the doctor's family just arrived from jordan and then syria and he's been here for years, and his family for two months. So, welcome to you.

**Dr. Bahr Buhty:** Thank you, thank you mayor and city council. Although he introduced me, again, or getting used to me, I am a psychiatrist from iraq. And I came to the united states in Oregon, directly, in 2007. I was granted asylum and my family has joined me three months ago. Actually, I was invited in 2007 to make a presentation on the psychological consequences of the founder of the intercultural program. This is a unique program, and it's cultural approach towards water trauma and refugee communities. He sponsored me, he found out that i'm also a refugee myself and I have, I had to flee iraq after threats of killing, and I became a counselor in the same program. And in reality, sieves going through the healing process [inaudible]. Oregon, I believe, provides an ideal environment for healing s in six months I was able to restore my human existence as a humanitarian activist. My first patient was through a community gathering center, a project of [inaudible], and I can still remember the way I felt listening to the mayor talking about people making decision about their own future. And how I said to myself, yes, if I had to leave my mother home, Portland has to be my new home. I took the initiative with my colleagues, who are refugees, and those who came with us before and in the last year, and we founded the society in Oregon of the last week I was in detroit at a conference. It was organized by the lutheran community service for refugees, and I met rookie activists from other -- and I met iraqi activists from other states. There is no community response like the society of Oregon. And it is only Portland, Oregon that's provided such fertile ground through the healing environment and diversity and democracy that empower people to take responsibility. Iraqi is the land we're the first [inaudible] was created in human civilization and the land we're abraham was born. Now became the land of what I can describe as active engagement between east and west. And so, there are refugees who came to Portland, carry with them this large and deep potential to create and build. And we represent the [inaudible] as well. Here I am again in the same city hall after a year and a half, and um [inaudible], which is a unique monthly festival for multi-ethnic culture and arts in Portland. And I am here again participating in this presentation for the mayor and the city council, this time through the initiative of the office of refugees and immigrants and mainly my sweet friends. We want to share with you our vision of Portland in the 21st century. A space, a model for moving human civil saying as a small village. We are working towards communities and we like to call ourselves the newcomers to america. Of course, certain details need to be revisited later to achieve that in parliament but on a deeper level we are working towards the bridging between all constituents of



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Portland to be able to share values and understanding of the meaning of justice, equality and freedom, and america was described as the new world hundreds of years ago, and now, the whole world is a new world, and Portland, Oregon has to be the place to create the new model of america and the human civilization. Thank you.

**Adams:** Thank you, doctor, very much.

**Catalani:** Thank you mr. Mayor and council. As newcomers we are smiley store owners, mexican drywall hangers, and I assure you have looked around our kitchen table, and I haven't found a job stealer or pirate. I found a bunch of big hearted people who just don't know how to stop working as hazard as they do and one of those big hearted people is my colleague, jim. You will find him at the other end of 9-1-1 calls in this community. Folks still don't feel right about calling our 9-1-1, so they call him. But, this is the, the biggest heart that I know, heart as big as africa, and let me introduce to you jim.

**Jim Djimet:** Thank you. [inaudible] good morning mayor and commissioner. My name is jim, djinet. But they call me jin. Because I was born on friday, so I came from central africa. I came 10 years ago from that area we're the government threatened me for publishing a critical human rights abuse by the chechen regime. I came through three months in a program, leadership program, organized by united states department -- department of states. I visited six states and then I was invited by [inaudible] council in july 4, 1999, I came to Portland and gave a speech at Portland state university. While giving the speech at Portland state university I made a transcribe, the only transcribe living in Oregon, higher in Portland, so I was heading to new york to meet with, with human rights group in new york. So, he told me, if you plan to live in the united states, come here in Portland. So, I came back to Portland and I applied for asylum so I applied and received asylum. Then I was trying to bring my family. It forecast me to, a half year until I met mr. Smith, who I met in phone calls, to american embassy. I picked up my wife and two kids, crossed the bridge between Oregon and there, is like west and east burnside, just a bridge, this is because from the help of governor smith, since 1999 i've been working with refugees, especially african refugees to help them to be self sufficient here in Portland. There are over 30,000 refugees immigrants here in the Portland metro area. They are coming from different african nations. They came here with diverse culture, and, and we are the newest and, and fastest growing newly arriving community here in Portland. And those families consider Portland their home now. We are not going anywhere. This is our home. Someone like me, how can people go to work when it's raining but we learned that they go to work. When I came I was waiting for sun to come out now I became a Portlander, that, that when they come, I say this is Portland. This is our city. I've been waiting for the sun but there is no sun coming up until summer.

**Adams:** We're going to put you on our travel book. You are just sell us like, oh, wow: Like nothing I have ever heard. Keep going, please. [laughter]

**Djimet:** So the africans are coming here, they are hard working, they are very patient and very precious people, so given the opportunity, they will enrich Portland society and they will, they will become a very, very good and exemplary citizen. As I said, we're not going anywhere, and this is our home now so I encourage you to, to get to know us, to know your neighbor, and, and to know your citizens because we are not going anywhere so thank you very much, and also I want to say, thank you to all my neighbors for listening to me. In our tradition in africa, when you die, the first question god will ask you, how was your relationship with your neighbor. So, you have to be good and nice with your neighbor. Thank you very much.

**Adams:** Thank you very much. [applause]

**Fritz:** Thank you.

**Catalani:** Our final person is zam king, and you can find pastor king at the hospital almost any night waiting for folks because, because he's been asked to drive them there, and interpret for them, and they do not safe with anyone expect the community leader. He does driving lessons, is running

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around looking for used p.c.'s for his folks, so they can get online and digital as quickly as possible and he's really a local hometown hero, so the last speaker is pastor zam.

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

**Fritz:** Thank you all.

**Pastor King Mang Zam:** Good morning.

**Adams:** Good morning.

**Zam:** It's my privilege to be here, give my testimony, to talk to all the commissioners, my name is king zam, I am originally from burma, and my ethnic name is calzome, and I have been here since 1994. I come over here as a student with my family and because of the political unrest in burma, I was able to get refuge here, and I am grateful that, that the united states government allowed me to refuge here, and I had my children raised up here, and have gone to p.s.u., and Portland is a very nice place to raise family and it's a good place to live and settle here. I would like to introduce one of the new ethnic groups that come from burma, called zolme, and the zolme are one of the ethnic groups in burma. We have about 135 ethnic groups, and burmese is the offshore language, and I would like to give a bit background of burma. Burma was independent on 1948 from the british rules and all the ethics, fighting for the old autonomy, and they have kind of, civil war for 50 years fighting right now, especially the korans, on the front fighting for their military government. Like I said before, i'm privileged to give my testimony here. Portland is a very nice place. We are welcomed. I am happy that we belong here, and now, after living 10 years, and it has become more and more multi-cultural city in america. I never have been outdoor but that's what I hope for happening here, and one thing I would like to share, we are helping right now, together with lutheran family service, the catholic service, that new refugees that come in, we are helping them, and assist them, and post needs about, about, about finding a place for them and, and also, their household, so they give donations. I feel that Portland here, in Portland, our neighborhoods are very concerned about the newcomers, and sometimes we have a lot of clothing and things like that donated. More than what we expected, so, I really am grateful for all the donors and all the people living here in Portland for your generosity and for your help and for your care, for the newcomers. So, that's why when people ask me why you all, why are you all doing all these things? I tell them that somebody has shown kindness to me, that I am now able to show that, that my, our people, to show them the kindness that was done to me. And so I was introduced earlier, like sometime early in the morning I get call, and for emergency, go to the emergency hospital and things like that, but whenever I go there, I get a lot of people that, that treat us very nice and very well. So, I see that more and more of the people are seeing us as a family face. Instead of what are these strangers doing here. I don't feel like we have been treated like a stranger. So, once again, I would like to, to give thanks to all the people helping refugees. And one more that I like to share is, the organization called alco, and they have also organized the engage, we have engage 2008 and this year 2009, and they train us, all the newcomers, to engage with the civil -- to involve the neighborhood and train us how to get involved with our neighborhood and be, not be separated, or isolated, ourselves, some of you will be, will be, will become one of the neighborhoods that live and we will be working together with the neighborhoods and so we can be able to do whatever we can. One thing that, that the language barriers, there are a lot of people, experience, life experience that they can help with the neighborhood and do whatever they can. And also, we learn about, about the law enforcement and we see the police car and police officer. When we go to the training, we are more open to the police officers and they are here and we see more and more that they are here to help us. Not to be scared unless we are doing something wrong, so our people are more understandable about the cities and understandable about the law enforcement personnel, and they are here to help us. Back home, it's most of the time we see the police, we have to hide or run away but here, we see more that these people are, are there to help us. And I would last want to say that we have been organized ourselves in, to become a vibrant community involvement and be working to better

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support ourselves with community and building a network of support in organization, chumps, and civil institution, and neighborhood and organizations and things like that, and also, we are working with other communities and regardless of the ethics, religion or nationality. So, we have organized in Portland and the state of Oregon, so we look forward to being active and we are grateful many refugees can call Portland home and becoming Portland is becoming a more multi-cultural city so please let us know if you can input anything for the better of the Portland and also again, I am very grateful to the, to the city commissioners and all those in their authority that they are helping. Thank you very much.

**Adams:** Thank you. [applause] Already, that was a presentation, and appreciate that, both presentations. And that now gets us to the regular agenda. And the first item on the regular agenda is calendar item 964. Which is a regular ordinance. Could you please read the title?

**Item 964.**

**Adams:** Good morning, how are you?

**Lance Lindahl, Bureau of Transportation:** Good morning, mayor and members of council. I've been given a tough act to follow but I will try my best to be inspiring, as well. I am here today, or excuse me, I am lance with the department bureau of transportation. And I am here today to talk about the street [inaudible] between cherry blossom drive and southeast main street. And this was proposed by Portland adventist, and it's to facilitate future development on their property out there.

**Adams:** Is there anyone, any opposition, any controversy to this request?

**Lindahl:** No substantial opposition to this one.

**Adams:** Questions from council? Yes, commissioner Fritz.

**Fritz:** I was looking at the conditions and I noticed that in transportation's recommendation they, they had a condition for a reservation of a public walkway easement, but in the conditions in the ordinance it doesn't say public. Do we need to add the word "public" into the conditions?

**Lindahl:** Um, I will have to have my supervisor assist me, there are some issues with public walkway or walkway but it will be preserved for public use.

**Dee Walker, Bureau of Transportation:** Let me look at the ordinance real quickly. I don't think it's necessary that it has to say public. I don't think it's a big enough issue to make a change in it because it will be set aside for public use.

**Fritz:** As long as it's clear it be a public easement.

**Walker:** It will be so for connectivity between the two public streets.

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

\*\*\*\*\*: So.

**Lindahl:** And it is a requirement of the verification a 6 foot sidewalk be built we're it is currently just a parking lot.

**Adams:** Any other discussion from council? Is there anyone that wishes to testify on 964?

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

**Adams:** All right, movers to a second reading next week. [gavel pounded]

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

**Adams:** Karla, can you please read the title for emergency ordinance council calendar item 965.

**Item 965.**

**Adams:** Good morning and welcome. Glad you are here. If you could give us an overview of what we're, we're considering here.

**Suzanne Kahn, Bureau of Transportation:** Certainly, this is an ordinance that will allow us to continue an arrangement --

\*\*\*\*\*: State your name.

**Kahn:** Suzanne Kahn, transportation maintenance, and.

**Gary Halverson, Bureau of Transportation:** Gary, transportation operations.

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**Kahn:** And so this is an ordinance that allows us to, to continue an arrangement we have had with Multnomah county for 10 years and a gap in our system that the new s.a.p. System identified for us, and, and we have contracted with, with them for that period of time to do some, some maintenance for us, and it allows the inmates to, to meet their obligation for community service and allows us to, to extend street area landscape maintenance beyond what, what our crews would normally be able to do.

**Adams:** Anything you would like to add? Any questions or comments from council? Commissioner Fritz.

**Fritz:** I am wondering about the length of the agreement and five years and whether we might have the opportunity or needs over this as the crisis continues with the economy hiring our own workers or, or the crews with this money.

**Kahn:** I'll let gary talk about the length of the agreement but let me respond to what our other opportunities might be. What we're proposing is \$100,000 a year. That would buy us approximately one more employee with equipment and materials. That would take our street maintenance area landscape group from 5 to 6 people. We have over 800 sites through the city that we're responsible for and we add more each year. These crews are able to get to somewhere between 150 to 200 sites. Primarily the kinds of work they do would be in areas really not suitable for use either because they're high-traffic volume or very difficult, challenging work. One of the things crews are doing today is they are working with the police bureau to clear the illegal homeless camps by south waterfront. So you've got a lot of refuse, needle disposal issues, those kinds of things that really would not work well for young people.

**Fish:** Can I also just note, in the intergovernmental agreement that you furnished to us, in paragraph 4, it said that either party can terminate the agreement with 30 days notice.

**Fritz:** That's helpful.

**Fish:** It could be terminated for any reason?

**Adams:** That's part of our boilerplate contract. That's true in almost every contract before the city council.

**Fritz:** What are the benefits to the crew members for doing this work? Do they get trained on how to take care of these things?

**Kahn:** They do get some training. They actually have more inmates volunteering to do this work than they're able to accommodate in part because it is meaningful work. They can see what they accomplish at the end. They do get some experience on small hand tools and working as a team.

**Adams:** Any discussion from council? Anyone that wishes to testify? This is an emergency. Please call the roll.

**Saltzman:** Aye.

**Fish:** What's the new order?

**Moore-Love:** Saltzman, Leonard, Fish -- Fritz and then Fish.

**Fritz:** Thank you for answering my questions and with the information that I have i'm pleased to vote aye.

**Fish:** Amanda and I are often confused. Under the new sequence I used to vote first and now i'm fourth I think. Aye.

**Adams:** Great work. Thank you, aye. 965 is approved. Please read the title for emergency ordinance 966.

**Item 966.**

**Adams:** Mr. Jones, how are you? Welcome to the city council. What are we looking at here?

**Greg Jones, Bureau of Transportation:** First i'm greg jones with the Portland office of transportation sitting in for vicky diede, the Portland manager of streetcar. This is one of the advanced contracts of the east side loop project. This would amend the overall cmgc contract to allow for the purchase of the rail and special track work which was a long lead time of

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approximately six months. So this ordinance would approve that contract amendment allowing stacy woodbeck to move forward with rail purchase.

**Adams:** Questions from council? Anyone wish to testimony on emergency ordinance 966? Please call the roll.

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

**Adams:** Aye. 966 is approved. Please read the titles for both emergency ordinance 967 and purchasing report 974.

**Items 967 and 974.**

**Adams:** Today we once again are advancing our roles as green jobs and green transportation and advancing on a contract for six streetcar vehicles to be manufactured by clackamas county's own, and this contract represents an historic day for Portland area manufacturing, the first full order of modern streetcars to be built in the united states by a u.s.-owned company since 1952. Today we are putting people to work building a green streetcar option. The city of Portland has issued a letter of no prejudice yesterday. I'm sorry. We were issued a letter of no prejudice yesterday by the federal transit administration removing any conditions on the rail procurement. We just approved that. I want to thank chandra brown, senator rick metzger who you'll also hear in a few minutes for his support of this effort and his tireless support for transportation. Also chair lynn peterson from clackamas county who you'll hear from and hank ashforth. We also have a congressional delegation who has been absolutely instrumental in making this happen. I want to underscore that senator jeff merkley, speaker of the house and also as a u.s. Senator, helped get funding for this project, mary nolan, also u.s. Secretary of transportation ray le hood who I was able to meet with in Washington, d.c., for the first transportation commissioner i've been able to meet with since i've been transportation commissioner, and he said transportation is the transportation capitol, green car capitol, streetcar capital of america.

**Jones:** Greg jones, Portland office of transportation. Before you is the ordinance to authorize contract with the Oregon iron works for reduction in delivery of six streetcar vehicles and provide for the payment for those vehicles. This ordinance resulted from an r.f.q., r.f.p. Process that led to the selection of Oregon iron works as the contractor, and we have just passed previously an i.g.a. With the state of Oregon to provide for the funding for the \$20 million for the streetcar purchase.

**Jeff Baer, Bureau of Purchases:** I'm jeff baer with the bureau of purchasing. As greg noted, we did a competitive selection process. We issued a request for qualifications followed by a request for proposal. Oregon iron works was the selected contractor, and we're here before you to recommend awarding that contract.

**Adams:** Questions or discussions from council? All right. Then thank you. We've got some invited testifiers if we could add one more chair the at diveas. Could senator rick metzger, lynn peterson, chondra brown, and hank ashford come forward? Good morning, senator. Congratulations on a successful session. We're glad you're here.

**Rick Metzger:** A lot of people are glad we're done. It's a pleasure being here. I'm rick metzger. Back in 2007, the legislation was initiated as you just had mentioned that has culminated in what really is a historic day today not only for Portland but certainly for the country. It was pleasurable to be with secretary le hood last week where he made those comments, and it's always nice recognized for leadership in transportation and certainly Portland and the state of Oregon are continuing to move in that direction. Not only does this help from an economic standpoint but also, I believe, will set a standard that people will continue to look to the city and state as we continue to work at reducing carbon emissions and building liveable communities. In 2007, in our committee, we placed that \$20 million for what we would hope to be not only an advancement of this technology but also the fervent hope that it would actually grow Oregon businesses, and that has culminated in the ordinances before you today. It's a great pleasure to continue our partnership with the state, with the city, on being a leader in transportation.

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**Adams:** At the time this decision had to be made -- and it's only continued -- you had a lot of competing priorities to try to address. I want to expression on behalf of the city council the guts that you've definitely acted upon in a very difficult situation to them make this happen. It wouldn't have happened without you.

\*\*\*\*\*: Chair peterson.

**Lynn Peterson:** Carolyn peterson, clackamas county. I just want to recognize the historic moment. A lot of us have the opportunity of going around the nation to talk about the history of transportation land-use planning in Portland and the region. A lot of the key moments happened in this chamber, the transit mall decision, the removal and replacement of the highway with tom mccall waterfront, and today this will be part of the story in terms. Partnerships that it -- in terms of the partnerships that it took. It's unique that clackamas county is now part of that story and how we're integrated now into the system and the work that we're doing together. But it's also historic in the fact that this is economic development at its finest. Not only is it the Oregon way of land use and transportation. I want to say "thank you" for all of your partnerships, including the business sector who has helped make this happen.

**Adams:** This underscores the regional approach we've taken to getting port landers and -- Portlanders out of unemployment and back into work.

**Chandra Brown:** It is an absolute pleasure to be here today. I can't tell you how long i've waited for this moment to sit in front of you and say "thank you", thank you on behalf of Oregon iron works. Our over 300 employees will be working on building this, and it's a fantastic historic occasion but I really want to emphasize it's not just about Oregon iron works. What we are doing is creating an industry. Industry isn't about any one company. We have tons of companies right here in the Portland metro region who we are helping employ their folks. We're creating new products for them, and they are all involved in the streetcar. When we had secretary le hood last week, mayor Adams took all my favorite quotes from him, which this is the streetcar capitol. It is incredible what's happened. Thanks again to your leadership and this first production contract which is so critical as we launch this entire business, we have also received an order from tuscon. [applause] Hopefully we'll be hiring hundreds literally of people that can work on the streetcars. If it takes off around the united states, we expect this to be the streetcar hub in creating jobs, luring other workers here. So thank you very much on behalf of all of us as we continue to try to keep our folks employed, continue to try to hire, and we keep a green manufacturing base in this region, which we think is critical to the united states. Thank you so much.

\*\*\*\*\*: I think it's missed that there are millions of dollars in private sector investment in the east side streetcar loop. As part of the advisory committee, you helped secure those. We're very grateful for this, and I know you've been looking forward to this day as well.

**Hank Ashforth:** No question. Hank ashford, chairman of the east side streetcar loop organization that has, yes, put seven years into today. I know you and others here in Portland have put multiple time and years into this day. Obviously further thanks to where we stand today thanks to you personally, mayor Adams, and the city council -- mayor Adams and the city council. This celebrates the public/private partnership that is oft used words here that separate Portland. But this truly is one that works. And it involves the state. It involves the city. It involves the region. It involves the local employers here and the jobs that will be created by this. It involving the landowners and stakeholders in the neighborhoods that have helped devise the routing of this streetcar system. It totally works, and it was created here. It is going to be duplicated in many cities across this country, we hope. The first six cars is a major, major step forward, and we thank you very much and look forward to tuscon, salt lake, seattle -- where else? Boise. There are many other cities out there. This is an historic day, and thank you very much.

**Adams:** Thanks for your leadership. Thank you very much. Anyone else to testify?

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

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**Adams:** Anyone else who wishes to testify? If not, please call the roll on 967.

**Saltzman:** Well, I appreciate chair peterson's remarks and putting this in the historical context of the decisions in here that led to the transit mall, to the elimination of the harbor drive, and today this culminates in the launches of a new industry our city and region. I appreciate that context. I also think it's ironic that as detroit and michigan with the highest unemployment rate, while they seek to revive the auto industry, we seek to provide an industry that has long since been put underneath asphalt and roadways. The streetcar system that once was so vital in this country and in this city. We seek to not just revive an old industry but to develop a whole new industry here, and I think that really is the way that Oregon will combat its unemployment rate and help put people back to work is something like this. Streetcar manufacturing, it sounds like the vendors are great and the potential customer list is even more impressive. I appreciate the leadership of mayor Adams to jump-start this to commend the u.s. Government and the state to allow this first order. The first one is always the toughest, and I think there will be much more to this. Alternative to an automobile, growing an industry here that will provide good-paying, blue collar jobs, and that's certainly something we need in this state right now. I want to recognize former commissioner, charlie hills. Without charley's leadership, we probably wouldn't have our first street car lines. Mayor and dams has picked that up and run with it. It will pay dividends. Aye.

**Leonard:** This was a good project when sam first brought it to the council. It's now a critical project in terms of putting people back to work. The timing, none of us could have predicted would land in the deepest recession this city has ever known, but i'm just thrilled that the contract went to a local manufacturer. It's the kind of thing that I try very hard to do more of. As anybody knows, it's a very difficult thing to have public projects done by local manufacturers, but this is such a success, I hope we can find ways to emulate this in the future on a variety of projects. My hat's off to you, sam. You did a great job. Aye.

**Fritz:** I want to note that the Oregon department of transportation awarded a grant for \$20 million for this project. Portland is taking the lead once again on helping our economy and the entire economy of the united states. We appreciate that. I also commend mayor Adams and all of our public and private partners for adding value to the streetcar program by fostering this local manufacturing of streetcars, so much better from importing streetcars from europe in so many ways. Aye.

**Fish:** When I came first, it was easier to speak. Now that i'm fourth, I think I should just associate my remarks with everybody else.

**Leonard:** I bet that won't stop you, though.

**Fish:** I will take my 10 pages of remarks and throw them away. I want to thank senator rick metzger. Chair peterson, we have a chance to work together on lots of things, the metro and parks. Hang ashford and mayor Adams, thank you for your leadership. There is a notion that says we can have a great system of parks, trails on a national and regional basis, but we weren't affecting as a region to get it done. Later today we're celebrating another milestone which is the region working together on transportation challenges. While we talk a lot about the future being in regionalism, these are examples of concretely what it means. I'm delighted to join in all the praise for this effort. I'm pleased to vote aye.

**Adams:** I want to add a few more thank yous. Rick gustafson of Portland streetcar, the entire Portland streetcar board, the bureau of transportation. I'm lucky to get up every morning and work with the smartest transportation bureau, the most innovative transportation bureau in america, and this just reinforces that. Finally I want to thank my staff, tom miller, warren jimenez, but especially shoshanna oppenheim and kathryn ciarlo for all your great work. This has been a long, long road to get here today, but I am pleased that we've been successful. Aye. Please call the roll for the next one. Thank you.

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

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**Adams:** Aye. 974 is approved. Please read the title for regular ordinance 968.

**Item 968.**

**Adams:** This is another example of intergovernmental public/private partnership. Mr. Gardner?

**Don Gardner, Bureau of Transportation:** My name is don gardner. I work with the office of transportation. We have today an i.g.a. with tri-met to provide enhanced security and cleaning on the transit mall. It took us about a year to develop this. It was the private sector participants who decided about what they thought was maintenance on the mall and security. What this i.g.a. Will do is we will transfer \$800,000 to tri-met. Tri-met will take responsibility for cleaning and security on the mall. They will then contract, we expect, with Portland mall management incorporated, which is a private nonprofit that was set up to manage the ongoing activities on the mall. They have contracted with central city concern to actually do the cleaning. We were using Wackenhut on the tri-met contract, but I think they'll use the downtown p.d.i. company for services. One of the questions -- problems we had was that maintenance dollars are always tight. They get deferred. The mall, before we rebuilt it, was in pretty bad shape. Every year we put money in the reserve account for take care of paving, streetlights, and poles.

**Doug Oblatz:** Dug obletz today representing Portland transit mall as the active director. Six and half years a I came before the council and talked about the idea for a three-legged stool, the infrastructure, the rebuilding of the mall. The second piece was a development strategy to bring new development to the mall. The third piece was the concept at the time of private sector stewardship of the mall for the long time. Here we are six and a half, almost seven years later having accomplished all three things. The infrastructure is now largely in place but for a little bit of shelter glass and a few pieces of art, and the light rail trains will start running next month. The development piece has happened at many levels, small and large, along the mall. Many of familiar with the block by block program, a storefront signage and lighting project. The last piece is the idea of the private sector assuming responsibility for maintenance of a very important public facility, and this is a one-of-a-kind operation in the united states, cooperative agreement to ensure that our new transit mall stays in an as-constructed condition for the long-term. We have a very active private board, Portland mall manage, inc. Portland, that will assure that not only the cleaning and security at an enhanced level are care read out but also the maintenance of our brand-new brick intersections, streetlight poles, street trees, furniture, artwork are all maintained. We're very excited. I'm here today also representing scott andrews.

**Adams:** Doug, you've been at this almost seven years, you and scott. Putting the partnership together has been very challenging. You and scott have definitely -- this wouldn't have happened without his involvement and your involvement, and this is a pretty unique partnership. Anyone signed up to testify on this matter? Anyone wishes to testify on council calendar item 968? This is a nonemergency ordinance and moves to a second reading next week. Can you please read the title for second reading of ordinance 969? Please call the roll.

**Saltzman:** Well, I want to say that i've learned a lot about cesar e. Chavez over the last couple years, much more than I ever really knew, which probably all I ever knew was the grape boycott. But through this process i've learn -- process i've learned that he actually truly was a great american, a civil rights leader, a labor leader who rightly deserves to be placed among the pantheon of great leaders such as martin luther king and rosa parks who we've honored with street names through our city. The process set up to consider this renaming has been unprecedented. Not only does it follow our city code to the letter, which is not the case necessarily with prior street namings, but was augmented by four of the five council members sitting here today last august when we adopted a process that included a panel of historians to review and consider candidates of streets. The auditor's office conducted polls. Neighborhood meetings in every considered area. I realize some people may not be happy with the outcome, but I hope no one will say this process wasn't a thorough and outstanding one, and I give credit to mayor Adams who brought the process proposal



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to the consumer last august to follow and adopt. The césar chávez committee has gone through all the hoops, gathered the signatures, and have run according to the process we set forth for them. Change is often difficult. Change, however, is inevitable to a growing city such as ours. And the diversity of america will continue to bring change to our lives. I've struggled with how to respect the interest of neighbors who do not support the change while also doing something I ultimately believe makes Portland a better place. In taking this office, i've never shied away from making a difficult decision, and some will perceive this final vote as having winners and losers, but ultimately we are all winners when our minds are open to new perspectives and cultures. Portland's latino community continues to grow, and these members of our community deserve the recognition that césar e. Chavez boulevard will garner. It's time to honor césar chávez with a street name and to introduce césar chávez's work to a new generation of people who are not familiar with him and his greatness. After careful and respectful consideration of all the input, I am pleased to support the name change. Aye.

**Leonard:** I think it's appropriate to have a discussion about whether or not we should be changing street names, but it's not relevant in the context of those that aren't happy with the outcome of the current code that we created. Because one doesn't like the result of an established process is not a legitimate reason to change the process for that result. So I look forward in the future to have a discussion about the whole topic of street naming changes with the council, but it is not appropriate to do that in this context. As commissioner Saltzman just put well, we design the that process. We said to the proponents of césar chávez boulevard you new he had to use that process, and they did. And i, for one, would have to say that the he three of us at least that have been through this for -- I don't know if it's two years or 20 years. It feels like 20 that we've been through this process. It has been a fascinating perspective to sit and observe kind of on a microlevel of the cultural issues of the united states that have been so intertwined with this to date. More than once i've wanted to write back to somebody but i've restrained myself when characterize mr. Chavez about his an tree that that is as relevant of accusing me of doing something and then referring to me as a scott and irish, a german, which are all my ancestors. The hardest thing in this debate to remain neutral about is reference to mr. Chavez's heritage. He's an american. And I have, quite frankly, not reacted well to others who refer to him as other than an american. I have a long history in fighting for worker rights in my entire adult life, and I have been intimately familiar with césar chávez and his work my entire adult life, including the great boycott of the '60s when I was in high school. I revere him not as an immigrant who stood up for hispanic farm workers but rather as a great american who fought for worker rights. What's been fascinating about this debate, we honored refugees this morning, immigrants and some refugees who became american citizens. I got invited last 16 code mayo -- cinco demayo, and I showed up, as we all do, to events without a lot of forethought. As I sat on the stage, it impacted me in a very real way that each one of us in our life were either directly sworn in as americans or have directly descended from those that were sworn in as americans except if you happen to be 100% native-american. We are all descended in that way. How quickly after the generations come, after our original forbearers arrived in this country, we forgot that, and we characterize people in a not always flattering way who are immigrants, not remembering that in the 1840's and 50s when the great irish immigration occurred, there was just as much discrimination towards irish immigrants then as today there is towards hispanic immigrants. We all have forgotten that. This debate, I think, for me pointed out the need for each of us to understand better each of our perspectives. I think frankly the césar chávez committee could have better understood some of those opposed to the change and those opposed more thoughtful to what the césar chávez committee was fighting for. In the end, my decision is based on a couple things. The process, as commissioner Saltzman said, was delineated by us. Mayor Adams very thoughtfully insisted that process be used, and it was. In the end, I think césar chávez is a man who represents, for a number

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of people, myself included, a person who was willing to put his all on the line to fight for working people. And there's nothing I respect more than that. Aye.

**Fritz:** I've been very impressed with the way Portland has conducted this debate. As commissioner in charge of neighborhood involvement, i'm very happy that so many residents and business owners on or near 39th and maybe citywide feel so connected to the street they know as home and also 39th. I'm impressed many of Portlanders want to rename 39th avenue in honor of a great citizen. Thank you so much for participating. I have considered and responded to hundreds of contacts on this issue, some as far away as Germany. I realize that with my vote today, I will disappoint thousands of citizens by which way I vote. I don't vote by assessing the most popular and less adversarial. I try to figure out whether the vote benefits the public. The process may not be perfect, but it exists to provide guidance in making a decision for this purpose. I believe the process has given all the information and public input I need to make a decision on the renaming request. Ultimately I think back to the renaming of Union Avenue for Martin Luther King Jr. That was 20 years ago. I was fairly new to Portland at the time, and people were very angry about that, and they felt there hadn't been due process. There was a lot of rightful indignation about that. And yet 20 years later, I am so glad that we have a street named for Martin Luther King Jr. I read recently a "Portland Tribune" article about people who are moving to that street because of the name. I didn't know about César Chávez before this process and, because of the street renaming request, I know a lot more. We just had a house guest recently who lives in L.A., and she says the only reason she knows about César Chávez is because there is a street named for him and she asked her mother about that. I believe that in the future, in 50 years, which is really how I'm required to think about the long-term public good, I believe Portlanders will be more appreciative of having a street named after César Chávez than having a street named 39th. I think renaming the beautiful street serves the public good. I've come to the conclusion that the values and benefits of renaming outweigh the considerable impacts to current residents and business owners on or near 39th and the cost incurred by taxpayers, and I vote aye.

**Fish:** I, too, would first like to acknowledge all the parties that have participated in this what I think has been a great debate, and I believe the process, since I joined the council, has been marked more by respect than by confrontation. Like Amanda, I've received hundreds if not thousands of e-mails and letters from Portlanders. I've had a chance to read each one and have listened carefully to all the testimony. It pleases me greatly that there is a consensus today that we should honor César Chávez, a national hero worthy of an appropriate public honor like Randy for the 20 years before I served on this body, I as a civil rights and labor lawyer, was intimately familiar with Mr. Chavez's work. I'm pleased that with this debate, all of Portland now understands about his workers rights civil rights work, peace and nonviolence his goals. Many believe we should name a bridge, a park, a school instead in honor of César Chávez. That's not the issue actually before us today. We actually don't have a formal process for inviting the public to participate in the naming of some other place like bridges, buildings and, in some cases, parks. And perhaps that's an oversight we should address in the future. The issue before us today, though, is a street naming proposal, and I disagree with those who suggest we should change the rules in the middle of the process. The process was set up. I think it was done thoughtfully, and I think it has been followed. No matter how any of us feel about this issue, a street naming is one way that Portland historically has honored those who have made a difference in our lives at the local and national level, including Martin Luther King, Big Naito and Rosa Parks. Today we need to determine if the process in street naming has been followed and to determine if the street naming I was in the best interests of the city as a whole. In the first question, I believe the processes forth in the code has indeed been followed. Some have criticized the process. If so, then I believe that's a reflection not on the applicants but on the drafters of our code. For this reason, we should perhaps revisit the code at some point in the future. But the answer to the second question for me is more complicated. How do we, as a

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council, make judgments about what is in the best interests of the city as a whole? What weight should be given to the citizens who live and work on 39th? In what way is a street naming beneficial to our great city? As I thought about it, one way that I have used to answer that question is to ask another question, and that is what kind of Portland do we want for our children and for our grandchildren. Streets play many important roles in our city. They connect neighborhoods and people, help us navigate, mark where we live and work, and they honor people who have achieved great things. Each of us, rightly so, believes that where we live and where we work has significant.

Unique among the five of us up here, I live on northeast 39th avenue. My wife and I bought the very first home that we ever owned as a couple on 39th avenue, and we are raising two wonderful and challenging children on 39th avenue. For my family, we would be honored to live on César Chávez boulevard, partly to honor him but also to honor those who will never have a street named after that. My mother-in-law, Carmen Gomez, was born in the south of Spain, and she came to this country with a seventh grade education. She did not speak a word of English. Not one single woman in her family had ever attended high school. Today her eldest daughter, Patricia, my wife, is a professor at Portland State University, and her granddaughter, my daughter, Maria, is not only fluent in Spanish but is the beneficiary of a marvelous Spanish immersion program in our public schools. I believe personally, and in my professional seat here, that a street naming could help make Portland a better place, one that is more inclusive, more welcoming, and more respectful of other traditions. As a parent, I think a lot about how my wife and I can transmit these values to our children. One way is through the symbolism of a street renaming. César Chávez once said the symbol is an important thing. That is why we chose an Aztec eagle, he explained. It means pride and, when people see it, they know it means dignity. I would imagine this is how the proponents feel today about the proposed street naming. We live in a city with a growing Latino community. Yet there is no street in our city which honors their hair tan. Today we can change that. Chavez once said we cannot seek achievement for ourselves and forget about progress and prosperity for our community. He said our ambition -- ambitions must be broad enough to meet the aspirations of others for their sakes and for our own. This city has chosen to honor Bill Naito, Martin Luther King Jr. and Rosa Parks. A migrant worker with an eighth grade education changed the course of history. My mother-in-law, Carmen Gomez, will never have a street named after her, but we can inspire our children and grandchildren to follow the path that she and Mr. Chavez blazed by renaming the street. I'm proud to vote aye.

**Adams:** Well, Portlanders have had a right to petition their city government to change the name of streets from the founding of the city. Those considerations have always been controversial. This particular process was the most rigorous of any that we know of. But as Commissioner Fritz said, successfully navigating through this process to this room does not guarantee success in this room on the proposal. I want to thank the save 39th avenue folks who testified in opposition at our hearing for the thoughtful nature of their concerns, for the thoughtful nature and respectful nature that they expressed their concerns. This really was a process for Portlanders can feel proud of. I also want to allay people's concerns -- and, by chance, it actually is well illustrated in this week's council calendar -- our top priority is to get Portlanders back to work. This morning you saw evidence of that in helping to create a new industry. This afternoon, we'll be considering the clean energy works that seeks to create yet another industry. Tomorrow we will be considering the city's first economic development strategy in a decade. So we are focused on that, but it is also important for the reasons that my colleagues have stated here today to also consider this issue very thoughtfully. And, for me, I think it's -- it is a fact that has been already stated that the Latino, Mexican-American, Hispanic, the great diversity of that community is not recognized in a significant symbol of the city.

And although the population, the percentage of the population, has grown to about 14% through the entire history of this city, the Latino community, Latino Americans have made significant contributions to get where we are today. The vote, the choice before me, is to vote to continue that

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omission or to address it, and i'm voting to address it and to give not only César Chávez but the latino community the visible symbol that they deserve. Aye. Ordinance is approved. [applause] can you please read the title for -- oh. Council item 970 is going to be moved to thursday afternoon unless there is objection. So moved. Can you please read the title for emergency ordinance council calendar item 971?

**Item 971.**

**Adams:** Staff, are you here to testify on this matter? All right. John, come on up.

**John Hunt, Office of Management and Finance:** Good morning, mayor, council.

**Adams:** Just keep going.

**Hunt:** The item before you today seeks to add a couple of rapid response vehicles for the police bureau, one rental that's over six months for pbob maintenance and also the third one is a little small trailer for us, the city fleet. Those are the items that we request adding to the fleet.

**Adams:** Any discussion from once? All right. Anyone wish to testify on 971? Please call the roll.

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

**Adams:** Aye. 971 is approved. Please read the title for emergency ordinance council calendar item 972.

**Item 972.**

**Adams:** Please tell us what we're considering today.

**Anna Kanwit, Bureau of Human Resources:** Mayor and commissioners, anna kanwit bureau of human resources. With me is maureen weber from the bureau of human resources and lloyd krout from the city attorney's office who assisted us in this policy. The ordinance before you -- and maureen weber will go into a little more detail -- is to update the city's federally mandated drug and alcohol testing program for employees who have a commercial driver's license. We have been working on this with impacted bureaus for quite some time and the policy has not been updated for a very long time. We are here before you today to authorize the new policy and to answer any questions you have. Maureen will provide a little more background on this.

**Maureen Weber, Bureau of Human Resources:** Good morning. I'm maureen weber with the bureau of human resources and lay door relations. I administrate the commercial -- I administrate the drug and alcohol program for commercial drivers. We first created the policy in 1993. It's been about 15 years since it was created, and this is the first revision. So during that time there have been some changes to federal law and some changes to the way we administrate it within the city. With the had help from the city attorney's office, we've just updated the policy to bring it in line with the way we're actually operating. There is a manual of education materials that goes out to employees that explains the process and associated materials. That's been updated as well.

**Adams:** Any questions or discussion by council?

**Fritz:** Has there been any concern from employees?

**Weber:** Not so far. I don't know how much of this has been disseminated to the employees. I've been telling the unions and the bureau contacts for the last several months that this was being done. The changes are actually already in effect. Basically the documents are just catching up now to the way the program is being run. There shouldn't be any surprises in here that the employees will find startling.

**Fritz:** Any dissent from the union?

**Weber:** Not so far.

**Adams:** Unless there's additional council questions or discussion, is there anyone that wishes to testify on emergency ordinance 972? Please call the roll.

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

**Adams:** Aye. 972 is approved. Please read the title, second reading, for council calendar item 973.

**Item 973.**

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**Adams:** Please call the roll.

**Saltzman:** Aye. **Leonard:** Aye. **Fritz:** Aye. **Fish:** Aye. **Adams:** Aye. 973 is approved. Please call the title for purchasing report 975.

**Item 975.**

**Adams:** Bid local contract.

**Baer:** I'm Jeff Baer with the bureau of purchasing. Before you is a recommendation to award the Sellwood sewer interceptor project for b.e.s. to more excavation with a local contractor. In the invitation to bid, we identified 14 divisions of work as potential minority, emerging business, women-run business -- minority, women, small emerging businesses.

**Adams:** Questions or discussion from council?

**Fritz:** That seems very low for women, minority, emerging businesses.

**Baer:** When we went through, they met all of our standards for doing that. As I indicated, we identified certain division of work. They'll be self-performing the majority of that. They contacted a number of contractors that -- the result is what we have at this point.

**Adams:** It is low. Additional council discussion all right. This is a purchasing report. Do I hear a move to accept?

**Leonard:** So moved.

**Saltzman:** Seconded.

**Adams:** Anyone that wishes to testify on council calendar item purchasing report 975? Please call the roll.

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

**Adams:** We need more minute authority and women owned and emerging business participation. Aye. Please read the title for emergency ordinance council calendar item 976.

**Item 976.**

**Saltzman:** As part of the Portsmouth force main project in north Portland, the main alignment crosses a property owned by a.t.c. Transportation and will impact a portion of their parking lot. To mitigate for the loss of parking during construction, b.e.z. Will make available to a.t.c. A temporary parking area on city property. This will require indemnification language that should be approved as soon as possible.

**Adams:** Isn't 977 very similar? A.

**Saltzman:** Yes.

**Adams:** Why don't you go ahead and read the title for that?

**Item 977.**

**Adams:** Any council discussion on 976 or 977? Anyone who wishes to testify? These are emergency ordinances. Please call the roll.

[roll on 976] **Saltzman:** Aye. **Leonard:** Aye. **Fritz:** Aye. **Fish:** Aye. **Adams:** Aye.

[roll on 977] **Saltzman:** Aye. **Leonard:** Aye. **Fritz:** Aye. **Fish:** Aye.

**Adams:** Aye. Please read the title for 978.

**Item 978.**

**Saltzman:** I would ask this be returned to my office.

**Adams:** 977 is returned to commissioner Saltzman's office. Please read the title for 978. Sorry. 979.

**Item 979.**

**Adams:** Are in second reading only. Please call the roll.

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

**Adams:** Aye. 979 is approved. Please read the title, second reading, on council calendar item 980.

**Item 980.**

**Adams:** Please call the roll.

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

**Fritz:** Thank you to all the good staff that worked on this. Aye.

**Fish:** Aye.

**Adams:** Aye. Please read the title for 981.

**Item 981.**

**Adams:** Please call the roll.

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

**Fish:** Well, I want to thank again the parks foundation for stepping up to do good work, a model of public/private partnership. I want to welcome Fritz brown. Aye.

**Adams:** Aye. 981 is approved. We're recessed until 2:00 p.m.

**Fish:** At 2:00 p.m -- the 2:00 has been rescheduled to July 22nd so we have a 2:30 time certain. I understand we're acknowledging the elks.

**Fritz:** So we'll all be back at 2:00.

**Fish:** I think we have a brief presentation to thank the elks.

**Moore-Love:** Also we have the 927 communications item.

**Adams:** Oh, is Mr. Tucker still here?

**Moore-Love:** Yes.

**Adams:** We're out of recess. Come on up Mr. Tucker. Please give us your first and last name and you have three minutes.

**Item 927.**

**Eric Tucker:** My name is Eric Tucker. I'd like to relay some experiences that I've had with Cascadia Behavioral healthcare. The property known as 310 NE Flanders. I was there for eight years as a client. I don't have enough time to tell you everything in that eight years but there are some things that are going on in the building. Women are being raped in that building, staff are having sexual relations with clients, lots of drug dealing, prostitution is in that building. I've not seen it decline, and when I have raised concerns, I was retaliated against, and that's why I've waited so long to come and see you all. I'm no longer in that program.

**Adams:** Have you contacted county chair Ted Wheeler?

**Tucker:** No, I have not.

**Adams:** They provide the direct oversight for that contract, or many aspect of that contract? You can call the main information line and they can transfer to you chair Ted Wheeler.

**Tucker:** Thank you.

**Adams:** Thank you for sharing your concerns and for waiting. Now we stand recessed until 2:00 p.m.

At 11:36 a.m., Council recessed.

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

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

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

**JULY 8, 2009                      2:00 PM**

**Adams:** Would you please come forward? The appropriate individuals? I'm happy to join with commissioner Fish in recognizing some -- some very special visitors. It is rare that we do this, but it is much -- the recognition is much deserved. The national president and the commission convention chairman of the elks club are here this afternoon, and they represent an estimated 10,000 elk club members that are gathered here in Portland for national convention. We estimate that because of your visit, our economy will be benefited to the tune of \$5 million. So your five days here is much appreciated, and unfortunately as the second highest unemployment rate of any region in the united states, your visit couldn't have come at a better time. We hope that you're having a great time. The entire city extends a welcome to you, and don't tell anybody else, but because we're so grateful for the investment that you're making in our city, that you don't have to pay any sales tax. [laughter] Just say "mayor sam Adams said no sales tax for us. I'm an elk." but don't tell anyone. Thank you for being here. And in addition to the economic benefit of just having your convention here, I know that you've also made some really amazing charitable contributions as well, and commissioner Fish, would you like to talk about that?

**Fish:** I'm going to first ask mr. Hessle and mr. Rumney if they'd like to make comments. We did a little homework and looked into the notion of past grand exalted ruler and the grand exalted ruler, and we found you outrank the mayor of the city of Portland. [laughter] but echoing what the mayor said, we're honored to have your presence, and frankly, we've been running into members of the benevolent and proactive order of the elks on every street corner. They could not be more friendly.

We're delighted to have you. We wanted to give you a chance to make a brief statement, and then we wanted to share a thought or two with you. Either to the -- whichever grand exalted ruler would like to begin, please do.

**\*\*\*\*\*:** I'll give the honor to our grand exalted ruler, also known as the national president, paul hessle.

**\*\*\*\*\*:** We're delighted to be here in Portland, and to bring our delegates here for a convention. We were here in 1993, some 16 years ago. We had a delightful time then, and we are again this week. The outpouring of hospitality that's come from your merchants, your restaurants, everywhere we've gone has been tremendous. I've heard nothing but compliments from our delegates about your beautiful city and the treatment they're getting from all the merchants and restaurants and wherever you're serving our delegates. We certainly appreciate the effort you've put forth to host us here in this beautiful city. We work with our veterans, and our youth programs. That's our two major thrusts across the country. And if you -- i'm not sure if it's been published, I think commissioner Fish mentioned what we've given to the city on sunday night at our opening we made a donation to -- we'd like to give back to the cities that host us. We made a \$25,000 donation to the children's cancer association here in Portland. Also I know you're probably familiar with the Oregon elks and their sponsorship of the eye clinic at the casey institute. That's been going on I believe since 1949 right here in your own city. So -- and they've put probably a million dollars into that operation every year, the elks do. So we're very appreciative for what you've given us here in the city, and we're happy to be here, hopefully we'll have the opportunity to come back to you sometime in the future.

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**Adams:** How about tomorrow?

\*\*\*\*\*: We'll be here yet tomorrow.

**Adams:** Do I seem too eager? Commissioner Fish?

**Fish:** Mayor, the national commander was unduly modest about the contribution that the elks have made to our community. I grew up in a little town in upstate New York, and there was a building that had B.P.O. on it, and a number, which was a chapter in the Hudson Valley. My father was a member of the Elks. And I'll be quite honest, I did not know -- probably like a lot of people, as much as I should have known about the work of the Elks. But I mentioned this to the Mayor, and he thought it was worth sharing publicly. When my son was born, he was born with a serious misalignment of his eyes. He had a very serious case of a condition and some complications. When this was five years ago, I didn't even know what the condition was. So we went on the Internet, and we did our homework. And lo and behold, we learned that the leading pediatric eye program in America and possibly the world is located here in Portland. We take for granted that we have a great set of hospitals up on the hill, but until you need a doctor, you maybe don't know as much as you should. So we learned about the Elks Children's Eye Clinic, which is at the Casey Eye Center. Casey, for people -- my colleagues, they know that name because it's -- it was the founders of U.P.S. And they put a lot of money into that program. But what they may not know is When you enter the Casey Eye Clinic you're greeted by a member of the Elks Order. And the entire building is staffed by volunteers from the Elks. And this program would not exist but for the generosity of the state chapter and the support of the national chapter. The eye condition is a complication of the eyes which not that long ago when it wasn't treated led to significant childhood problems and cognitive problems, and kept kids behind. It's a misalignment of the eyes, it sometimes makes it look like you're cross eyed, but you think about Marty Feldman, if your eyes don't focus, if you don't have binocular vision, you can't perceive the world the way the rest of us take for granted. We met a Dr. David Wheeler, one of the specialists in that program. And we entrusted in his good care our 4-month-old son for a two-hour surgery in which he operated to correct the condition. We were at the best clinic in the country under the most talented and experienced doctors in the field, and I will happily report our son is healthy and happy and has perfectly aligned eyes, and is starting to read, and so in addition to what the Mayor said in terms of the great honor you give to us by being here and enriching our local economy and the friendliness all of your members have shared with Portlanders, I think we also want to thank you for making a real difference in children's lives. And the Casey Eye Clinic is one Of the many charitable things that you have focused on nationally. We're very proud of that program, and it's apparent, you literally help restore the eyesight of a young child that is mine. And how many times to you get to thank the people that are actually at the top of the food chain? So thank you on behalf of City of Portland for your generosity and for your service. I think there's a couple people you also want to acknowledge here. I believe you're here with your spouses? Would you like to acknowledge them?

\*\*\*\*\*: Certainly.

**Fish:** They could stand and just accept our welcome. [applause] Is Tina Heron here?

\*\*\*\*\*: Tina is not with us. She's our director, working out of Chicago. She coordinates all of our activities.

**Fish:** Did she work with Travel Portland?

\*\*\*\*\*: Yes, I did also. I want to thank Travel Portland for everything they did. When we came out they made us feel so comfortable, and so welcome. We wanted to come back to this city. So thank you Travel Portland and thank you for having all of us here. We appreciate it.

**Fish:** Thank you both, and thank you for filling 20,000 hotel rooms in the metro area. [laughter]  
[applause]

**Fritz:** I think we all have our Elks story and our reason to thank you. Both my son and my chief of staff received scholarships to go to college from the Elks. And when my son got his, it wasn't just



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checking the mail, it was a, please come and have a spaghetti dinner with us, hear about what we do, and at the columbia -- the columbia boulevard lodge. I have to say grand exalted ruler is a fantastic title. [laughter]

\*\*\*\*\*: I might mention that tomorrow we give our top scholarship award tomorrow, and that will be a \$60,000 scholarship to a boy from right here in Oregon.

**Fritz:** That's wonderful. Thank you. Thank you very much for that program.

**Adams:** Anything else you'd like to add?

\*\*\*\*\*: I'd just like to say thank you again. We have programs such as your eye clinic, not ally clinics all over this country. You're fortunate to have about 35,000 elks here in Oregon representing about 56 lodges, if I recall those numbers off the top of my head. In 56 communities. So they're doing things in those individual communities also, not just supporting the eye clinic. And we see that, my wife and I have been fortunate enough to travel through 47 states so far this year, and actually I go out of office tomorrow, but we've traveled to 47 states, and we see everywhere in all those states, projects such as your Eye clinic. They may be in the form of a camp, a hospital, therapeutic therapy-type units, that type of thing, comprehensive plan. We're in a lot of -- cerebral palsy. We're in a lot of different services for the individual communities, and where our lodges reside. But again, thank you for your warm hospitality here in Portland. We've certainly enjoyed it this week.

**Adams:** Thank you. And I also want to add my thanks to the great team at travel Portland for everything you do day in and day out to help make our visitors feel so welcome. Thank you very much. Appreciate it. [applause] we have a recess for 10 minutes.

**Moore-Love:** We need to announce the 2:00 is being continued, rescheduled.

**Adams:** Coming back from recess. I need to announce that the time certain at 2:00s has been rescheduled to july 22nd at 2:15 p.m. Time certain. We're now in recess for 10 minutes.

At 2:20 p.m., Council recessed.

At 2:31 p.m., Council reconvened.

**Adams:** Today is wednesday, july 8th, this is the afternoon session of the Portland city council. Karla, can you please read the title for time certain, resolution, council calendar item number 983.

**Items 983 and 984.**

**Adams:** I'm incredibly excited to be part of presenting this to the city council today for their consideration. The clean energy works Portland Is a new program that will put contractors to work insulating and retrofitting homes, cut energy use in Portland homes, and help keep Portland housing affordable, all while reducing carbon emissions. The clean energy works is the result of a unique collaboration effort between the city and the county, local utilities, shore bank, and the energy trust of Oregon. This effort is drawing national interest because we are making a strategic investment with our federal stimulus dollars. Partnering with the local utilities and others to develop an inclusive work force strategy at the same time. Clean energy works is -- core goal is to move forward the city and county climate action plan that we're doing town halls on, and p.d.c.'s economic development strategy, which the council will be considering tomorrow. The initial pilot will lay out the ground work for us to create quality green jobs that pay well and open doors to prosperity for all workers. Specially women of color, specially women, people of color, and emerging businesses. We're truly creating a new industry here in the Portland region, and we're working with our community organization, our labor organization, and employers to ensure a broad array of community benefits from training to work force diversity. Our pace and position is because of the hard work of our broad set of partners. And I want to thank each of them For their commitment to the success of this pilot and I look forward to hearing from them this afternoon. Chief amongst them is some of our own great staff that are recognized nationally and

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internationally for their work in planning and sustainability at a local level. I'd like to introduce susan anderson and derick smith to present details of the clean energy works program Portland pilot. Good afternoon. Welcome.

**Susan Anderson, Director, Bureau of Planning and Sustainability:** Thank you. Susan anderson, director of the bureau of planning and sustainability, and derick smith, the program manager for the effort. I won't go into lots of program details. We have lots of partners here that i'm sure you'd rather hear from. I did want to tell you that we're kick can out the program this week with doing some audits beginning this week we have 500 homes in the pilot. We've been thinking about this idea for probably a decade of how to get enough funding together to begin to have a program to allow up front financing for insulation, for new furnaces, for the things Portlanders need in their home but never seem to have the money right up front to do this, and to have a mechanism to pay back the loans on their utility bills. So we will be the first city in the country to be able to have this kind of program to take out a loan, pay it back over time, a Long extended period of time on your utility bill, and when you sell the home, be able to transfer that loan to the next owner if both owners agree. So we're very excited about it. Initially this is for single family homes. We hope to expand that to not just to owner homes, but rentals, to commercial, and expand to it solar in the near future. So we're here if you have specific questions about the program. We're happy to answer those. Otherwise, i'd rather turn it over, this has been a really collaborative project. Derick actually made his first phone call to the utilities in february, and so this thing has moved fast, we were lucky to be able to pull him in to work for the city for a little while to headline this project and keep it moving. But we have a lot of partners here, and I think you'll enjoy hearing from them about their part in the project.

**Adams:** One thing I also want to have you talk a little bit about at the outset, or i'll mention is that in addition to the pilot at the same time we're working on a community benefits agreement that's modeled on the successful community benefit agreement on south waterfront.

**Derek Smith, Bureau of Planning and Sustainability:** John gardner from work systems inc. And csowell. So we've been convening dialogues in the community with labor organizations and community groups and employers to understand what their suggested principles for the types of job that get created Through this project. And in the years to come as we continue to bring more capital in and expand this effort. And so we've heard from across -- a cross-section of those folks, and we intend to, with this resolution, kick off a process throughout the summer as our first homes are being done, getting -- having more dialogues with everyone at the table to get to a community benefit agreement the mayor just mentioned wherein we consider work force diversity, mwesb support, and ensure that the types of jobs that are created have a broad array of benefits to a broad set of stakeholders in the community.

**Adams:** Ok.

**Anderson:** Great. So we have a list, I believe.

**Adams:** We'll start with our guests, if you'd come forward. Welcome to the city council chambers. Glad you're here. Congratulations on a successful session. Who would like to begin?

**Jules Kopel-Bailey:** Jewels bailey, I have the honor of representing house district 42 in the Oregon legislature parts of inner east side Portland. This is really an exciting day, and the culmination of an enormous amount of work by the city and partners at all levels, and the congratulations go to all of you. It's also an appropriate day to be doing this because we are coming off of a legislative session that due to the individual efforts of each one of you down in the capital and your staff and the city of Portland, I think was a remarkably successful legislative session for the city and for your interests on a number of different levels. So you're to be congratulated on that, and it's an honor to be before you. This clean energy fund is really an example of the kind of leadership that the city of Portland is providing that goes far beyond just the city's leadership, the county's leadership, and it is a model for the state and really a model for the rest of the nation. And make no mistake -- the eyes

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of the nation are focused on Portland right now. And on this pilot project. It really is the sharp end of the spear. And your elaboration with the county and the commissioner, and the joint efforts you've put forward are really going to help the state roll forward with a statewide strategy to do pilots across the state through a statewide framework and allow property owners, small business owners, public institutions, to be able to weatherize and retrofit their buildings for energy efficiency and renewable energy that's going to reduce costs, lower energy bills, put people back to work this summer with good jobs that can't be outsourced, and confront climate change one of our most pressing challenges, and one of our greatest opportunities. So this is an exciting project. A couple of the things I wanted to outline for you in partnership with the state is a bill that we just passed in the legislature, house bill 2626, The energy efficiency and sustainable technology act, which I hope will bring a significant amount of state level investment to the efforts that you're putting together here in the city and in the county. And that bill was developed in conjunction in partnership with many of the ticket -- technical experts that are -- and will provide a statewide framework for creating pilots across the state, and Portland's work in working with utilities, get can the financing mechanism set up in working to identify targeted populations and to roll out this program will be extremely useful in ensuring that we get a fast start to this program. This bill was cosponsored by representative reid, representative chris edwards, and representative tim freeman. It was bipartisan piece of legislation, and if successful and when it is successful, we intend to roll out the pilot projects in urban and rural areas across the state. So we hope it will be a statewide win and that Portland and Multnomah county will be the first of these wins. So this really is -- I think it is not an overstatement to say a monumental day for Oregon to roll out the clean energy fund to take us in that big step forward in the 21st century and a clean energy economy, and I thank you for all of your hard work, and congratulations on all your success. I'd be happy to answer any questions.

**Adams:** I just want to highlight our thanks for the Work you do in salem, and the ability to reach across the region and the state is greatly assisted by your efforts, and I know there will be more to come. So thank you for your leadership. Our key partner on this is Multnomah county, and the leader of that is commissioner jeff cogan, which we appreciate very much. Thanks for being here.

**Jeff Cogan, Multnomah County Commissioner:** Thank you. I think you're going to hear a lot of people say this is an exciting day, and it's because it is. There are certain things that come before this body that get a lot more media scrutiny i'm sure than what we're going to be talking about here today. But arguably nothing is as important. As you know, the city and the county have a draft climate action plan that's currently out for comment, and in that plan we call for this community making dramatic decreases in our greenhouse gas emissions, and we -- maintaining a strong economy and our strong quality of life. And what we have before us today, the clean energy works program, which is our first tangible partnership out of that, I really think is going to prove up that concept in addition to proving up the work that representative bailey has done statewide, and I think this particular program will spread but not only will this spread, I think it's going to show that in fact we can as a local community, make a significant difference in the climate Challenges that we have and do it while making this a phenomenal place to live. We know from the climate action plan that a significant amount of greenhouse gas emissions, over 40%, come from buildings. And although this community has been a national leader in putting in place green building standards, so if it's no longer news when we get a platinum leed building build ever built in Portland. But 20 years from now, most of the buildings that will be in Portland are here right now today. And if we want to get to the level of emission reductions we need to get to, we can't ignore our existing building stock. We know in this community there's a tremendous low-hanging fruit in greenhouse gas opportunities for buildings, because there are tremendous numbers of buildings, an estimate qun00,000 homes in the Portland area that are uninsulated. The good news is, the energy savings from insulating these homes actually produce enough monetary revenue to pay off the cost of insulating. In other words, it pencils out to do this insulation. But for some reason, weatherization

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hasn't happened on a broad scale. And with this program, this is about trying to get to those challenges. We have really identified a few. People don't even know about the opportunity being there. If they do know, it's rather complex web to try and weave to figure out how to get this work done. And then if they phil mickelson that piece out, they've got to deal with financing the work. Those are significant obstacles and the clean energy works project is all about making those less of a burden. And you'll hear more from other folks about the details of how we do it, but this is a really significant achievement if we pull this off, it really is the case that the nation is watching. I had the opportunity a couple months back to be lobbying a member of the obama administration department of energy on the renewable energy project. And he said "what else is going on in Portland that's neat?" and I started talking about it, and he said "oh, we know all about that. If you guys can pull it off, we're going to spread it all over the country." that's what it's about. It's a big deal. Thank you so much for your leadership, and i'm proud to be a partner.

**Adams:** Thank you for being such a great partner. Appreciate it. All right. Good ideas wouldn't happen unless we have good public partners, but we also need private partners with our utilities. Margaret kirkpatrick from northwest natural, pat egan from pacific power, and joe barra from p.g.e. welcome. Joe nicholson. Bill nichol son, sorry. Moor garrett, I know you. Welcome to the city council. Glad you're here.

**Margaret Kirkpatrick:** I'm here today on behalf of northwest natural. I am channeling for greg canter, who couldn't be here, but he had an opportunity to meet with the mayor yesterday. And to convey his views expex press his appreciation for being able to participate in this program. I'd like to thank the mayor's office, city council, and susan's office of planning and sustainability for the hard work they did in pulling this program together in very, very short order. My friends on either side know it isn't always a cakewalk to get even the three utilities to stand together arm in arm and point them in the same direction. But then you add in the city, county, and a bank, and to achieve what you folks have done in the short amount of time you've had is really quite remarkable. And so we're holding hands and shoulder to shoulder and ready to go. Also, there's been a very good spirit of collaboration from the beginning of this process, and that makes it all the more interesting. Climate change is one tough, tough issue. My first boss in law school was larry kressel. When I walked in to my interview, he had an in box, an out box, and a too-hard box. And that box was overflowing. It immediately put me at ease, but I look at this issue and i'm Tempted to put it in the too hard box, because it's so tough. And as we have watched the bill work its way through congress, there are a tremendous number of points of disagreement on major, major issues. One point where there's almost near consensus is that energy efficiency for the energy sector is the logical first step. It's very clear that's the first thing we need to do, but how we do it is not nearly as simple, particularly when you're talking about what to do with buildings that already exist. So this program is particularly exciting because it tackles that issue. We also like it because it's good for our customers, as commissioner cogan mentioned, one big barrier for people for weatherizing their homes is the out of pocket costs up front. So this program means people will be able to get over that hurdle, more people can weatherize, they'll be able to reduce their carbon footprints, they'll be able to reduce their energy bills over the long run. That's a triple win for them and also a very good thing for us. As I say, it's not easy to get a group like this to the starting line as quickly as you have. As exciting as this is, we really look forward to coming together in a year and looking back and seeing many neighborhoods weatherized and more to come. So again, just thank you for having us, and allowing us to participate in this exciting program.

**Adams:** Thanks for being such a great partner. Pat?

**Pat Egan:** For the record, pat egan, vice-president of customer community affairs for pacific power. And I want to thank you personally derek and your staff for putting this program together as you'll hear this theme many times over, that partnerships is really what matters here and how this came together. And the leadership I think that was necessary to pull it off. So it's very difficult to

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item to get through. We at pacific power have done on some version a variation of financing, but it's nice to be back in that game and we know it's a very useful and valuable tool. We're a complex organization, a multistate organization. We have a version of on-bill financing in our other states and we can tell you it's a very effective tool and a very good way to effectuate something very important, which is energy efficiency. Just in the last three years we've invested over \$2 billion in renewable energy projects, pacific power and through pacificorp, but we also know that the best and most efficient and most cost effective environmentally friendly generation that we can produce is actually energy efficiency. Reducing the usage. For us this is a great opportunity. We think it's very good for our customers as well. We're just a small slice of Portland and our partner Portland general electric is the Primary electricity provider, and we also of course partner with northwest natural, also want to mention the good work that's been done by all of the folks here, energy trust of Oregon, shore bank, certainly the city itself, and we're very much looking forward to what this is going to mean in terms of jobs and economic activity throughout the summer, hopefully, and going beyond. For us one of the things I would mention, I think the timing is fantastic for a variety of reasons. We have a vast service territory. A couple weeks ago I had the opportunity to do a three-day road show for our customers. Grants pass, klamath falls, and bend. So over those three days we had over 250 pacific power customers show up for breakfast, and then energy efficient -- collaborative effort that we had with the energy trust, and in talking with my colleagues who have been at the utility much longer than I have, it's a chore to actually get 25 or 30 people to show up at a utility sponsored conference. We're not the iphone, we're not new and sexy, we tend to just have sort of true believers.

**Adams:** Is that your bumper sticker, "pacific power -- we're not the iphone."

**Egan:** But there's a lot of interest. And there's a lot of need. And the right time, given the state of the economy, given as margaret mentioned what's going on as far as public policy and emissions, this is a great opportunity. For everybody. And so we just thank you, thank our partners, I would be remiss if you didn't think -- if I didn't think carey greer. We appreciate the opportunity. So thank you.

**Adams:** We appreciate your partnership as well. Thank you.

**Bill Micholson:** Thank you for allowing me to be here as well. Bill mickelson. I too want to just thank the city for its leadership on this program. As you think about in theory, this is a no-brainer. In practice, it is maybe too hard to figure out how to do it box. But the city's leadership, especially I want to thank derek smith for his leadership and willingness to pull all the parties together on a very short time line on something that is very complicated. A great collaborative effort all along, and clearly energy efficiency is a key part of p.g.e.'s integrated resource plan for all of our utilities, more than ever, and it's the obvious choice for least environmental impact. We don't want to be billed -- building new power plants when we don't have to. Energy efficiency will meet a huge part of our growing load. We're excited to learn about what this pilot will teach us, what parts our customers really like and what parts we can make easier for them. So that's going to be a key part. We're looking for here. And we're excited about moving forward. Ultimately we have to get customers to be able to take action, and the financing piece of this is the missing link. So we're pleased to be a partner in this. Thank you for what you've done to lead this effort, and we're excited to get to work.

**Adams:** Thank you as well for your partnership. Really appreciate it. Commissioner?

**Leonard:** I want to once again publicly thank pat and pacific power for their sponsorship of the opening night at the rose festival, again. It's a little off topic, but certainly on topic with your community involvement. We couldn't have had the event we did on may 22nd without your help. By all accounts, it was a fabulous magical evening. So thank you. It was the first call and only call I had to make. So next year if I have to make it again -- [laughter]

**Egan:** It was a great night, and we appreciate your leadership.

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**Adams:** Again, thank you very much for your partnership and 4 your testimony today. Thank you. Paul? Next we're going to hear from margie harris from the energy trust, and john verdez from shore bank enterprise cascadia. Good afternoon, welcome to the city council. Why don't you explain your thoughts about the program, and Sort of why this is important to the organization.

**Margie Harris:** Thank you, mayor adams, members of the city council. I'm margie harris, from the energy trust of Oregon. It's my pleasure to be here with you today. The energy trust is a system benefit charge organization that's a byproduct of the state of Oregon's restructuring of the electric energy industry in 1999. What we have is a source of dedicated stable funding for energy efficiency, and renewable energy investments, and all of our investments are to benefit the customers of p.g.e. And pacific power through subsequent arrangements we're also able to serve both customers of cascade natural gas, and northwest natural. All told, we serve about 1.5 million customers in the state of Oregon, and the largest number of them reside right here in the city of Portland. So our purpose is to find creative ways to continually make those investments on a cost effective basis to serve those customers. You've heard about some of the barriers and this program and all of its creative juices are intended to alleviate those barriers, and instead attract a simple process and provide a good complete comprehensive service to people who participate. What we are looking for is the removal of the need for up front capital, and replacing that with a clean, easy mechanism to fund improvements at a deeper level, more customers doing more things To save energy sooner. Carbon-free energy. The only carbon-free source of energy is energy efficiency. So we are about making more of that happen in a city and a state that has an already long-standing tradition of doing this well. I am really excited about the components around the energy advocate and the energy advocate is the role where we're like a general contractor going to pool together the steps in making a project easier for implementation. So from a scer perspective, there will be someone who assists the customer in their decision-making and assist the project in being installed and delivering benefits back sooner and more readily. I think also there's a component here around living wage jobs for contractors who are engaged in this process, and that is a fair and right approach to developing an industry with an infrastructure that is capable of continuing to do this good work. I'm very pleased to be a part of this collective group that you're hearing from today. We're just very pleased again to be a player in this whole cooperative and very collaborative approach. I wish to acknowledge the city for your leadership, the county for its leadership, and also the state for its leadership as we collectively approach this creative endeavor. Thank you so much.

**Adams:** Thank you for your partnership. Shore bank, acting as our Financial institution here. Welcome.

**John Burris:** Thanks for having me. John burdiss, president and c.e.o. of shore bank enterprise cascadia. We're a nonprofit, nonbank source of capital for projects and undertakings that regulated financial institutions cannot engage in. We reformed -- were formed about 15 years ago by shore bank corporation and ecotrust to work at the intersection of locally economy economic opportunity, and the environment and we've spent 15 years donald graham that. We work regionally from offices here in seattle, as well as astoria, coos bay, shelton, ilwaco, Washington, and port anxious less, Washington. We manage \$70 million as a pool of capital from foundations like meyer trust, who is our first formative grant maker, as well as ford macarthur gates allen as well as loans from most of the financial institutions working in the region. And we put those dollars out as high impact financings. We are relatively new to Portland. Many of you may be familiar with our partner organization shore bank pacific, which is based here in Portland with whom we share many initiatives and office. As well one-third of our board of directors comes from Portland. Everyone is said that the pace of this work has been matched to the urgency of the challenge. It has been breath takingly fast. Sometimes breathless. I think we have been able to be a good partner to date because we offer a product, a financing product that we delivered today in a similar but

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differentiated context. I want to tell you about that, because it will tell you a lot about us and about how we think we can deliver value to this important effort. With support from the gates foundation and the state of Washington, we have a \$7 million initiative in the hood canal watershed of western Washington. In which we finance on site waste treatment systems, septic systems for those of you that are familiar with rural living. To prevent continued degradation of water quality in hood canal.

This is a financial product that can be delivered quickly, remotely, and without regard to typical standards of credit quality. Such as income net worth or collateral. We're able to balance water quality with credit quality in that product, and equally prioritize the ecological impacts of a financing with credit impacts of the financing. So we're able to take that product and substitute carbon and g.h.g. for water quality. And we help add water quality back in down the road. It is an existing product that we will be delivering in partnership with our partners. That is the ingredient of a good partnership, which each partner bringing their own core expertise and specialization to that, and that is what is in fact happening here. This is a sliding rate loan product. Delivered through online technology as a one-stop shop specifically designed to go deeper, easier into a structure than would otherwise happen. And we'll than able to approve borrowers that wouldn't otherwise be improve because we're anticipating that risk. It's built into the system, balancing carbon with credit quality. We have an explicit expectation of behaving in ways that move the market to value efficiency, just as we think our job will be done at hood canal when the market pays attention to water quality and the quality of on-site waste treatment, we think our job linn done when the market begins to value efficiency and cash bon in real estate transactions, and that's the way we work. Thank you.

**Adams:** Thank you very much for your work on this. The next three are john gardner from w.s.i. And jeremy hays, green, and tom kelly. Welcome to the city council. Glad you're here.

**John Garner:** My name is john gardner, i'm staff to community investment manager, staff to the regional work force investment board. I oversee c.o.s. It's a local nonprofit membership organization tasked with the systematic development of a system that can increase the participation of women and people of color within a construction trade. Faced with an aging work force, struck leader at the same time turning new workers for future construction jobs. Members come from all parts of the industry. Owners, developers, contractors, unions, and community organizations -- to begin convening work force dialogues to bring together members of organized labor, construction industry, employers, and community-based organizations to have a conversation about the work force elements that would be necessary if the city went forward on large scale energy efficiency projects. These conversations and others like it are crucial as we look at developing a community benefit agreement or other such tool to carry forward the will and ideas the construction industry for these projects. C.o.s. and work systems inc. Through -- work force investment system look forward to investing in the training and preparation of interested job seekers as this project goes to scale in the hopes of thousands of new green jobs are realized. Clean energy works Portland represent as variety of opportunities for city residents from all readiness levels and communities to participate in the region's emerging green economy. It is the hope that clean energy works Portland and efforts like it will offer both a bridge into construction and living wage jobs to communities historically underrepresented in the trade and industry, as well as the pathway back for many skilled dislocated workers back into the work force. Thank you.

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

**Jeremy Hays:** Jeremy hays, a national field director for a nonprofit called green for all. And our organization works across the country to help build what we call a green economy that's strong enough to lift people out of poverty. In my position i've been able to work with people in many cities that are trying to crack this nut that you all have just cracked. That are trying to figure out how to do something about carbon emission and pollution, while we also create more jobs and more opportunities for people that have been left out of other types of 96 development. I want to be brief,

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but I want to say congratulations and you really truly are leading the nation in the development of this pilot project. Not only in the on-bill financing and the payback mechanisms and extraordinary collaboration, which are fabulous, but I think really important in the way that you've involved community and labor organizations, and the way you've begun to develop a community benefit agreement, which will ensure living wages, work force diversity and opportunities for people who have a hard time breaking into the construction trades, training, business development opportunities, all these things i've heard in the discussion of this pilot project, these are the things I think are going to really stand out and show that Portland is a leader of true 21st century sustainability. The effort to bring together protection of the environment with the development of local economy, and providing equitable opportunities for all people to take part in that prosperity. So I want to say congratulations, thank you for this work, and I want to offer green for all as a farn if you need us at -- in any way, if we can help, we're going to be sharing this example with our friends around the country. Derek was nice enough to come down to oakland may 22nd and talk to a group of leaders we pulled together that were trying to get this dofnt even though we shared lots of great ideas, we still -- congratulations.

**Adams:** Thank you for helping to get the word out about Portland's constant effort. Really appreciate it. Mr. Kelly.

**Tom Kelly:** Mr. Mayor and commissioners. I'm really happy to be here today representing my company, neil kelly company. We're one of the contractor partners in this project. I'm going to talk a little bit about history, take you back 30 years. Back in the 70's, you'll recall there was a lot of attention paid to energy and in fact the federal government as well as we here in Oregon had a lot of programs for weatherization, and we had a burgeoning industry in those days. We had a weatherization company, seven trucks and 30 employees putting in storm windows, blowing in insulation, putting up solar hot water systems. When theory began -- reagan administration came in, all Those incentives that were in place, and the partnerships that were in place, the utilities were a big part, the same utilities we have today were a big part of those programs. Basically that whole industry disappeared over a few years because those incentives went away. So i've been waiting 30 years for this day. I do think it's really historically very important, and I look forward to the impact it can have, in those days we didn't know what sustainability went. I think maybe the difference is this time is that we have a lot better understanding about global warming. This is really an incredible change for this city. What we need to do is stick with it. What happened back in the '70s, it was a flash in the pan, we got a few houses insulated and I think that was important. We had solar hot water systems and we saved energy. But we should have finished the job then. We need to finish the job this time completely. Thank you.

**Adams:** Thank you very much. The next three and final invited panel.

**Maurice Rahming:** Thank you, mayor. Thank you, many council. I'm president of nmac. We're a national organization and also a local organization, we represent about 50 contractors here locally that do work in the city of Portland. We live in the city of Portland, and so we would like -- we like the fact derek would like to thank his staff, that they got us involved early in on this, we feel like we employ the people that are here locally, and we're excited about this project, I know a lot of our members are. We feel like we can do these projects for you and we're just happy to be here.

**Adams:** Thank you for your partnership on this.

**Connie Ashbrook:** Hi. Good afternoon. I'm connie ashbrook, executive director of Oregon women tradesmen incorporated, and i'm here in support of the resolution. I want to thank the mayor and the commissioners for their thoughtful and innovative approach to both saving the planet and supporting equity in our community at the same time. Thank you. Our preapprenticeship program will train about 90 women this year to prepare them for careers in the building construction mechanical and utility trades. In fact, i've had two of our graduates go to work for neil kelly and I think maurice has one of them working for him. And including -- they'll be trained for including



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energy efficiency and weatherization careers. So we look forward to them having jobs in this sector, and we want to thank you for this. I also want to take a moment to thank the mayor and council for the resolution you passed on June 3rd to establish employment standards on programs funded by the stimulus. I see that is a comprehensive part of this whole package. And for your support of the economic opportunity program formerly bhcd and now at the Portland development commission, which has been key for us to be able to deliver that training to the city of Portland women. Both of these are indicative of your leadership in ensuring that all of the city of Portland's residents benefit from public policy initiatives and the prosperity that comes from the green revolution. We look forward to working with the city, county, labor, business, and community to take this vision to fruition. There's a lot of work to do to make it practical and on the ground that's our expertise and we look forward to helping you do that. Thank you very much.

**Adams:** Thank you, Connie.

**Ben Nelson:** Mr. Mayor, commissioners, really appreciate the opportunity to be here for the record, my name is Ben Nelson. I work for the Laborers International Union. Really excited to be here this morning, and speaking in support of the clean energy works program. I want to thank you all for your leadership and certainly Derek Smith in the office of sustainability for the hard work they've put in on this. We appreciate the opportunity to be one of the partners in this project as it moves forward. One of the things I do as an organizer, butting heads with folks, employers, contractors sometimes. It's not -- sometimes it's not the most positive work in the world. But I'm really excited to be involved, working in this program. It's a new industry. It's going to be creating a lot of jobs. That's very exciting to be working on something so positive that's not only going to have a positive environmental impact for our community, but really create good jobs out there and real career paths. We're supporting the growth of this industry, our organization's. Throughout the country. Certainly as it starts to grow here in Portland, there are going to be the opportunity to create hundreds if not thousands of jobs. With that in mind, we're -- we have developed the process of rolling out a training program, a comprehensive training program for this industry, and we've got some copies of that that are beginning to circulate and we're looking forward to helping to train folks. We're also looking forward to partnering with folks in the community in terms of recruit can with the community organizations that we've had long-standing relationships with, community organizations, preapprenticeship programs. We're building strong relationships with. We look forward to participating in the recruiting piece as well. We view this as a pathway out of poverty. A real career pipeline. Special thanks for the community benefits piece of this that has involved many folks, and turned these into good jobs for the community. And appreciate the opportunity to speak here today.

**Adams:** Thank you for your partnership. Thank you all for your great partnership on this. Thanks to the council for their patience on the numerous panels. How many people do we have signed up?

**Moore-Love:** We have two more left.

**Adams:** Welcome, glad you're here.

**Jeff Bissonneth:** Thank you, Mr. Mayor, members of the city council. For the record, my name is Jeff Bissinette, with the Citizens Utility Review Board of Oregon. Representing residential ratepayers. We're statewide organization, about 5,000 members around the state. And we were more observers than participants in the development of clean energy works Portland. We mainly worked on house bill 2626 down in the legislature that you heard Representative Bailey talk about. And I just wanted to acknowledge a couple things, and then make three main points. The one introductory comment is that the work on house bill 2626 was made much easier because of the work you'd already done and the portion of the field you'd already plowed as we were starting to ask questions and figuring out how to put the bill together, your folks here in the collaborative group that you've heard from had already asked and fortunately answered many of those questions. And so that gave a lot of

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guidance and leadership in putting that statewide bill together. So I wanted to acknowledge that leadership that the city has taken. Three points I wanted to make quickly was to put a finer point on the piece that I believe bill Nicholson said in terms of energy efficiency as a resource. And that's good to hear coming from a utility, because that does not traditionally been the position of the utility that it is energy efficiency is a resource the way any other power plant is. And we like to say that the cheapest kilowatt hour is the one you don't have to produce in the first place. So that helps consumers. Secondly, it's good to know we're building on a structure that we already have that's working very well. So we're leveraging resources that we already have in place and am identifying those resources and in a time when we're trying to do more with less, that's a very good thing, that we're not tossing out existing structures and trying to always create something new. And thirdly, I want to end by thanking you for not having the box of too hard to do. Because we have issues we're facing in terms of climate change, in terms of consumer protection, in terms of new energy generation that are am coming together that I appreciated mr. Kelly's historical lesson because we did start to learn some lessons back in the '70s and woe sort of stopped that education process, and we can't afford to do that anymore. So thank you for removing that in box from your desks and we look forward to continuing to be a partner both with clean energy works Portland and helping to move this idea to the statewide level. Thank you.

**Adams:** Thank you very much.

**Rob Bennett:** Rob bennett, executive director of the Portland sustainability institute. I echo everyone's comments toorsd my enthusiasm for this adam plumondore is significant in having prior to start -- prior to my work with posey, was in the seat derek was in trying to develop residential energy efficient programs, comprehensive service models for the clinton foundation. And I got a teas of how difficult it is working in the cities of chicago, houston, and l.a . The good news is Portland is taking a good idea and moving it much more aggressively and comprehensively than other cities have done. And indeed the eyes of the nation are on us. And the model before you today is a significant achievement in bringing those partners to the table and doing it in an expedited fashion. So i'm -- as an advisor to the program and a cheerleader, i'm really glad to see how quickly it's moving. The notion of game changer and scale, that's at the heart of what posey has been created to do, to look at strategies and help promote strategies that are scalable. 500 homes does not a clean economy make, but it's a first step in trying to figure out how to unleash private capital and cities really do have a sick role in energy security. I think what you're seeing here is the city's most ambitious activities to date, first Partnership out of the gate, in which cities are taking an active role in energy efficiency and helping deal with energy security the long run. So the city's role is significant. It's one of the few cities in the country taking such an active role. And finally I wanted to mention that I think this is only the beginning, and I would challenge the city council and the city generally to think about how to move more quickly to unleash in this case the private market and capital to start to look at other mechanics like an environmental performance certificate and other things that can be embedded into this program over time so that the consumer side of this and the consumer awareness of these programs is enhanced. And there's a lot of good work happening overseas, good work happening nationally around environmental performance certificates that I think would enhance this program. Clearly the commercial industrial sectors need to be addressed also obviously there's a tremendous amount of opportunity for the same kind of partnerships there. And generally to encourage you to move on the green building policy because it really works hand in hand. Cue does to the work that's been done to date and looking forward to the next generation to come.

**Adams:** Thank you very much. Is there any additional council discussion before we vote on the resolution? Karla, please call the vote.

**Saltzman:** One theme I heard throughout the presentation was how this happened quickly beyond people's expectations, and I credit a lot of that to mayor sam Adams, because anybody who has

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worked with the mayor knows he's very good at pushing things along. And getting things done quickly. But it sounds like things came together and I want to also thank the state, jewels bailey and the state legislature for passing h.b. 2626, commissioner cogan for his leadership on this. This really is an exciting opportunity. It is I think a challenge in situations about energy efficiency, and probably renewable energy technologies in the residential sector as it's really hard to overcome two things really. And one is ignorance and the second is inertia. I count myself in both those categories. I was tremendously impressed when neil kelly was out at my home doing a home energy audit. And really odd at how little insulation I had -- awed at how little insulation I had.

**Adams:** Odd or awed?

**Saltzman:** Both. I thought I had a better performing house than I did. Until that infrared camera showed me all those spots where cold air is coming into my house. Thanks to neil kelly i've taken care of that. But it really is, it's hard to sort of get your hands around these issues, and once you overcome the ignorance and inertia, overcoming the ability to pay is the third obstacle. We're going to be working on all three of those fronts, and hopefully this 500-home pilot will be an outstanding success, we'll have people take advantage of it and we'll be able to help them pay for these investments. Great work, and I look forward to success. Aye.

**Leonard:** I don't know how anybody could not like this. It's brought together the state, the county, labor, private sector, it's a politician's dream to be able to support something like this. I have no opportunity to offend anybody. I appreciate the excellent work and the --

\*\*\*\*\*: Nice try.

**Leonard:** This is really a wonderful program. I'm pleased to support it. Aye.

**Fritz:** This is tremendous. Thanks to all of our public, private, and nonprofit partners for working on this. It's especially wonderful because it has 2.5 million and 5.6 million from the federal energy efficient block grant program. So it's going to be something which will perpetuate true stimulus project and create new funds which will keep this going hopefully. So it's exciting too that it's for retrofitting and it's for people who are living here now and helping them to pay their energy bills, and to be more -- to reduce those energy bills. So thank you all, and Congratulations and cue does to mayor Adams for bringing this together in record time. Thank you to the staff, excellent work. Aye.

**Fish:** Let me start by saying jules, thanks for joining us. You're a breath of fresh air in the legislature, you did a great job helping Portland in this session. So thank you on that. And to our partner jeff cogan at the county, jeff, as always, thank you. To tom kelly, since everyone seems to have is a tom kelly story, I have done a lot of canvassing in the 972 -- fill in the blanks. And i've done it often with your sister susan. There are three kinds of people who answer the door -- friends of susan, friends of jim or tom or people who have had their kitchen remodeled by neil kelly. Anybody who wants to canvas in the 972s, I recommend a member of the kelly clan. Also pat egan, I want to thank you for the fireworks. I wasn't able to get to the 4th of july fireworks this year, but I told my family that I thought I probably saw a better fireworks display courtesy of what you did when we opened the -- so thank you for that. It's very exciting to be -- see us moving forward with this important pilot project. Like all true sustainable solutions, this project has multiple benefits. Portlanders save on energy costs we create new green jobs and reduce our co-carbon emissions. I'd like to thank all the people who put their heads together to come up with this new program, and particularly our mayor. As housing commissioner i'd like to thank john warner and matt collier for their work on the development of the innovative financing solutions. I'd also like to thank the hard-working staff at the bureau of planning sustainability, including derek smith and michael armstrong, and susan anderson. For incorporating the ideas of all the experts and partners into a terrific program. By providing low-interest, long-term financing for quick and easy investment, we are making Portland homes more affordable to live in. And this pilot alone will have a positive impact in Portland and hopefully it will just be the beginning of a larger movement to do retrofitting of

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homes across the city and state. The more energy cost savings we can provide for Portland homeowners, the more affordable housing stock will be in the long run. I'm encouraged by the continued strategic and creative thinking around how we can best leverage funding, available for energy efficiency upgrades, and I want to congratulate all those here today and working behind the scenes who have worked to get this pilot program off the ground. Aye.

**Adams:** Well, as a first in the nation effort and with such high expectations to deliver on so many different dimensions, this is going to be difficult. But it's the best kind of challenge we could possibly take on, and everyone that you've heard from today and many more are determined not to get up -- give up until we get it right. And that's a difference I hope from what happened in the sort of the last energy shock. And our response to it. I want to underscore thanks to derek smirktz lisa libby, kimberly schneider, the whole susan and the whole planning and sustainability team for their work on this. I also want to underscore thanks to the utilities for unlike most other utilities in the united states, have stepped up to become a partner with this, and have shown the courage on this that is remarkable, and it should be underscored and noted. I want to thank the fiscal partners and labor for your partnership and finally the county for being arm in arm, our partner in this. Jeff, really appreciate all the great work we've done together on this. Your contributions to it specifically. So thrilled to be part of this, and this is the end of the beginning. And now the beginning begins. Aye. [gavel pounded] thank you all very much. We're going to take a five-minute, because we've got a different group of --

**Moore:** Take care of the next one?

**Adams:** Anyone wishes to testify? Any council discussion? Karla, please call the roll.

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

**Adams:** Aye. [gavel pounded] we're going to take a five-minute break to change out the audience. Good work, everybody. [applause]

At 3:28 p.m., Council recessed.

At 3:34 p.m., Council reconvened.

**Adams:** Wednesday, July 8th, afternoon session. Karla, will you please read the title for the time certain, council calendar item no. 985.

**Item 985.**

**Adams:** Members of the city council and guests this afternoon, I'm pleased to introduce a five year economic development strategy designed to promote jobs and spur economic growth for the council consideration. If adopted, this will be the first recognized economic development strategy for the city of Portland since 1994 and a lot has changed in the last 15 years. In fact, a lot has changed in the last 12 months. Employment in our region stands as at 12.3%. Up from 4.5% just a year ago. In past recessions, the city of Portland has been one of the last cities to feel the brunt and the last cities to recover. I know we're committed to doing everything we can to make sure that that doesn't happen this time around. And in the last five months, the city council has been working hard do our part. We have fast tracked five years worth of capital improvement projects into the next two years.

We have extended permits, reorganized the cities' eight permitting bureaus under one roof. I increased general fund support to the Portland development commission by 27%. And we have focused the city's organization on respective missions of p.d.c. and the new emerging bureau of housing with the reorganization. And even among the economic doom and gloom, some entrepreneurs are finding a way to revitalize our economy. 579 enough business licenses applied for last month, triple the number the year earlier. The past 12 months, 7,000 new business licenses.

Two and a half times as many as the prior 12 months. Now we need to make sure that those folks succeed. And without an up to date economic development strategy, our city agencies, partner organizations, chambers of commerce and academia, we have done the very best we can, and will

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do the best we can to help entrepreneurs and businesses and families. But to overcome the enormous challenges before us and seize on the opportunities we face, we must work together like never before with a clear focus on job creation and a clear plan to reach our goals. Last fall, I asked the p.d.c. To craft a new economic development strategy using a fact-based, data driven best practices approach. In the last nine months, they've received substantial input on the goals and actions from my economic development cabinet. Business owners small and large, local chambers of commerce, business organizations from neighborhoods focused on international trade, academia, organized labor, economists and our partner organizations around the city that we'll count on in the future. I would like to thank the economic development cabinet for their work on this effort. The strategy sets out that we'll be considering today an audacious goal. To become the most sustainable economy in the world and in this quest for international leadership, to create 10,000 net new jobs within the next five years. Let me repeat that. Because this is a community citywide goal to create 10,000 net new jobs within the next five years. Portland is a city committed to the belief that we can offer great quality of life and make a good living at the same time, that there is prosperity and sustainability. Might ask what it means to strive to become a world leader in economic sustainability. I was struck with a conversation with the Japanese ambassador when he visited Portland. And he -- he -- a man with some sense of humor. He said, well, this is a very impressive place. You have a great quality of life. But just remember, Japan is twice as energy-efficient as your city and your country. And it really speaks to what is possible for us. Japan has a quality of life similar to ours. Is actually, their average lifespan is higher than ours and yet they consume -- to achieve their economic output, twice less energy per unit than we do. In a sustainable economy, businesses produce goods and services more efficiently and thus more competitive in their position.

We intend to build on our competitive advantage that we have already created. Our businesses are up to the task and just today, prior to city council approved -- helping to jump start a new industry by purchasing six streetcars that will be made locally and the first time since 195 it, I believe, that -- 195 2, that modern streetcars had been manufactured in the United States. Just a few minutes ago the city council approved the clean energy works Portland program that's a pilot program to provide for on bill financing so that homeowners can make the weatherization improvements in their own homes and pay it off on the bill. So we're doing everything that we can to implement the strategy even before it's approved. But we need to recognize that our do it yourself, ethic, which is a core strength of the city, a core strength of Portlanders, sometimes can be the you're on your own reality and this new plan makes the case for more investment in economic development efforts and job creation efforts. But today is not about asking for money. It's about getting agreement on what we need to do. This fall, we'll come back to the city council in work sessions to discuss implementation, accountability measures and resource development options to make this plan a reality. I'd like to introduce -- beef got two presentations and a video that I ask the council's patience on. It's been a long day. But I ask your patience on because we worked really hard -- when I say data-driven and fact based, we mean it. We wanted to research this strategy in a way it was built on the foundation of the facts. I'd like to introduce Tim Priest, the C.E.O. of Green Light Greater Portland. Who will present the 2009 Greater Portland Index. Mr. Priest.

**Tom Priest:** Thank you, Sam. I'm not sure I need it, but do you mind if I stand?

**Adams:** No, you can't. I don't know. It's what we do here. We sit. [laughter]

\*\*\*\*\*: Well --

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

**Adams:** I think it might be security. You can stand but you might be tased at any moment. You can stand. I think we need to dim the light.

**Priest:** I'll claim special dispensation today. I'm here under duress. I had a spider bite in a rather embarrassing spot and it precludes me from being able to sit today during the presentation.

[laughter]

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**Adams:** My staff did not warn me, I apologize for making you explain. [laughter] now i'm embarrassed. Mr. Priest, you were saying?

**Priest:** Yes, well, I wanted to take you quickly through the presentation we put together for the -- let's see if I can find it.

**Adams:** Oh, no, we don't want to talk about [inaudible] [laughter] it's like a five-year my grain -- migraine. All right. There we go. All is good now.

**Priest:** Well, I don't know how many of you are familiar with green light greater Portland, but we're a privately funded regional development program created to really create jobs for this community and help find ways to make this community prosper. Three core tasks include managing the brand image of region and creating awareness outside greater Portland about the opportunities. Attracting new companies to the area as well as retaining the base of companies here and finding ways to help them grow. Again, this is a privately funded effort that's done in close coordination with p.d.c. and hillsboro and beaverton and even clark county. And the other jurisdictions around the region. It's a seven-county metro area. Most of the economic development conversations are focused on four coins, again, that resolve around Portland. Today's presentation just want to touch on a couple of key things. The first is some population and economic trends we've identified from our report. Talk about the industry strength we've identified and quality of life features and then briefly about the future. Portland's got a ton of great people moving here and it's a very desirable place. We'll touch on that briefly. This region has 2.2 million people. And, you know, when compared to the rest of the west coast, described as a mid-sized metro. But the trend we thought was the most important from coming out of this report was that last year, almost 5% of the population in this region was new to the state. So you're having pretty unprecedented population migration into the region at this particular time. And when you contrast that population migration and growth in population with job creation, you see a pretty wide divergence between the two. If you think of 2008, which is not shown here where we had probably a little bit of negative job growth. 2009, we lose 40,000 jobs while adding 40,000 people. 2010, we're expecting to gain just a few thousand jobs but again, almost 36,000 people. You begin to see a recurring trend. And the message here really is that unemployment is at 12.3% for the region. 12.4 region wide. And we're expecting that -- thank you. We're expecting that population -- sorry, the unemployment number to continue to rise. Could reach as high as 17 or 18% in this region by 2010. Again, in large part because of population migration and population growth. So there's a real sense of urgency around the conversations we're having today. Overall when you compare Portland to other major metros, our job losses are not any worse or any more severe than other west coast markets. The main difference is we're a desirable place and people are moving here despite the fact that the economy is facing hard times. And the five year job outlook for this region is positive. We're expecting 10% growth. Over the next five years. Again, healthy job growth. Most will begin in 2010 but really accelerated by 2011. And you also see austin, texas, with a strong growth. It's a group that has definitely got their act together in terms of economic development program, aggressively funding it and having a solid strategy for their growth. A couple of key industries I wanted to light for you. By the way, those were wind turbines in the region. As we look forward the next five years, there's a couple of industries that are going to drive our growth. Professional service, manufacturing and transportation logistics big parts of our growth for the next five years. And these are the four key sectors we think are going to be the major drivers and these are the ones we have the most competitive advantage, clusters, if you will, but they're areas that we have a concentration that's higher than the national average and a cost or competitive advantage over other markets. That's manufacturing. Portland is still a place that makes things. We make everything from electronics and what you see there is an intel fab, to metals and machinery but a lot is very advanced and many of these companies doing well. Many are considered small businesses as well as. Outdoor apparel is a major cluster for us. A very important cluster. And again, many of the

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companies in this base are young companies growing very quickly and show a lot of promise and we believe we can attract additional companies to that cluster. You see a set of solar panels there. This region has done a great job of attracting clean tech. We've gotten the headquarters for vestas and solar world out in hillsboro and we are beginning to attract other major companies in that space. So again, that's an exciting industry and when you look at the forecast for clean tech in general, you know, both solar and wind, the forecasts are off the charts. There's no question that the united states is going to consume a huge amount as we move toward energy independence and Portland is well positioned to attract those companies and many will be small businesses as well. And the last is software high tech services. Many of these small businesses are already started here. I suspect if we look through the business licenses you referred to earlier, mr. Mayor, you'd find a huge number are going to be in this sector. And that's a exciting opportunity for us as well. And this is a core area of focus. I wanted to touch on a couple things that make Portland an unique place. This region is a place that has a very green and outdoorsy ethos and this chart shows we have the second highest concentration of outdoor gear stores in the west. We also have more hybrid car ownership than any other market in the west. Probably worth touching on the green build information this region as well. We have more leed certified buildings in sheer number than any other market in the west. Though, I do think it's worth noting this trend, when we look at the number of buildings in application process, are -- in application form, we believe that greater Portland will lose the number one status in this category within one 0 two years. Almost every other city on this list has huge numbers of buildings in application status for leed certification and will purchase surpass us. We have more leed certified school buildings than any other market in the west. We can build on this green ethos we're known for. Air quality, when you compare to los angeles and sacramento. Lots of arts establishments, second highest concentration in the west. This one I put in not because it's a good news. It's a telling story. If we do nothing, if we decide we're good and don't have to act and continue to strive to be the best, at one point, greater Portland was known as the center of recycling thought leadership and over the last 30 years, that position has slipped dramatically and we're behind every california metro and seattle for our recycling. Lots of people using alternative transportation here. And the -- I think the point we wanted to touch on here, because you've seen us as an early adopter of green technology, everything from using alternative transportation to bicycles to -- to car sharing, we're -- and hybrid vehicle ownership, you're also now seeing the car companies bring their electric vehicles here as a test market. And we think that's a real opportunity. We believe this region will be able to attract some of those companies long term to do some of their r and d here, as well as manufacturing. I wouldn't rule that out as a possible growth intersection for this market long term. Growth sector long term. More organic markets and farms and restaurants. Speaking to our green ethos. I believe this region really is just about to take off. We've got a reputation for being america's greenest city and presents us with unique opportunities. So that the take aways from my presentation are first this region has the second highest unemployment in the u.s. So we feel a sense of urgency do everything we can to address this challenge for our region. And the regions we have high unemployment are direct opposite than detroit has them. We don't have anything wrong with our economy, we just happen to be a desirable place and despite the fact that we've got high unemployment, we have great opportunity to seize this brain gain and drive our economy forward. I'll tell you that we're in an unique time where actually as a region, completely aligned, and p.d.c., you see hillsboro and gresham and clark county all agreeing on what our core strengths are and what the tasks are ahead of us and it's an unique time in this region to seize on. And we're facing some very intense competition. Many other markets are going to go after these green jobs that this region is going after. We're uniquely positioned for it, but there's no guarantee we'll get them. As you guys are considering this, I would caution you that many of the other communities are going to approach this as in an aggressive way and working -- aggressive way and address the national challenges we're facing. And as we look at this, we released this june 11th and

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tim who is here today, came and talked from the state's perspective and heard tim talk about their four sectors, which are aligned with what i'm describing today. And we'll erin who will talk, saying the same thing and we married from the regional groups and all of those folks on the same page, which hasn't happened in quite some time. So with that, i'll stop, happy to take yes, sir and then we'd love to turn it over to erin.

**Adams:** Questions from a the city council for tim?

**Fish:** Are you going to stick around.

**Priest:** Yeah.

**Adams:** We might have questions later. I want to take this opportunity to thank you and your team at green light and your excellent analysis of jobs and regional and national market trends that has allowed us to ground the strategy in a way we never have before.

**Fritz:** I want to emphasize what you say. This is privately funded. It was the businesses stepping forward and saying a rising tide floats all boats and I appreciate your explaining this to me during my campaign last year and I want the citizens to know how much the business owners and businesses are stepping forward to support the city as a whole in our prosperity.

**Priest:** The business community has contributed over a million dollars annually to fund economic development and we continue to get positive response.

**Adams:** If I could, acknowledge jim mark, who really spearhead the creation of green light. How many years ago.

**\*\*\*\*\*:** Eight.

**Adams:** Eight?

**\*\*\*\*\*:** Nine.

**Adams:** Nine? But I want to thank you in creating a team from the private side as noted by commissioner Fritz and tim and your team for your great work. Really appreciate it. We're going to see a video now. Is that right? Ok. And then we're going to hear from erin flynn, the actual economic development strategy presentation. This was done in house by city employees and it's fantastic.

**[video - start]**

**\*\*\*\*\*:** The city of Portland stands at the threshold of a new economic era, facing opportunity and challenge in equal measure. Investments in an universally praised quality of life, continues to attract creative class and people who can maintain a dynamic local economy even in the face of recessionary pressures. But Portland must invest time and money to build on the city's undeniable strengths.

**\*\*\*\*\*:** There's an ongoing effort to make things happen. That's the way it is all over the country. And all over the country, you don't see the programs you see in Portland. You have to make a difference, so I want to be part of the decision making. You can't make a decision from the outside, but it's also got to be open from the city side to make a difference about bringing people aboard to make a decision and make that decision something that everybody buys into.

**\*\*\*\*\*:** Portland is the american hub for active wear. Home of long-time apparel foot ware pros. And newer rivals like new zealand import icebreaker.

**\*\*\*\*\*:** Portland's focus on sustainability. It's ingrained in who we are and secondly, this is the playground for where our product is warn and played in. And the talent. There's a great talent pool and it's a wonderful city to attract talent that fits well into the brand that we design and produce. One of the opportunities we have is to console date the industry and -- consolidate an advisory package or just a venue where we can share ideas. To benefit the entire industry. Portland, the ability to get more of us here to Portland. But I do think that's one of the things that's lacking right now. We don't have that formalized process. I think a lot of us around the table, begin to share ideas. Two things, focus on the business and how we can expand our businesses. And secondly, how we can make Portland a greater hub for our industry.



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\*\*\*\*\*: Many municipal municipalities around the central core of Portland are extremely friendly to business and the city of Portland has become much better as a place to run a business as well. For our business, the textile business is very focused here with very large companies having their design engines right here in Portland. From that standpoint, it's a spectacular place to find great talent.

\*\*\*\*\*: Poised to become the capital of the green economy, Portland has become the ultimate laboratory for innovations in alternative energy, green building and living, a center for the expertise ch2m hill offers.

\*\*\*\*\*: Our Portland office, because it's so large, is viewed as a leader in the firm when it comes to sustainability. The real challenge is when we start to compare ourselves to Chicago or other cities and try to outdo them. We can't. We have to understand what's important to Portland. Net zero buildings. Leed is great. We've built a lot of reputation on our number of leed buildings per capita and we have a great cluster in Portland doing the architecture and planning for leed. But net zero buildings and beyond is where we need to keep other focus and drive ourselves as a leader in the world.

\*\*\*\*\*: As a diverse technology oriented workforce, Portland marion counties sense for organizations like Jive software which arrived from New York City with three people and big plans. Jive software is thriving with 130-plus employees and an exciting outlook from new headquarters on the edge of Portland's Pearl District.

\*\*\*\*\*: I think the best used dollars would go toward injecting the competitive d.n.a. We need to get some of the companies out of the entrepreneurial stage. I think the dollars, referring people through the university system or the private venture community, find ways to lure them to Portland, because that hypercompetitive d.n.a. can mean the difference between something that's a small venture that sells for \$10 million, or the next Microsoft.

\*\*\*\*\*: Challenge and opportunity are perhaps most evident in Portland's advanced manufacturing, where traditional industries meet green economy innovation. From the first streetcars to wind turbine components, we have a re-unique position and many challenges to compete in a global one.

\*\*\*\*\*: The streetcar is one of our new generation product. We apply innovative techniques to our traditional manufacturing base to come up with new products and improved ways of building things.

\*\*\*\*\*: We -- good wages, everyone here owns a home. We actually have contributors to the community that way. So in my guess, wood industry is down, how do you grow business? Maintain it? I need to find another market. I think that's the food service market. That's the market we're going after right now. And also, architectural market. So finding a niche market and getting use of -- [inaudible] with them as a supplier, that's the challenge. But you know what? That's why I come to work every day. That's the fun part. Kind of a marketing campaign for small businesses, that would probably help.

\*\*\*\*\*: We think there are significant advantages to running our business from Portland and so we try to leverage those in our processes and innovation, speed to market, which we can do much better than most folks who moved businesses to China or elsewhere. As we pursue green initiatives or high tech, we don't often think about or talk about often enough, our manufacturing resources in this community. And our needs are unique. And we'd ask that our community leaders begin to understand those a bit better. It's an enthusiastic commitment to stay in this community and I hope that commitment can be met by our community leaders and governmental leaders and when we do, that partnership will be successful for both. And I wish we had 400 people in this building, you could see the families we support and the diversity of the people in this country. They're the heart and soul of what Portland is all about.

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**\*\*\*\*\*:** Few cities are as well positioned as Portland to lead the green economy with balanced focus on opportunity, supported by forward thinking funding and partnerships across the public and private sectors. Portland can meet its goal to build the most sustainable economy in the world.

**[video - end]**

**Adams:** So thanks to John and Ann and others at p.d.c. For putting that together. And an all in-house team. Now a presentation and doing that is Erin Flynn. Please come forward, Erin. Do you have a spider bite, too, or can you sit down? [laughter]

**Erin Flynn, Portland Development Commission:** I can sit down.

**Adams:** Ok.

**Flynn:** Thank you, Mayor, it's a great pleasure to be here today to finally be presenting the city's five year economic strategy to the city council. I'm Erin Flynn, the director of urban development at the Portland Development Commission and as you know, p.d.c. Has been leading the charge on the city's economic development strategy. Working very closely with the Mayor and his staff and I want to thank Sam Adams for his leadership on this really critically important issue for our community. I also want to thank all of you, city commissioners, we vetted the strategy with each of you, and received your input and support and really appreciate that. The strategy has been vetted very extensively. We've met with small business groups from the small business advisory committee to the apnba, the Portland Business Alliance, the Working Harbor Coalition. So we've really received a tremendous amount of feedback and input on the strategy and incorporate it had into what you will see today. I do just want to acknowledge the team at p.d.c. That has led this work. Headed by Patrick, Peter and Geraldene Moyle. They've done a great job under a tight timeline.

**Adams:** Very tight. Where are they?

**Flynn:** Yes, where are they? Can we acknowledge them? [applause] It has been a fabulous team effort, I will say. So what I'm going to do quickly is provide you with a very high-level overview of the strategy. I'm going to be presenting the basic bones of the strategy. Not going into detail on action plans as the Mayor has mentioned, we will be coming back with detailed implementation and work plans. Metrics to hold us accountable for delivering on the strategy, as well as a resource development plan later in the fall. So I want to start with the basic premise of the strategy and that is that Portland has done really a phenomenal job. The region and city are lauded nationally by our great quality of life and widespread commitment to sustainability. Over the past two decades, Portland has become a destination of choice. We're a darling of the national media. And people are flocking here to enjoy the good life and we consistently rank high on the competitive city indicators. Accolade abound. The best city to live in, ride a bike in, have a baby in. So we're getting a lot of attention and play. And that's wonderful. But for those of us who live here, we know there's a disconnect. We know that the quality of life and quality of place that we've created here has not automatically translated into widespread economic opportunity or job creation. And this strategy puts a stake in the ground and makes the case that Portland must shift its attention sharply to the fundamentals of economic development and job creation to focus more directly and deeply on research and development in our universities, technology transfer out of our universities into the marketplace and the incubation of small businesses and retention and expansion of existing small and large firms. Portland does have a tremendous opportunity at this point in time. We can be the center of the global green economy. We've got all the right ingredients. As you know, we have a large and growing concentration of firms in clean technology which include companies involved in energy efficiency, renewable energy, environmental engineering and green building. We've got a remarkable manufacturing capacity which Tim referred to in his presentation. The ability to support the growth of clean tech, to design and build the required parts for turbines, streetcars and carbon-neutral buildings and we have years of shared values and leadership on environmental issues. And I think that's one of the characteristics that distinguishes this community

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from many other cities across the country. We see many cities moving into this space but we've been living this way and basing our policy decisions on a shared set of values for many, many years. This city council has been responsible for several of the innovations in our policy framework that fuel innovation in the private sector, including green building policy, alternative fuel standard and most recently, the city-county climate action plan. And we have a remarkable influx of talent and the numbers again, that Tim showed demonstrate this. Young people are coming because they want to be part of this innovative milieu. And we need to provide opportunities for them to contribute. So we have this remarkable opportunity, this moment in time, but we also have many challenges. We all know we have a second largest unemployment rate in the country. This does reflect the fact that we're such a desirable place to live and people continue to move here without jobs. It also, though, reflects our heavy dependence on the traded sector and reliance on manufacturing. Orders are down and that affects us. We have ongoing persistent challenges in our region that are quite troubling. Lower median wages, higher poverty rates and fewer 18-24 year olds enrolled in college than Seattle to the north and San Francisco to the south. So we have systemic challenges in terms of our economy that we need to deal with. Despite these challenges, though, people keep coming. We're growing six times faster than the nation as a whole. What that means is that it's incumbent on us, on the city of Portland to really figure out how to provide economic opportunity for all those people. How to start firms more quickly, how to grow and scale them more quickly to create economic opportunity both for our existing residents as well as the people who are moving here. Historically, city of Portland has not been focused on economic development. We've placed great emphasis on place making and quality of life and they've paid dividends. People are coming and want to live here. But it's time to shift gears and really think about how we build the capacity and infrastructure to help businesses thrive and create widespread opportunity. Tim Priest mentioned what a competitive world it is out there and boy, is he right. We undertook a study of the competition to see what they were doing in economic development, how much they were investing and across the board, we found that our competitors very more in economic development, more money, more human resources, and they've built greater capacity. So one of the areas we really need to focus on is resource development. How are we going to develop the tools to fund the work that you're going to see in this strategy and we'll be very focused on that in the months to come. As the mayor said, the overarching goal of the strategy is to create 10,000 net new jobs over the next five years. We want to build a thriving green economy that utilizes and builds off our historic assets while embracing the creativity and vitality embodied by the new talent here in the city and region. And we're certainly not starting from scratch, despite the current recession and economic downturn, we've got a solid economic foundation. Comprised of small firms anchored by strong manufacturing and high tech. A strategic location at the Pacific Rim. A world class airport and the third largest U.S. Marine port on the west coast. We want to be the first in clean tech here in Portland, but I think it's important to recognize that clean tech really is the tip of the spear. The strategy leads with clean tech because global trends and U.S. Policy priorities suggest that this will be a burgeoning field for years to come. We're well positioned to take advantage of the growth in this field and do need to seize this opportunity. But clean tech industries are not a panacea. We can't vet solely on clean tech. We need to work smarter and we need a concerted effort on scaling the many promising small firms in a variety of industry sectors that contain fast growth potential. The strategy recognizes a vast majority of job growth will come from existing firms and most of those existing firms are small firms. We also want all of our businesses, new, old, large, small, to adopt and utilize sustainable business practices, such as zero waste and natural [inaudible] they create more sustainable companies, profitable and reduce environmental impact. So that's the context for why we need a strategy at this point in time. I'm going to now talk about how we're going to get there. How are we going to achieve these ambitious goals. We have limited resources. We have big aspirations and we need to focus. And we've organized the strategy

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around three key areas which i'll talk about now. The first is maximizing the competitive environment for traded sector companies and the second is driving urban core innovation, and the third is stimulating neighborhood business vitality. So the first area of the strategy focuses on is maximizing the competitive environment. And what we're talking about here is really creating an environment, a operating environment for firms in which innovation can happen more quickly here than in other places and in order to focus our innovation effort, the city of Portland is adopting an industry cluster strategy focused around the four industries that tim priest referred to. These have been identified by the Oregon business development as core areas to focus on. Those are clean tech, which i've described. Advanced manufacturing, which is our metals and machinery and transportation equipment sector. The software sector. And the active wear sector. I want to talk about why we selected these four industries. All of these are traded sector industries, which means they sell goods and services outside of the region, bringing new wealth into the region and all of them contain almost limitless potential for growth as they tap new markets across the nation and the world. All four of these industries are concentrated above national norms in terms of talent and the number of firms indicating a distinct advantage it a Portland location. All four are growing quickly here in Portland. Faster than in the nation as I whole. All pay high wages, far above the median wage of jobs in Portland. And very importantly, they all contain strong multiplier effect. Which means growth in these industries fuels growth in others. Such as create i, distribution and logistics. I do want to make clear that when we talk about traded sector businesses, we aren't talking necessarily about large businesses. We did receive some pushback in the vetting process that a cluster approach is not small business friendly. But I think it is very important to note that traded sector business does not mean large business. Most of our traded sector businesses are small businesses and the goal of these companies is to grow. Expand and trade goods and services so they can increase they are customer base and sales and profits. So we parsed the data and I can say with confidence that the majority of employment in the traded sectors we've identified does, in fact, come from small businesses. That's not to say that the large anchor firms don't matter. They matter a lot. That's why the smaller firms come to Portland, small officials grow as a result of contracts with the large anchor firms. But those companies tend to get most of the media attention and it's important pa we recognize and the strategy recognize that it really is the hundreds and thousands of small firms that compose these clusters that are going to provide the vast majority of growth. Clusters that will provide the growth. In terms of the traded sector strategy and cluster strategy, I did want to just reference quickly the areas that we'll be focused on. The first is workforce development. To match the skill needs of targeted industries and working with workforce systems ink and the Portland community college, driving higher education partnerships for reference and development to align those investments with innovation in these industries. We're already working closely with p.s.u. And Oregon" to align goals -- Oregon inc. And we've launched an international strategy to help these firms tap into markets abroad and expand their capacity to export goods and services. The second part of the strategy we call driving urban innovation and this is really a focus on maintaining the edge. Maintaining the brand of our central city. Portland central city really is a competitive asset to the entire region, not just the city of Portland. It represents the brand, embodies our commitment to sustainability and we're well known nationally for our transportation. Our user friendly city, our light rail and streetcar and bike infrastructure and green building and we need to continue to demonstrate leadership in these areas but we want to do it moving forward in a way that's focused on job creation. Three areas of activity here. The first we call next generation built environment as the slide, showed, we do have a slight lead in green building, but that's likely to diminish as time goes on and other cities move forward in the greenspace. We're focused on the next generation of green building which we call a living building and the Oregon sustainability center is well on its way to becoming a center of excellence for p.s.u. That will focus on green technologies. We'll also focus on ecodistricts which takes the green building notion to scale. We

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also will be sharply focused on job creation in the central city. We have a number of terrific redevelopment sites right now in the central city, including burnside bridge head, conway, the post office, centennial mills and we want to view those as employment sites and ensure the density goals in terms of employment in the central city. We've seen growth outside of the central city happening at a faster rate than downtown. Finally, we want to really own the brand and we'll be working with green light greater Portland. We all know we've been getting fabulous press over the last year. The "the new york times" loves us, the "wall street journal" ran a big article on us and we see it everywhere. But what we do see is that the -- the coverage we're getting tends to focus on lifestyle, quality of life and on our quirky kind of bohemian character and we love and own that, but we also want the world to know we're a great place to do business. To locate and expand a company. So we're going to be launching a campaign to that effect. Finally, just to close up, I want to talk about small business vitality. The city of Portland recognizes that the vast majority of job creation comes from existing firms. Many of our big brands, started as home businesses serving local markets and grew to serve international markets. Leatherman tools and columbia sportswear started small and scaled up. So we need to figure out how to grow all of the small firms in this city. How do we provide our entrepreneur, that culture that the mayor referred to and give them the business skills they need to grow their companies? Access to capital. Market research, product development. And to that effect, the city will work with existing organizations in the entrepreneurial space to identify small companies with fast growth potential. And provide customized assistance -- customized assistance and it's economic gardening and proud to launch this program with a number of organizations represented in this room. The second area related to small business is the establishment. A main streets program. This is a goal for commercial corridor revitalization. We've seen remarkable revitalization in northeast on mississippi and albert a, hawthorne and division. These are anchored by small locally owned firms providing dining, retail and basic services. We want to that I can take the notion of vibrant commercial corridor that's we see in the inner ring of the city and expand that focus out to neighborhoods like st. Johns and lents and gateway and we're going to launch a competitive process in which main streets can apply for more intensive services and customer service. And then finally to support both of these activities, we're going to be launching an one-stem web portal for small businesses and we've heard repeatedly from the small business community that services are fragmented and difficult to access and hard to find. We need to make it as easy as possible for all of our small businesses to identify the services that they need from the city, as well as from private providers. So just to recap, again, those are the three big areas of the strategy. Much more detail at our website. And to come when we return to city council in the fall with work plans, implementation plans and a resource development strategy. So just to close, we will be working closely with the mayor's office, with the mayor's economic development cabinet. And at p.d.c. Over the next two months to develop these work plans and we'll be coming back to share those with you in a couple of months. So thank you.

**Adams:** Thank you, erin. Good job and fantastic work leading the team on this. We appreciate it. If it's ok with the city council, because we've got a number of people who have to testify before they've to leave, folks will stick around for council questions, if that's all right.

**Flynn:** Yeah.

**Adams:** So charles wilhoite, lindsay and sandra come forward. Good afternoon, and welcome to the city council.

**Charles Wilhoite, Portland Development Commission:** Good afternoon.

**Adams:** We look forward to hearing what you have to say and we would appreciate brevity.

**Wilhoite:** Happy to be here. I'll go first, since you called my name first. Charles wilhoite. Good afternoon, immediate past chair of the Portland development commission and current commissioner and I want to take a moment before I say anything to thank you for approving me for another term at the commission. It's a valuable organization and i'm honored to be affiliated with it. There's

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talented and committed individuals working at the commission to I look forward to working with you in the future in my role as a commissioner. Today, of course, i'm here to provide an endorsement for the economic development strategy. As indicated, it's a culmination of hundreds of hours of involvement from public and private sector members, city staff, p.d.c. Staff and the community. And, in fact, it represents a product that's the result of a process that represents Portland. Inclusion, and participation, and it was wide scale. So those types of products are the product that is generally provide the best benefit to the community. I'm honored to have been the chair of p.d.c. During the development of this economic development strategy and I strongly encourage you to adopt it. While no one is able to predict the future, it's reasonable to say the prospects are always improved by planning. The economic development strategy prevents -- presents a solid framework for the expansion of our economy. Emphasizing our sustainability and extending its reach. Clean tech and sustainability industries, active wear, software and advanced manufacturing. While clearly no strategy can hope to fully satisfy everyone. However, the strategy before you contains the necessary components that with the commitment of adequate resources should enable Portland and the region to successfully expand as the nation's leader in sustainability.

While achieving targeted growth and 10,000 jobs is a significant number of jobs, but we have a framework, a focus and it has the right components and targeted objectives. And that's in my estimation, a recipe for success and it's well thought out plan and delivered plan that we just have to take action. Before I go on, i'd like to especially thank bruce warner, you heard about erin flynn and her role in this particular process. She was assisted by patrick cunningham and geraldene moyle and -- i'm sorry, patrick quinten, and when we look at the process and the parties involved, including your office, mayor, it's significant to get nine months down the road and see this on paper in front of us as a very defining moment with regard to the city of Portland. We're in the midst of some economic turmoil torque say the least. Some might say it's bleak out there. I like to tell my clients and anyone who will listen, that this is an opportunity for success and we're looking down the road and this is the exact time to be looking down the road. This plan provides a framework that will enable us to achieve the light at the end of the tunnel. So we have to take action. We won't ever satisfy everyone. But we do need a framework for action and that's what this plan represents. And I want to thank you, mayor Adams, and kimberly and everyone in your office. You entrusted p.d.c. With the responsibility of leading the effort to achieving in economic development strategy and I hope each of you is confident and as enthused as I am with regard to implementing this plan and helping us attain those 10,000 jobs and basically maintaining our position in sustainability, promoting that position and promoting the liveability that we all know and love in Portland and that's what we're talking about. Healthy vibrant communities, jobs and liveability. So thank you for the time.

**Adams:** I want to note the obvious and put the compliment right back to you. This happened while you were chair of the Portland development commission and I want to make sure you know how grateful we are for your leadership. This wouldn't have happened without your leadership as chair. Thank you.

**Wilhoite:** Thank you, very much. I won't take too much credit but take the complement nonetheless. We had great staff and it was a cooperative effort. Thank you.

**Sandra McDonough:** Thank you, mr. Mayor and members of council. I'm sand are a representing the Portland business alliance. Supports the city of Portland economic development strategy and like I mr. Wilhoite, we want to thank mayor Adams for leading this effort. We've needed this for a very long time. In these difficult time, job creation has to be our number one focus and this strategy is a critical roadmap not just to restore employment in the city today, but also to establish a roadmap that will help us make Portland thrive in the future. Our state unemployment rate is 12.4% and only behind michigan in that rate and unemployment in Portland is 12.1%. We support the city strategy for adding 10,000 new jobs while positioning the city which is an international leader in

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sustainable business practices as the model for metro regions all over the world. Likewise, we support focusing the city's limited economic development resources on recruiting a select number of trade industries that are emerging concentrations of employment and expertise and we especially appreciate that the strategy acts the -- acknowledges the importance of our central city. It's less than 1% of the region's land mass but holds 13% of the region's employment base and continued focus on the central city is critical to our region's well-being over the long term. We share the concern expressed in the strategy and by people here that the city's economy and employment are more vulnerable to declines in consumer spending, business investment and international trade and we lag behind cities in median family income and appreciate the city's effort to address these vulnerabilities and retain and grow existing firm, train workers and fund innovative and catalytic projects. As I said, the alliance absolutely supports the strategic traded sector approach laid out in the plan but also need to remember that it's easier to retain and grow existing businesses and we need to continue to pay attention to the businesses we already have here employing people in our region. Including our very, very important small business sector. In conclusion, as I said, the alliance supports the strategy and thanks the city and p.d.c. For their renewed and very necessary focus on economic development and I particularly wanted to thank the p.d.c. For the partnerships that they've built in our region with other players throughout the Portland metropolitan region so that we're truly achieving a broad base regional support with partners in how we build jobs for people throughout the Portland metropolitan region. We look forward to the city council passing this.

**Adams:** Thank you for your partnership on this project. Appreciate it.

**Lindsay DeRoche:** Hi, Portland state university. I want to say that Portland state university is very, very enthusiastic about this watershed day and watershed report. I have been working on this with the p.d.c. Folks for over two years, but I do remember going back three years ago when I first sat been with bruce warner and talked about the relationship of Portland state to the city and the Portland development commission and outlined thoughts I had about the historical relationship with Portland state a renewal. And then came erin flynn and our real work on economic development really started getting underway and we started to strategize in earnest about the relationship between the city and university should be. And what's clear in erin's report it's got to be strategic. About jobs and focused and what's also clear it higher education has got to be a principle piece of the strategy. You can't get there without a good university system, without a good college system. The report recognizes this. You need the young people. Even the older people who go back to become newly he had indicated. Who -- educated and who are desirous of those jobs, especially the jobs that take advantage of the talents they have. And you need the brain power of the faculty who by nature are obsessive. I never said that, that faculty are obsessed. But these are obsessive people, about whatever questions they're dealing with in the physical environment and human community, whatever it is, they're obsessive and they're going to find the answers and apply them.

**Fish:** I'm married to one and she's definitely obsessive. [laughter] going to be sleeping on the couch tonight. [laughter]

**DeRoche:** Please don't report me. But those are the folks that come up with the ideas and those are the ideas that need to be accessed by the people who want to create businesses in this community and the people who want those jobs. P.s.u. Wants to bring this to bear. We want to help with the audacious goal, that the mayor called, which I like very much, because job creation in this economy is not a luxury. It's an absolute critical point. As p.d.c.'s been doing this work, Portland state has been doing work with this work. We've done our own economic development study and strategy, and that strategy report will be shortly published and it will align perfectly with what you have just seen and heard about here today. P.s.u.'s academic assets and goals with the city and the goals that we have for Portland state are going to be step by step and hand by hand in alignment we're going to be carrying out an implementation plan with the Portland development commission for these two

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reports. Now, we're just a little bit ahead of ourselves. The mayor and president, our new president. Not so new anymore, signed an agreement just a few months ago to say what I said. That we want it see that alignment. What we have to offer and what the city needs and find the ways to interrelate our two organizations even more concertedly. We enthusiastically endorse this plan.

**Adams:** Thank you very much. Thank you all for your testimony and work on this plan. If we can have tim mccabe and john torino and duane johnson. Please come forward. Good afternoon, welcome to the city council.

**\*\*\*\*\*:** Ok. If I sit? [laughter]

**Tim McCave:** I'm particular mccave. Director of the Oregon business development department. Mayor Adams and commissioners, thanks for listening. Formerly known as the Oregon economic development and community department. We changed our name. I i'm -- i'm going to be brief. The second being my meter expired at 4:24. Thank you for.

**Adams:** Thank you for your \$24 contribution. [laughter]

**McCave:** Can't say i'm happy [inaudible] my agency is in support of this plan. This is a well thought out plan and as erin said and tim said, this closely parallels what we're doing on a statewide basis over the coming years and I want to add what's been said, mayor, it's I think in a great part due to your diligence on this and you're to be congratulated and bruce's staff, erin and peter and there's a great group at the commission and I think this is going to be a successful endeavor. With that, i'll turn it over.

**Adams:** Thanks, tim, and thanks for your partnership on everything we do in Portland. John?

**John Turino:** Good afternoon, mr. Mayor and commissioners. I'm john torino, of the alliance of Portland business associations and speaking on behalf of the organization this afternoon. We're pleased that the city of Portland has seen fit to commission the p.d.c. With the development of a formal economic development strategy. As you heard, it's a long overdue task and long overdue effort and we're pleased to see it come to the point where it's ready to be approved and adopted by the city council of we're also pleased one of the three elements focuses on building jobs for the thousands of businesses in Portland's 36-plus business districts outside of the downtown core. We believe a strategy without that element would have been significantly flawed and pleased that it was included. Having had the privilege in the development of portions of that strategy, I would like to commend the p.d.c. Team for their listening attitude, hard work and attention to detail in crafting the current document. It's indeed been a team effort and one we feel we have significant input in shaping the results. We offer to continue that participation as we move forward into implementation of the strategy. We, therefore, support the adoption of the economic development strategy as described in the current document and we urge you to continue the refinement of the strategy into the implementation phase. Particularly with respect to the community economic development portion of it. We also urge you to found and allocate adequate funds to p.d.c. And organizations like ours that will provide the technical assistance to the business community to help them execute the strategy. Thanks to p.d.c. and you for your support of this.

**Adams:** Thanks for your partnership as well. We appreciate everything you do. Duane.

**Dwayne Johnson:** Thank you, mayor. My name is duane johnson, vice chair of the city's small business advisory committee and i'll be representing them today. 15 years is a long time. The economic environment has changed considerably over that time and we recognize we've got significant challenges ahead of us. The time really is for action. And actually we feel that this effort is a step in the right direction. We recognize small business is a vital part of our economy. We recognize the city's growth and acknowledgment of this fact and that any successful economic development plan will have small business as a part of it. We see that the city is taking decisive actions along those lines -- excuse me -- and by doing so, the city promotes economic growth that helps creates jobs in small business as helps them be effective and we recognize those jobs actually



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are ones that aren't going to move out of the state or country. And in reviewing the plan, we're cautiously optimistic. We read past the words and to the intent, and what we see is we have a mayor that's intent on developing and executing a strategy that moves the city forward in a positive direction. We appreciate this. And in working with Erin and Peter and P.D.C., we found them engaging and open and responsive to efforts to ensure small business support in this strategy. We see that Kimberly Snyder, Skip and Clay Neal from your economic development group have been available and cooperative in supporting our interaction with you and actually moving this overall plan forward. But there's more to do. The plan is just the beginning. And the current plan will add some specific, particularly when it comes to fund canning, which makes us nervous, but we recognize the fuzziness at this stage may be necessary to move the strategy forward and to give the owners of each of the specific areas an opportunity to actually craft their own plan so they can move forward with it. We recognize that plan as part of a larger effort and participatory effort. We don't see this as the end that's going to be packaged and put on the shelf the next 15 years. The chairs and vice chair of our small business working group are committed to working with all of the organizations that have participated in this to make sure that we continue to move this effort forward. And that John Torino has been working with us, and he's on our committee but he's been working tirelessly to ensure that small business is included in this effort and the P.D.C. And Green Light Greater Portland and many others in developing this strategy. We urge you to support this. And we invite the community at large to engage. With it's with the SBAC or the PBA or either direct - - even directly through P.D.C. And the mayor's office, we suggest people get involved, because that's what is going to make this work. We look forward to working together with you and building a future we love.

**Adams:** Thank you, and thanks as well, drain for your great leadership on SBAC. We appreciate it. Next we'll hear from Joe and Juanita. Thanks for waiting and appreciate your patience. Welcome back to city council. Joe, do you want to start?

**Joe Nunn:** Sure, I'll start. It's nice to have a great city where you can talk to the people that govern you. Not a lot of cities have that. My name is Joe Nunn and I want to greet the mayor, the city council members and thank you for letting us address you today. My name is Joe Nunn.

Accompanying me is Juanita Walton, we serve on the chamber of commerce and the Oregon business network board and we're here in the absence of our director Roy J., he's promoting Portland right now in Boston and trying to bring the 2015 convention of the national association of court managers here. That's what he's doing now. Promoting Portland. Mayor Adams, we want to thank you for your leadership and understanding the need to promote small business industry. As you know, Mr. Jay serves on our business cabinet and our organization continues to lead in the area of small businessmen forking. Most recently, our subsidiary, Oregon business networks with a collaborator in the Oregon boost, in conjunction with the Eugene based Palo Alto software. Over 16,200 units that were distributed to small business and potential businesses across Portland. That's \$3.2 million worth of software that was distributed in Portland. There were multiple locations, including the event we had right here at city hall that was so popular we ran out of vouchers and had to get more codes from people from Palo Alto software for the next day. Providing small business with tools and directions to help weather the tough times should create a better economic vitality for the city of roses in the future. All of your efforts supported by each of you and your staffs, and many others working behind the scenes have made us realize you plan to boost small businesses and your efforts are to be highly commended. Thank you very much.

**Adams:** Thank you, sir and thanks for your partnership in putting this together as well.

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

**Wanita Walton:** I'm Juanita Walton, a member of the African American chamber of commerce and on behalf of our member of the claimant Oregon business network, we encourage you to adopt the five-year Portland economic development strategy which is being considered here today. It's good

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for our city. For small businesses. Large businesses and helps us chart a new avenue to a better economic future. Thank you.

**Adams:** Thank you very much. Appreciate it.

**Andrew McGoff:** Thank you, mr. Mayor and members of council. I'm andrew mcgoff. With work systems inc here to express support for this plan. I thought I would add a piece of information to something that someone was talking about that. That's our 12.1% unemployment rate and that's about 144,000 people in this region being unemployed at the moment. And I agree that we're likely to see more people, not less, in the near future. So I can't think of anything more important, particularly for an organization like ours who is focused on trying to train and move feel move jobs than a-- move people into jobs than a plan that's focused on creating new jobs and I think this plan does that. And we're enthusiastic supporters of this and hope you'll do the same. So thank you very much.

**Adams:** Thank you very much. Appreciate it, andrew. And all of your work. Robey roberts and james curly. Good afternoon. Thanks for waiting. Appreciate your patience.

**Roby Roberts:** My name is robey roberts, I work for vestas. The largest wind manufacturing company. We have -- our world wide reach is in 63 countries and we are headquarters here, north american operations in Portland. And i'm here to say how much I have appreciate the strategy. I think it's focus -- its focus is commendable and I -- one point I really want to make, I think it's important, the clean energy sector in which we're a part of is actually not only thriving, but it's a world leader in Portland. We are the sort of clean energy -- I think in the u.s. And worldwide, we're what houston was for fossil energy, we are to clean energy and with the world's biggest manufacturing company here for wind, the world's biggest renewable development headquarters here, the manufacturing, the utilities, etc., this is something that we need to build on and I think this strategy help do that and I think it's very important so I want to commend p.d.c. And the mayor for his leadership and think this is something worth supporting.

**Adams:** Thank you very much.

**James Hurley:** I'm james hurley. I'm a citizen of a couple of other country, canada and the u.k. And I run a country called keene footwear. I want to tell you about what happens when you don't have a strategic plan. I was a former president of solomon north america, and a few years ago we were acquired by a company in helsinki, a holding company and the choice was given of where should we locate this new conglomerate of brands we bought? And I was on the receiving end of a dark side decision in Portland where a mayor, not dissimilar to this, but from a much smaller town, matthew god friday, in ogden, utah. Assembled the city and state, the business community, the livelihood of the community and convinced a holding company in helsinki to relocate the company from california, Oregon and the boston area to ogden, utah. It was there was a clear set of goals and some alignment occurred and clearly support was given. And I have to tell you, sitting there in my situation a few years ago, this was not the case from Portland, from Oregon, or the community. Either the business or such, it was a very fragmented confusing and basically at that stage, and this was a few years ago, I think Portland took for granted the situation we had. Portland is an awesome city. It truly stands for everything that our industry in active wear stands for. It's probably little known in this room, but it's truly in the center of the trend triangle. For active wear literally starts around the bay area and extends up to vancouver, canada or a little north to whistle letter. Where the olympics will be happening and extends to boulder, colorado and if you think of the trends in action sports that have occurred in the last 30, 40 years, it's in that triangle. Portland is in the center. We need to take advantage, for the cluster we call active wear, but beyond that, it stands for what we call at keene, we encourage everybody to live a hybrid life. To create, play and to care. Portland is synonymous with the hybrid life. We endorse a five-year plan and strategy because we believe if Portland can exude a hybrid life, keene can win. Our business is growing, we're hiring right now. If anyone knows how to create shoes or do marketing, let kate lee there know. We're

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hiring and we feel Portland is not just the best place to be for today, but for the future and with a five-year plan that has clear vision from the mayor, goals and alignment, the execution is up to us. The d.n.a. Is there, we need to provide an action plan around it that seems very sensible from what's been presented. So we fully support it from the active wear side of the world.

**Adams:** Thanks very much.

**Fish:** Thanks for your support of intertwine.

**Hurley:** It's at example where you put down borders and work together, the intertwine is a wonderful program we see only upside.

**Adams:** Thanks for hosting the reception for the mayor of vancouver british columbia. He was very impressed.

**\*\*\*\*\*:** Great, thank you.

**Adams:** Last two are leslie carlson and kent snyder thank you for your patience. Glad you're here. Leslie, do you want to go first?

**\*\*\*\*\*:** Kent was going to go first. Trying to delegate.

**Kent Snyder:** Old guy -- my name is kent snyder. Thank you, mr. Mayor and commissioners. I'm an attorney in town, but serving on the sustainable development commission in its three iterations. And now the new version which leslie co-chairs. I was co-chair for many years and the reason i'm to go first is to say that the commission wants to acknowledge this is something we've been advocating for. We're your citizen advisory group and been advocating for this for over nine years. We started the process back then with p.d.c. To say this is what the city should be doing. So we're extraordinarily pleased and happy that this has finally come to fruition and see there's growing and the Oregon business association and on and on are realizing this is what we're known for. So we're very happy and commissioner Saltzman has been involved all along the process and pushing for that. So there are a couple of points I wanted to make briefly. I have observed, because I also serve on the international sustainable development sustainable board for sustainable development. Too often when strategies and programs are developed that are going to achieve these bold audacious goals, they can become rule driven and we need to be sure the metrics are in and look at the programs regularly and make sure they're flexible and respond to the needs of the constituents and becoming effective at achieving the goals. That isn't mentioned in there, but we will as s.d.c. and the city council make sure that this thing keeps the flexibility. In the international arena, the city and p.d.c. have been pretty successful in investment areas and business recruitment. However, when mounting a strategy that is this -- has been outlined in this plan, a higher level of sew fission indication is -- sophistication is needed than has been present in the past. For example, I think you should recognize, and p.d.c. should recognize there are many local resources that are already active in the international arena and they should be brought in as part of the strategy. The strategy doesn't talk about how to bring those in. We look upon ourselves frequently in Portland as we're a great center of collaboration. We should be more humble. We can do a lot better. So the points we make or I make here, the keys are going to be flexibility and especially focusing on collaboration. Real actual collaboration. So leslie will speak on behalf the commission.

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

**Adams:** I would add to the important observations and is shows up in our nomenclature around alignment. Getting people involved and this is the vision and goal document with some examples of things we need to get going right away but returning in the fall with those metrics and guts and alignment.

**Leslie Carlson:** Mayor and commissioners, i'm leslie carlson, the co chair of the [inaudible] development commission. I'm going to be brief because it's cocktail hour. If we're struggling or working in the sustainable development commission with the issue of he can quit and making sure that sustainability, the people's side of the equation is not forgotten and I hope the implementation that we look at equity and make sure that the good green jobs go to under-served communities. The

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second piece shall the public policy framework that surrounds the economic development strategy. I think Portland's been successful because we've had support in investments and green building and how we've developed as a city and I hope the city council thinks about the right policy public policy framework. An example would be a carrot and stick approach for getting the sustainable business practices you want. Providing the technical resources and incentives to businesses so they can use less resources and water and energy, and create less pollution and penalizing those that are not able to do it with assistance to bring them along. I hope that's something you will consider. And we're thrilled. Thank you.

**Adams:** Thank you for your advocacy. Karla, how many people do we have signed up?

**Moore-Love:** Nine.

**Adams:** Nine? So let's say two minutes each unless you absolutely prepared for three. But we've found what can be said well in three minutes can be said even better in two. [laughter] Karla.

Thanks for waiting. We appreciate it.

\*\*\*\*\*: It's a pleasure.

**Adams:** Welcome to city council chambers. King? He had to leave as well. Hi, who would like to begin?

\*\*\*\*\*: Ladies first, please.

**Jerry Larsen:** Be happy to. I'm a three-minute wonder but i'll do my best. My name is jay larsen.

Of the greenville project, we relocated from san antonio, texas and the economic development strategy is a shining example of one of the reasons we chose Portland over every other region in the country to locate our business. We looked at a lot of things when we considered where we wanted to locate our company. Being at the crossroads of green building and retail development and in a hot bed of what's possible in the sustainable bidding industry, we wanted to align ourselves with a city that has a brand that identified in that sector. The fact that this new economic strategy is coming out right as we are moving to town could not be exciting. We hope to be Portland's poster child for what's possible in energy neutral development and wanted to speak on behalf of our industry to say we could not be more excited and supportive and please, pass this so we can move forward and create the type of city that we can all stand back and be delightfully proud of as we move forward.

**Adams:** Thank you. And thank you for participating in the small business summit. We appreciate that. Hi.

**Kerry Yu:** My name is kerry, the director of the international affair of Portland fashion synergy. And our mission is to help the local fashion designers and small apparel business by helping them create more jobs for -- helping them by finding more opportunities. And creating more products and networking. And our -- products and networking and position Portland as one of the countries leading centers of creativity. And I think Portland, like was said, it's become a brand. With passion for sustainability and commitment to quality life. And I have a story to tell, like last trip, we were in china in april, and we use this [inaudible], I think we, the first speech I gave in the press conference, asking people do you know -- I mean, everybody likes nike and adidas and columbia. Do you know where they come from? Nobody really knows, but we promote Portland and I don't that brand to promote Portland. By the end of the trip, and we were successful. Because people, people in the fashion business want to come to Portland. Working with us, and there was a really good program and I think branding is really important. And also, also in china, there's -- is my time up? Anyway, i'm just saying that also we would like to emphasize made in u.s.a. Thing. And this is what we want to do, emphasize our local designers to having our brand name in china or anywheres that made in the u.s.a. Because another story -- i'm going a little bit longer. One of my friends asked me from china, can you buy some nike brand from u.s. I asked why? Because we want something like u.s.a. We don't want made in china. Where it's made. Where does it come from? In

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short, I think the strategy is like a headlight. We don't want to drive at night. We don't want to drive without lights. It's a headlight. You tell us where to go and we'll be there.

**Adams:** Thank you very much. Hi.

**Tad Lukasik:** Thanks to the council for the opportunity to talk today. It's great to speak in person on this one. I'm representing Oregon creative industries today and for the last 15 years i've been a local small business -- film and video. Today i'm going to tell a story. We're coming off the fourth of july holiday. From what I can tell, Portland is going on the economic development road trip. A five-year journey for us. We know where we want to go. That's to be the most sustainable economy in the world. My question is can we really get there? And I think the answer is absolutely positively yes but we need your guys' help to do that. We have -- I said it -- hope I won't get in trouble. But we have a kick ass vehicle driver for this. The vehicle is the Portland development commission strategy itself. The driver really is the city of Portland and p.d.c. P.d.c. Is there. And the high octane innovative fuel, we foe what that is. We've got everyone in here, the whole community and the brain gain that's come to this community. I think we have all of that. I'm impressed by the strategy. I endorse it 100% and I want to thank the whole economic development team and the mayor for his inspiration for this. I've been very, very inspired by this the last few weeks. So thank you very, very much for

that. And in closing, I would like to please ask the support of the council for this economic development strategy. I think it's a great, great thing. Thanks again.

**Adams:** And thanks for the work you're doing in the creative industries. Thank you all.

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

**Adams:** I think -- did m.j. have to leave? Johnny, do you want to testify? Sure, that'd be great.

Welcome to the city council. We appreciate you hanging in there with us. And who would like to go first?

**Sattie Clark:** I will. My name is sattie clark. A representative of voice for Oregon sustainability and as elite inc., a sustainable manufacturing company located in the urban core. With me are some of my voice colleagues. Stand up. Over on the border there. John, valerie, of yellow paint, daniel of aloha development. Johnny, of pcei. and barbara. Voice is a new sustainable business alliance with more than 300 affiliated businesses. Most small to medium sized located in Portland. For the last few months, our working acronym has been soba, and we have our roots that was p.d.x. Lounge. And green building services and includes others, and we're here to support the on behalf of ourselves and the other member businesses of voice. We believe that the plan provides a solid foundation for future growth and development. This plan is a big step in the right direction and should be adopted unanimously by the council and strengthened and refined over time. There are two key areas we would like to see refinements made to the strategy. First, while the plan acknowledges over 95% of Portland's businesses have fewer than employees and we do not -- we want to feel that the plan focuses strongly on the incubation and support of the healthy sustainable businesses that exist in our urban core already. A lot of them, small to medium-sized businesses. Secondly, we feel that the approach of focusing on specific industry clusters, while excluding others may be short sighted in that a sustainable local economy works as a complex and interdependent whole. Food and farms was our big concern there. And without reservation, nevertheless, we thoroughly endorse this plan and encourage you to adopt it now.

**Adams:** Thank you. Thank you for your comments. Appreciate it.

**Mary Vogel:** I'm mary vogel with plan green, a women business enterprise in the state of Oregon that emphasizes ecosystem services and excellent urban design. And as a board member of the Portland downtown neighborhood association, I really applaud the emphasis of the plan on the downtown and central area as important in setting the pace and defining the region. I couldn't agree more that downtown shapes our image. That's why i'm submitting my downtown vision for a p.d.c. addendum agenda discussion. Nowhere can we better educate our citizens as erin flynn put it. I

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want to applaud you for including transportation and land use and even high density d. As sustainability strategies. As these things often get left out in discussions of sustainability these days, and in favor of what new urbanist designer doug far called green gadgets in his keynote address for the national league of cities here in Portland recently. And I -- well, ok. I have some quotes from -- well, for example, page 22, where you do focus on the things I just talked about. But I -- I would like to see added urban design and ecosystem services to the list of what Portland is known for, and then I would like to see us really work to become known for that by doing things like -- and i've written to you about this before -- looking at removing the requirement for off street parking for new houses -- offstreet parking so we don't get multiple driveways interrupting the sidewalk. We can convert all of our public landscaping to natives over time. Albeit. And I will further -- ok, there's several great examples where this has been done in the city. P.s.u. Along 10th street. The planting of a good part of the block and also the native american center. The importance of that, I did want to emphasize for -- well, there are many reasons, but one is so that we don't continue to bring in the kind of diseases that have caused ecosystem havoc. Like the greening disease. The aaa center for leed platinum building has climbing tremendously as --

**Adams:** Sorry, you're over time.

**Vogel:** Ok. Well, let me --

**Adams:** A final thought?

**Vogel:** Well, yeah, I just wanted to mention our chap of the congress for new urbanism will be bringing the international transportation summit focused on urban design in november. And that local planning is headed by marcy mcnellie of sera and then we also have other people who are working international --

**Adams:** Sorry, I need to -- I need to move on.

**Vogel:** Ok, well, in any case, the whole -- the point is that we do need to incorporate both urban design and ecosystem services into the plan as well. It's an excellent plan but I would also like to see those things also incorporated.

**Adams:** Great comments. Appreciate it. Johnny.

**Jonny Holz:** Thank you, mayor Adams and commissioners. There are a lot of people testifying on behalf of organizations. I'm testifying as a citizen who works in one of the cities that's highlighted in your economic development strategy. I work in the energy conservation industry and my company is based in Portland. Don't own it. Work for it. The economic development strategy, it resonated with my experience in Portland and what I value in Portland. And when I speak with people, people ask me what I do, and I tell them I work in the energy conservation field, usually people's eyes light up. And they ask: Are you hiring? And we usually are, even in today's economy. We're growing. In fact, we've grown exponentially. 300-plus people. And we're not alone. Portland's made itself a hub of energy conservation and related industries. So it's -- it's clear that people in the city have a tremendous amount of energy and enthusiasm for supporting sustainable businesses and it seems that Portland's made a name for itself in this arena. And that only makes sense that the city embrace this is competitive advantage and creates opportunities for people to unleash their energy and creativity to make Portland a leader in the world of responsible businesses. With that I endorse the plan.

**Adams:** Thank you very much. I appreciate it. Let's have council discussion.

**Leonard:** I actually had a question that probably bruce and erin.

**Adams:** Why don't we have bruce and erin come forward. And others as needed. Commissioner?

**Leonard:** I want to congratulate you on this report. And bruce, this is outstanding. And I read it. \*\*\*\*\*: Wow.

**Leonard:** And appreciated the presentation and the video presentation as well. But maybe this is a definitional issue, but understand that in -- that in Oregon, Portland is unique in that its economic development agencies is a quasi independent entity you don't find in other -- entities you find in

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others -- you don't find in others. I don't know if they have a p.d.c.-like function that's out outside of their local government. I understand that distinction, understanding our role is to -- that translates into general fund expenditures but i'm economic development strategy confused by the report, page 32 and in your presentation, the analysis comparing us to other like sized cities would lead one to think that we're under-funding our economic development when -- and this is the part that maybe this is a definitional difference that you can help me understand better. For example, when I think of economic development, I think of the time that sam and I got in a car, four years ago and drove to gresham and met with the owners of a company and persuaded them to consider a site in lents and used urban renewal dollars to bring them there. The pearl, what you see as the pearl happened because of the urban renewal area and investments made. I would call that economic development but that wouldn't be reflected in this. Are we comparing apples to apples or apples to oranges with other cities? Why is this \$3.5 million identified as economic development but the urban renewal and investment we do are not?

**Flynn:** That's a great question and i'm pleased to be able to be able to address it. When we conducted a comparative study of other cities and their economic development efforts, we were looking at what we would describe as non-tax increment finance activities. So one of the things that's fairly unique about Portland compared to those other cities, most cities do not have their economic development functions joined with an urban renewal agency. So typically, the economic development office of a city is part of the mayor's office. But we have this unique bureau form of government and economic development in Portland has always been part of the Portland development commission. So when we -- the Portland development commission. When we did the comparative numbers, we're comparing our general fund --

**Leonard:** Uh-huh.

**Flynn:** -- annual budget to annual budgets of other cities that are dedicated to the same set of activities. So we excluded sticks and bricks development from the comparative analysis. But we looked at the money that other cities put into small business startups business retention, business recruitment. We did a comparative analysis that did very much try to compare apples to apples.

**Leonard:** Help me understand the distinct there. For me, just my own personal experience and -- with sam talk assurity northwest, how do you distinguish that from the economic development you describe to general fund, when in reality, I understand the distinction between general fund dollars and tax increment dollars, but as we're learning from our partners around the region, considered to be general fund dollars if not directly from the county's coffers, but rather more -- I guess what i'm concerned about doing, what I don't want to do is have the council believe or assume that we're not making the commitment that we should be making because it feels to me if we can do more, we should, but we should be comparing in seattle has an urban renewal agency that uses tax increment dollars. We should be comparing the entire budget, including these more targeted general fund dollars. But the reason I supported expanding them, I know we can spend them beyond urban renewal areas. I get that. If I was answering that questions, that's what I would have said back to me. These are unrestricted dollars we can use in any area of the city, but the truth is we spend a lot of money investing in businesses. We help small businesses in urban renewal areas and we have development funds and those things. So it seems to me a better comparison would be all of the dollars each city spends and that would give me a better handle on what we need to do to improve our standing.

**Adams:** And I think that we will -- I think we need to give you and the council both the report and whatever briefings you want to sort of distill the analysis down and make sure we're getting the right comparisons. I think you make a fair point. We do use urban renewal dollars on business assistance.

**Leonard:** Uh-huh.

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**Adams:** And that's your point. So I think that when we come back in the fall, we'll make sure we've got the information the way you want it and we're comparing if they're urban renewal kind of financing and some of these other jurisdictions.

**Leonard:** I like the general fund, but I would like what's the budget for that as well so I get a better sense of the overall.

**Adams:** Very fair. Commissioner Fritz. Do you have anything.

**Fish:** In deference to the time.

**Adams:** Later: Just wait: [inaudible]

**Adams:** Very rare counter punch. Karla, call the roll. He got you there, randy.

**Leonard:** He did.

**Saltzman:** I want to commend mayor Adams and Portland development commission and all that participated. I think it's a focused plan and certainly comes none too soon. It's focused and we need the focus on job creation. On the strategies, the sectors that will produce the jobs and also complement the identity and this level of quality of life that we all aspire this area to be. So great work and I look forward to implementation quickly. Aye.

**Leonard:** This is really an excellent report and it's one that I will keep right behind my desk because it's full of really good information. Good analysis. I agree a lot with what was said in here and appreciated a lot what we heard today from businesses. That was really very reassuring and look forward to doing more work on this. I want to congratulate mayor Adams for his work in leading this effort and bringing this to us today. Thank you. Aye.

**Fritz:** Thanks to the mayor's office, the Portland development commission, green light greater Portland and all of our business and community participates for your heart work in reviewing and revising the draft of this and reaching a fine end product. Erin flynn and her team for their hard work and leadership and in working with me to assure that the office of healthy working rivers and that's included in the strategy. And a recognition of the port and working harbor and river development. Pleased that -- particularly sections that deal with small businesses and the impact they have on our economy. Aligning the city strategy with p.s.u. and I appreciate lindsay meeting with me earlier this week and the new concepts and programs like economic gardening. As indicated in the small business advisory council meeting this morning, this is a plan and while we do have high aspirations, the hard work is in the follow through to make the plan work. So i'm delighted to see everybody here today and look forward to working with my colleagues to ensure this strategy coordinates all of the city's economic development initiatives and achieves greater prosperity for Portland and Portlanders. And it's delightful to see you sitting here in both chambers which are stickers. We're used to seeing folks advocating for housing and arts and civil rights coming in with stickers and here we have Portland is coming in to advocate for business and economic prosperity and it doesn't -- we have for too long considered business a four-letter word in Portland. But the four-letter word, which is good, is jobs. And business means jobs and it's time for us to recognize that, yes, we live in a wonderful place and yet if 25% of our citizens are unemployed or working for minimum wage it can't be the kind of place we want and it whats to involve having well-paying jobs so we can have the society we want so we can support our schools and support all of the things we care about and indeed, we have some very affluent people who can be philanthropic in supporting things that make -- philanthropic who can support things that make Portland great. And to do that, you have to have a job with money. And I love how Portland does volunteering and that's part of it. It doesn't have to be either/or. It has to be both. I appreciate that part of the strategy. It recognizes that we can do better in many different aspects and pleased to vote aye.

**Fish:** We're in our eighth hour of council today. [laughter]

**Adams:** Going to be the shortest --

**Fish:** In deference to my colleague, the former fireman --



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**Leonard:** Firefighter.

**Fish:** Firefighter. [laughter] but there are days, it's days like today, when I go home and my wife says, how was work? And I can't believe I get paid to do this work. The story -- the headline in the paper tomorrow will be about a street naming debate we had today and there'll be editorials probably not complementary and that's an important issue but for those who have been here all day and probably some who have been survivors of eight hours of us -- we have party favors for those of you who have been here all day. [laughter] in the course of today, we had a thoughtful presentation from the metro president on a regional system for parks, trails and natural areas and an unique opportunity to be first in the nature. We had a fascinating discussion about the next step in our regional transportation system and about streetcars with the icing on the cake being that we're going to manufacture them within the metro area. We took up an issue that's central to our climate action plan which is an innovative plan for how we're going to create energy efficiencies particularly around homes and a pilot program and we even -- a pilot program. And we met with the supreme leaders of the elks and thanked them for coming and spending five million bucks and writing big checks while they were here to support hospitals and non-profits. And i've left out other things, but at the end of the day, this is how the mayor does the agendas, he waits to 3:00 and sees we're flagging and then puts in a five-year economic development plan. We put all the meat in one day. But this is really important and you know, my experience with economic development plans happened when I was on the board of the commission of the housing authority of Portland and bruce, as you know, h.a.p., for many years, was I think defined by the ability to be opportunistic but not always strategic. And as a commissioner, then, and as a commissioner now, the hardest part was how do you pick and choose? We're all in a sense, as -- as public policy people, we're all sort of receptive to good ideas and someone comes up with one, you want to do it. But without a strategy plan how do you decide -- a strategic plan, how do you decide? And we went through an exercise, and what I found as a commissioner, we would have a debate, someone would say, we ought to do this. And someone would say, where is that in the plan? How does that advance the goals we've spent the last three years vetting. A strategic plan is not a document or a roadmap, it's the collective sort of wisdom of a lot of smart people helping us to figure out how to be strategic. And as smart as these people -- and i've never served with a smarter group of people -- we're limited. We aren't able to figure out each trend and that's where you come in. What an array of people who testified today - - array of people. I want to thank bruce, you and erin for your great work. I have the pleasure of working with you typically on housing issues but obviously, with the new -- with the new configuration, where i'm charged with leading the housing stuff and you're the economic development, we're going to have to be stronger partners than ever to be successful. So thank you for your good work. Kimberly snyder is the secret weapon in sam's office. I'll beat him to the punch. We get a chance to work with her and she's superb. Charles wilhoite has been immense in helping us launch the new housing bureau and while i'm disappointed he won't be the chair of p.d.c., delighted he'll continue to serve on the board of commissioners and he's a gem in our community. And I also want to acknowledge one last thing. Last night I was at a community meeting in old town chinatown and trying to figure out where to site a homeless ministry program. Three churches that want to serve hungry people. In the course of that discussion, we talked about the unemployment rate and hunger and rise in homelessness in children and all of the data and you add that up and it gets depressing and unfortunately, the answer isn't to say we're going to get -- spend twice the money, bass we don't have the resources. The answer is to actually grow our local economy so we can put people to work and take people from the situations of distress and put them into paths of opportunity. Give someone a job and a chance to be self-sufficient, that's ultimately how we solve these problems. After last night's meeting, I need a pick me up. A lot of the data, top five in three or four cat gores that I would -- categories that I would call dubious statistics. Talk about how to turn the economy into a local economy of opportunity for all. Mayor Adams,

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congratulations on your leadership. You've been talking about this particular missing piece of the city for a long time and now you've made it happen. I'm pleased to say aye.

**Adams:** As usual, my colleagues have said better what I could say about this issue in their voting remarks and I appreciate their support. Erin and her team, thank you again for great work. Keith and Bruce, who sat quietly through this, but the leader of the team, thank you. Thank you, Keith, for your wise council along the way on this issue as well. But I do reserve my biggest thanks to my office, economic development team. Clay, Skip and, yes, our secret weapon, Kimberly Snyder, for your great work on this. It's a pleasure working with all of you. Pleased to vote aye. [gavel pounded] all right. We're recessed until Thursday, which is tomorrow at 2:00 p.m.

At 5:37 p.m., Council recessed.

**July 9, 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.

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**Adams:** I'm taking chair's prerogative, before we get into the time certain on improvement to the public works development review and permitting services, we just minutes ago reached agreement on terms for bringing major league soccer to the city of Portland, and we're going to get a presentation on this. I'd ask that ken russ come forward with skip newberry and ty, and eric johanssen, ask that ken walk through the proposed term sheet and then we've got the other three certified spark people in addition to ken to answer any questions from the council. There is no council action on this today, so -- but rather given we do have soccer-related issues later on in the agenda, we wanted to air this out. So mr. Rust.

**Ken Rust, Office of Management and Finance:** Thank you, mayor. For the record, i'm ken rust, chief administrative officer for the city of Portland. Members of council, we are -- before you this afternoon to discuss as the mayor said a. Recently completed acceptance of a term sheet for the major league soccer project that we've been working on for several months. I think there are some important differences that we want to walk through and make sure you're aware of that. One is the project does represent a decoupling of the Baseball and soccer issues that had been previously before you. It also results in a scaling back of some of the project elements that fit within a budget that we think is workable and doable at this time. A total project cost of \$31 million, that under the term sheet that we've reached agreement with would be funded as follows. There would be a capitalized rent and user fee payment, basically the rent and the user fee that we would otherwise receive according to the pro forma projections from years eight through 25 of the projection period would be contributed to the project in an up front capitalized payment by peregrine. That there would be a cash payment by peregrine of \$8 million. The spectator fund itself would have a total of \$11.2 million worth of bonds, and a portion of that, those -- that bond issue that we will be issuing back by spectator fund revenues represents revenues also that will be guaranteed through years one through seven by peregrine as part of the term sheet agreement. One of the things that we have done in contributing or working on this particular piece of the financing packages to close a funding gap is that we've looked closely at the capital requirements of the spectator facilities fund and have determined that with a lot of the discussion that's been in place about the future of the memorial coliseum, we believe we can scale back some of the plan Contributions, understanding that does take on a little bit of capital risk for the fund, but we have other tools we think will be available over time to manage those capital liabilities and are confident that's a risk that is known to us and one that we can manage. And as a result one that we can sign off on in terms of a funding arrangement that has 11.2 million dollars from other spectator facilities fund. The final component is about \$700,000 of city-related fee and other soft costs assumed by the city. The total plan is \$31 million. And one of the benefits of this to the city is that we have a significant portion of this which is guaranteed, either in up front payment or through a guarantee by the paulson family to be negotiated. We also have a sharing of upside, so if revenues exceed projections, the user fee that we would collect on those increased tickets sold would be above our pro forma would be received by the city. So we share in the up side and certainly peregrine is incented to produce upside so it works toward their business bottom line. And we do have a provision if the guarantee revenues are drawn up on, that they would be -- there would be some sharing of future upside revenues that

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would allow peregrine to recover the costs. So with that, it results in us actually being able to have a funded plan that would produce the \$31 million of improvements. A lot of work still needs to be done to draft a final agreement and actually execute the financings, but based on where we're at today and the course of these negotiations, it's something that I can sign off on.

**Adams:** I apologize to my colleagues on council, Karla, I need to you read items 970, 987, and 988 in order for us to have this discussion. I apologize.

**Items 970, 987, and 988.**

**Adams:** My apologies. Ken, did you have anything else to add?

**Rust:** No, that is the summary of the term sheet agreement.

**Adams:** Conversation, questions from council? Commissioner Fritz.

**Fritz:** Could you explain again the bit about the 11.2 million and it's effect on the coliseum?

**Rust:** The bonds issued by the spectator facilities fund are based on the revenues that we'll receive from the major league soccer proposal, and a reduction in expenses that we otherwise have scheduled. Those expenses being money that would be spent on improvements, planned improvements as needed at the memorial coliseum. Currently we're carrying in the spectator fund about \$500,000 for improvements per year, to be determined. But we don't have a schedule of improvements per se. And what this proposal would do is take \$300,000 of that and use it to help fund the improvements at p.g.e. park for major league soccer. The issue that we would have it in is the management of that -- the additional improvements at the coliseum if needed. We know that there's a lot of discussion now about reuse of the coliseum. We also know that beyond years 2017, when the spectator fund bonds begin to be retired, we have capacity if necessary to fund coliseum improvements at that point in time if there are improvements needed and we'll have a fully funded capital reserve period to call on if necessary. So while it does represent a decrease in planned contributions to the reserve fund, given the other tools that we have in place and the management of the spectator facilities fund, I feel comfortable that that's a risk that the city can manage.

**Fritz:** We give \$500,000 a year from spectator funds to fund future improvements at memorial coliseum and that will decrease to \$200,000?

**\*\*\*\*\*:** Yes.

**Ty Kovatch, Commissioner Leonard's Office:** And i'd like to add on that point, in every iteration of the previous deals that have been proposed on this, the proposal had included the use of monies coming from the existing spectators' capital reserve. Between 1½ and \$2 million, depending on which iteration of the deal. And this proposal keeps the capital reserve as it stands today and doesn't use one cent of that for this purpose. So although there is an ongoing reduction in some of the monies going towards capital improvements, the one that is growing and designed to help counter balance that is left intact.

**Adams:** We're about to assume -- soon they will be announcing a process for the rose quarter. Public process for considering the future of the rose quarter. So this does not, just to be clear, this does not predetermine any future for memorial coliseum.

**Rust:** No.

**Adams:** It can stay there, it can whatever.

**Rust:** Our assumption is it will continue to stay there at this point in time.

**Adams:** That's my assumption too. Let me just go through something to also be clear, we have resized the m.l.s. At p.g.e. Park, professional soccer deal. We've resized the project to match resources available. Is that correct?

**Rust:** Correct.

**Adams:** And this does not involve -- does not involve any tax increment financing.

**Rust:** Correct.

**Adams:** And the general fund, the risk is allayed from the general fund.

**Rust:** Correct.

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**Adams:** And basically the funds for this come from the private sector partner and the proceeds from fees derived from spectators at sports venues.

**Rust:** Correct.

**Adams:** Thank you.

**\*\*\*\*\*:** [inaudible] achy did my best impersonation of a lawyer. [laughter]

**Saltzman:** I want to make sure, the renovation of the city-owned facility will meet leed silver for existing buildings operation maintenance standard? You can say yes. That is the city policy for major renovations of city-owned facilities. They must meet --

**Rust:** Would I defer that to one of the projects.

**Kovatch:** The project will comply with city policies including that one.

**Adams:** There's money assumed in the term sheet, \$187,000, if I remember correctly, to provide for attainment of that goal.

**Saltzman:** That was a yes by ty. Ok.

**Adams:** All right.

**Kovatch:** One additional item that wasn't covered in the overview, the cost overrun liability for the city. In the event the cost of the project exceeds \$31 million, the city would, as consideration for that, extend the term of the lease in years 26 until we reach the point that the present value of that portion of the lease agreement equals \$1 million. So that is the maximum contribution the city would end up making to this project.

**Rust:** Which means when we build the project the city has no additional cost obligation. If it does exceed \$31 million, we would repay that, but only in years 26, seven, or eight, in an amount that would present value to today equal to that 1 million, but we wouldn't write that check for quite a while.

**Fritz:** What would we use to pay that money?

**Rust:** That would be the rents and user fees received in those years, 26, seven, or eight, Whatever comes back to a present value equivalent today of a million dollars.

**Fritz:** What would be used to pay the bills today?

**Rust:** Peregrine.

**Adams:** The other thing I needed to be clear, we are not taking money that is currently going to any other city service.

**Rust:** Correct.

**Fish:** A couple questions, if I could. In one of the things that we're taking up today, there's some authorization to take \$2.5 million out of spectator facility fund and put it into the development deal. How does this affect that?

**Leonard:** [inaudible]

**Fish:** One of the ordinances we're taking up today, there's a reference to \$2.5 million coming out of the spectator facilities fund. I think there's money that could be used, for example, we were thinking of using for the demolition of memorial coliseum at one point. The reserve. What happens to that money in light of this deal?

**Rust:** The way we're structuring it now, there's no draw on the reserves, there's no cash contribution of reserves from the spectator facilities fund. All of it will be financed based on the soccer revenues that are part of the pro forma, and also with the cost savings, if you will, from reducing the capital contribution to the ongoing -- .

**Fish:** It sounds like there will be an amendment then to what's before us today.

**Adams:** Correct.

**Kovatch:** The one caveat, there is -- in the predevelopment agreement, if the deal were to fall through, say, september, october, we would split the liabilities of whatever was accrued between points that are expressly outlined in the agreement, and the source of the repayment would be from

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that fund. Under the current moment. But assuming the project goes forward, the spectator reserve will be untouched.

**Fish:** You said you could sign off on this. We ask if you can live with it, because you're our go-to guy in assessing risk. I believe that was even a condition of something Mr. Saltzman put out once upon a time. Is taking that one step further, what's the very worst case scenario for the city under this financing plan?

**Rust:** Let me imagine one.

**Fish:** I've thought about the n.b.a. going into a lockout, but that would only affect the indebtedness that's secured against the tax on blazer tickets. This is -- this portion is covered by peregrine.

**Adams:** Which we have reserves for.

**Rust:** The bonds associated with this financing are really based on the guaranteed revenues, and it's important to note guaranteed, and the reduction in the contributions to the capital improvement funds. So those -- we feel pretty comfortable there's nothing that's going to put those at risk. You talk about the rose garden in general, and we have always anticipated that potential problem we experienced it early on, that's why we have an operating reserve that covers the lost of the trailblazers operation for an entire year. It's sort of the doomsday scenario for us, but we know that could happen. So we feel even if that worst case event were to happen, we would be fine for an extended period of time. And the only other thing that could happen is if you had a major capital need at the coliseum during kind of this intervening time period where we're not able to fund additional monies into the capital reserve, because we do resume capital contributions later on in the pro forma. That's what we have to manage around, and we have a reserve of two-plus million dollars to work with, and there are other tools we think might be available to us over time that would help mitigate that as well. I just don't see a scenario where we can't manage our way around the known business risks we're assuming with this transaction and the one we have.

**Fish:** I know Ty is going to go from this process to a job on Wall Street, because he now understands the intricacies of high finance. For the mortals in here, can you item us, what exactly does it mean to capitalize the rent payment, and how does it affect the cash flow?

**Rust:** We have a pro forma projection, which means we have developed our best guess, with our experts with the peregrine group at what projection of attendance will be at events at the stadium. That translates into a revenue projection, it translates into a ticket tax. We also have a schedule of rent that increases each year. And between years eight and 25, we're scheduled, if all those estimates prove true, to receive that money over time. What's happening is we're going to be given a lump sum amount in year one, that's the equivalent of all that money that would otherwise be received between years eight and 25, and there's a financial math process that's used to bring to the present those future values, the discounting mechanism based on an assumed interest rate that we discussed with peregrine that we're comfortable with that represents a fair interest rate to bring back those future cash flows to the present. It's a very common and well understood financial principle that we're using here, and frankly, simplifies the transaction because in earlier versions of the negotiations, all those payments were guaranteed by peregrine, and the city would issue yet more bonds based on that guarantee. Right now that -- what's happening is that we're reducing the amount of bonds we would otherwise issue, which takes the risk of being able to sell those bonds to some of the other issues we've discussed off the table by having a lump sum payment made at the start. So in many ways it cleans up the transaction --

**Leonard:** That explanation just in short is, they prepay the rent.

**Fish:** One other question, mayor. I'm trying to figure out, again, how does this financing arrangement -- what is the impact if any of this financing arrangement on our current indebtedness on the existing bonds at P.G.E. Park?

**Rust:** I don't know that it has any impact. The revenues that we're receiving from this particular transaction will serve the indebtedness that we're creating. The current indebtedness is paid for

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from the b.d.i. Revenues and spectator facility fund revenues in general, and nothing there has changed in terms of the ability of paying that obligation.

**Fish:** And those revenues are not dependent in any way, whether soccer successful and there's a -- there's any income stream off those tickets?

**Rust:** Which set of bonds?

**Fish:** On the existing bonds.

**Eric Johansen, Office of Management and Finance:** The existing bonds are also paid from the revenues of the spectator fund. Which include the p.g.e. park-related revenues. So, yeah, the payment of that outstanding debt is dependent upon having a successful franchise.

**Adams:** A portion is also paid by the b.d.i. -- the v.d.i. About half of the debt, if I -- is paid for by hotel/motel taxes and the other half comes from the operations of the facility itself.

**Kovatch:** But again, the revenue that we depend upon for the period year one through seven, is guaranteed by the Paulson family. And so if the success or failure of the franchise is certainly our ideal circumstance, but if the revenues don't meet the projections in the pro forma, then the Paulson family is responsible to make up the difference. And so for our part the risk of the situation is mitigated by that dynamic, and therefore should -- we should be able to depend upon those revenues to service the debt in the fund.

**Fish:** Does that mean in our worst case scenario, it would be in years eight and later if for some how major league soccer failed, and we weren't able to have some kind of income stream to cover the existing -- we wouldn't have that revenue to cover the --

**Adams:** We'd have the cash up front.

**Kovatch:** The difference between this deal and, for instance, the original deal, in years eight through 25, rather than a guarantee, we get the actual money. It is the best possible guarantee we can have because we actually will at some point have the money in our hand and not have to worry about the performance of the thing. The only thing the city has in its interests relative to the performance of the franchise and the attendance, if it exceeds the projections in the existing pro forma, we get the upset.

**Rust:** I think if soccer does well, we will do better in terms of paying off existing obligations. If soccer doesn't do as well as projected, it won't hurt our ability to make the repayment, because the repayment is based on v.d.i. and spectator funds. And these new obligations are covered by the up front payments.

**Fish:** Could you remind me, Ken, under the current arrangement with Mr. Paul S.O.B. -- Paulson, when could he, as of right, take U.S.I. and baseball somewhere else if he chose? When would his existing contractual obligation end to use p.g.e. park in any event?

**Rust:** I think it's when our current lease agreement expires, and I can't remember the --

**Leonard:** 2010.

**Fish:** So in 2010, if he chose, he could take both teams somewhere else, or fold both teams or whatever in terms of our --

**Rust:** Or renegotiate the existing terms under which he operates at p.g.e. park.

**Fish:** Thank you.

**Fritz:** How much do we get in spectator fund every year?

**Johansen:** At the over 5 million currently, we have expenses that we pay against that including debt service, and operate can expenses. Projected revenues from p.g.e. Park are in the range of a million four rising up to \$1.4 million.

**Fritz:** How much do we get from baseball at p.g.e. park?

**Johansen:** I don't have the breakout of that with me today.

**Fritz:** The spectator fund bonds are 11.2 million and we get 5 million a year, how much is currently in the spectator fund?

**Rust:** How much cash is in the spectator fund?

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**Fritz:** Yeah.

**Adams:** Reserves.

**Johansen:** Between operating and capital, i'll call it six. Approximately.

**Fritz:** So we borrow more and pay it back later to get to this 11.2 million?

**Johansen:** The bond to get repaid over 25 years.

**Fritz:** And so -- but we currently get money from baseball at p.g.e. Park, so if soccer fails, what happens to paying -- is 29 million the current debt? Right?

**Rust:** 26, I believe.

**Fritz:** Ok. So how do we then pay off the current debt on p.g.e. Park if soccer fails?

**Rust:** We have the guaranteed payments.

**Fritz:** For the renovation.

**\*\*\*\*\*:** Right. And -- .

**Fritz:** Does that roll in the current 26 million dollar debt?

**Rust:** The \$26 million debt would be paid from the v.d.i., which we receive through the life of the bonds, and from excess revenues of the spectator facilities fund.

**Fritz:** But if we don't have baseball or soccer at p.g.e. Park --

**\*\*\*\*\*:** The soccer part is guaranteed. I think that one -- .

**Fritz:** I'm questioning, is the baseball -- paying back the baseball, the p.g.e -- the civic stadium to p.g.e. Park debt, is that guaranteed?

**Rust:** Say that again, commissioner?

**Fritz:** Paying back the \$26 million we currently owe, which we pay back with spectator fees and visitors' funds, if we don't have as much spectator fees because we don't have soccer or baseball at p.g.e. Park, how do we pay that back?

**Rust:** We would pay it from the spectator facilities fund after net of the v.d.i. Revenues.

**Fritz:** We wouldn't have as much of that because we wouldn't have either at p.g.e. Park.

**Rust:** The soccer doesn't add anything to the 26 million.

**Fritz:** So this is better in that the peregrine and merritt paulson are paying 19.1 million, and the public is paying 11.9 million, mostly from spectator fees. Where is the 700,000 from the city soft costs come from?

**Adams:** That's where we would wave development fees -- waive development fuse or -- fees or contribute development fees with redevelopment of p.g.e. Park.

**Kovatch:** Essential lay reduction in project costs.

**Fritz:** We'd have to find funds from the jeb fund to pay for the development services folks? Where would we -- how -- if we're going to waive the project development permit fees, how are we going to pay for the people to do the per snits.

**Adams:** I wouldn't call it waive, I would call it reduce.

**Leonard:** S.d.c.s don't pay for people to do permits -- .

**Fritz:** We're waiving s.d.c.s as part of that?

**Leonard:** Right.

**Fritz:** So the point -- .7 million is waiving s.d.c.s. It's a little difficult -- the folks at home are wondering why we're not prepared, we're just finding that information out right now.

**Adams:** This is an airing-out of the term sheet.

**Fritz:** Right.

**Fish:** I have -- .

**Fritz:** Do you want to follow up -- .

**Fish:** I want to make sure I understand the math. I want to give mr. Paulson all the credit for his side, make sure I understand our side. He puts \$35 million down to buy an m.l.s. franchise.

**Rust:** Correct.



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**Fish:** He is proposing to give us a cash payment of \$8 million. And to capitalize the rent and give us another cash payment of \$11.1 million. That's \$54 million. And we're, under this proposal, being asked to contribute 11.2, which is fully secured in years one through seven by a guarantee of mr. Paulson that there will be sufficient revenue to cover -- they will be fully guaranteed by him for years one through seven. Is that correct? And then there's the soft cost of three-quarters of a million dollars. So the city -- the city component of this is less than a million dollars, and for that you're saying we can leverage \$65 million of contributions not covered -- not placed the general fund at risk for soccer?

**Rust:** Yes.

**Fish:** Of that 54 million being out of his pocket.

**Rust:** You could argue, or make a characterization the cap payment is money the city would otherwise have received and could have financed itself. So is it -- whose side it is on, his side or our side of the lender? By not having the financing and having it up front simplifies the transaction for us and -- .

**Fish:** Let me just -- we can argue that, but like any business, it can fail. So he's paying us up front years eight to 25, in a business that could very well fail in year two or three.

**Rust:** Correct. Cash is always good.

**Fritz:** Thank you. Clearly this is a much better deal for the taxpayers. Let me go back to the items on the agenda. I'm interested in the no-bid contract, the exemption to the competitive bidding, and the sole source. Given we have consistently had bids coming in at a third of the price this year, that i've been on the council, why are we not putting out the construction contract to competitive bid to see what kinds of proposals we get?

**Leonard:** It's one of the reasons we've dropped the project costs from \$38 million to \$31 million. I believe, having seen those same numbers, we're going to see actual costs come in lower than what we originally thought.

**Adams:** We're banking on those. Jim van dyke, did you want to talk about that?

**Jim Van Dyke, City Attorney's Office:** Yes. I can address the exemption if commissioner Fritz has a question about that. What we're doing this is exempting the -- from competitive bidding. The legal requirement consists of showing that the city will enjoy a substantial cost savings by going with a proposed deal as opposed to putting this out to competitive bidding. That's ultimately a judgment call for the council to make. Whenever you're in a situation where you're exempting a contract, you're looking at a proposed deal in front of you compared to the hypothetical or theoretical deal you might get if you go through some sort of bid process. And ultimately that's a judgment call for the council to make. You are legally sufficient if the council votes to adopt the exemption, it is legally sufficient because you have substantial cash contribution from a private entity, and it would be unlikely I think that you would have any other bidder offering to put \$8 million of their own money into the project. If another bidder could bid, say, \$8 million less than the proposed \$31 million, I suppose that's a possibility.

**Fritz:** It's a distinct possibility, given the types of contracts that have come in yesterday we had one at two-thirds the bidding price, and we've had them as low as a third of the bidding price. I appreciate it gone down, I am wondering what are we getting for our 31 million, how much stadium are we paying for, what are the parameters of what we're asking? It's still the \$11 million of spectator funds which would otherwise be used for updating memorial coliseum.

**Fish:** Well, can I follow up on the contracting piece? I hear a similar concern, if we exempt -- If we exempt this contract from our normal rules, what is our guarantee that all of our other contracting rules are followed in terms of minority women, small business participation, and other goals set forth in our code?

**Van Dyke:** I can address that a little bit, commissioner Fish. The predevelopment agreement that is also before the council today says that peregrine must receive approval from the city on its

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proposed contracts. So, for example, peregrine's proposed contract its construction contractor will have to receive city approval. And ultimately that final development agreement, that proposed contract, will come back for the council to vote on, so you will be in a position to see exactly what's going to happen in regard to minority, women, and emerging small businesses. I will say that I have informed peregrine's attorneys of many of the city's requirements, of its typical contracting requirements, and I informed them of the requirement to make good faith efforts to hire minority, women, and emerging small businesses, and what we've said to them is this will be something that we're going to have to negotiate a little bit, because as you know, typically good faith efforts, which Doesn't require hiring any specific -- particular firm or any particular quota, but requires them to make contact and have opportunities, comes up a little bit differently in this kind of situation than if you had a competitive bidding situation. But -- so we'll have to negotiate exactly how that applies in this situation. But we certainly let them know that that's going to be a requirement, the city is going to be looking at that, and expecting them to fulfill their obligations.

**Fish:** Could I ask my colleagues, commissioner Leonard and commissioner Adams what their parameters are? I've done -- we've done recent ordinances on by local, we've set standards on how money from stimulus is to be spent, we've been critical of certain contracts not meeting the marks. What would be the test for you if this came back for approval?

**Leonard:** The same processes as outlined by jim will be applied to this project as any other. The difference here is we have a private sector partner who has a lot of skin in the game. It is in his best interest to get as much value out of this project as it is ours. And so i'm extremely confident we're going to get the advantage of the current working conditions, any favorable conditions that exist in contracting, and i'm also as confident they'll make a good faith effort just as we do in each of our contracts to include minority and women-owned Businesses that -- at every opportunity.

**Fritz:** We wouldn't get that, though. The savings. Isn't 15 million or so going to turner construction, which is not a local company?

**Adams:** I would expect that they follow the same as inspirational goals for our own bureaus and their contracting as it relates to buy local and as it relates to certified women minority and emerging small businesses. And when we originally remodeled p.g.e. Park, that project exceeded the goals of the city at the time, the as inspiration and goals of the city at that time.

**Fritz:** If I can continue, the -- could you tell me why or how the tp 37 million has gone down to 31 million? What are we --

**Leonard:** It's 38 million.

**Fritz:** 38 million to 31. Is it a reduction in scope of work, or construction contract bids?

**Leonard:** It's -- I believe it will be both. But I also think for the 31 million we're going to realize we can do more of the scope than what we think right now. I think we're going to experience the same dynamic we've witnessed here that you've alluded to when the actual bids go out and we'll be able to do more within the scope of what we'd ultimately like to see happening.

**Fritz:** We're not putting the bids out.

**Leonard:** We certainly are.

**Adams:** This is a negotiated contract. And we do this from time to time on projects that have a variety of characteristics. Part of them is jim's point, that unlike the contracts that are bureaus do right now, we don't have a private sector partner who's helping to underwrite the costs of our public works projects. In this particular case, we have a stadium remodeling project which is being underwritten with significant private sector investment, and therefore, it will be a negotiated contract with the actual contractors. The negotiations occur, correct me if i'm wrong, between merritt paulson and his -- peregrine, and his contractors, but that comes back to us for our review.

**Van Dyke:** Yes, mayor, that comes back to us for the council's review and approval. I just wanted to clarify another point, which is that the city's recent buy local ordinance wouldn't -- as you know,

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that's -- it doesn't apply, so even if you sent this out to a bid, you couldn't require that a local company get the award of the contract. The state law doesn't permit that.

**Fish:** I was talking about the trend in terms of values that we've been bringing to the contracting process. Did I not mean to imply --

**Van Dyke:** I just wanted to clarify that. One other thing that I wanted to mention, I did go back and although sole source contracts for construction are rare, the city council has done that before, not within the last six months that I know of, but I know that which we did -- when the city did some contract work down on south waterfront, for example, there were some sole source contracts because of some overlapping agreements, for example, pdot was required to dot streets and they were doing construction around the streets, and rather than have two contractors stepping all over each other, we let them go ahead and do that.

**Adams:** Other discussion? So sole source does not mean a lack of negotiation, or lack of oversight or trying to get the best deal. It means it's a negotiated contract.

**Fritz:** So, for instance, on details such as 2.5 million for school board, and 1.5 million for a party deck, and 1.5 for additional unspecified scope items, do we get to review whether we want to buy those? Or help buy those?

**Adams:** As part of the final contract, yes.

**Fritz:** When does that come to news.

**Adams:** We'll be returning with the time line for here on out, having just completed this, completed this term sheet within the last hour, we have to come back to council on the details related to the work plan and the time line for that.

**Fritz:** Given you just got it in the last hour and I got it when we started the hearing, is there a reason we have to vote on this today? Can we putt put it --

**Adams:** This is just an airing out of the term sheet. Discussions -- we wanted to make sure you had -- today it's just these items.

**Fish:** My understanding -- we're not voting on any of the matters other than an emergency ordinance to keep our attorney fed, but the other matters go to us -- a second reading.

**Leonard:** I want to remind folks that because of vacations next week, we won't be having the second reading next week either. It will be two weeks from today at the earliest, or at the latest. Three weeks? 23rd of July.

**Fish:** I think i'll beat Amanda to the punch on this. There may be details between now and then that we'll want to understand better, and i've always been very generous with your time and coming in and briefing us. So we may reach out to make sure we understand. If we have questions we'll email you.

**Fritz:** One last question about baseball. What's the status of baseball in all this?

**Leonard:** As you heard, the obligation of the beavers remaining at p.g.e. Park expires in 2010. I have been working to identify alternate sites within the city that they may possibly go to. I don't think I need to remind you how challenging that's been up until now. So we -- merriitt has committed to work with me in attempting to locate a spot by August 1st. We're diligently daily looking at new spots. I've received just today a suggestion for another place that i'm going to have - - ask the city to review. But in any event their contract expires at the end of 2010. Unless the city can figure out a place for them, they have the option to move them wherever he can take them.

**Fritz:** Construction would start soon, right? What do they do next?

**Leonard:** We would schedule the construction around their season.

**Adams:** Any other council discussion? Thank you, gentlemen. Appreciate it. Karla, do we have anyone signed up for these three ordinance -- these three council items?

**Moore-Love:** We have three -- six people who signed up.

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**Adams:** Welcome to the city council. Glad you're here. I think you're all experienced hands at this process. They have to keep us very safe back here. You just need to give us your first and last name, and you each have three minutes. The clock in front of you helps count down your time.

**Drew Mahalic:** Thanks, mayor Adams. Good afternoon, my name is drew mahalic I reside in southwest Portland. And am the c.e.o. of the Oregon sports authority, a nonprofit organization which represents sports-related interests of more than 100 local businesses. Our mission is to help make Portland and Oregon a more renowned sports tourism destination and positively impact our economy and quality of life. Helping to secure a major league soccer franchise like m.l.s. is at the core of our mission. We had the pleasure of hosting the very first visit of the m.l.s. commissioner, his visit to p.g.e. Park about 10 years ago, and we're excited to see Portland now truly on the verge of landing its second major pro sports franchise, the first since the blazers arrived nearly four decades ago. Given what we've seen happen in seattle, with their m.l.s. season ticket holders, exceeding that of the mariners, there is no doubt that Portland's m.l.s. franchise will thrive in our city. We are and we have always been a better city than seattle in terms of soccer. [laughter] [applause]

\*\*\*\*\*: In terms of everything.

**Mahalic:** Because of the impending deadlines, necessary for a Portland m.l.s. franchise to commence play in the year 2011, we do urge your expedient approval of the predevelopment and operating agreements, exemption from the competitive bid process as well as the agreement we heard today on the financing of the renovation. We recognize that you have all put in a great deal of work into supporting this effort to bring m.l.s. to Portland. We applaud your leadership, your stamina, and we urge your perseverance to swiftly move the process toward the realization of m.l.s. in Portland. It will be a proud legacy for our fine city. Thank you.

**Adams:** Thank you. Mr. Maguire.

**Chris McGuire:** Good afternoon, mayor Adams and city commissioners. My name is chris maguire, i'm the head of sports marketing for adidas america. I'm excited to be here in front of each of you to voice adidas's and my support in bringing major league soccer to Portland in 2011. I also want to thank you for your continued support of the paulson family and their dream of bringing the 18th franchise of m.l.s. to our great city. Last wednesday at p.g.e. Park we saw what the future holds when the timbers battled the seattle sounders in a sold-out and electrified stadium. Hopefully you attended this game. It was a great spectacle. We saw an intense local rivalry in an atmosphere conducive for all fans, and it shows there's no doubt bringing m.l.s. to Portland is the right decision. I know I had chills on the back of my neck as I witnessed a glimpse into what the future holds for the city and this club. The result was not in the timbers' favor, but this showcase of soccer rallied citizens of this great city in these challenging times regardless of age, ethnic background or socioeconomic status. I was also fortunate enough to be asked to sit on a task force and lend my experience to that discussion. I was excited with the outcome the task force shows and being a fan of nail-biting finishes, enjoyed the vote that plays here in march at city council. Since this time the 14th season of m.l.s. has begun and we continue to see positive growth. We are all aware of record-setting starts taking place in seattle and how that team has taken over the city. We're also witnessing the same excitement and anticipation happening in philadelphia and vancouver as they begin to lay the ground work for their franchises. We also saw an unprecedented success with our u.s. national team and international competition this past june. Proving that the u.s. is producing world class talent and receiving television ratings on espn that rivals the other major sports leagues. These successes have generated additional interests for many cities and potential owners around the tows bring m.l.s. to their cities proving once again the decision to bring m.l.s. to Portland in 2007 is the correct decision. I also want to reiterate how this opportunity can benefit our city from an adidas perspective. Adidas has a wrong-term relationship with major league soccer that stretches back to the league in 1996. In september of 2004 we finalized a 10-year, \$150 million partnership

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to become their sole product survivor -- supplier. We are proud to outfit all 15 teams and we'll be especially proud to outfit the Portland franchise in 2011. I know this for a fact because of the roughly 1,000 employees in north Portland, they've all asked for season tickets beginning in 2011. We continue to be very encouraged with our partnership with the league, and i'm happy to report that is one of the fastest growing areas of business for the brand. Even as we fight a challenging economic environment, we're seeing solid growth with m.l.s. licensed products and a consumer who has an unwavering passion for their club and the sport. I'm pleased to let you know this exceed the original projections threefold the past 3 years. The m.l.s. structure salary cut and controlled spending proves this is a wise, safe investment for adidas and the successful business model is one that many of the european soccer leagues are looking to adapt. As you know, by bringing -- by continuing to support meritt and the Paulson family and bringing m.l.s. to Portland, not only will we bring a team to our market in the fastest growing sport in the world, we'll provide hundreds of new employment opportunities, a self-financing deal and a direct economic impact on local companies. Although adidas will benefit from having another franchise, as a fan of the sport, taxpayer and resident of the city, there's not a better choice you can make than by continuing your support. Thank you.

**Adams:** Thank you.

**Fritz:** That's the most compelling testimony i've heard in support of it. Particularly given in the discussion we had yesterday as far as the city's economic development strategy, and outdoor clothing and footwear being one of the key industries. And I really appreciate adidas being right here in our city.

**McGuire:** Thank you. Sorry I ran a little long.

**Fish:** Commissioner fritz also wondering whether you'd like to sponsor her daughter's soccer team.

**Fritz:** She doesn't play soccer. Yours does.

**Fish:** My daughter then.

**Randy Miller:** I will prepare to make my remarks. I am randy miller, as I think back over 35 years of civic engagement, I really think I can connect the dots around this town as to what makes it tick. Particularly as it relates to the issues i've -- I still believe frong sli a strong economy and family income helps people develop their ability to tackle some of the issues, but also address some of the benefits that we have here. You know me best for the job creation and all the economic development stuff, but i've been involved in other organizations too over the years. I think what we always need to strive for is balance. And it's balance, and that's why I support this initiative for m.l.s. Some of have you been on the best practices trips that i've undertaken for the city over the last 20 years. We've gone all over the country and scandinavia to see how other cities excel. And what makes them tick and what do they achieve that we can explore and bring back here to make this community work better? And there's one common bond that we see in every one of these places where we go. And that is the community spirit around their sports teams. It doesn't matter who the people are. They're rich, they're poor, they're black, they're white, latino, they're young, they're old, it doesn't matter. They generate community spirit. And we see that with the blazers. And that spirit I feel is what this helps with balance in terms of what we can achieve with this. The Oregon sports authority is made a valiant effort to bring major league baseball and hockey as well as football, and I think some day they'll be here. But what is a better fit than this? This soccer is now not only the least expensive, but it's going to be the most compelling for our citizen and we have the opportunity and the most generous offer i've seen by anyone in terms of making this thing work. So connecting all these dots and bringing the balance to this community that I think is well, I strongly think this is the best we can do. It's Portland. And I appreciate your support.

**Adams:** Thank you all.

**\*\*\*\*\*:** I brought you this wonderful article on Portland.

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**Adams:** Good afternoon. Welcome back. I think you know the protocol. Who would like to begin?

**E'an Todd:** My name is e'an todd, i'm a resident of southwest Portland. I want to address a couple things that were brought up with -- this is -- and i've looked at the finance deals for other sport franchises, both soccer and other sports in the states. This is -- this new deal that was presented today is the most generous from an owner, the least taxing on citizens and taxpayers that I have ever seen. If you look at how much the state of pennsylvania paid for their franchise started next year compared to this, the fact that this thing guarantees us revenue out of that facility whereas if we don't go forward with this the tumble weeds could be there and the city would be on the hook without this. The soccer also -- and I want to go big picture, because the timbers are going to fill that place, but it's also with the soccer specific stadium, it's a benefit to Portland state university and the efforts of possibly go up to division one football, and join the mountain west, and the expansion, and I address that when we had the severing vote that that brings in additional attention to the city and the university. And that has been one of the missions that has been talked about in Portland for the last number of years, is increasing the profile nationally of Portland state university and truly being an international university. Also we have the opportunity right now, there is gold cup matches going on in I think 12 or 14 other cities that with the soccer specific stadium we would have the opportunity to host. There are super league and champions league matches that is additional revenue, there's world cup qualifiers, there's the -- I think it's the world club competition that's going on that is happening in 12 cities around the country this summer that are going to be sellouts at stadiums like seattle and salt lake. That's additional revenue stream. The ticketed tax off that goes into that fund. It's a way for us to capitalize an asset that the city owned that we have a private investor willing to spend his money improving, which can only help the city and move us down the road. And then also the message that when someone gives a good deal to the city, the city will follow through on their end. And and it's a positive business message. It's a positive community message. It raises the profile. The amount of world and u.s. Press on that seattle match was unprecedented. And will only help going forward. I urge you to pass the three resolutions in front of you. Thank you.

**Adams:** Thank you very much.

**Scott Taylor:** Good afternoon. My name is scott taylor. I don't have a whole lot of facts and data to support my opinion, but just my opinion. I'm a guy that moved here 14 years ago from new york.

I started a company, an employer was about -- of about 200-plus employees during the internet time. Sold that qp, returned money back to our investors, and start add new company called tao productions. It's a small company in Portland in the city. We're involved in sporting events productions, i'm a season ticket holder for the blazers, i'm on the Oregon sports authority board. And just a fan of soccer. So some of the things I want to talk about today are kind of plain, but hopefully you'll get the idea. One, I was here to a produce the soccer event for the world cup event in pioneer square. At the time people askedful drew and I would be -- could we fill pioneer square. And there were doubters, and I think at the end it was one of the most well-attended events in pioneer square, and it was great to see people from all walks of life shoulder by shoulder in the sun in Portland, which was new, enjoying soccer. I work with companies like red bull, nike, adidas, companies that have shown a wide support for the soccer, red bull is now building a stadium in new york after acquiring the red bulls. I think that the economic impact of m.l.s. Soccer in Portland is obvious to the average person. They know the excitement it brings, they know the amount of people it brings to the city. I think that watching the blazers go through the struggles of trying to build a team and the fans waffle was disappointing. I ended up taking on an ad in "the Oregonian" when people were throwing the blazers under the bus and I watched people in the city turn around and make their thoughts known when they wanted the team to represent Portland, a team people could be proud of, and I think the owner of the blazers and the people I work with are given usa

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team to be proud of. It's only one team. Some of the cities have multiple sports teams, I'd love to see Portland have soccer and I think it makes sense. Economically it makes sense. You can tell by the data that's shown. But the soccer in Portland I think surrounds soccer, and I think soccer would be an amazing addition to our fine town and from what I've heard today, there are a lot of proponents, I think you'll make the right decisions on how it gets put together. I want to thank the Paulson family for coming into Portland and making a big commitment. I know it's not easy to raise money like that on our own. That's my two cents, and I appreciate your time. Let's make sure we don't miss out on this great opportunity as a city. Thank you.

**Jeremy Wright:** Jeremy Wright, I represent M.I.S. to P.D.X. And speaking as a citizen of Portland, I want to talk -- did any of you get a chance to make it to the matches on Wednesday or Thursday?

**Fish:** I went Thursday. Merritt was in front of my row the whole time, though.

**Wright:** If you had a chance -- people have talked a lot about the spectacle of what happened, but also exposed why we need to make this happen. They had to stop the sellout at 16,500 seats. One of the reasons is if you've been in that stadium, there's more than 13,000 people, it becomes quite uncomfortable. The concourses are too narrow, there's not enough bathrooms, etc. So why it was an amazing spectacle to do, it also exposed why we need to make this into a world class soccer facility, into a stadium that can fit comfortably that many fans who are going to be coming every single game. We're going to get 16, 20, 25,000 a game, and that was proven last Wednesday night. The stadium is about making things, this proposal and renovating P.G.E. Park about making a spectacle like we saw Wednesday night comfortable and safe for all fans. I also want to talk about priority. Listening to how this proposal is laid out, the way I read it, it looks like the greatest exposure we have for about a million dollars is there's a cost overrun. Where there's a -- what does a million dollars mean in our overall budget? I think it was spent in public funding for the races for Commissioner Fritz's race. A million dollars represents how much of a total budget. This is a very, very small amount. This is something that can -- if we can protect ourselves, it's something that can protect the taxpayers of Portland and is a great deal and something we cannot pass up. So I urge you to vote yes and thank you very much.

**Adams:** Thank you all very much. Appreciate it, gentlemen.

**Fish:** I had two other questions.

**Moore-Love:** One more, Merritt Paulson.

**Adams:** Mr. Paulson. Welcome to the city council. All I need is your first and last name, and you have three minutes, but you might be asked a question.

**Merritt Paulson:** Thank you. Merritt Paulson -- I have no prepared remarks. I would just thank each and every one of you for your time and effort reviewing this proposal. I think it's a great proposal for the city of Portland, it's a very fair proposal. It follows the task for recommendations, and I'm optimistic that we're going to be able to move forward here. Happy to answer any questions.

**Fish:** Maybe to Merritt or Randy, but the P.G.E. naming rights are up again next year, is that correct?

**Leonard:** M-hmm.

**Fish:** So if major league soccer is a huge success, and the chance to rename, how did that work under this proposed deal?

**Leonard:** This is something Merritt has discussed with us. Go ahead.

**Paulson:** We'll renew our current deal with P.G.E. or do a new naming rights deal.

**Fish:** Will we have any role in that? Is there any upside to us someone chooses to wildly overpay for the naming rights?

**Paulson:** No. But be my guest and try to do a naming rights deal. In this town I'm sure the Blazers would be happy.

**Fish:** The second question I have is, when I saw you at the game with -- between the Timbers and the German team, and I will note our second team beat their team, which was quite a feat, I asked

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you -- I was with a couple people and I asked you, what are the chances we ever land a women's professional team? And I think the next day I read -- there was a story in the paper about how it was a question about whether m.l.s. is a family friendly activity, and people had different views. I know from take my daughter to women's games that it's definitely family friendly. And the question I have is, are there any chance ifs this goes through, you would bring -- would you try to bring a women's professional soccer team here and second, under the deal, how would that impact the deal we're going to be asked to vote on?

**Leonard:** Would you vote against that one too? [laughter]

**Adams:** You sure have a hell of a way of lobbying.

**Leonard:** You love soccer and you voted against that.

**Paulson:** For the record that question came from commissioner Leonard and not from me.

**Fish:** First is, is that something on your radar? I understand that particular league has taken off all over the country. Is that something you would be interested in exploring?

**Paulson:** It's definitely on my radar. I'll well aware of the success u.p. has with its overall soccer program, but particularly with the women's soccer program, w.p.s. started this year, times just did a nice article. I assume that's what you're talking about. If that league gains traction and its stable, I certainly believe it would be a success in Portland.

**Fish:** If there was another professional soccer team that we brought to Portland, that you brought to Portland, how does that impact the current deal being proposed right now? Is that an additional source of revenue for the city?

**Leonard:** Absolutely. We could negotiate a brand-new deal, a brand-new source of revenue, the spectator fund would love that. So, yeah, that would be -- that would be a great thing.

**Paulson:** Your agreement, the operating agreement, we would have to renegotiate, it currently contemplates most events at p.g.e. including the p.s.u. football games. That would presumably apply for another team.

**Adams:** We actually have a deal on the books, tentative term sheet to bring professional hockey to the rose quarter. At one time they were contemplating, the paul allen group was contemplating doing that. So it's been done before. Thanks.

**Paulson:** Thank you.

**Fritz:** This is much better deal obviously for Portland's taxpayers and a much better balance between who pay and who benefits. Thank you for coming back and negotiating on this. The one outstanding -- one of the ones I just heard about it, and i'm going to be look at the details but i'm encouraged by what I see, one of the outstanding issues is about living wages for employees, and that's been an issue at pge park where the city has had to top up the wages for employees. Can you talk to us about that?

**Leonard:** Let me address that. I've met with the group, the person that represents the group at pge park, that's lobbied in the past for the living wages. I've met with h.e.r.e., which is the union that specifically represents them, and i've met with the president of the a.f.l. C.i.o. The organized labor groups do not support the city of Portland paying so-called living ages. What they want instead is card check. And card check is basically a much more simplified means by which employees can organize themselves. What they support is the folks at p.g.e. Park being able to organize themselves and decide what is it they want in terms of their wages, hours, and working conditions and not the city council deciding for the workers what they want. So, for example, there are a number of people who like to go to work at a place like p.g.e. park, not so much for the money that they do -- than they dot benefits, the health benefits. It may be that the employees want a collective bargaining agreement that pays some level of health benefits. Or it may be that the employees at the park want any number of a number of wage hours working condition kinds of benefits in the contract. The a.f.l./c.i.o. does not support, what h.r.e. does not support for us to decide for the



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employees what they want or don't want and meritt agreed to card check, which allows the employee to sit down and collectively bargain.

**Fritz:** So A.R.E. is --

**Leonard:** H.R.E. is hotel and restaurant employees.

**Fritz:** They would organize the workers at p.g.e. Park?

**Leonard:** They would support the workers being organized.

**Fritz:** So mr. Paulson would agree to honoring a card check process?

**Leonard:** Yes.

**Fritz:** Yes, mr. Paulson?

**Paulson:** Yes.

**Fritz:** Thank you.

**Adams:** Any other discussion? Thank you, gentlemen. Merritt I want to thank you for your willingness to put millions and millions of dollars on the table, and to -- meritt, and go through and weather, which for a number of us has been, including you, a very lively and robust negotiating.

**Fish:** Why do you keep looking at commissioner Leonard?

**Adams:** Negotiating and public outreach process.

**Paulson:** Thank you very much. If I may thank you also to the folks that have got continually take time out of their workdays to show their support and come out, some of whom were here today and some were wearing their scarves in the back row here, timberline army. Business owners, like Scott, that's tremendously meaningful to me, and thank you all very much.

**Adams:** Thank you. All right Karla, please call -- [applause] would you please call the roll for contract emergency ordinance, council calendar item 970.

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

**Fritz:** This is the amended agreement with the lawyers is that correct?

**Adams:** That's all we're voting on.

**Fritz:** I've consistently opposed the stadium that had been proposed, I understand it's important to have adequate and good legal representation regarding any contracts. And this I have to say this new deal sounds a whole lot better for the taxpayers of Portland than the previous one. I continue to question some of the decisions made in the legal realm and will be looking forward to seeing the proposed development agreement and contracts in greater detail. I'm taking the city attorney's recommendation that this representation by Mr. Janik is in the best interest of the city for any contract that might be forthcoming and I vote aye. And I also want to recognize, before I vote aye, the hard working diligence of commissioner Leonard and Mayor Adams in looking out for the best interests of Portland taxpayers and the sports fans of Portland. Aye.

**Fish:** Aye.

**Adams:** Just one comment that I failed to mention at the outset. We'll be coming back to council with a panel of experts on facility renovations. So that will be giving the city council expert opinions on the contract that will be proposed. So we're lucky that this facility was renovated within our lifetime, and some of the professional staff that worked on the previous renovation, we have retained, or they have volunteered to sign up again. So we're going to get really good experienced experts to give us the kind of due diligence rigor to make sure this contract, if it's eventually approved, that this contract is really in the best interests of taxpayers. I vote aye on this. [gavel pounded] 970 is approved. That gets us to the 2:00 time certain. [laughter] can you please read the title for 2:00 time certain. Karla can you please read the title for council calendar item 986. **Item 986.**

**Leonard:** I'm going to have Paul, Dean, Dean Marriott. Did we lose Dean? He only has so much tolerance for us.

**\*\*\*\*\*:** He had something else he had to go to. It was a lot of fun, but --

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**Leonard:** I guess that's where we land in the priority of dean marriott.

**\*\*\*\*\*:** This is very important to him. I assure you.

**Leonard:** And david shaff are here to give us a report on the progress of the earlier resolution that was passed to consolidate permitting functions in the city. So paul? Take it away.

**Paul Scarlett, Director, Bureau of Development Services:** Good afternoon.

**Leonard:** I should before you start remind folks that when we first started doing this project, it was in what appeared to be a much different economic climate, so on top of this we've really had some devastating financial impacts up at the bureau of development service. In addition to managing that you're also managing this process. So I acknowledge and appreciate all that's on your plate and how hard you've been working a it.

**Scarlett:** I appreciate that. Thanks. Mayor Adams and city commissioners, paul scarlett, b.d.s. Director, here with my colleagues to my right, sue keil from pbot, and david shaff from water bureau. Dean marriott was going to be here, but had a prior engagement and had to leave. He extends his support for this project. This is an update on the ordinance that was passed several months ago back on april 16th. And it changed from permit consolidation to colocation. And the colocation ordinance included a number of initiatives which was tasked to interagency group and had been previously formed working on the permit consolidation work to work on Some initiatives dealing with standard turnaround time lines, predictable fee schedules, formal appeals process and there's an aspect of moving staff from the Portland building to the 1900 building. And -- around october. What i'm most pleased about, and very excited and couldn't be more satisfied, is the progress that was made. The collaboration between the interagency staff, the connection with the stakeholders, we had a committee of the development review advisory committee that was formed by very dedicated individuals who are concerned with the overall permit review process. And how do you get from start to finish? How do you get to what's predictable, how do you get to assurances that says when you go from water bureau to b.d.s. to b.e.s., some of the standards are the same in items of how you -- those are things we heard over the years, that there's been huge disparities between the different bureaus. And how could we bring them all together to become a more predictable, provide better customer service to our customers. The work that was reviewed and proposed in this case i'm fully in support of it. The proposals are -- they have been vetted who had input from stakeholders who are users of the system. We've got input from the neighborhood association, and we'll go into details -- andy peterson, the project lead, Will -- has a power point and simon tompkinson, who is a andre "andy" kraskov member, and represents the neighborhood business category on the drac and former chair, he's copresented with andy peterson. But we couldn't be more pleased, and I say we in colleagues and everyone who has worked on this, it was nice, and I attend some of the meetings, I recall one of them where I was so impressed, it was open discussion, it was frank, it was talking about objectives that were mutually agreed upon. How do we get from start to finish, what are the things that make the development review and permitting systems better? What are the things we should change, and I must say i'm very pleased and I will pat myself and -- b.d.s. was looked at as the model for appeals processes, for how we deal with customers, and some of those things. Not to say other bureaus don't have those good work in propers, but the initiatives that were part of the ordinance back in april really focus on a starting point. And use b.d.s. as the model. So we're pleased that our viewer was used, and results that presented for adoption are ones that I support, and I believe will be very workable. And beneficial to the city and its customers. I'll turn it -- .

**Fish:** May I just say something? I just want to take a second to acknowledge commissioner Leonard and you. The colocation concept in my opinion represented a blending of the best thinking that all five of us brought to the table. But it would not have been possible without your team hammering out a workable solution. Before we go one more minute, I want to acknowledge randy for his leadership, and you for the receptivity to a blended model that we hope is a great success.

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**Scarlett:** Thank you. I'll make one other point. In terms of how all of this is anticipated on to work well, one of the things we looked at from permit consolidation to colocation is that adjacency of having all the different staff in one place for the benefits of the customer, and the benefit of the process and work closely together. Certainly it's not under one director or commissioner, but some of the aspects and as inspirations of the original ordinance are still in place. Vick staff in this case 1900 build can, we anticipate will yield huge success and benefits. And we are pleased -- actually based on some unfortunate financial circumstances in the downturn in the economy, we are having to reduce our staff at b.d.s. That proposes some opportunities for achieving placement of staff in the 1900 building that otherwise a lot more difficult a few months ago. So come october there will be more space, unfortunately, but it helps with the placement of staff, transfer of staff from the -- from the Portland building to 1900.

**Sue Keil, Bureau of Transportation:** I just came today to tell you, I was on vacation. I was digging in my garden, so I came in to talk to you -- I got to see the m.l.s. presentation.

**Leonard:** Would I have believed you if you came in in your jeans.

**Keil:** You can check the fingernails. From something that was pretty contentious to begin with, this really has turned out to be a very collaborative process, and I personally agree with the outcomes that are specified in here. We're working to set up clear expectations so that we can look at the performance against those expectations, we can really say we did it, as we move down the line. David and dean, and I are going to be meeting with paul and zari if she chooses to do that. She has a lesser component to this. But meeting with paul on a monthly basis to look at progress and issues so that we're not waiting till the tail end on this to find out we have an issue is one thing or another, we can do whatever tinkering is required. But I was particularly happy to hear some of the comments from the members of the drac subcommittee, because it -- this simply makes business sense. And there are a lot of the issues around clarity and predictability and time lines, we should have taken care of long ago. So i'm very happy to support this.

**David Shaff, Director, Portland Water Bureau:** Good afternoon. I'm david shaff the director of the water bureau. I'll just echo what paul and suzette, I know you've had a Long day, so i'll keep it short. We're happy to support this. It was long, it was contentious, there was a lot of hammering that went on. And we have come to I think a very good model that meets the direction and the goals of the council, and that's a much more efficiencies item, and one that is friendly to our customers and that is seamless and transparent as possible. We'll work out all the details so when the developer or the homeowner comes in, they're able to get their permits and their questions answered in as efficient and quick and resource laden manner as possible. Thank you.

**Fritz:** Thank you for coming in on your time off.

**Scarlett:** Appreciate your time. I do, given all the good work that's gone on, i'd like to invite andy peterson and simon tonkinson to give detail -- more detailed information on the proposal.

**Andy Peterson:** Good afternoon, andy peterson. Each of you should receive a copy of the reports, including both a letter of sport from drac as well as exhibit a that would go into greater detail. As well as a copy of a power point presentation we'll walk through quickly here, just to give you the oversight and then we can certainly answer any questions you may have. Basically we'll just run through the council july directives, hitting the three items we were to bring back for july. We will be back in september and we'll touch on these items, conflict resolution and standardized s.d.c. program pieces. And then just wrap it up. On april 16th we did come to council and we were directed at that point to work on establishing the standard turnaround times for permits. In essence we worked closely with the industry as well as the infrastructure bureaus to do that. As well as creating predictable fee schedules. The formal appeals process takes what was an informal process, gave it a front door, a good entry, a time line, and some predictability in the system for the infrastructure bureau appeal processes. As far as turnaround times, the public works permitting process, we -- I have to give a lot of credit to the infrastructure bureau staff and managers there.

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Really looking at this work again from a new point. And working with industry partners to say, what is it we're trying to do and how can we decrease times on these things, and make them predictable? The pieces that came out were clearly the importance of early meetings, getting information out early before the process really gets underway. So everybody starts from the same point. From this we were able to develop shorter and predictable review times on the city's end of it. As well as giving a clear and written information back to the customers as we walk through the process. In doing that it keeps the process transparent, we're able to see where we're going, where we start and when we're going to get to the end. Which is a benefit for everybody. Many working in this process we also were able to create a couple tracks on the system of -- for fees. Some of the smaller more experienced contractors wanted to be able to continue with a current system which is a customary and usual fee schedule, where others felt like getting into the system with the knowledge of a fixed rate or flat rate fee based on the complexity and the level of complexity of the project was something that they preferred. We'll post and publish these fees so everybody knows what they are as they come into the system. It's easier to have project estimates as the developers and design teams work on the projects and try to pencil it out and make sure these projects work. On the appeals side, it's basically bringing together what we're -- for all the applicants to come in and apply for an appeal. It's formal, it will be coordinated, it will be consistent. We'll document -- this will be much along the lines after build can code appeal process, where they're documented and there's recorded decisions the public can see, and how we got to those decisions. What the result of this will be the opportunity to create administrative rules and code Guides that then if a certain aspect is being appealed repeatedly and being approved in a certain way, we can simply do a code guide or administrative rule to do away with that need for an appeal. Which again lends itself to a feedback and loop to the policy and rule makers that actually give us the opportunity to review and make sure the policies are really getting us where we want to be as a city as a whole. The whole intent is to keep projects moving forward so we can reach decisions on a project basis while we look at bigger policy pieces at a different scale. Overall the interagency team has developed well. I give credit to these folks here, whether it's darren, christine, kurt has played a role, dan, the whole group has been excellent to work with. Innovative, creative, somebody said out april 16th, we have some of the best and brightest here. They've certainly come to the table, they've pulled this thing together. It's been a good atmosphere to work with. The same thing for the drac subcommittee. We've had a broad representation of folks from that group, including major -- large and small developers, architectural firms, the neighborhood land use chair, people -- that part has been beneficial to work w. As well as incorporating folks from the planning commission, organized labor, and previous drac members as well as folks that currently sit with the home builders association.

**Fritz:** Could I interrupt and say that over the past 18 years i've been participating, many of those people that you just mentioned have earned my trust and I think they are absolutely fantastic, both staff and volunteers. So i'm very respectful of the process that you've done.

**Peterson:** Great. Thanks. At this point i'd turn it over to simon to give his drac viewpoint.

**Simon Tompkinson:** My name is simon tompkinson. I'd like to introduce my compatriots in this process. Don gettys from walsh construction, keith gilly from gbd architect. We have had a very cohesive group in looking at all these issues. And it's not all been easy. It's been really having some negotiations around what's -- what is appropriate for city process, first of all, and what is an appropriate process for permitting. And how do we actually negotiate from the scale of, we joked about this, from the scale of free and badly, right, to expensive and perfect. How do you balance those? So our process has actually kept that in mind. And so we've recognized as drac that we're active participants in it. We actually are the users of the system. And so we have to also go back to our constituency and think through what's necessary for us to be better partners in this process with the city. So we appreciate the Decision-making around this process has been transparent. We have

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been focused on a predictable review process. Cost effectiveness has been foremost, both on the standpoint from managing staff time and being reasonable. But then also giving the best deal for the applicant going through the process. The other critical part is getting super clear about what is the middle process. We've had many discussions in terms of what is an appropriate amount of information for the city to actually negotiate these policies around, and get a public works process permitted and incomplete. And then also really clarifying the appeals process. This is the most contentious issue for a lot of our participants, because this is where the rubber meets the road. This is where policy runs into reality. And there was no clear process between all the bureaus to actually identify that. And that is -- we're talking about a seismic shift. Defining the measures of success for the projects have been critical as well. Not just in terms of what is the value of colocation, because that's actually something we need to measure. But also what's the final result for the applicants in the process. And that has been consistent at the top of the ledger as well, is how do we define those. And we're developing those and should have really clear idea what those are in september for You. However, it's not all gravy. It means a very serious change of behavior. Not only in terms of the applicants, in terms of what is required from us. The staff is going to be acting differently, drac will be acting differently in this process. And I'm actually here to lobby that you act differently during this process. We need to establish new boundaries around the transactual nature in getting a permit and policy development. And I've made a personal request and also a request from drac of the directors to help us in that process. It's vital that in order to let this thing flourish to its capacity that we actually allow these projects to run through the system and run it at least for the first couple of years without interruption.

**Leonard:** Did you mean interruption or interference?

**Adams:** Let the record note he was looking at randy Leonard.

**Tompkinson:** Yes.

**Leonard:** Point taken.

**Tompkinson:** That's an important aspect of this. And drac has made a commitment to do so. We're taking a process that's been reactionary and lagging and turning it into a process that's proactive and leading. And that is actually the result of the work we've done. And I actually need to thank the staff and directors for involving drac at the level they have. But also for being willing to listen. Because I think we've had some of the most important dialogue we've ever had in terms of drac members in the general bureaus. We have a -- b.d.s. Spearheaded the drac, but drac has not been involved with many of the other bureaus as much and I want to thank everybody here.

**Leonard:** Your objections all have the ring of truth to me because the things that you're predicting we need do from this point on as we bring in new partners, resonates with me because a lot of those efforts are precisely doing what we had early on in changing the culture and approach and how we did permitting so I know you're speaking from experience and good experience. And thank you, simon, for your ongoing work. You've been a great partner since i've gotten the bureau and I couldn't do most of what we've been able to do without you and the drac's support. But I want to particularly acknowledge andy. I have to -- I happen to know he's worked evenings and weekends, paul and I oversee it, but andy is actually doing the project. You've done a great job.

**Peterson:** Thanks. Continuing on. Our next efforts here, basically to talk about collocation, one of the aspects of the april 16th directives was to commence beginning july 1. We've identified staff working with the infrastructure bureaus to be able to identify who is going to be moving to the 1900 building. There's an ongoing dialogue between the directors at this point as b.d.s. Has changed our personnel levels over the last and will be over the next couple of months, that space is opening up so that discussion is continuing to go on. And develop an employee transition and support plan for folks moving to the 1900 building. That work continues and we're working with those folks and managers to make sure that anything that they need can be addressed, that we make sure that transition is as smooth as possible and we support those people as they move and it's a change for

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everybody and change is difficult. But we'll make it a positive transition for those folks. The bureau of directors continue to discuss the location of people moving as well as the idea of having staff relocated by the end of october of this year. So we'll return in september to report on the conflict resolution process that will be developed. And we'll include the planning commission folks in that discussion as well as the drac subcommittee and we'll continue to discuss the standardized s.d.c. charges on the three elements of low income waivers and deferrals and finances for those programs and working with the bureaus to have that information uniform or standardized and bring that back to the council for approval. We'll also provide an update at that point on the development of the programs for the three initiatives that are in the report as of today. Turn-around times, appeals processes and flesh out that movement, how that's going and space for that piece. And so basically, turn it back to paul. I think i've spoken faster than my slides here. So with that, paul. I'll turn it back to you. And open the door for any questions.

**Scarlett:** Thank you, andy. I pretty much don't have a whole lot else to say. I think you've summed up the initiatives really well. I appreciate the hard work you've done of everybody who's been involved in the process and one of the things i've been most impressed was was the approach, an approach that said this is doable and willing to roll our sleeves up and jump in and make it happen. And it's only been -- what? -- april, may, june -- so not that long and in terms of city process this is fast.

**Adams:** Light speed.

**Scarlett:** It is light speed and no objections or impacts or impediments. This can happen and it will be beneficial.

**Tompkinson:** And we have consensus across all of the stakeholder groups, which is critical.

**Adams:** And lana and kirk and christine. You're shaking your heads or is that just a twitch.

[laughter]

\*\*\*\*\*: They're the ones that's been involved.

**Adams:** There's what you say and there's what lana says. We have that. Lana is a tough cookie.

\*\*\*\*\*: She's been great to work with.

**Adams:** She is. You're all great. I want to say, commissioner Leonard, how excited the community is. I've heard amazing, positive feedback from neighborhood associations that see this as an opportunity for a citywide process that is more understandable, more accessible, more transparent. And although the development community is rightfully in the later stages of a deep depression because of the economy, the fact that we're taking the time during these tough times when we don't have much business to sort of retool is impressive and I want to really commend and thank you for your leadership. This is not sexy work. And obviously, that goes to you, paul, and you andy, and simon and the whole group. This has frustrated people for so long and so i'm very grateful.

**Leonard:** It really has, but what's important, i've wanted to do this for a long time and we've talked to for a long time but I haven't been able to until you were elected and said this is something that you would like to see happen. We're equal up here, but the mayor is first among equals and if the mayor doesn't want something to happen, it becomes very difficult to have it happen. And sam, it only happened because you've allowed us.

**Adams:** It's official, it's a love fest.

**Scarlett:** We call it leading by example.

**Fritz:** I really like the approach and I appreciate all -- the good work and the internal appeals process and as I understand -- the applicants will be able to start the appeals process before they've submitted their process through the early assistance program and isn't related to time limits associated with land use reviews.

\*\*\*\*\*: No.

**Fritz:** That's good. First question: Do you know the makeup of the third level policy appeals board, which is on page 10?

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**Peterson:** At this point, it's -- it will be fleshed out, but at least contain three members from the -- one member each from the main infrastructure bureaus and then the proposal is to have two stakeholders that have experience within the development community or the infrastructure world. Basically so that we've got are informed folks, experienced folks at that appeals board. That hasn't been pulled together to that great level of detail yet. It's more aspect at this point to try to push this forward, and see if this proposal fits with what works for you guys and then we'll flesh out the details.

**Fritz:** Will that come back in september?

**Peterson:** We can certainly bring that back in september. That proposed makeup, yes.

**Fritz:** The second issue I have is obviously the early assistance is the key and I really like that. But it takes staff and time and i'm wondering how you're going to manage that when your funding is so constrained.

**Peterson:** Most of the early assistance for the public works permit projects is staffed by folks from the public works bureaus. I don't think their staff has been as impacted as b.d.s.' levels while they've had a downturn in their work, I think they've been able to do some workload balancing between capital improvement projects as well as develop-funded projects. There's some aspect to look at fee structures as we get down the road and ferret out more of the details here. But that would be how we'd make that early assistance available to folks.

**Scarlett:** It's an important distinction. The folks of this initiative is on public works permitting and the so bureaus are funded and set up differently.

**Fritz:** Right.

**Tompkinson:** There's a critical aspect of this. I mentioned leading versus lagging and reactionary versus proactive. They're trying to balance issues for an applicant and there's no forum to do so. Or -- we're expecting in the early meeting, a lot of issues can be negotiated with 10 minutes rather than four months and it can be handled right then. In terms of the give and take with the participants at the table. We're looking at a dramatic shift in workload because we're not going to have the back and forth we've had.

**Fritz:** Right.

**Tompkinson:** It's going to be more work at first, but in general, a massive change.

**Fritz:** And you're going to run into the policy conflicts and I know that you're going to bring back that proposed process to us in september. I seem to remember that the citywide land use group was also listed in the april resolution as a group to be involved in that over time.

**Peterson:** We've included bonnie mcknight as part of the subgroup through the entire process.

**Fritz:** Right, I thought we were specifically going to ask them about that piece.

**Peterson:** And she will continue to be in the process as we move forward.

**Fritz:** So you might want to consider having a presentation to that group as well as the planning commission, is my suggestion.

**Peterson:** I think just for clarity's sake, we're including the planning commission in the discussions as well.

**Fritz:** Planning commission, I know that's lifted here. But citywide land use wasn't and it was listed in some pieces of the april resolution, I want to make sure it doesn't get missed because the land use folks and you might consider them to be on some appeals boards if appropriate. We've got some people skilled in the aspects of this.

**Adams:** That's a really good idea.

**Fritz:** Thank you. I think the only questions I have -- I think this is breaking new ground and also implements the direction in both blue print 2,000 and --

**Adams:** [inaudible]

**Fritz:** You know, that's as many as we can get. Everybody's -- I think we all shared the excitement of this coming to fruition and having these discussions which I believe will demonstrate that

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collocation was the right choice in april and many of these processes are going to fix many of the questions that we have experienced and I say, we, including myself, over the last 18 years. Thank you very much.

**Tompkinson:** I have one last point. That is that we all know that unfunded mandates don't work and so one of the things that's of concern for us, is obviously the budget and how to make this work.

Resac was recently not funded and that's a product of policy and regulatory improvement. We're embarking in a potentially similar direction with public works and i'd like to make an appeal here to potentially join those two processes together. So that the public works and the resac are potentially one group to consolidate the effort. But also to have a land use planning and public works overview of policy at one place.

**Adams:** Another good idea.

**Fritz:** [inaudible] this september, I would suggest.

**Adams:** I don't think you'll have time or necessarily should you pursue this suggestion I want to make, but because we've got a number of private projects that are sort of in stay sis because of lack of -- stasis because of lack of resources, commissioner Leonard and I have talked about shadowing a project from I got an idea to talking to the investors to hiring the professional services firms and you're doing that with the green buildings in partnership with the homebuilders, but one thing i'd also in addition to the resac and all of that, is to have our certain city employees that are shadow a project all the way through so you can do a debrief and I would propose a project that seeks to push the envelope on green and sustainability issues to something like that.

**Scarlett:** Right. Sounds good.

**Fritz:** Pushing the envelope remind me that it seemed to me some of your proposed timelines are extremely aggressive and perhaps unrealistic, I would certainly encourage you that 10 days is a good goal. But if you can't make 10 days, it might not be that something else needs to be fixed. It might --

**Scarlett:** It's 10 weeks.

**\*\*\*\*\*:** 18 weeks down to --

**Scarlett:** Yeah, and we --

**Fritz:** And --

**\*\*\*\*\*:** The part you were referring to?

**Fritz:** On page 3, looking at turnaround times for land use reviews, which is the thing i'm most familiar with. From 30 to 10 business days, that seems over-ambitious to me and I encourage you -- I appreciate that you set lofty goals. If it turns out it can't be met, it might be that the goal needs to be adjusted rather than something else.

**Scarlett:** A big aspect will be monitoring and feedback loop. The interagency directors and myself will be getting reports and briefs and making adjustments as we feel are necessary. And communicating that to council.

**Fritz:** It won't be that you'll come back and say, oh, we couldn't do it.

**\*\*\*\*\*:** No.

**Fritz:** Accepting it was an overly ambitious goal.

**Adams:** Lana was vigorously shaking her head to 10 days.

**Peterson:** From clarity, the proposal is from 10 days to eight days from the time of notice in the window that there's now. Not 30 to 10.

**Tompkinson:** I know this looks shocking but all of the participants in this process have actually agreed to these timelines.

**Fritz:** That's great.

**\*\*\*\*\*:** And we're expecting actually a better performance.

**Fritz:** I love ambition and optimism and I hope you can do it.

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



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**Adams:** Thank you all very much.

**\*\*\*\*\*:** You're welcome.

**Adams:** Anything else? We make a motion to accept this report.

**Fritz:** Second.

**Adams:** Moved and seconded to accept the report. Karla, please call the roll.

**Saltzman:** Well, I want to commend all of bureaus for their good work and good leadership from the city council. Let's maintain this era of detente on behalf of our citizens and let it yield a more efficient and effective permitting process. Aye.

**Leonard:** This is an unbelievably complex area that -- but because of the great folks that representing here today made it appear to be smooth and organized. In addition to processes, there is human nature involved in this change. And that is probably the most difficult part to manage. And so I want to acknowledge that and respect all the work that everybody's done. The flexibility everybody has shown and the leadership of paul and andy as well. This is really a difficult, difficult work that's been talked about a long time and that we're this far is a minor miracle. I really appreciate it. Aye.

**Fritz:** This is breaking new ground and I commend commissioner Leonard for his leadership of b.d.s. And commissioner Saltzman and mayor Adams for leading there are bureaus also and commissioner Fish with parks too. And it's interesting to me to read the whole report and see how you're managing to respect that there are different processes in each bureau as well as doing this collocation. So I think this is really good work. Thank you to the drac and neighborhood land use chairs who are participating in this process. It's exciting. Aye.

**Fish:** I won't repeat what's been said, but good job to all and when we launched this process, I was an official believer that collocation plus with the built-in checks and balances and then this kind of effort to follow would bear fruit i'm delighted that the unanimous verdict of this council has borne fruit. Thank you nor all of your hard work and I want to acknowledge the work that hannah kuhn played at the outset.

**Adams:** Great work. Let's get going even more, aye. [gavel pounded] council's adjourned.

At 3:50 p.m., Council adjourned.