



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

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

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

Commissioner Leonard arrived at 9:33 a.m.

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

Item Nos. 1270 and 1277 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS		Disposition:
1261 Request of Mindy Stone to address Council regarding Trimet and democracy (Communication)		PLACED ON FILE
1262 Request of Zachary Dobbels to address Council regarding Trimet and democracy (Communication)		PLACED ON FILE
1263 Request of Erin Michaels to address Council regarding Trimet and democracy (Communication)		PLACED ON FILE
1264 Request of Jason Barbour to address Council regarding Trimet and democracy (Communication)		PLACED ON FILE
1265 Request of Lew Church to address Council regarding Trimet and democracy (Communication)		PLACED ON FILE
TIMES CERTAIN		
1266 TIME CERTAIN: 9:30 AM – Annual presentation from Travel Portland (Presentation introduced by Commissioner Saltzman)		PLACED ON FILE
1267 TIME CERTAIN: 10:00 AM – Amend Portland Transportation System Plan and Comprehensive Plan to update the Gateway Master Street Plan and Chapter 11, Master Street Plans (Previous Agenda 1153; Ordinance introduced by Mayor Adams)		CONTINUED TO SEPTEMBER 30, 2009 AT 2:45 PM TIME CERTAIN

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CONSENT AGENDA – NO DISCUSSION	
Mayor Sam Adams	
1268 Confirm appointment of Beverly Wilkinson to the Civil Service Board for a term to expire September 8, 2012 (Report) (Y-5)	CONFIRMED
Bureau of Planning & Sustainability	
*1269 Authorize five-year contracts with vendors of diesel emission control devices for retrofitting on- and off-road diesel vehicles and equipment at a cost Not-To-Exceed \$2,000,000 (Ordinance) (Y-5)	183163
Bureau of Transportation	
*1270 Accept a grant in the amount of \$100,000 for Safe Routes to School Non-Infrastructure Education and Encouragement Projects (Ordinance) Motion to add Exhibit A: Moved by Mayor Adams and seconded by Commissioner Fritz. (Y-5) (Y-5)	183170 AS AMENDED
*1271 Authorize Bureau of Purchases to enter into a contract and provide for payment for construction of the NW 23rd Avenue Reconstruction Project (Ordinance) (Y-5)	183164
*1272 Authorize Intergovernmental Agreement with Oregon Department of Transportation to define roles and responsibilities for real property to be obtained and used as part of right of way for road, street or construction of public improvements for the NW 23rd Avenue Reconstruction Project (Ordinance) (Y-5)	183165
Office of Management and Finance – Human Resources	
1273 Create a new represented classification of Transportation Demand Management Assistant and establish an interim compensation rate for this classification (Ordinance)	PASSED TO SECOND READING SEPTEMBER 16, 2009 AT 9:30 AM
Portland Development Commission	
*1274 Authorize the City to act as fiscal agent to the Portland Development Commission for a \$200,000 U.S. Environmental Protection Agency grant for environmental cleanup of the planned Gateway Neighborhood Park site in the Gateway Regional Center Urban Renewal Area (Ordinance) (Y-5)	183166

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Commissioner Dan Saltzman Position No. 3 Bureau of Environmental Services 1275 Amend contract with KPFF, Inc. for engineering services for the design of the South Airport Basin Phase 4 Pump Stations Project No. E06790 (Ordinance; amend Contract No. 37735)		PASSED TO SECOND READING SEPTEMBER 16, 2009 AT 9:30 AM
1276 Authorize a contract with the lowest responsible bidder for the Cherry Park Pump Station Upgrade Project No. E08918 (Second Reading Agenda 1252) (Y-5)		183167
Commissioner Randy Leonard Position No. 4 1277 Approve proposed formation of special district, the Tigard-Tualatin Aquatic District (Resolution) (Y-5)		36728
Commissioner Amanda Fritz Position No. 1 Office of Cable Communications and Franchise Management 1278 Revise Portland State University franchise boundaries, and amend franchise to include district heating and cooling services (Second Reading Agenda 1254; amend Ordinance No. 177529) (Y-5)		183168
Commissioner Nick Fish Position No. 2 Portland Housing Bureau *1279 Authorize subrecipient contract with Neighborhood Partnerships for \$393,960 to provide for the administration of Bridges to Housing grants and provide for payment (Ordinance) (Y-5)		183169
Portland Parks & Recreation 1280 Authorize a Lease Agreement with YMCA of Columbia-Willamette for use of Mt Tabor Annex (Ordinance)		PASSED TO SECOND READING SEPTEMBER 16, 2009 AT 9:30 AM

<p align="center">REGULAR AGENDA</p>	
<p>1281 Celebrate September as National Preparedness Month by promoting employee and bureau commitment to emergency preparedness education, hazard mitigation and participation in coordinated emergency planning (Resolution introduced by Mayor Adams and Commissioner Leonard)</p> <p>(Y-5)</p>	<p>36731</p>
<p align="center">Mayor Sam Adams</p>	
<p>1282 Authorize a grant agreement with the Small Business Legal Clinic for \$120,000 to provide continued support for two salaried positions: a Clinical Law Professor and an Operations Manager (Ordinance)</p>	<p>PASSED TO SECOND READING SEPTEMBER 16, 2009 AT 9:30 AM</p>
<p align="center">Bureau of Planning & Sustainability</p>	
<p>1283 Approve the 10-year tax exemption requested by RuJax 1 LLC for The Albert Mixed-Use Apartments (Second Reading Agenda 1226)</p> <p>(Y-4; N-1, Fritz)</p>	<p>183171</p>
<p align="center">Bureau of Transportation</p>	
<p>1284 Vacate the Public Way between Lots 13 and 14, Flora Meadows subject to certain conditions and reservations (Hearing; Ordinance; VAC-10065)</p>	<p>PASSED TO SECOND READING SEPTEMBER 16, 2009 AT 9:30 AM</p>
<p align="center">Office of Management and Finance – Business Operations</p>	
<p>*1285 Authorize charitable organizations eligible to participate in the City 2010 Combined Charitable Campaign (Ordinance)</p> <p>(Y-5)</p>	<p>183172</p>
<p>*1286 Amend Intergovernmental Agreement with the State of Oregon Department of Transportation for Transportation Enhancement Program Grant for Union Station Restoration Phase II (Ordinance; amend Contract No. 52964)</p> <p>(Y-5)</p>	<p>183173</p>
<p>1287 Authorize financing for local improvement projects (Second Reading Agenda 1257)</p> <p>(Y-5)</p>	<p>183174</p>
<p align="center">Office of Management and Finance – Purchases</p>	
<p>1288 Authorize Price Agreements for Diesel Emission Retrofit Devices and Installation to Cummins Northwest LLC and The Pape' Group, Inc. (Purchasing Report – RFP No. 110249)</p> <p>Motion to accept report: Moved by Commissioner Leonard and seconded by Commissioner Fish.</p> <p>(Y-5)</p>	<p>ACCEPTED PREPARE CONTRACT</p>

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<p style="text-align: center;">Commissioner Dan Saltzman Position No. 3</p> <p style="text-align: center;">Bureau of Environmental Services</p> <p>*1289 Designate a Sewer Easement in property owned by the City and in designated public right-of-way known as Tom McCall Waterfront Park and assign to the Bureau of Environmental Services (Ordinance) (Y-5)</p>	<p style="text-align: center;">183175</p>
<p style="text-align: center;">City Auditor LaVonne Griffin-Valade</p> <p>1290 Transmit results of recent City audit work by the Audit Services Division, Office of the City Auditor (Report) (Y-5)</p>	<p style="text-align: center;">PLACED ON FILE</p>
<p>*1291 Clarify declaration of intent to seek certification for Campaign Finance Fund (Ordinance; amend Code Section 2.10.060) (Y-5)</p>	<p style="text-align: center;">183176</p>
<p style="text-align: center;">FOUR-FIFTHS AGENDA</p> <p>Motion to hear Four-Fifths Agenda items: Moved by Commissioner Leonard and seconded by Commissioner Fish. (Y-5)</p> <p style="text-align: center;">Mayor Sam Adams</p> <p style="text-align: center;">Portland Development Commission</p> <p>1291-1 Terminate Transit Oriented Development and Multiple-Unit Housing Limited Tax Exemptions (Resolution) (Y-5)</p>	<p style="text-align: center;">36729</p>
<p>1291-2 Terminate existing and deny applications for Limited Tax Exemption for Single-Family New Construction and Residential Rehabilitation (Resolution) (Y-4; Leonard absent)</p>	<p style="text-align: center;">36730</p>

At 12:01 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **9TH DAY OF SEPTEMBER, 2009** AT 2:30 P.M.

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

Commissioners Fish and Saltzman arrived at 2:35 p.m.

Commissioner Leonard left at 3:49 p.m.

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

	Disposition:
<p>1292 TIME CERTAIN: 2:30 PM – Accept the Portland Streetcar System Concept Plan (Resolution introduced by Mayor Adams)</p> <p>Motion to change page 4 WHEREAS paragraph “in response to discussion by Planning Commission members at the August 11 Public Hearing” to “BE IT FURTHER RESOLVED”: Moved by Commissioner Fritz and seconded by Mayor Adams. (Y-4; Leonard absent)</p> <p>(Y-4; Leonard absent)</p>	<p>36732 AS AMENDED</p>

At 4:01 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.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

SEPTEMBER 9, 2009 9:30 AM

[roll call]

Adams: Can you please read the title for council communication item -- oh, before we do that, we have a very special introduction and recognition. Commissioner Saltzman.

Saltzman: Thank you, mayor Adams. I'd like to bring up captain dave benson to introduce one of the Portland's police bureau's newest recruits. One of our drug dogs, griffin, and his senior member, nico.

Dave Benson, Portland Police Bureau: Good morning. Griffin is our newest police dog. We've had him, I think, two months. These are drug detection dogs and nico -- [laughter] They're working the crowd here a little bit. But they literally perform hundreds of searches per year. Not like the traditional police dog. They're not trained to be aggressive. Just trained for scents.

Adams: Oh --

Benson: Nico is from holland. You can ask the handlers anything you like, if you're interested.

Adams: What was that last part?

Benson: You can ask the handlers anything you want about the dogs but they do a lot of great services for the citizens and make our jobs easier in the investigations.

Saltzman: And they work throughout the metropolitan area.

Benson: Just not limited to Portland.

Adams: How many canines do we have on the force?

*******:** [inaudible] we have 11 full dogs and two of which are [inaudible]

Fish: This is stressful work, what do the dogs do for r and r?

*******:** They don't look at it as work. They actually don't like downtime.

Saltzman: They live for the jutes in the back pockets in -- of the officers there. That's their reward. Thank you.

Adams: Thank you very much. Thanks for your service. Bye, puppies. Now, Karla, if you would, please read the title for item no. 1261.

Item 1261.

Adams: Ms. Stone. Welcome to the city council. Glad you're here. Please have a seat. Our protocols are three minutes and that clock in front of you will help you keep time.

Mindy Stone: Thank you very much. I appreciate the opportunity. I'm here today because i'm very disturbed by the recent actions of the tri-met board which met to vote basically to confirm a vote to cut the buses out of the fareless square. As well as cut back more routes for the citizens of the area here, I think it's three areas, three counties that they serve. My biggest concern is that the board has appointed members by the governor. The governor does not live there Portland or Portland proper or the surrounding counties and doesn't use the mass transit service. And tri-met keeps talking about losing money and yet they expand the rail service which they're doing right now. And planning for building more. And the rail service is wonderful, but it does serve people who have automobiles or who live in downtown. And -- or the surrounding areas where the -- where the trains operate. People who rely on buses are poor, they usually do not have a car. They can't afford one, and with this economic crisis we're in, rely on using mass transit. So I don't understand why someone who is not even part of our community here is making decisions from the

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capital of the state on who should be making decisions on such important issues as expanding or depleting transit services. Public transit services. And I have done a little research to find that there are cities around -- big cities around the country that operate differently in how they have board members set up. And so far, the city of san francisco has the best board of directors -- board of directors are elected members of the supervisors. And so those people are elected by the citizens of the area. So I would like to ask that the board -- that the city council members maybe meet with citizens who are concerned about how the current boards are chosen by the governor, and change it to be a local issue even within three counties, an elected board, so that they can be held accountable for their decisions and i'm asking you to consider that.

Adams: Thank you for your testimony. I really appreciate it.

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

Adams: Karla, can you please read the title for council communications item no. 1262.

Item 1262.

Adams: Mr. Dobbels?

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

Adams: Ok. Can you please read the title for council communications item no. 1263.

Item 1263.

Moore-Love: She's also not able to come.

Adams: Can you please read the title for council communications item no. 1264.

Item 1264.

Adams: Good morning, mr. Barbour. Welcome back to the city council. Glad you're here.

Jason Barbour: Thank you. For the record, my name is jason barbour. I'm a member of the transit riders' union. Several of my colleagues who are also members are also in attendance today and talking about tri-met and some of the issues surrounding it as it exists today. As we're only a few days away from the opening of the max green line. Something i've been getting very interested in is there's another man who's not actually a member of the transit rider's union. Jason cough, who has started a website called rose city transit. Going back to when it was founded back in 1969 and from what I can tell, the city of Portland back then condemned rose city transit and conveyed it to tri-met because the city felt that Portland should have a system that works better for people what live here and in the surrounding area and so it can be more democratic and what not and might even have been thinking light rail back then. But now, it seems like tri-met is now this big organization, yet it's really great in a on many routes they have service that runs all the way from 5:00 in the morning until like 2:00 at night -- or 2:00 the next morning, and that's great if you live along those routes and able to use the service, it gets you where you need to go. However, for example, on some of the other routes, there's another rider of tri-met line 74, which is the rush hour route that runs between lloyd district and the woodstock neighborhood that's being captioned after this friday, who submitted an idea to tri-met. They didn't really look -- respond to her at all from what I could find out, or for example, there were other idea that's riders suggested in the budget shortfall, however they weren't really addressed at all with tri-met service cuts proposal. Additionally, tri-met, as i've noticed, selectively works with colleges and universities in the area. For example, Portland community college can't seem to get another tri-met pass discounts for its students, while psu, they have so many that they're actually giving them back to tri-met and I found out that no Portland state university students were officially asked by tri-met about ending fareless square. Research from the transit riders' union suggests that one administrator at Portland state was asked what do you think about this policy and that was all of the psu input provided. Additionally, light rail is great if you're going between downtown and where you live, but it doesn't go to the grocery store or your job, it doesn't work out that well and I understand my time is up, so I thank you today.

Adams: Thank you, mr. Barbour, for your testimony. Can we read the title for item no. 1265.

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Item 1265.

Lew Church: I'm coordinator of the psu progressive union and treasurer of the transit riders as union. It started in 2009 in Portland and there have been other incarnations in the past and I wanted to make sure I start at the beginning with the three-minute time slots to say that we appreciate amanda Fritz talking on transit issues. When I came and talked to you about that, that was helpful and doing follow-up on the proposed and so approved cuts to fareless square with fred hansen. I think I got an email from you. I'm not sure how to pronounce katherine's last name.

Adams: Ciarlo.

Church: She talked to us as well. Progressive student union works on several different projects and this issue we feel city council has been helpful in how to do organizing. With two minutes, the things I should try and mention, transit riders' unions is a new phenomenon in the u.s. The basic idea, it's an area of social power, primarily from the left. [inaudible] but from the left to try to make transit equity, social sustainability. Not just ecology, but how fair the transit system is to workers and poor people. And I think it is high importance by most government agencies in Oregon. Because of the unemployment rate. Our state being in the top five in the recession. In los angeles, you may or may not be familiar with the bus riders' union there. They were able to get an injunction with the courts against light rail. L.a. Municipal transit authority was required to buy 500 buses that served poor communities which light rail in l.a. wasn't. Portland, of course, has a far better reputation in terms of transit. What else do I want to mention? Jason mentioned the Portland state process. The tri-met board voted 6-1 to cut back on fareless square at its last board meeting after I presented to the board president 1400 signatures on petitions. We tried to follow amanda's suggestion and I think edward kennedy used to talk about persevering in organizing. Tri-met ignored that. We're looking to find partners, perhaps metro, perhaps city council and others that will help make it more accountable and more aggressive. Not speaking strictly in terms of democracy. We think the public interest is helpful. Thanks.

Adams: Appreciate your testimony.

Leonard: I would point out that it's good to come here and get us involved, but tri-met is created by state statute. The city of eugene is an elected board because the legislature allowed that. So you can have us help you, but that's all we can do is lobby as well. So I would contact the legislature and say you want to introduce legislation.

Adams: Are there any items to be pulled from the consent agenda? I would like to pull 1270.

Fritz: 1277.

Adams: Pull 1277. Any others? Anyone wish to testify on the consent agenda? Karla, please call the roll on the remaining items on the consent agenda.

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

Adams: Aye. [gavel pounded]

Leonard: Mayor Adams?

Adams: Yes, sir.

Leonard: I say we pull item 1277 right away. We have a guest from the tualatin valley recreation center that I don't want to have to punish all morning long.

Adams: If there are no objections, please read the title for council calendar item 1277.

Item 1277.

Adams: Commissioner Leonard.

Leonard: Is michelle here? Come forward. I'm not going to try and begin to explain what we're doing here today. I'm doing it basically at your question and friends in tigard. You need help on the city council and I want to give you the opportunity.

Cheryl Coupé: This is debbie, also part of the committee to save the tigard-tualatin pools. They own two swimming pools located on both high school campuses. The only public swimming pools in the entire district and although located on the high school campuses, they serve the community

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more than 80% of the time. Budget cuts, the high school can no longer afford to run those pools and will close permanently by the end of the year unless we can find alternative funding. Our option is to create a special aquatic district that will match the tigard-tualatin boundaries. So that's an existing legal boundary. As part of that, we're required to get resolutions from each of the affected cities, so we have those from tigard, tualatin, durham and king city. Much to our amazement, when we submitted paperwork to Washington county, we found a two-block area that's actually within the city of Portland.

Leonard: To your amazement or disappointment? [laughter]

Coupé: Disappointment at first and thanks to the helpful support from mayor Adams' staff and commissioner Leonard, your staff and commissioner Fritz, your staff as well, to react what is very, very quick for us. We've collected more than 5,000 --

*****: 500.

Coupé: In three weeks and need 7,000 in three weeks to turn in Washington county, so the time limit was extraordinarily tight.

Leonard: Are you going to make it?

Coupé: We think so. Even with back to school now, we've been collecting signatures as parents get back.

Leonard: I appreciate you working on behalf of our community, which includes tigard. And i'm happy to partner with you.

Adams: Discussion? Commissioner Fritz.

Fritz: There are 44 lots, and what kind of notifications have been given?

Coupé: There has not been any notification specifically to anyone in the district, other than what we've been able to accomplish through the website which has been up for several months. There was a school district newsletter and the proposed tax levy was included in that. Household age -- children households would have received that. And there's been coverage from the Oregonian and tualatin valley times and those local papers.

Fritz: What's the tax rate?

Coupé: 9-cents. Washington county gives \$200,000 for an average home. We're looking at \$20 a year from an average home.

Fritz: Thank you.

Adams: Any other discussion from council? Anyone wish to testify on 1277? It's a resolution.

Thank you very much for taking the time to come here.

*****: Thank you very much.

Adams: Please call the role on 1277.

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

Fritz: Thank you to commissioner Leonard and mayor Adams for indulgence on having a short discussion. It may increase the property tax for these residents and I wanted to make sure we're making this is a concerted choice. I want to commend the citizens, karen, the community members saying we need do what it takes to get it done, even under measure five. Thank you very much.

Fish: I will support it because no portions of these monies will go to support either tigard or tualatin girls' soccer team and so on that basis, i'm happy to support this. Aye.

Adams: I want to thank my staff for -- and commissioner Leonard's office and his staff for their quick turn-around and thanks for your partnership. Aye. [gavel pounded] 1277 is approved. Please read the title for the 9:30 time certain.

Item 1266.

Adams: Commissioner dan Saltzman.

Saltzman: Thank you. It's my pleasure to represent the city on the board of travel Portland and to host the travel Portland presentation today. As you know, tourism and travel drive a significant huge economic driver for our region and this is no small part due to travel Portland, formerly the

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Portland, Oregon visitors' association, the work it does every day, today in and day out, to promote our region is integral to our economy. We have with us travel Portland board president, jeff miller, board chair, steve folstick and i'd like to take a moment to recognize any other board members who are present, as well as travel Portland staff. Maybe you could all stand and be recognized. [applause] Thank you. Thank you, all, for your efforts. We've been getting some incredible travel and destination press over the past year and this is due to the great staff at travel Portland and the energy they bring to this job. And it's important to point out the critical juncture travel Portland finds its in as it -- itself in with less resources due to the economic downturn. The vast majority of their funding comes from the hotel-motel room tax and as we know, it's down significantly. I'll turn it over to jeff miller and steve to give us their presentation.

Jeff Miller: Thank you for having us. It's always nice to update on our last year's work and tell you what we've been up to and how we promote this great city. The economy has been a great challenge but we're optimistic for the future. The work done by this council and other elected leaders have positioned Portland as a sustainable key destination. As that work continues, I want to thank you for that hard work. It makes the city easier to sell.

Steve Faulstick: I'm steve, the general manager of the doubletree hotel and have been a Portlander for 10 years now and you'll see by our report and video that we've got a very engaged board and committed staff. We have a great product to sell and I think when we lead you through this presentation, you'll agree with that. With that, we'll roll our video.

Miller: Technical difficulty. It hasn't been redone for a long time, and it's terrific. Now you'll see it. ¶¶ [music] ¶¶

Miller: You like that?

Saltzman: Yeah.

Miller: And i'll tell you mayor Adams pirated a copy of this while we were in toronto.

Adams: And if I could intercede. Every three years, it's Portland's responsibility to lead a coalition with milwaukee and pittsburgh and jointly market the three regions together and so they were showing this video at the screen at the reception with the video from the other two cities and ours was so much cooler.

Faulstick: An early participant for the film of the summer, for sure. This particular film is valuable to the travel Portland team. Used in trade shows both nationally and internationally. To get out the message. That Portland is a great place to live and play and to hold meetings and individual travel and tourism as well. It's a valuable tool, but we're going to talk about our familiarization meetings. And we encourage future participation and we feel once we get people to this wonderful did the nation to engage in what you've seen above, that's the true value. To bring people, and more importantly, their money, to the Portland region. I'll go actually into the performance measure and talk about the money and what it looks like. Quarterly reports have been provided for you to look in detail and we encourage any questions you have. But dean runyon and associates report that visitor spending \$3.8 billion. That's a b for billion. It's supported 30,500 jobs with a --

Fish: How many jobs?

Faulstick: 30,500.

Fish: And this is metro wide?

Faulstick: It is. It generated \$62 million in local taxes and that's just the vehicle rental and transient lodging. And \$80 million on the statewide level on gas tax. The 1% lodging tax and miscellaneous other taxes. \$589 million was spent in eating and drinking establishments. And \$98 million was spent on cultural tours which includes museums and science exhibits and the zoo. Travel Portland provides is a revenue engine for the city and region and at a time -- the economy has been tough but the need for funding as you can see by the results that can be produced is phenomenal. We hit our goal. This is taken by using the amount we spend on marketing dividing it

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into the impact. \$134 million last year. This chart is busy but speaking to what's going on in the economy. If you look at the third column over, rooms available, we have 10% more resumes available in the central city of Portland compared to this time last year, or september of last year. If you look at occupancy rates you can see what's going on in the hotel market. The average daily rate is down percentage wise significantly. The beautiful news, if you look at the number of rooms sold, and that has nothing do with the new rooms, but pure rooms sold this year to last year, you can see how the drop happened, especially in december and january. If you look at march, we were almost flat until last year. We had march madness and the ncaa. We sold 8.4% more rooms in july this year against a very good july last year. The economy hadn't tanked. You can see the value of those big conventions is obvious when you look at this. It's a key driver. This is a little busy but compares us to other cities. The far left column is Portland a central city and then the total Portland market, includes little clackamas and Washington counties. You can see the occupancy has dropped but seattle downtown compared to central city we still remain at the same occupancy rates and you look at pittsburgh and denver, and we compare well. We're certainly no worse off even with 10% more rooms on the market. That's not to say that business is good, but it's good to know what's happening in competitive cities. The key to this is that we booked 110,000 room night. If you look at the occ business, it was \$65 million. 245,000 room night --

Saltzman: Occ is what?

Faulstick: The Oregon convention center. With \$134 million. I will tell you what those are. With those goals of 47-1, we goal ourselves higher than any other city in the country. The consultant tells us the next closest goal is 15%.

Adams: Every dollar spent returns --

Miller: 47.

Adams: The actual is around 45, did I see?

Miller: 48 on the city is money. When we separated that out versus merck. We use the same goals with the visitors' development funds. One of the measurement requirements is count what our lost business is. The headquarters hotel remains the number one issue. But it's important to look to the right-hand column and see what we did book. This is calendar year 2008. 426 meetings and conventions with 242,000 room nights. One of the things to look at on this chart, we're booking more meetings but smaller meetings, and part of that has to do with hotel package location, those sorts of things. We're getting more meetings but smaller meetings. An interesting anomaly with the economy, with the downturn, we were getting much larger hotel room blocks where we might have got two or three a year ago, we're getting 500 and 600 room blocks. We goal ourselves to the same number next year.

Faulstick: A big part of how we sell the city -- we've evolved in the last years -- has been our green and sustainable detonation. We try to be the undisputed leader and think we are. Now we're trying to remain the undisputed leader in green meetings. The green meetings toolkit and again, nationally, we're looked at as a destination and leaders and experts in this. So travel Portland developed this toolkit where meeting planners and ceos can go to better understand what green is and what it isn't and what is sustainability. We've gone with the mind set of green meetings are responsible meetings. By the very nature of hosting your meeting in Portland, it's going to be green or sustainable. We've got a world-class convention center and you're seeing hotels opening up that are leed certified and energy star, salmon safe, that are showing a true vested commitment to sustainability in this area and seeing the pent-up demand out there for sustainability. And the economy has helped the awareness where glitz and glamour is out and responsible travel is in and we're pleased to say we've got the hot destination and it's up to us to better market that and capture the attention that's out there.

Miller: Here you can see mayor Adams at the dinner in toronto. The three-city alliance is the largest trade show and it's where we get most of our business. And they make their choice a lot of

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times based on these meetings. Pittsburgh and Milwaukee are geographically across the country. And we had 110 people at the hockey hall of fame. Mayor Adams did a great job of welcoming all of our guests and speaking to the other two cities and they loved that. Any time you come to our fans, it makes a big impression. I have a Saturday morning date with Commissioner Fritz out the red lion and she also does a great job. Convention services. Once we book a convention, the real work begins and they become -- the convention services folks become the concierges of contact for the meeting planners. We sent out over 2500 leads last year to local businesses and we see our role to ensure that economic impact happens when those meetings come to Portland. They may be looking for a venue for 20 or 2,000. Shopping, catering, entertainment. We do it all. You see a great number of site visits and when those meeting planners are thinking of Portland, if we can get them here, it's that aha moment. Usually the comment is, "I had no idea." by the time the meeting planner gets here, we have a close relationship, which is why our service scores are so high. When we talk about the impact on small businesses, hub world travel is a great example. They ask us to provide them a list of local tour operators that can help their people see the region, the city and the state. During the week, the folks were here, they did over \$30,000 in business in just those folks taking tours of the city and region. You can see easily, that's how we get to that \$3.8 billion number. \$30,000 at a time sometimes. Leisure programs. We also have a return on investment there. 19.6% to 17%. Which is typical on the leisure side and wanted the consumer to understand it wasn't about a markdown. It was about the extras you get when you use the Portland perks program and one extra is that you get free parking at the hotel, which is rural a \$20 value plus breakfast and we use this. And been able to use the cultural tourism money to include the arts groups in the perks book and try to stay focused in making sure the entire experience is accessible. And if someone booked through Portland perks, they got \$75 to spend on anything they wanted in Portland and that was a great partnership between our monies and the hotels that picked up on this program.

Faulstick: As being leaders in sustainable tourism, Jeff is leading a charge with an organization called sustainable tours international. This is a big deal for Portland. And a great opportunity, but it's not only to help develop the criteria, but to be the first third-party certified urban sustainable destination nation and we see the goal -- destination. And the outreach for attracts sustainable businesses and big thinkers around this and it's travel Portland's job to capitalize on the tourism opportunity out there. It's urban sustainable destination. I encourage you to keep your eyes and ears open for progress on that.

Miller: We've asked the city for help in staff time. It will be the biggest thing we do this year. The LGBT market. We did a brochure and they pulled together a group of citizens and came up with this idea, led by Deborah and her team and we've gotten amazing press on this, and it's because we used real Portlanders. We didn't try to go glitz and glamour. You see Kendall and across the country this is being used as an example of the kinds of thing -- how we should be marketing in the LGBT market and we're convening a small multicultural group to help us and we'll use them to augment the work that Roy is doing on meeting side and you'll hear more about that soon. These are just a couple of publications. The travel Portland magazine. 185,000 of these are printed. Anyone whether requests information on Portland gets one. It's not only Portland, it's the region and has information on the state in it. We know if we can get them to Portland, they want to see the rest of the state. You'll notice the brochure on the left is in German and English. We use them international and it's been a great lure piece. We have over 600,000 visitors who come through the visitors' center in Pioneer Courthouse Square. We had over 2600 Canadians, 1500 people from the U.K. and 1300 from Japan. Interesting 18 from Turkey and 35 from Singapore. And we have Portlanders helping those visitors come in and see whether we're doing. Last year, we launched goseePortland.com. Where you can get tips for the favorite places to go and allows visitors to create maps of favorite things to do. Where to take kids on a rainy day or Dan Saltzman's favorite city walks. And we've shared this technology with our partners so they can use it on their sites. Twitter. Who isn't twittering? We

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know the mayor is twittering. We've launched the first virtual visitors centers and it's the most amazing things ever. We have 300 press hits from as far away as australia and france. And 1100 followers. When a visitor puts in a hash sign and pdx and where are the best food carts, not only the official answer, but all of our followers can jump in and give their suggestions. So it's a great way for people visiting to get information without going to the web and searching and hear from real Portlanders, which we know they like to do. Cooperator marketing strategies are very, very important to us. We get money back from the state to market the region, which we manage that contract. The cultural tourism money, we use to help the arts group on the cultural tourism side. Like with pica and now the downtown marketing initiative has come into our fold and how we leverage these resources to be as valuable as we can possibly be. The downtown marketing issue initiative. Our goal is to create a single voice to the consumer, regionally, nationally and internationally. Expand the twitter strategy to include emi -- dmi and we're beginning that and one the things you'll see, one of the major things is dmi just did, an 80-page insert in the tribune on the opening. To advertise in this and be a major presence as a part of this. We thought -- they thought it would be about 20 pages and ended up being 80. So that's the power that the downtown marketing initiative can bring to the core and retailers.

Saltzman: What is forkfly?

Miller: It's an application on your iphone where you can -- forkfly is where you go on your iphone and we'll pay three months of their membership and forkfly is offering 50% on other retailers, it's a new application. So get forkfly on your phone and get the discounts. It's a terrific piece of technology. And this is an example of the downtownPortland.org website using the go see Portland mapping technology. So an example of what that looks like.

Faulstick: A broader look at the organization and the value of our nearly 800 members. 500 are in Multnomah county. But we have a broad representation regionally. Washington county with 65. Clackamas, 45. Others 143, and there's even 40 out-of-state members as well. It speaks to the value, but Portland as a gateway, as a destination for tourists as well. We want to look at the categories and many assert that travel Portland is based around hotels and getting people into hotel rooms but it really -- hotels represent a small portion of that. Restaurants, attractions, shopping, associations, catering, and performing arts and the membership and the value of not only is interested in that, but who is travel Portland serving.

Miller: This year -- this is a special focus for us this year. And we're doing a couple of things intentionally. Much more intentionally. We're speaking to kendall clawson. And ron is working with our membership group on creating a program to focus and better engage minority participation and we'll use the multicultural taskforce to help us with in this year. We know that public relations is something that is very, very good for us. It's intentional. We get better payback. We couldn't buy the kind of coverage we get in advertising. So this is an area where we've tried to focus this year in particular.

Faulstick: One of the specific examples, meeting west did a feature on Portland as a destination in october of 2008. The value of that from a marketing standpoint was \$25,000. We have a destination that's newsworthy from a travel standpoint. For the hipness, the cultural tourism piece, that people are receiving the press releases but interested in coming to Portland and writing about us on a national level and we've received a lot of international press relative to our destination.

Miller: 2009, the communication and public relations, hosted 19 travel editors and others for research tours. The results were \$10.2 million for positive media coverage. That's a 40-1 return on investment for writer editor outreach. One of the largest cues this last year, Portland was featured in glamour magazine, france, the most widely read magazine in france. Seven pages. \$270,000 value. The title is "Portland, coolest city in the world." how about that? Throughout the year, the p.r. Team works with journalists from 14 country countries. Germany, the united kingdom, the netherlands, china and japan.

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Faulstick: We're featured in a woman's travel -- a women's travel magazine in Mexico. And one in Long Beach, California, and from a reputation standpoint, we can't put together a public relations presentation that can give us an authentic -- by meaning it, people are wanting to write about us.

Miller: These are the focuses for the media team this year. Sustainable, green, food and wine, LGBT, outdoor and family travel. We've got our plan for the year. And we have the community action committee that works on transportation, development, redevelopment, public safety. And we know what's good for Portland is good for the visitors' industry and vice versa. We want to make sure we are up on the sit-lie ordinance and that we find solutions that make sense for Portland and we're interested in being at that table and helping where we can.

Faulstick: A big part of our focus this year is -- we had talked a lot about sustainability and what that means not only to the city but to us as individual businesses and we want to bring revenues and profits and at the same time, in a way that's responsible to our community and to the community. This year, we're focusing much more on the social piece relative to sustainability. One of the key factors, through education and training foundation, supported through different donations. And our staff has been active in reaching out to organizations like outside in, Hispanic Chamber of Commerce. Who are able to get in and invested in our industry or other industries, through funding from our fine folks. So we're trying to walk the walk, not just talk the talk, relative to being a responsible partner within the city.

Miller: And with that, we would take any questions you have.

Fish: Could I ask a couple of questions?

Adams: Please do.

Fish: First, Jeff and your team, thanks for your superb work. Thank you for your leadership. I have two questions. The first has to do with the impact of the recession globally and nationally on travel and tourism. And I guess the question is, are we seeing a structural change the way people spend their money as a result of the downturn or not?

Miller: We're certainly seeing a change. People are more intentional with their travel dollar. Traveling closer to home. We still have a large number of travelers. So I think that in my mind, as I look to the future, we know that we've got some recovery to do, but ultimately, Americans feel that they have a birthright to travel. And they do and they will. It's just a matter of how they will do it and I think we'll continue to see that evolve somewhat. But ultimately, I don't think there's a massive change coming.

Faulstick: I would agree with that. And again, as I spoke earlier, Commissioner Fish, the real trend is people are still spending, wanting to be more responsible in how they spend. The lavish Las Vegas trips thankful been highlight, this played to our benefit in Portland. The communication is out of responsible destination, people resonate with that.

Fish: The other question I have, I couldn't help but notice in the video, which is superb -- we'll try to put on our websites, right?

Miller: Yes.

Fish: That the pitch seems to be made to people who are somewhat younger than the five of us in terms of the vibe of Portland.

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

Fish: With the exception of our youthful mayor. But did seem to be focusing on the younger end, which is we're also seeing demographically a huge share. The question I have I've seen two regulation presentations highlighting that we have the opportunity to be a great destination for older adults and how do we market to that end of the spectrum as well as to the younger end?

Miller: I think there's a couple of things that I was excited about. The art galleries which tends to skew a little older. Some of the coast recreation. There's pieces in there. This video was aspirational. It's to spark the question. Much like our business cards. We have eight different business cards. So as we speak to that older generation, there are lots of things to do here, and after

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25 years in retail, they always want to aspire to feel younger and do those exciting things so hopefully we spark that interest and get them to think about Portland first and then we can win them in other different ways.

Fish: Thank you.

Adams: Thank you both very much. Do we have anyone signed up to testify?

Moore-Love: We didn't have a sign sheet for this.

Adams: Anyone wish to testify that did not sign up? This is a presentation. So do -- there's no vote, but we'll have comments before we conclude. Commissioner Fritz.

Fritz: Thank you for your work and this is something that happens very much behind the scenes for most Portlanders, we're not aware of it and I certainly wasn't before I became a member of the city council. And it's true we get people here and you do such a great job of showing them the varied opportunities both in Portland and the region and people then come and spend their money here. And mayor Adams makes his usually joke about there not being a sales tax. But they do --

Adams: And it always gets a laugh.

Fritz: It does. I'm very impressed. They pay hotel and hotel taxes which we can use for other purposes and it's important for our economy and thank you for this presentation and the work you do and I'll continued to be delighted to talk to any out-of-town visitors because I don't need a script to talk about how great Portland is.

Saltzman: I want to thank jeff and steve and the staff. I think you do a fantastic job. Steve, you've led the way in showing how green a hotel can be with the doubletree. You've been a trendsetter. But it's nice to hear how being green and sustainable has really become a marketing angle for us, for the travel tourism industry and in our economic development strategies as well. But I think this is something that has taken on back when you were pova.

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

Saltzman: And stuck with it. I want to thank you and the staff and board members. It's a pleasure to serve on the board.

Miller: Thank you.

Adams: I've been involved in the visitor industry for a long time and I just want to note that travel Portland is known in the industry as one the scrappiest, most creative, value-driven team, public-private partnership in the nation. And is looked to with admiration for those and other reasons and you are not the best funded visitor and convention bureau organization. But you deliver amazing results. And what you're hearing is we're very grateful for that. So thank you all very much.

Miller: Thank you.

Faulstick: Thank you.

Adams: All right. That gets us to our regular agenda and we're going to hear -- unless there are objections, we're going -- oh, we have a 10:00 time certain. That's going to be rescheduled until september 30th. A 2:45 time certain. Can you please read the title.

Item 1267.

Adams: Unless there are objections, so continued. [gavel pounded] i'd like to hear council calendar item 1270. Can you please read the title?

Item 1270.

Adams: Go ahead and come forward, linda. Speak a little bit about this, be very quick and then we'll go to your agenda items.

Linda Ginenthal, Bureau of Transportation: Very quickly, in june, the city council approved the bureau of transportation getting --

Adams: Who are you?

Ginenthal: I'm linda with the bureau of transportation. We came to you to get a grant for safe routes to school, with odot and you approved the application. This is a -- we got the grant and so

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this is an ordinance to accept that grant and the actual document wasn't attached so i'm asking for you to amend the ordinance to amend -- to add exhibit a.

Adams: I move to amend the ordinance to add exhibit a.

Fritz: Second.

Adams: Moved and seconded. Does anyone wish to testify on the proposed amendment? Karla, can you please call the roll on the proposed amendment to council calendar item 1270.

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

Adams: Aye. [gavel pounded] amendment is approved. Anyone wish to testify on the amended council calendar item 1270? Karla, can you please call the roll amended council calendar item 1270.

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

Fritz: I'm glad this was pulled because it's \$100,000 in a grant for safe routes to schools. That's a great thing. There are a number of great items on the consent agenda today, getting a lot of stimulus money for things here in Portland.

great work for all involved. Aye.

Fish: Aye.

Adams: Linda, I want to thank you and your team for great work on sunday parkways and safe routes to schools. Aye. [gavel pounded] approved. Unless there's objection, we'll consider items 1284 and 1292. Can you please read the title for those council calendar items?

Fish: Sam?

Adams: Hmm.

Fish: I'm confused. 1292 is the wednesday time certain in the afternoon.

Adams: What did my staff have me do?

Fish: I think the memo said 1283, 1290 and 1291.

Adams: Thank you. Please read the titles for 1283, 1290 and 1291. Thank you.

Moore-Love: Did you want to do the [inaudible] --

Adams: We'll do this first and then come back. We're on 12 -- these are related. 1283 is approved. The 10-year tax exemption, it's a second reading and 1290 transmit results of recent --

Fish: I'm sorry. Mayor, I apologize. You were right, 1290-1 and 1291-2 are the [inaudible]. I apologize.

Adams: That's all right. Let me see if I can regain my composure. 1283 you read. And what was the other one, commissioner?

*****: 1291-1 and 1291-2.

Adams: Those are the four fifths, the dashes?

Moore-Love: Yes.

Adams: So let's deal with 1283 first. You read that, right?

Moore-Love: Yes.

Item 1283.

Adams: And this is a vote only. Please call the roll.

Saltzman: Aye.

Leonard: Well, I wanted to say once again that i've raised concerns about these kinds of issues in the past and I think that there has to be a balance in approving tax exemptions because they're essentially a tax expenditure. There's the same as getting a direct subsidy if the city when you don't have to pay taxes. I think commissioner Fish has done a great job in addressing the concerns, in balancing the public interest in what is essentially a subsidy for this project. He's done that in a way that has not been done until he's become personally involved and I understand that there's some concern about this, but the greater public good, I believe, is in following the law. And making sure that we're as equitable as we can in the application of the law and making sure all of the t's and i's

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are crossed and dotted and commissioner Fish has beyond met that, what I consider to be very high standard for me. So i'm pleased with his work and happy to vote aye.

Fritz: This has been a very interesting project and particularly for me, I was still puzzling over it late at midnight last night so I wanted to explain how I got to the vote i'm about to make. And thank you to the staff, both in commissioner Fish's department and pdc and citizen testimony has been outstanding both in person and email. I think the application meets the minimum standards for the tax abatement program in title iii provided 25% of affordable units rather than the required 20. The minor adjustments in design were made. I recognize the investment of time and money the applicant has dedicated to the project already. My concern is existing standards for approval are not adequate. I appreciate commissioner Fish and his staff for reviewing the tax abatement requests and after planning has completed their review and the Portland development commission and planning bureau have given their improvement. We're talking about foregoing revenues that could be otherwise used. It's important to have good checks and balances throughout the review process. The staff work on this project and commissioner Fish revised the process. My concern is that the existing standards are not adequate. The purpose of the tax abatement specified in title iii is to encourage development of high-density housing and so a broad range of the general public within walking distance of light rail or fixed street transit service and enhance the effectiveness. Only some bus routes are eligible according to the authorizing ordinance. Martin luther king boulevard is eligible. The bus routes on vancouver and williams are not. There's controversy over where the property within a quarter mile of martin luther king boulevard. But the standard in the code is not whether it's within a quarter mile of the street. This is where the codes need to be corrected. I'm concerned that it's more than a quarter mile to the transit spot, will not enhance the effectiveness of the no. 6 bus. It's a stretch to suggest residents will walk four blocks to mlk, when they could catch the bus right outside on williams, but those streets were not eligible for the program. When I was on the planning commission, I would have voted to approve the -- it meets the standards. As evidenced by being -- the initiated area on the map. Now I have to make decisions on policy issues. If I believe a policy is wrong, I want to effect changes in the policies. In the last eight months, my colleagues have sometimes voted to weigh standards to change policies to particular sites and situations. While i'm not a proponent of this approach in general, or as a routine way of doing business, I understand in some cases it may be necessary or viewed as necessary by some members of the council to do that. If we don't like the policies or believe a project should go ahead or not in spite of them, we can vote to do that. Everybody needs to know what the standards are but occasionally the rules don't produce the desired results. This proposal may meet the letter of the standards set, but I believe the standards are wrong. The pick list is out of date and do not provide the public benefits. The car sharing space, ground floor commercial and leed silver, featured in many new developments without tax abatements. Lack of windows in bedrooms seems dangerous. What about where a window exit might be needed? My concern is that the existing standards for approval are not adequate. And where will the children play who live here? The only outdoor space is the parking lot. I would like the Portland plan to prioritize requiring open space in multifamily development. I support the transit-oriented tax abatement program when it's used close to transit with sensitivity to the neighborhoods it's designed to enhance. These should not be given without the highest level of scrutiny. In this case, I believe a higher level of scrutiny reveals cracks in the proposal. The design committee came out in opposition to the design of this structure. It is far from the designated transit street. If we were certain we would be able to fund a streetcar in the future, my vote would be different. We'll have that discussion this afternoon. For now and the next decade, the project is located on a bus line that's not near light rail or streetcar. I don't think it qualifies as a transit-oriented development. I would like the standards and maps and the menu of public options updated with different eligibility standards for development on bus rails rather than fixed rail. We have concerns about how decisions are made about bus routes and we don't have

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very much input on the city council. I can hardly believe i'm doing this, after 18 years of looking at the rules and figuring out -- I can't in good conscious vote for -- I would like to see the standards changed. No.

Fish: Thank you, mayor. So by way of -- and thank you, commissioner Fritz, for your thoughtful comments and the email you sent me earlier outlining those views. I appreciate that. Mayor, I want to give background to the role you've asked me to play on this, because I think it sets the stage. You have requested that I as the housing commissioner take the lead in presenting tax abatement applications to the council. I think this one, we can file under thankless tasks. [laughter] if there's anything i've said or done --

Fritz: Thank you, commissioner Fish.

Fish: -- I want to make amends and I would be open to commissioner Fritz taking this responsibility. [laughter] I think the logic of your request, how to that we have a new housing bureau and merging and consolidating functions it makes sense for the housing bureau to make a presentation and recommendation to council. I thank you for the confidence you've shown in my new bureau. It was last year for the first time that we presented an annual report to council to tax abatements. That's something that a prior auditor said ought to be done and the council said they'd like to see and in particular, there was an interest in seeing what the foregone revenue was. Not only in the city, but our partners. I was proud to have the first annual report last fall. We'll be doing this again this fall and also we'll be reviewing all of the abatement policies, taking into consideration comments from the public and colleagues and perhaps making -- colleagues and perhaps making recommendation to the council how we can fine tune the programs. Today, i'll be coming back before you with a recommendation that the council terminate dozens of tax abilities under a number of our policy where is the applicant no longer qualifies, and I think that's further evidence that our system is working and ultimately we're accountable for how these dollars are spent. That's the background that brings us to this particular application. And for me, the question that needs to be addressed is does the albert apartments qualify for the transit-oriented tax abatement? That's the question in the pipeline for a considerable period of time and that's what I think our job is to review. And I would put in the record that this has been now reviewed I think by five or six different levels of government and that can give us confidence that the question of whether it complies with the statute has been reviewed and looked at by lots of eyes beginning with the staff of the bureau of development services and the staff of the Portland development commission and specifically by the Portland development commission loan commission and the planning commission staff and planning commission itself which unanimously approved this application and then by my crack staff at the Portland housing bureau. Each of those levels of government have taken a look to determine whether it meets our code. The answer that each has reached is yes, and I think at this point, it's beyond dispute it does, in fact, qualify. On the one question that i've seen a lot of emails on and I appreciate, again, the emails i've received from neighbors and citizens and activists, we have spent a little time looking at the request of whether it falls within a quarter mile radius of a qualifying transit area. That's an important question because if it didn't, it would be outside the code. The most definitive answer I can give you is we did a gis survey. Which is the most comprehensive review you can do. And point-to-point, it's 1,190 feet. And for those of you, a quarter mile is 1320 feet. So 1190 feet clearly meets within the quarter mile and meets the test. On the question does it comply and meet the test, strictly and in the spirit, the question is yes. The second question that's been raised and I think it's a valid question, is, are there compelling reasons for us to turn down this application? The city council is a check in this process, and technically, we have broad authority to grant or deny an application and we have the right to put our own judgments and to formulate our own standards. The standard that i'm going to apply today is, is there a compelling reason to turn it down? And the reason i'm going to apply a compelling reason standard is that this developer has gone a long way down a path that we laid out.

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He has played by the rules and it seems to me for us to change the rules in the ninth inning, we'd have to have a compelling reason and based on information perhaps we didn't have available at an earlier stage of the process. I reviewed everything submitted to me and I want to thank everyone for the time they took. Particularly the concerned neighbors around this development. And thank my staff for the exchanges and homework they did. So let's look at the compelling reasons set forth. Number one is that we should deny this abatement application because of the size, mass, scale, and materials of the building. There's some people who think this is an ugly eyesore. And I greatly respect people's views to come to active conclusions on the aesthetics of a building, but that's why we have a planning commission and a design review process to address the aesthetics and I think in terms of setting precedents i'm loath for us to usurp their authority because I think it opens a pandora's box. There are remedies that people can pursue. So I do not believe that's a compelling reason to deny this. The sun second, more -- the second more fundamental reason, does the abatement provide an inadequate public benefit? The code specifies what is a public benefit. At least one of my colleagues believes the code needs revised and strengthened. I'm happy to take any constructive suggestions and put them in our analysis and report back to council. I guess on this one, i'd like to just for a moment expand the frame, the -- of the lens, to go a little bit beyond what our code says because I think we're missing the forest in the trees in terms of benefit. The code specifies what you have to do and that's well documented. I want to put a different flavor on it. 25% of the units will be at 60% or below. 60% mfi is what the city identifies as affordable housing. I would challenge anyone in this room to raise a family of four on 60% of mfi in this economy. The federal government which recently reprogrammed how they view poverty and came up with a different definition, which doubled the number of elderly poor because they took into consideration other factors. They believe that 80% or less of mfi qualifies for affordable housing. So there's a little bit of a give. 21% of the units will be at 60% or below. Approximately half the units will be affordable and I don't want us to lose track of that. Even above 60%, to 100% in the workforce area we have tremendous shortages of housing in those categories. This project meets those goals in terms of affordable housing. This project, if it goes forward, I would remind people that it's currently a piece of barren dirt. I would look back on the history of this site, nothing much has happened and in granting this abatement we'll be giving a green light to something productive happening but let's look at the fees in sdc's. \$700,000 of which \$180,000 would go to parks. Not an insignificant amount of money. And \$60,000 will go to schools. Let's look at the impact on property taxes because one the arguments has been that we're diverting money into something that's unproductive or inequitable. Currently, the owner pays \$6,000 a year on property taxes on the naked dirt. When the building is constructed it will generate \$36,000 a year in property taxes and at the end of the 10 years, it will go up dramatically. But there are other public benefits. There are very few cranes in the air in this city and we have record-high unemployment in building trades. This project, as well as the smaller projects that are getting financing, will create good construction jobs in an economy that's hard hit. Let's get even more macro. Because maybe I could be accused of being in the weeds on these things. How does this particular development meet the larger goals which this council articulated drives our policies? The transit-oriented development abatement is the centerpiece of the obama strategy of bringing transit and housing together. It's the number one priority they've established and when deputy secretary sims was in town, he engaged us. In addition to those benefits, we have a climate action plan which we're going to act on soon, which is premised on the notion we have to get people out of their cars and create 20-minute communities and find ways of putting density where it belongs and creating livable communities. It clearly meets those goals. As we're having a debate about the urban growth boundary, it's the trade-off that commissioner Leonard reminds people that it is the trade-off we made to protect the areas outside of the city. We've chosen to take density, but in this instance, it's where we have the greatest goals as a community. The last question we can ask in terms of compelling reasons, is there a precedent

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which we can look to which would say at the 11th hour, at the end of a process where a developer had done everything that we have said he or she should do that we should change the rules and apply them retroactively? For those who are junkies of the constitution, that would be -- it would wreak an enormous inequity to someone who has been playing by the rules. I have a disagreement with my colleague, commissioner Fritz, she has cited to me and the council an example of this council waiving rules to the placement of a neon sign above the mccall building. She opposed and voted no on because she felt it was an improper precedent. But if we assume that's the precedent that the council established, it's fundamentally different. And here's why. We took that action at the outset of the process before any action occurred to establish the roadmap going forward and did so because we thought there was a compelling reason to expedite the placement of that neon sign. No one suffered a disadvantage because ultimately the council would have been the final decision maker short of luba in that matter. Here, even though you've complied with our code and met the objectives and policies we have articulated, we are considering changing our mind on the underlying policy and doing so at a time where it may [inaudible] your process. I think in terms of fairness, we can't do that. And i'm reluctant to embrace. For all of those reasons, again, I want to thank everyone who took the time to educate me about their concerns and what I think has been a very healthy debate. I vote aye.

Adams: Wow: [laughter] that was a tour de force, and very compelling. I'm impressed. And pleased because I made the assignment of this, what is a very thankless task of evaluation and recommendations on a very sensitive issue to commissioner Fish and his team in the hopes they would provide more analysis and evaluation of applications currently in the hopper, and to make recommendations for improvement to the process in the future. And clearly, you and your team have exceeded my expectations and I appreciate that. These projects are getting tougher evaluation than they've ever received in the nearly two decades i've been around this institution and I appreciate that and I appreciate your willingness to take this on. I think that my observations of your work are also fortified by the two four fifths where we're terminating abatements for failure to comply with the rules under which we approved them at the outset. So that also, I think, fortifies the fact that this city council and this city government, thanks to commissioner Fish's leadership, is taking our responsibilities for all kinds of housing abatements. More seriously. For those reasons, i'm going to vote aye and thank you. [gavel pounded] aye. To get the four fifths on, what do we do for four fifths?

Leonard: Move to accept four fifths.

Fish: Second.

Adams: It's been moved and seconded to accept four fifths. Any discussion? Karla --

Saltzman: Have the affected property owners notify you had?

Fish: I appreciate -- getting them on the agenda right now with this motion. I apologize we're required to go through the late filing process to get four fifths but as we'll certify in the presentation, property owners a while ago were given this date if they had objections. It was a filing matter. Not a notice matter.

Saltzman: Ok.

Adams: Please call the roll.

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

Fritz: What we're doing here is something that wasn't on the agenda that was posted last week that four out of five said, yes, we should put it on today's agenda and we're moving to do that. Aye.

Fish: Aye.

Adams: Aye. [gavel pounded] all right. 1291-1 and 1292-2 are now on the agenda and Karla, could you please read the titles.

Items 1291-1 and 1291-2.

Adams: Commissioner Fish.

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Fish: Thank you, mayor. This is the second time since i've had the privilege of serving on council that we've come before you with recommendations to terminate tax abatements. The last time, we learned a lot about what the council required and how to streamline the process. So shelley hack is here. Shelley is one of my new big catches. Coming over from the Portland development commission to the Portland housing bureau. She's going to do a very brief presentation to give you the context for this and then we'll see whether anyone has availed themselves of an opportunity to come before council and seek redress.

Shelly Hack, Portland Development Commission: Thank you. Good evening, i'm shelley hack, the current code director of the pdc housing department and soon to be a member of the Portland housing bureau. I'm here to report on the annual monitoring of the ownership units that receive -- the new multiunit development program, the single family new construction and residential rehab programs. As a result of our monitoring, staff is recommending the termination of 68 abatements. And the purpose of this hearing is also to provide owners with the opportunity to show cause to you as the city council as to why they believe their abatement should not be terminated. So the method we used for monitoring was to work with the Multnomah county to compare the current tax rolls with the pdc tax abatement records so determine in the tax bills were being mailed to the address and if there's a difference, it's an indication that the property may be non-owner occupied and to compare the ownership records to see if there was a change in ownership. And whether or not the unit was sold or rented. Let's see. So we monitor the total of 1,242 units under the four programs. Of that, we questioned 141 units eligibility and notifying the owners that we were questioning them, 68 were unable to demonstrate they were eligible for the program and thus, recommending these for termination. And some of the reasons for these terminations are 34 of the units were no longer owner-occupied. 12 the developer had rented the properties and thus, the units no longer eligible. 12 of the properties, the enough owner did not apply for the abatement and we were unable to determine whether the owner was within the income eligibility requirements and three were sold to ineligible buyers that did apply and seven, we discovered in consultation with Multnomah county, these were old tax abatements that were ultimately -- approved outside of the home buyer opportunity area and we're moving to terminate those as well. So of the 53 -- under the single family new -- excuse me, residential rehabilitation program, they operate under a different statute and code. Under that statute and code, the Portland development commission is actually the appealed body. So 53 owners, under those programs were sent certified letters, notifying them that we intended to terminate their abatements and gave them instructions on how they could show cause. That hearing was held on august 26th and nobody showed to -- appeared to show cause. Under the tod and new multiunit housing program, 15 were sent certified letters and with the appeal date being today's date. As commissioner Fish mentioned was why we needed to move with the three fifths process and those owners, if they chose to appear are here today to share information with you as to why the -- they feel their abatement should not be terminated. With that i'll end and answer questions.

Fish: If you would remain available and see in anyone has signed up. Mayor, the last time you invited people to come forward and gave them two or three minutes to state their claim and asked staff to come back and say if it was a valid cause.

Adams: Anyone signed up?

Moore-Love: We have tracy oleson.

Adams: Are you here?

Fish: I think she signed up for another matter.

Adams: That was second reading only. So discussion from council? Karla --

Fritz: Quick question. If we discovered they weren't eligible in the past year, is there any way to get the money back?

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Hack: That's up to the county tax assessor. And they can make that determination. In this case, as it relates to the seven abatements that were not eligible, the decision has been made to terminate it today, but not to move backwards to recapture past taxes because the owners were acting in good faith. They received a notification of approval, they were put on the abatements, so they were acting in good faith.

Fritz: Thank you, that's a good clarification.

Adams: So when you find that a recipient was acting in bad faith, that's where we would pursue.

Fish: Well we could, mayor actually it raises a good point. There's nothing that technically prevents us from looking back. We could randomly select some to see whether the qualifications should have occurred earlier. And I think that's something we could take up.

Hack: And if I could just add a note that with these terminations, a total of approximately 123,000 will come back on the tax rolls.

Adams: Any additional council discussion?

Fish: Mayor there's technically two different matters before us.

Adams: Yep. So we're going to first call the roll on 1291-1.

Saltzman: Aye.

Leonard: Well, I want to first defend anyone up here who wants to vote anyway they want for any reason. I have often been the lone vote on a number of issues that I have later been told were not good votes. So that's our right and we get to do that. Second, I think it's also important to acknowledge in this larger discussion what I can only call the absolutely impressive work of commissioner fish in addressing what had been historical concerns I've had with the administration of this program. The vote of which I'm about to take for me completes the entire circle which is balanced with a more vigilant approach and wording property tax abatements in the first place but also as vigilant in making sure people play by the rules. And with this vote, we see commissioner fish is not only vigilant overseeing the award of property tax abatements as we always should have been but I will tell you until his arrival, we haven't been as good at it as we should have been. But second, i'm also making sure, that once we agree to the rules, everybody plays by the rules. Aye.

Fritz: One of the things I really like about serving on the council is that we can have rigorous and respectful discussions and then the next we all agree. Great staff work as on the previous item and great work by commissioner Fish. I certainly appreciate that. We want the taxpayers to know that we are following up, that staff is doing their homework, by making sure that not only do we have a good process to get the abatements in the first place, and I appreciate your comment about the good faith many of these property owners went into applying for the abatement. Sometimes the rules are a little complicated, and most people don't try to get in the system, and nobody has come here to protest their termination so that it seems like, once evidence is presented, they're accepting of that. So I agree with commissioner Leonard this is a very good process, and i'm very happy to vote aye.

Fish: We will continue to be vigilant in monitoring all these tax abatement programs to make sure only eligible owners are receiving the benefits of the programs. We want to make it very clear to Portland taxpayers that only deserving owners who meet our criteria on a continuing basis will continue to get the abatements. Shelly, thank you for your good work. Kate allen, beth kay, and komi kalevor and barbara sacks. Thank you for all the work you've put into this, and i'm pleased to vote aye.

Adams: Please call the roll for 1291 dash 2.

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

Adams: Aye. Please read the title for item number 1281.

Item 1281.

Adams: This is a national month of recognition for emergency preparedness, and we'll be expeditious in our presentation of this resolution, but commissioner Leonard and I thought it was very important given what we might face this winter with the possibility of h1n1 flu virus, both the

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reality of it and the fear of it. We also hopefully will not experience another once in every 50 year winter storm this winter. But with climate change, we're not as certain as we've been in the past. And it reminds Portlander that's we are entering the flu and inclement weather season, and we all need to be prepared.

Leonard: Clearly I wasn't prepared for national preparedness month by not being here. This month, as you will hear, the water bureau and poem have partnered to make sure that we emphasize a particular area to be prepared on in the upcoming -- well, maybe not upcoming but hopefully minimal impact of the swine flu pandemic. Again, i'm certainly proud of the Portland water bureau and their proactive efforts in our community, but it's particularly pleasing to see this close relationship between them and poem which will manifest itself into emerging communications operations soon out at the site of the 9-1-1 center. We've purchased the houses, cleared the field, ready to start construction. The water bureau will be a key partner in this with palm, and i'm really, really proud of the work they do.

Adams: And the disaster planning council for city government has been meeting with the county, whose lead in responding to health issues like the flu, and we've also been meeting with partners -- regional partners outside the city of Portland but within the region as well in preparation for our winter events.

Patty Rueter, Office of Emergency Management: Patty reuter. I'm the planning manager. I want to reiterate that we at the water bureau have a strong relationship, stronger than we've ever h and this is because of the leadership of council and david chaff that we are being able to work with them and that they have the priority of emergency preparedness for not only the water bureau but to help us. That's been really great. What is happening with h1n1 is a citywide, bureau wide.

Leonard: Why don't you explain.

Rueter: H1n1 is the virus also called the swine flu. This is the flu that is coming up. We had a little bout with it earlier on this year. It is not the seasonal flu. It is different, the one that is deemed to be a pandemic across the world. But we can take measures that will listen the impact of the flu. Every employee, every bureau, and the council members need to have a continuity of operations plan. One of the effects of flu is that people will get sick, and that means less workforce, that you have to reconsider what is essential for a bureau to do. And you need to think about --

Adams: Or kids will get sick or domestic partnership will get sick.

Rueter: So we need to prepare not only our cities but -- families, and businesses need to prepare. Just as the travel Portland presentation showed, we have a lot to protect in Portland and lot to prepare for in managing a disaster. A disaster is not the hazard. It is the reaction of the people. The more that we prepare the people, the more we're able to manage the disaster that could be the result of a hazard. Our hazards are not only winter weather, cold and extreme hot temperatures, wild land fires, land fires, earthquake, terrorist actions, and now the h1n1. We have continuity of operations planning which every bureau across the city is participating in. We have the hazard mitigation plan which the focus is to lessen loss of the impact of all the hazards I previously mentioned. And we have many, many bureaus which are part of that and four bureaus which received \$3 million altogether for action that's mitigated the loss for wild land urban interface, for flooding, and for water management plans, and the water bureau received quite a bit for mitigating the conduits up to bull run. There's just a lot.

Adams: And maybe we should give them the website where they can read more.

Leonard: Don't steal her show now, may contractor. You guys put on these long, exhausting things that dan and I suffer through, and this is my one deal. Let her go.

Adams: No this this is jointly introduced by us. I love your enthusiasm and your attention to detail.

Rueter: Just a few more words.

Leonard: You go right ahead.

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Rueter: Mitigation planning very important. We're all doing it, not just the response bureaus of fair and police. It is all of the bureaus of the city of Portland. We are working on a urban area security initiative. 9/11 anniversary is coming up. We have been doing planning regionally, since 9/11, for protecting our assets. Fuel contingency very important with all of our fuel utilities. Winter weather, we're learning from last year and the year before, preparing our responding bureaus for being better. And the wild land urban interface fire is very important because we have so much to protect in our natural resources.

Leonard: We should point it it includes powell butte, forest park that some of our residents take for granted but could be fuels.

Rueter: We don't want to be california. So, with that, i'm going to turn it over to david shaff.

David Shaff, Director, Portland Water Bureau: Good morning. I'm david chaff, the director of the Portland water bureau. I'm pleased to partner with poem in distributing these containers of hand sanitizers to all city employees in the next couple of weeks. That's part of our effort to preparedness for pandemic influence. We're also working with poem on brown bags for all potential hazards that city employees may encounter. You've heard me many times say that it takes approximately 600 people to run the Portland water bureau and provide clean and cold drinking water to a quarter of the state's population. The reality is it takes a lot more than that. We have to work with the city's entire workforce to do what we do. We rely on purchasing to get contracts out the door and vendors paid. We rely on omf to generate employee paychecks, pbob to make sure our projects get done efficiently and on time. And we rely on you to authorize contracts to give us direction. And when you are not here, we can't get our jobs done to generate contracts. We can't get our work done then.

When 40% of the city's workforce is not present, then we can't meet our service goals. We have to reprioritize what we do.

Leonard: That 40% would be the number if we got hit to the swine flu.

Shaff: The current estimate is that 40-50% could be affected by the swine flu.

Leonard: You're not saying 40% of employees are home now.

Shaff: No. Our message for the upcoming flu season is cover your cough. Wash your hands. Stay home if you're sick. This resolution and these sanitizers will help drive that home. Thank you.

Adams: Questions from council? And we'll be coming out in october with our plans specific to winter events, winter weather events, I should say. Anyone signed up to testify?

Moore-Love: No one signed up.

Adams: Thank you very much for your work, your leadership, and your passion for this. We're going to need it.

Saltzman: Thank you for this resolution. Aye.

Leonard: I want to acknowledge the succinct and concise manner in which you presented excellent information. Appreciate it very much. Aye.

Fritz: Thank you for the Portland office of emergency management and Portland water bureau to taking the initiative to protect ourselves and our families from the swine flu virus or for initiating flu shots for employees and their family members. The message to everybody is wash your hands. When I started nursing, we spent two days learning how to wash our hands, and I thought that was ridiculous. And then every study I ever saw in 27 years of nursing said how important it is to properly wash your hands. 15 seconds or however long it takes to sing happy birthday. So I want to hear lots of humming from the men's room. [laughter]

Adams: Let's move on.

Fritz: This is one time where you don't want to conserve water by turning the tap off in the middle of it. You keep the water running with hot water. And you use paper towels, which doesn't happen often. The sanitizer, when I started 30 years ago, it was discussed if nurses wore gloves for every patient that somehow we thought the patient was dirty or we were going to catch someone, and now it's the standard. I'm going to be having a bottle on my front desk as well as we currently have --

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Leonard: A bottle of what, commissioner Fritz?

Fritz: After this one, i'm not sure.

Leonard: Neither am i.

Fritz: That's actually become one of the most difficult parts of being a politician is that I can't wash my hands after each handshake. Thank you very much for bringing this forward. Aye.

Fish: David, you're a class act. And thanks for the extent presentation of your team. I feel better just knowing you and carmen are on the job. Thank you. Aye.

Adams: Thank you. Aye. Please read the title for council calendar item regular ordinance 1282.

Item 1282.

Adams: Maggie, could you please come forward and skip the small business legal clinic provides no or no-cost legal assistance to low-income small businesses in the Portland metropolitan area. During each of these past three years, the city of Portland has provided the clinic with one-time grant money to support two salaried positions, a clinical law professor, and an operations manager. The third salary position at the clinic is paid for by using other funding sources. This ordinance reauthorizes the city of Portland to provide continued funding for oh 9/10 to support the two positions mentioned. Now, when we have 7000 new business license applications, new as above last year which speaks to the number of people, unemployed often, trying to get into the profession of being an entrepreneur and when we have so many businesses struggling to stay afloat, I can't think of a smarter investment for you to make.

Skip Newberry, Mayor Adams' Office: We've put this on the regular agenda mainly because we wanted to highlight some of the great work that is currently being done and provide an update on the work in the last year. They recently took a study their effectiveness, and maggie will speak in greater detail about what the study revealed. I can't underscore enough the work that sbic does. Businesses, women, minorities, and recent immigrants fall in that cat re. The sbic provides a fair amount of education to law students who are just trying to learn the tools of the trade and get their feet wet, an important service to the community. While also undergoing the importance of pro bono legal work.

Maggie Finnerty: Thanks for having me here. I've got some I think really good news to share with you. Before I begin, I want to say really, thank you so much. We only got off the ground because of the generous grant from the city and pdc. We've been able to use that initial investment from the city to leverage other support, grants coming in from private foundations, from law firms, banks, other small businesses in the community, from individuals, law students who have now graduated and have jobs and our clients who are actually doing pretty well. They want to give back to the resource they found so valuable. The good news is that people do still like to support our business, but we're not immune from the recession either. We're finding that while people still want to give, they're not willing to make the longer-term commitments. Initially we got three -year commitments. They're still giving but are committing to just one year now. We, too, are feeling the recession. At the same time, we're noticing that our waiting list, which has always been at least 40 people deep, is now 60-80 people deep. They've run out of unemployment, can't find a job. They've run out of their savings and don't see themselves as having much of an option other than to try to strike out on their own. We've been able to hire another clinical professor we're now at three people full time, two professors, both of whom are lawyers, and one full-time staff, two law clerks that work for us as well. Our clients have been doing really well. I wanted to underscore the types of businesses that we're working with. By and large, we're not working with venture capitalists seeking venture capital funding. We're working with businesses just looking to feed their family, pay their rent. Some of them are going to be really big suck sells stories someday, but most of them probably aren't. They just want to make a living. Most are not very well educated. Most or -- none of them have access to traditional legal advice. So many businesses failed because they didn't have the legal advice. They just didn't know what they were signing,

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understand their contract. Their lease escalates every year, so they can't afford to pay double the lease. It's one thing if a business fails because of no good business plan or because it's not a good product, that is a different thing. We have just conducted a study. We just finished our third year, so we've looked at the first two years of businesses we've been working with. We've got just about 50% reporting so far. Of the 50%, it's really great news. About 55% of those businesses were either brand-new businesses or within their first year of startup. I'm sorry. 22% between one and three-year goals. And the balance, 23%, more than three years in existence. Of all of those businesses, 91% are still viable businesses, up and running, conducting business. 9% have been dissolved, and we're trying to look at did they dissolve because they moved? We're working on that. Of those businesses, we've created at least 28 new full-time positions and at least seven part-time positions. Again, we're still collecting data, but we know of those so far. Most of the work we did was regarding selection, formation, contract options, and regulatory compliance. These businesses are now growing and stabilizing. We're seeing more work on the intellectual property field and leasing field. As they grow, they'll need to address those issues. Thankfully, just about everybody said they had a great experience. 96% have already recommended us to their friends and would like to come back, but 88% said they will come back, which is good news to us. Our hope is that they continue to do well so they can pay someone else to do their work for them. I'm happy to field any questions you have.

Adams: Discussions from council?

Saltzman: Did you move?

Finnerty: We did. Thank you for bringing that up. The result of growing means we've had a lot of people, and the pdc face was fantastic, but there weren't any walls, and we had some client confidential issues. We had to move to a place where we could put in walls. We asked pdc if they would let us, but the historical building wouldn't let us. So now we're at 4th and oak in the downtown area.

Adams: Thank you for your work. I know it's stressful for you and your team. Thank you.

Fritz: Thank you very much for your work. I had known what you do in the community. I was not aware the city funded it. It was one of the things in the budget discussions mayor Adams brought to my attention, and we absolutely have to keep funding it. It's a fantastic program.

Finnerty: Thank you very much.

Fish: If I could just add, before I got elected, I actually practiced law. I try not to talk about that publicly. One of the most satisfying things I did was helping people with a dream get started. In this town, they are frequently young people who are creative in some way. I think people sometimes don't understand, if you don't have the money to pay for a lawyer, you're likely to go online and pick up forms on the internet. I've always been surprised -- never been surprised how poor those forms are. You're not just helping people pursue a dream, create wealth and hire people.

If you're successful, you're keeping disputes out of court, which is a huge benefit. You're also providing ongoing guidance and support. Maybe people don't realize there's no requirement in the legal profession that you provide pro bono services. There is no mandatory pro bono. Firms that charge a couple hundred dollars as a minimum, that's out of reach of a lot of people. The council put some money in a best program that helps leveraging of federal benefits. That's a leverage piece. The leverage here is amazing because, if you're successful with someone, they become a taxpayer, an employer, and they'll stay out of the kinds of disputes if they have a lawyer walking them through it. It's a hugely positive program. Congratulations on your work.

Finnerty: Thank you. Some studies have actually shown 98% of all businesses, microenterprise that's we work in particular, their first contact with a lawyer is when they're in trouble, and that's the problem. We want to teach them to plan, not reaction, because at that point it's too late. I'm glad you brought that up.

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Adams: Unless there are objections, item 1282 moves to a second reading next week. Please read the title for council calendar item regular ordinance 1284.

Item 1284.

Adams: This is a vacation of a public path that is a nuisance. Any reason we should oppose this?

*******:** I've not heard any objections to this proposal.

Adams: Council, any discussion on this matter? Anyone wish to testimony on council calendar item 1284?

Moore-Love: No one signed up.

Adams: Anyone here? 1284 moves to a second reading next week. Please read the title for item 1285.

Item 1285.

Adams: Good morning. Appreciate you waiting. What are we looking at this year for the charitable campaign?

Lisa Shaw: Good morning. I'm lisa shaw and this is carol whalen. We have 15 charities that are umbrella organizations. Mayor, actually the same organization that's participated during the 2009 campaign. They are listed in the ordinance before you. I wanted to report that last year 592 city employees participated and raised over \$268,000 for the member organizations. That's an increase of about 14% in terms of dollars raised and an increase of about 4% in terms of city employee participation. We work with the volunteer representatives from each of the bureaus in terms of coordinating outreach efforts. The kickoff for this year's campaign is wednesday, october 7th, and it will run about two weeks. Each of the organizations have assures the city that a the of acknowledgment will in fact be sent to donors as long as donors provide their name and address on the form that each of the city employees will fill out for the payroll deduction. As long as their name is provided, they'll receive an acknowledgment. Also a reminder there is no cost to the employee for the payroll deduction no, charge for that.

Adams: I recall commissioner Saltzman requested they provide letters for documentation of tax deductions.

Shaw: We have contacted the state of Oregon, and they have assured us that it is.

Saltzman: I don't think it's consistent, but it's gotten better. What was the percentage of employee participation?

Shaw: Well, I didn't do the calculation, but it's 592 employees participated last year.

Saltzman: I thought you said there was a certain --

Shaw: There was an increase from the previous year of 4 percent.

Fish: When you initially opt in and designate your mix, do you have to, on an annual basis, re-up or is there just a chance of opting out. You have to reapply?

Shaw: Yes.

Fish: I did not get any statement on my contributions the last calendar year.

Shaw: That is good for us to know.

Fish: In fact I completely forgot about that.

Shaw: We'll certainly speak to the umbrella organizations who will speak to their member organizations.

Adams: That should be an he willability -- eligibility requirement for participation next year.

Saltzman: I think I tried last year. I've given up. Save your year-end pay stub. That has all your deductions for tax purposes.

Adams: I think this is a reasonable thing for you and a member of council should expect. I would ask you get verification in writing from each of these organizations that they have provided so that, when they give you a complaint it didn't happen, we've got something that says, no. Actually it did.

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Leonard: It does seem that's a reasonable way of dealing with the contribution that they acknowledge it.

Fritz: And if it happens next year that that organization wouldn't be eligible for a year?

Adams: Correct.

Leonard: I have to think we should be careful about that. I don't want to hurt a bunch of helpless people because somebody forgot, but I certainly would like to have something in place there would address -- we've heard two council people say they haven't gotten receipts.

Saltzman: It has gotten better, but they don't arrive in a tax-timely manner. I get acknowledgements in august. It's too late then.

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

Saltzman: I've got it in my year-end pay stub anyway.

Adams: Let me see if the legislative intent here is -- you need to let them know that they need to do this to maintain their eligibility. If we find they're not doing it in a timely way, then they have something to back us up. At a minimum they be given a warning. If it becomes chronic, council can decide to drop them from the list.

Judy Tuttle, Office of Management and Finance: If I might interject, what the issue may be -- and we'll do an investigation on this, but we deal with the umbrella organizations. Each of those have sometimes dozens of smaller and individual smaller groups that the members of the city employees can choose those organizations. It appears to be a question of oversight down to those number groups.

Leonard: Does it still go through the umbrella organization?

Tuttle: It does not. It is deducted and goes to the member organizations. There is a level of oversight from the umbrella organization that I think we can attempt, through the umbrella organizations or request that they drop that member organization if we find they have not been responsive.

Adams: We've been contacting the sub organization or just the umbrella organization?

Tuttle: Just the umbrella organization.

Adams: If we send out a notice to the organizations that get our money, I think we'd see some improvements in getting the notify back.

Tuttle: We're working through the umbrella organizations with their organizations.

Leonard: Even if you designate an organization that first goes flew the umbrella organization, they are required to provide the receipt.

Fish: I was going to say that, because united way of columbia willamette is on our list, my thought is that they have a lot of experience with this, employees giving to different organizations and doing acknowledgements that they might have some advice for us. We have until the end of the calendar year plus a couple months. Furthermore, I would say, even beyond the tax reasons why you a the should do this, if I get a letter of acknowledgment of contribution, I think i'd be more willing to ante up the next year.

Adams: So we need acknowledgements so people will do not donate.

Tuttle: We will make those desires known and work with them to make sure it's being done.

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

Adams: This is an emergency ordinance. Please call the roll on emergency ordinance 1285.

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

Fritz: This is really good work and a great organization. I'm going to say it again it's very impressive that over a quarter of a million dollars from city employees through this program -- nearly 600 employees giving to the program, obviously there's going to be more giving directly to the organizations. City staff give to the community in many different ways. Aye.

Fish: Aye.

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Adams: Thank you very much for your ongoing work on this. We'll keep working at it, aye. Please read council calendar 1286.

Item 1286.

Adams: Good morning. Thanks for your patience. What are we looking at here.

Jim Coker, Office of Management and Finance: Mayor Adams, city council members, my name is jim kroger. This ordinance amends an existing agreement between the city of Portland and Oregon department of transportation to fund additional historic roof replacement work at union station in the amount of \$8000. These are 100% grant funds.

Adams: Questions from council? Anyone wish to testify on emergency ordinance 1286? Please call the roll.

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

Fritz: This is another example of the mayor leading the efforts to get as much stimulus money as possible and to make this project by accepting over 800,000. Aye.

Fish: Aye.

Adams: Thank you for those kind comments. I want to pass them on to everyone on the oms team. 1286 is approved. Please read the title for second reading 1287.

Item 1287.

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

Adams: Aye.

Item 1288.

Adams: Good morning. Welcome back to the city council. What are we looking at today?

Christine Moody, Bureau of Purchases: This is coming from the Portland Multnomah sustainable development commission. It was recommended that the city and county take steps to address diesel particulate emissions by our own city and county fleets. Eight responses were received to the devices request for proposal. Cummings northwest received the highest score for category 1 which is diesel, oxidation catalyst, and flow-through filter. The papet group for the filter. We recommend an award to cummings for \$12,700 a year and to the papet group of 1,300,000 per year. These contracts will be renewed annually. All this is being paid for by e.p.a. Grants, one of which is an aara grant. Michelle krem is here.

Fritz: So it's \$2 million that we just accepted on the consent agenda divided into the 700,000 and the 1300.

Moody: Yes.

Fritz: Is this grant expected to be renewed every year for five years?

Moody: Those grants are for the specific \$2 million. It's also my understanding that bps intends to go after additional grants. This is a price agreement, so we only order as we have funding. So we have an agreement in place for five years as funding becomes available.

Fritz: Are we locking into this year's price for four years?

Moody: We're locking in for one year, and then there's an option to do cost of living increases every year when we renew annually.

Adams: Thank you very much. This is a purchasing report.

Leonard: So moved.

Fish: Seconded.

Adams: Please call the roll on council approval of the purchasing report, item 1288.

Saltzman: Well, I really appreciate that the city is doing these diesel retrofits and the fact that we received an e.p.a. Grant for this. I want to acknowledge michelle krem and also amy true of my office who personally was very involved in helping direct this grant. It's going to make our environment -- our breathing environment much better. Aye.

Leonard: Aye.

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Fritz: This again is really good work. Good work, commissioner Saltzman. Thank you for addressing this environmental issue and getting more federal money. Aye.

Fish: Aye.

Adams: Thanks to the bps team, to commissioner Saltzman and amy for doing great work on this. Aye. Please read the title for emergency ordinance 1289.

Item 1289.

Saltzman: Our ankeny pump station is located to the new location for the Portland saturday market, and we are constructing an odor containment system. Parks is in full support of this.

Adams: Any discussion from council? Anyone who wishes to testify on emergency ordinance 1289? Please call the roll.

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

Adams: Aye. 1289 is approved. Can you please read the report from the auditor 1290.

Item 1290.

LaVonne Griffin-Valade, City Auditor: Good morning. It's always really nice to be the last on a very long agenda. I'm very glad to be here. My name is lavonne griffin valade. I'm the city auditor. For the benefit of folks listening and watching at home, I want to mention the elected stiff auditor oversees many functions, including our council clerk and contracts office, our the archives and records, assessments, finance and foreclosure, the hearings office, the ombudsman's office. I'm here today to brief you on three new reports from the audit services division. I'm joined at the table by drummond kahn who is the director of audit services. I would like that think the auditors who worked on these reports and who are also hear that answer questions you have. Also i'd like to express my appreciation to the bureaus and city staff participating in these audits. Their assistance and cooperation throughout the years has been I know valuable. The first report was issued on august 27th. It's clean air, city enforcements, parking lots, and I am paragraphed air quality. Our objective was to determine whether the city enforced its vehicle registration laws. Since most area vehicles must pass the emissions laws, this can reduce the number of polluting vehicles on the streets. Areas of high pollution areas in Oregon, since 1990, we're required to provide mitigation programs. This is overseen by the department of environmental quality. The deq reports that, in the early 1970s, downtown Portland violated the national carbon monoxide health standard in average of once every three days. However, since 1985, there have been no violations. The deq also reports that vehicles that fail emissions tests pass up to four times the amount of pollution than those vehicle that's do pass the emissions test. So our audit found code enforcement officers are consistently enforcing vehicle registration laws. The number of citations has remained stable over time. 74% of tickets were handed out to vehicles operating illegally. These kinds of violations are the second-most frequent parking citations issued in 2008 under the 91 different types of citations. However, the fine for vehicle parking violations is so low that he can pass the deq test. The fines are lower than average when compared to six comparable jurisdictions. The 2009 legislature increased the two-year vehicle registration fee that applies to older cars from \$54 to \$86, meaning that it costs considerably less to pay the fine than to register the vehicle, particularly when you consider that registration of the vehicle is the registration fee, the insurance requirement, and likely repair costs if the vehicle does not pass. So the state circuit court here in Multnomah county is currently working with the city to review the parking fine violation. To more effectively motivate compliance, our audit suggests increasing that fine. Any questions?

Fish: I've noticed increasing frequency of cars on the road that I don't think could possibly meet the deq test. Part of it is just a belching smoke. You see a lot of out of state licenses. We don't enforce as against not having -- or do we have any jurisdiction if you're regularly commuting, parking on the state, and you don't have the state of your domiciles registered.

Drummond Kahn, Director, Audit Services: The cars are required within 30 days to register as Oregon vehicles if they move here.

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Fish: That's more honored in the breach than the observance.

Kahn: That's correct. Now if you have expired out of state cars, they can be cited the same way they would an Oregon plate. You could have a vehicle from other places in the state and it could be a polluting vehicle and not be cited because the registration is current. So this only applies to the addresses in the clean.

Fish: As around Portland and medford. There are dmV and state rules. If folks are in that area, they would have to pass deq. It is striking, reading your report, that if you get nabbed going through a yellow light, the ticket would be substantially greater than not having your car inspected, which seems to make no sense. Have you recommended a level?

Griffin-Valade: I don't think so. I think the folks in the transportation bureau are working very closely with the circuit court.

Fish: I bet there are some cities that just boot those cars. I bet that's one way they get the whole thing complied with.

Griffin-Valade: That would be medford, I think. In terms of the emissions requirements.

Leonard: There are diesel emissions exceptions, so I would caution getting too excited about this.

Griffin-Valade: The fraud reporting clarification of process and training needed. The pump of this audit was to examine the policies and processes for reporting suspected fraud, waste, and abuse. Most city workers are ethical, honest, and take their commitment to the public very seriously. We know this. The city has had few known cases of this, but there has been fraud reported in other jurisdictions in regions in the last few years, including a couple weeks ago, a state worker absconding with thousands of dollars -- absconding with thousands of dollars. The association of certified fraud examers recently surveyed their membership regarding the largest single fraud case they had seen between 2006 and 2008, and 18% of the nearly 1000 cases exam pinned occurred in government agencies with a median loss of about \$100,000. 43% of all cases were uncover flood a tip mostly from employees. Our audit found that, although there is guidance for city employees on ethical behavioral, the city lacked the resources. City offices receive reports -- that do receive reports that did not clearly share information. Guidance about where to report is inconsistent, and supervisors are not trained to handle the wrongdoing. These problems contain a real risk for the city, but these will not be reported, reviewed clearly. Such misconduct jeopardizes public trust and confidence in government oversight. The city needs to take proactive measures to prevent such instances. Management is responsible for prevention and detection, communicating and enforcing expectations for employees and for themselves and by building a culture of honest and ethical conduct. Our recommendations are three fold. One is to develop clear and consistent guidance about reporting fraud. The second is to design and offer ethics in fraud training. The third is to investigate reports. This I am paragraphed effort that prevent and detect fraud helps to identify risks. My own office is in the process of establishing a 24/7 phone and online options for employees to report anonymously if they choose. This helps send a message that expected behavior allows the city to comply.

Fish: You say we should update our administrative rules and code of ethics for consistency. Have you referred that to the city attorney's office for them to undertake that project from.

Griffin-Valade: We are participating in that as well.

Fish: That seems like a no brainer.

Griffin-Valade: It is.

Fish: That is under way?

Griffin-Valade: Yes.

Fish: Secondly, when it talks about fraud training, who would be the entity that would provide that training?

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Griffin-Valade: Well, I think we'll be very involved in that as well as h.r. And probably the city attorney's office as well. There's a theme here to roll out our 24/7 tip line as well as beef up the fraud policies and processes. I've pretty much taken a lead on that.

Saltzman: So the auditor's office is taking the lead and will be the home of the 24/7 line?

Griffin-Valade: Yes. It will be administered by the ombudsman's office. We are very close to determining a vendor for that. Hopefully it will roll out in october, although I think i'm being a little optimistic about that. That's my goal is to roll out in october.

Adams: Any discussion from council?

Griffin-Valade: One more. Sorry. The third report will be released tomorrow, and the title is federal stimulus. Portland is well-positioned to receive funds and requirements. As of august, 2009, the city had received or been awarded 21 million in american recovery and reinvestment of dollars and expects to receive a total of 58 million. This is the first in a series of audits of stimulus projects, both the local and federal project. We are conducting these because programs of this magnitude of inherently risky. We have concerns about managing projects efficiently and effectively, about fraud, waste, around abuse and invasion of areas. Internal control service is the first line of defense. The city should have procedures in place before the october deadline. While this report looks primarily at internal control subsequently we'll exam how the money is being spent and whether the internal controls are working the way they are intended. In general we found in this audit that the city is making good progress to meet the legislation and executive orders. While there is still work to be done on improving bureau status reports, finalizing the reporting system and implementing the fraud situation, steps are being taken that resolve them. In fact, since the report was finalized, progress has been made on these issues, and additional details will be contained in the report in a letter. Our office is very pleased to take a lead role in developing and implementing the fraud line and anonymous -- and the anonymous tip line. An audit of the bureau's response teams, a review of -- use of narcotics. And then an audit of the effectiveness of the shelter program.

We have started on the police bureau's use of taser. That's the end of my little presentation. Any questions about the audit that's being released tomorrow or any other questions?

Adams: What's the headline in the newspaper taupe?

Griffin-Valade: City doing good job preparing for the federal stimulus dollars?

Adams: Sure. I know others have mentioned this inside the city council. We appreciate the fact that you have hit the ground running, just producing work that helps us do a better job as a legislative body and also as commissioners in charge of bureaus. So thank you.

Griffin-Valade: You are so welcome.

Adams: This is a report, requires no action. Excellent. So thank you.

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

Adams: Can you please read the title for merge american ordinance 1291?

Item 1291.

Adams: You look so familiar.

Griffin-Valade: Hi. City auditor, lavonne griffin-valade. Here with me is andrew carlstrom. The purpose of this ordinance is to verify the city code for the declaration of intent to seek clarification.

This minor and many makes the declaration of intent consistent with 2.10 and does not change any campaign finance fund requirements that council has already discussed and approved. The qualifying period starts tomorrow. The period in which candidates may collect \$5 qualifying contributions after filing a declaration of intent to seek clarification. This is why the ordinance was filed with an emergency clause is because the period starts tomorrow. So any questions for me?

Fish: I don't normally follow commissioner Fritz' lead on this.

Fritz: I want to thank you for fixing this before the qualifying period starts. Thank you for making it right.

Griffin-Valade: Andrew is the person to be thanked for that.

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Adams: Please call the role.

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

Fritz: Well, it's exciting to hear the next qualifying period starts tomorrow, and I am so glad that I don't have to start collecting tomorrow. I'm so grateful i've been elected using campaign financing. Thank you for all the work on this program. Aye.

Fish: Aye.

Adams: 1291 is approved. We are adjourned until 2:30. Thanks.

At 12:01 p.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

SEPTEMBER 9, 2009 2:30 PM

Adams: It is wednesday, september 9th, it is 2:30 in the afternoon. And it's 2009, didn't I say that already? So Karla, please call the roll.

[roll call]

Adams: We are considering one item this afternoon. It is a resolution, time certain, item number 1292. Karla, please read the title.

Item 1292.

Adams: I'm going to make some introductory comments, and then we've got some special guests who are on a tight time line, and we'll go from there. Or are we making a staff presentation in between that? Yes, i'm making a staff presentation. One is being made. All right. [laughter] thank you. Takes a whole village. Three years ago I made -- I gave an address to the Portland city club titled "from here to Portland's transportation tomorrow." and outlined a number of important challenges and opportunities that the city of Portland and the region needed to tackle. Everything from additional resources to deal with the basic half billion dollar and growing maintenance and safety backlog, Which we then turned into the safe sound and green street initiative, which we used to lobby the state legislature to get additional funding. It was also the basis in which the previous city council voted to invest around \$18 million in priority safety improvements that were spent mostly in east Portland. The most dangerous intersections and in the most dangerous corridors. We also talked about the need to move forward with a new strategic plan for the city, and the Portland plan we're about to embark on and it talked about the fact that we have used up the region's -- depending on how you count it, 25-year-old or 30-year-old rail strategy and the need to come up with both a new regional rail strategy rail transit strategy, I should say, and come up with a new citywide rail transit strategy given that after years of being on the books as a wish, but never implemented, the streetcar was back into the mix of transit options. Since that time we've also embarked on -- as promised in that speech, a streetcar planning process. To begin to win 0 down the nearly 4,000 miles of streets and roads and corridors into a shorter list for further evaluation. Today we are considering that. It is the beginning of the beginning, it is not an end point, it is a milestone. And it's an important one. It is responsive to the transportation systems plan, it is responsive to our peak oil strategy. It is going to be a major input as it is further refined and considered as part of the Portland plan. And it was the result of a very grass-roots approach to planning. Basically city wried s.t.d., are there folks in individual neighborhoods that were interested in working on getting streetcar in a corridor in their neighborhood. And again our vision is to connect green, complete, sustainable neighborhoods with green streets and with transit -- bus, light rail, and streetcar. The regional rail strategy on a park lel track, and we're going to hear from metro councilor colet -- carlotta correspondlet. -- correspond let. -- corelette. [inaudible] I know who she is, I just have a hard time with your name. She's been working with tri-met to complete that regionwide light rail strategy. So this has been done in parallel with their efforts, and i'm very pleased today to present the report, have the discussion, and we have a lot more work to do. I've honored the process, I do have my own spin on -- my own take on moving forward that I wanted to make sure was part of the legislative record and would return as part of the alternatives analysis, which would be months from now. In terms of the -- what you see in the report as a suggestion to

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continue to grow the system from the hub of downtown out from there. I think this next step of evaluation we should really look at the opportunities and foster -- the opportunities in lents, in killingsworth, in st. Johns, and I offer those only as examples as to look at the outer southwest is challenging for streetcar, but we're going to be looking at it with metro and tri-met for light rail, but to look at the neighborhoods towards the outer boundaries of the city first for the feasibility of having the next legs of streetcar out there and building it back into the central city or building it between the neighborhoods. So that's going to be part of a legislative record in terms of -- if my commissioners disagree, i'd welcome their comments today, but that's what i'd like us to do in sort of the next step of evaluation. And that's different than what's in the plan. So I wanted to flag that. Patrick paul, are you going to come forward with a presentation? Councilor, I know you're in the middle of a meeting over at metro. Do you want to come forward as well?

*****: I can wait for the presentation.

Adams: Thank you.

Patrick Sweeney, Bureau of Transportation: Good afternoon mayor, council members. Thank you for this opportunity and for the support of -- it's an honor to be here to present this over two-year-long planning effort to today. In light of the people in the audience, who I know have something to say, i'll keep my presentation brief. With me is -- my name is patrick sweeney, project manager for the streetcar concept plan project, senior transit planner. With me is paul smith, chief transportation planner for the city of Portland, manager of transportation planning. And behind me is tom armstrong, coordinator for the Portland plan, just in case Portland plan coordination question comes up. So today I want to just give you a quick overview of the project. The project all started - the idea of a modern streetcar in the city of Portland started in 1988, in central city plan. One of the transportation elements of that plan called for a central city circulator. The mode was uncertain at that time, but follow-up studies on that central city circulator idea in 1990 and 1993, and in 1995 finally arrived at modern streetcar as the preferred tool to be the central city circulator. And just a couple weeks ago construction was started on the east side loop. So 29, 30 years later, 31 years later, we're finally seeing the realization of the central city circulator for central Portland. Current city policy is to develop streetcar lines in Portland to connect no further questions redeveloping neighborhoods, other destinations including shopping, education, recreation. This is from policy 624 out of the city's transportation system plan, the transportation element of the comp plan. The Portland streetcar concept Plan was prepared to provide a framework to implement the city policy. In look at an overview of the project, over two years, we actually start the in the spring of 2007 with some background work in evaluating transit corridors across the city. This effort started in the fall of 2007, we had some initial technical work, we had a kickoff workshop november of 2007. What's interesting is in spring of 2008, we put a freeze on technical work and initiated an intensive public involvement effort that is highlighted by a district working group process. We had a great, fantastic citizen advisory committee called the system advisory committee, or the sac. They helped us and were our filter in getting information to the public and to the neighborhoods. But we wanted to go one step further and get more people involved in the project in helping to evaluate corridors and their parts of the city. That's what that working group process was. That lasted a little longer than we thought. It went to the winter, last winter, it wrapped up in november of 2008. The technical work restarted in the winter and then we were able to at that time take what information we had learned from the public, from the technical side, recommend isle it -- reconcile it into system concepts, and implementation strategies, we had more workshops in may in conjunction with the bike master plan update, and then led to a planning commission hearing last month and then here we are today. I'll quickly go through a techy diagram, but this is essentially what we did. We started with 210 miles of transit corridors citywide. We had to arrive, what makes the most sense for considering streetcar in the future. We cut out the corridors that didn't work for streetcar. Screen two is when we started to kind of dial in and look at

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transit supportive land uses and ridership. And in screen two is where we froze the technical work, and that's where we plugged in a major component of the public involvement to get their input. And then screen three was when we, as I mentioned before, we reconciled the public involvement, we learned from that effort, put technical work into system concepts and at the bottom our system concept plan.

Adams: I want to underscore for those viewing and in the room that when we say corridor, you see belmont or killingsworth, it's the corridor. We do not make the assumption that the streetcar would necessarily go actually on belmont or killingsworth or any other street. It's the corridor we're looking at.

Sweeney: That's correct. And belmont is a good example, because belmont and hawthorne are both considered to be a potentially viable streetcar corridors, but we would be evaluating both of those corridors in a corridor study. The reason why belmont is shown on the map, for technical reasons and for public involvement input, at this point belmont scores a little bit higher, but that's not to say that hawthorne should not be evaluated. So it's a corridor that is more than the width much of just one street. There were two sets of goals. We were evaluating corridors, it was pretty straightforward. It had to be a viable transit option with good ridership, had to have redevelopment potential, and that's the streetcar neighborhood part of the streetcar corridor, and we had to demonstrate community support. And that's where the district working group process was designed to feed in to help evaluate corridors. Then when it's time to look at how the corridors fit together, the three goals for that were a system should help achieve peak oil and sustainability strategies, it should be help to catalyze growth along streetcar corridors, and then future -- potential streetcars should be integral to -- into the corridors into neighborhoods throughout the city where it would be expanded to. Quick public involvement snapshot, the advisory committee that I mentioned before, led by chair kelly, who is in the audience today, 14 members met 17 times, were instrumental in the Portland streetcar workbook, which was the foundation of the district working group process. So staff with the help of the consultant team developed this workbook to help the citizen groups meet by themselves and to evaluate corridors on their own terms. We developed this like a lesson plan for things for them to consider, but largely we wanted citizens to meet on their own terms, and we were acting as a technical resource. So then they would provide feedback back to us. So the district working groups, when we initiated the consent, the respondents was much broader, and then we had expected, we were able to have five district working groups, over 100 volunteers were helping us evaluate corridors in each district. They each developed surveys, and we had over 2,000 people respond to us which surveys. Then the small groups met by themselves for over a period of eight months. So it was a tremendous response from the public, and interest in looking at potential streetcar corridors throughout the city. And throughout this process we had 15 major public meetings. That's three sets of major public workshops and then we had a special central city workshop last summer. So the concept plan that we were talking about today, some quick highlights that -- of what this is about. Corridors were assessed to determine which have the best potential for streetcar investment, and that looked at the ridership, the development potential, and community support. The document will be used in the future, and by future planners and city council to help select corridors for future alternative analysis when funding becomes available. Detailed corridor analysis and discussion of affected neighborhoods are absolutely critical and necessary to determine if the streetcar investment makes sense in those corridors. No funding plan or schedule has been developed for any potential streetcar project as of now. And no individual corridor can move forward without a detailed analysis of project purpose and need and full understanding of what the project impacts of a future streetcar would be.

Adams: Part of what a detailed corridor alternative analysis includes what if the corridor we identified had bus on it? What if nothing was done on that corridor, but rapid transit, other sort of transit movement options than just streetcar? That's the kind of due diligence of the next step.

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Sweeney: Correct. We would be looking at different types of modes, we would be look at cost effectiveness, at impacts to corridor land uses. It would be a comprehensive analysis of the transit land use in the corridor. So the recommendations to city council today, accept the Portland streetcar system concept plan. Pursue development of a streetcar system based on promising corridors throughout the city identified in the system concept plan -- use the streetcar system concept plan as A reference document to help identify corridors in the future. We will -- we're look for direction to prepare technical update to the city's tsp chapter four, which is refinement plans and studies. That's where identified projects that need further evaluation through a study or analysis, that's where they live, in the tsp. So we would be looking to update that with some of the concept -- the concept corridors that are identified in the document and what is recommended by city council. Another recommendation is the streetcar system concept plan will be used to inform the upcoming Portland plan process. To evaluate and discuss corridors with neighborhoods, and that's -- if you think about the streetcar concept plan, look at all the right of ways trout the city, part of what the Portland plan will do is to look at this idea of 20-minute neighborhoods and future streetcar neighborhoods. Where do they make the most sense in thinking about a broader long-range strategic growth for the city. And then the Portland plan effort can reconcile it too.

Adams: I want to underscore the iterative nature of this. That is have the concept plan informed by the Portland plan.

Sweeney: Right. And they're it's also -- it's also a good time to mention the streetcar system concept plan will be a dynamic document. This is the type of plan that will be updated over time as Priorities change and a planning efforts would weigh in and affect the priorities of the city. One of the most comprehensive recommendations the city council is -- and -- has -- this has been borne out of a lot of great work with the planning commission, the idea to develop principles to guide the evaluation analysis of the future streetcar corridors. And that is where -- when funding becomes available f. We were to go into an alternative analysis process, we want to make sure that local issues that are important to neighborhoods and affected neighborhoods don't fall through the cracks. So what we want to do is form an interbureau task force to draft these principles around these items. Housing affordability, small business impacts, neighborhood development, impacts on existing transit services, local ma trick -- so people can understand how this is all working. And then the communication strategy, so there's a discussion with the neighborhoods on the opportunities and analysis of cost much what streetcar corridors are. This task force would be appoint by the mayor and potentially include representatives from the planning commission, office of neighborhood involvement, pdot, bureau of planning sustainability, office of management finance, and potentially a representative from each of the city's neighborhood coalitions. It's a comprehensive task force, it's meant to be a tight group, meant to help develop these principles to make sure nothing falls through the cracks. And that's my last slide.

Adams: Commissioner Fritz? You had a suggested amendment?

Fritz: I compliment you very much on your staff report, and I notice in the updated version of this you've already incorporated the planning commission's recommendation to have a subtitle of the framework for future corridor planning and alternatives analysis. You've got a whereas in the ordinance resolution, but there isn't a therefore be it resolved to match that whereas. So i'm proposing with the mayor's agreement that you -- that we have a now be it resolved that we're going to do that last whereas on page 4.

*****: Thank you.

Adams: Second. Any discussion on council? Anyone in the -- .

*****: [inaudible]

Fritz: I'm moving we include the bottom -- we changed the language, it becomes a now be it resolved that we add that language.

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Linly Rees, Deputy City Attorney: [inaudible] that would include the italicized language as well?

Fritz: Yes. And I think that was the intent. It's a clarification as to what the concept and framework is and is not.

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

Adams: It's been moved and seconded. Anyone wish to testify? Karla, please call the roll on the amendment.

Saltzman: Aye.

Fritz: Thank you, mayor. Aye.

Fish: Aye.

Adams: Thank you, commissioner fritz aye. [gavel pounded] any other initial discussion from council? Thank you. We have the only metro councilor in the room, michael powell, Andre baugh, carlotta colet. Glad you're here.

*******:** As am i.

Carlotta Collette: It is a pleasure to be here as mayor Adams said, we just completed our high capacity transit system for the region, and I have a good feeling of what your staff has been through and what your staff has been through. It's a daunting process, and you've done a great job and your staff has done a great job. Our staff worked closely with you as yours did with us, so they are very well integrated and I think that's been critical when we would go around the region with our map, in the middle of our map was this box. And people would say, what's the box? And we'd say, that's the Portland streetcar plan. So now we're happy to have something that we can plug into that space.

It's critical that we have an integrated system that's -- that has your streetcars, all these working together to provide transportation options for our communities. And we have demonstrated with the Portland streetcar, it's the model that whenever we bring visitors from anywhere in the world, we bring them to the streetcar. It's not only a transportation vehicle, but it is a community building vehicle, and an economic development vix vehicle. And you've demonstrated that probably better than anybody maybe in the world. The pearl district is such a shining example. It's really exciting. I'm really proud of it. I don't even live in Portland. It's something you should all be very proud of.

As we look through the plan, there are a few things, a few areas we think we need to continue to work together. One of those is, you've really identified this as a vehicle for economic development and community building, you've made that case strongly. I'm looking forward to the lake oswego project as a model of how we can also use it as a transportation vehicle. Because right now it's kind of a circulator, and it performs that role really well. But in order to really justify it from a regional perspective, we've got to do things that will make it also work for commuters. Maybe we extend them beyond the city lines, to meet our regional needs. We looked at that in the high-exaps transit study. Yes didn't say these are going to be light rail corridors or bus rapid transit, or streetcar, we included all of those and said, when we get to the next stages, we'll identify which is the best vehicle. So I think in the number of Cases streetcars are going to be running in the high-capacity corridors that we've identified, and I think working to make sure it serves the region from a transportation perspective is going to be an important one, and I look forward to that, and I think that's going to be a very creative process. Another challenge that I think we're going to face is that while we've used a lot of federal money to help build our light rail projects, and some of the other projects in the region, the big challenges coming up is going to be operating costs. And I think we need to be creative about looking at how we're going to raise that money and one of the ways that we've been sort of tsdc with, are there kind of value-added or revenues that we could turn back into the system. So as we build this incredible economic base like the pearl district, are there some ways that we can share those benefits back to the system so that maybe we look at local improvement districts to fund the construction, maybe we look at something like the local improvement district to help pay for the operation. Again, we janet unruh need to be creative because we've pretty much

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maxed out tri-met's ability to operate the system. We have a little bit of room to grow, but not a huge amount. And i'm concerned that we make sure that we can operate the systems that we can build. And third, we have a model of this, we need to look at opportunities to leverage of the money that the city invests in streetcars wherever we can, and when the federal government enables us to again, leverage that money to help use as a local match on federalized projects like light rail, and the example we have is that the interstate line, we had built the red line to the airport and that was a locally funded project, it wasn't federalized. We -- you had built your first streetcar link, and that had not been federalized. We were able to use those investments in the system to help joshua chapman set our local match on the max yellow line up interstate. So we ended up, even though the federal formula is something like 60/40, really the federal government paid about 76% of the cost of that interstate line because we could credit back the investments we'd already had. So wherever we can I think it would be smart for us to be thinking about if the city or through lids or whatever, if we finance projects locally, that we figure out that they're part of a system that we can leverage that money to help build the next lig we need to federalize. We look forward to continuing to work with you to make all of these different projects come when they're ready. Thank you.

Adams: And thank you for your ongoing partnership. Mr. Powell.

Michael Powell: Mr. Mayor and commissioners, michael powell, i'm here today in my capacity as chair of Portland streetcar inc., a board i've been associated with since Its inception. Psi supports the acceptance of the streetcar system concept plan. We open service in 2001, and have regularly expanded service since that time with four extensions, and now with the east side addition under construction. Our total miles will be seven and a third miles. Calls for closing the loop and cooperation with milwaukie light rail and the building of the caruthers bridge, and an extension out to lake oswego. This is a system concept plan and provides an excellent vision for the future of transit in the city of Portland and this region. The plan is involved the citizens more extensively than i've ever experienced any such process, and I congratulate patrick for that effort. It represents a thorough understanding of the values associated with the streetcar. I want to emphasize the value of outing quality transit to encourage mixed uses -- we have a commitment toward livability and encouraging alternative modes, developing mixed use environments, where walking is more prominently used. The plan is identified key corridors that are currently zoned to encourage this development. The plan goes on to recommend corridors that are comp plan corridors, modification to the plan could accommodate streetcar investment. The streetcar loop will provide -- the one under Scretion -- several proposed lines can utilize tracks that will be in place, saving considerably on capital and most cases converting existing bus lines to streetcar service. The Broadway weidler lane adds two miles of track but creates a cross town line of four miles by using existing track in the loop. And the mlk line from killingsworth to ohsu south waterfront adds two miles of new track to be utilized the two miles of existing track. Psi is proud of the service offered in Portland since 2001. We enjoy an outstanding partnership with the city of Portland and tri-met and ensuring safe and I do emphasize safe, we've never had a significant accident, and probably represents something like 24 million riderships. Effective and coordinated transit service in the community. We look forward of continuing that effort with the implementation of this plan. Thank you.

Adams: Thank you. Thanks for all your work on the psi board.

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

Adams: Commissioner baugh.

Andre Baugh: Thank you. An draw baugh, Portland planning commissioner, in my role here i'm just going to be -- thank you for the opportunity to offer my support and the planning support for the streetcar. There's no doubt the streetcar is an extraordinary tool for Portland's next section of growth. To achieve this change, I Encourage you to adopt the commission's recommendation of immigration of streetcar plan nothing other city planning activities and establishing principles that are up on the screen today into facilitating preservation and growth of each neighborhood streetcar

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corridor of local businesses and residents. The recommendations will in my view, compliment and strengthen the federal assessment process that will be going forward, and also develop support for whatever the funding strategies are going forward. I think those will be the neighborhood principles that will support -- activity going forward. And the key here is planning. It's what Portland is known for, it's how we make our decisions on sound philosophy and policy for many form of implementation and the streetcar represents an opportunity to uphold our tradition. Tt ability to talk to our neighborhoods is how we answered questions about -- about though may have about streetcar. And the strategies not currently envisioned in the Portland plan must be incorporated through the recommendations, and detailed -- the streetcars will be transformational for neighborhood corridors. It's really going to transform from a standpoint of growth, housing, businesses, and how we can do that over the next 20 years. It's not going to be tomorrow, but how do we lay a plan out for the next 20 years and principles to do that? The streetcars are a back-to-the future tool for creating the opportunities for new residences and businesses. So really taking that and how do we keep what we have but how do we build for the future and as the Portland planning commission, we support mayor's vision for the streetcars in the neighborhood corridors across this great city. Thank you.

Adams: Thank you, commissioner. I appreciate your service on the planning commission. There is no greater sacrifice. [laughter] Good afternoon. How are you? Glad you're here.

Owen Ronchelli: Owen ronchelli, I chair the stakeholder advisory committee on this process. I would like to say that i'm proud to serve on this process with all the dedicated volunteers on my committee as well as the district working groups that worked tirelessly on their own time to evaluate their own corridors. To me it demonstrated a unique sort of public outreach process that reached beyond the typical neighborhood involvement by doing the local workshops we're able to involve people who didn't typically participate in that process before. So we got a broader idea of people who wouldn't ordinarily participate. And of course I also want to thank the talented staff that shepherded us through this process. We want to downplay the distance between the concept and concept Plan corridors, and that's outlined on page 44 of the plan itself. The different-colored central city corridors versus the peripheral corridors that were a different color. And it could be interpreted as the haves, which is the central city, and the have-notes, the rest of Portland. And it's important to elevate the comp plan corridors as an integral part of the system plan and not a secondary priorities. It could limit support for the plan, and diminish the larger as inspirations of the city for expanding streetcar as a whole. It's important to tie the concept plan with the Portland plan process. It provides an excellent opportunity for neighborhoods to implement streetcar supportive zoning and policies that they want to see have happen in their neighborhoods, so they can facilitate or hayesen the viability of streetcar in the representative corridors. To achieve the city's vision for sustainability, we must balance between environmental economic and equity concerns. A streetcar limited to concept corridors does not demonstrate equitable distribution of infrastructure or capital investment. As more corridors are developed, it will be important to preserve housing options for all income levels, along corridors, and help existing small businesses benefit from the added foot traffic the streetcar can bring. We want to see this be a living Document, we don't want this to be a shelf piece that collects dust, it should be updated periodically and the value of this plan is the ability for it to remain up to date, and it should reflective of current neighborhood and district vision and their desire for streetcar. And finally the future of streetcar, particularly outside of urban renewal districts will be more difficult to build, and therefore the sac develops the development of a violence corridor -- comprehensive corridor funding strategy. Not something that's corridor specific, but a sustainable fund that will be used to build streetcar today and into the future. It will help to preserve the long-term viability of streetcar development in Portland. Thank you.

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Adams: Thanks for chairing the group. This has been a very significant time commitment and we really appreciate it.

Curt Schneider: Good afternoon. I am curtis schneider, I served on the district working committee, and I too want to thank everyone because it's been a very rewarding good fulfilling process. Thank you for my certificate. The -- I agree mostly with what mr. Kelly says, but I think the fact still remains that the concept and the comp plan definitely appear to be haves now, and maybe later. So that's maybe my cynical view, but when you look at the plan and those routes they take you street from the city center out a mile or two with the exception of gateway. The lents, the st. Johns, a number of areas that have town center or regional centers are not included. And in the letter that I submitted to you, I think in terms of alternatives for not only your policy planning, which to me there does not seem to be an alternative, it is do this first and then that later, that's an alternative, but if you're trying to encourage development in st. Johns or lents, and this is one of your development tools, then yes, the equity part of that should be included. Second fact is, you have -- you the council have adopted the st. Johns lombard plan in may of 2004. And you have policies there that underline streetcar for st. Johns one it's an old streetcar area, and planned policy supports streetcar. That word is in the plan. And you have adopted mixed use policies, increased housing for the downtown st. Johns area, so I guess i'm asking you to specifically upgrade st. Johns to the top -- maybe not the top of the list, but within the first tier. With that I thank you very much for hearing me out.

Adams: I don't know if you were here at the beginning for my comments, but I basically agree with you, and in terms of the next step of looking at the alternatives analysis and prioritizing corridors for that alternatives analysis, I would -- I too would like to prioritize and take the sort of reverse engineering that looking At the neighborhoods farthest from the central city and look at the alternatives analysis there, and looking at the funding opportunities and constraints and working our way back into the central city. As opposed to what's in the plan right now is to start at the hub and expand up. We'll learn a lot from that. And see how it goes. But I like the vision as well that you reiterated.

Schneider: Thank you, sir.

Adams: You betcha.

Irek Wielgosz: Good afternoon, mr. Mayor, commissioners. I'm a long-time king neighborhood resident and a member of the king neighborhood association. I've been involved in this volunteer process since the fall of 2007. Since then i've worked in the northeast working group on the workshops helping to design the survey, getting the survey out to different neighborhood associations, and compiling the final report that was presented to sac earlier this year. This concept plan represents hours, weeks, and months of volunteers as well as city staff time. It's the final result of what our city does best. Professional technical research as well as grass-roots input created this document. Approving this and moving the process forward len sure that Portland maintains its place in the van garden of most livable in the american cities. I believe the northbound mlk extension out of the east side loop is the next logical step. It is one of the least expensive of proposed extensions, and has a chance to be the most transformative. This belief is also reflected by the king neighborhood association. In their letter of support they wrote "we feel the mlk boulevard streetcar line will form a backbone supporting all of the desperate -- disparate development efforts and not along mlk corridor under the Oregon convention center urban renewal area and bring a pedestrian friendly business friendly streetscape that has long been missing from mlk." today's mlk is too much of a loud high-speed corridor where businesses and pedestrians struggle to thrive. A streetcar would go aa long way toward transforming this unfortunate pattern. A similar sentiment was expressed by mr. Adams during the grand opening of vanport in january of 2008. He said "i hope you can envision a time in into the too distant future when the streetcar line will extend from downtown to the central east side lloyd district all the way up mlk. This will help

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reduce the congestion on the boulevard and will also make it a more walkable street which is what retailers along here need to grow and thrive." I urge you to approve this plan. Thank you.

Adams: Thank you all very much. I really appreciate your testimony.

Mark White: Mark white, president of the powellhurst neighborhood Association, and also a district working group member. I'd like to thank you ahead of time for your comments in the beginning. My ego is such that it probably makes me think it was for me.

Adams: Just for you. I'm sure somewhere I said I want to be in the neighborhood when the streetcar --

White: I'd like to start by asking you to reject the current streetcar plan. As it now reads, it clearly reflects the continuing attachment to an outdated trickle down all roads lead to rome development and model that perpetuates a grossly inequitable approach to development. Powellhurst-gilbert is the most populated neighborhood in the City of Portland. The six schools within our boundary had an ending enrollment last year of 3675 students which does not include the hundreds upon hundreds of high school students that go to school just across the neighborhood boundary. We've also had a slow but steady increase in residents over the age of 62, and close to 1,000 section 8 households as indicated in the document that I've attached with my written testimony. That also shows a clear migration of poverty to east Portland. I bring this up because as you know, we're seriously bereft of sidewalks and crosswalks and have numerous portions of unpaved streets. The powellhurst loop which would address many of our infrastructure needs and was presented at numerous public forums isn't even mentioned in the streetcar plan. Streetcar isn't just about transportation, it's about jobs, it's about sidewalks, crosswalks, and safety. It's about the convenience of a 20-minute neighborhood because as of today, powellhurst-gilbert with close to 26,000 residents, still does not have a full-service bank within its boundary. On the most fundamental of levels it's about equity and being honored and valued. Which is why I find it impossible understand that why powellhurst gilbert and many other neighborhoods east of the willamette in desperate need of attention are shut out of this plan. It's my belief the decision you make on this issue will be a defining moment in our history. It will either be the moment we officially create two Portlands, one that has everything and one that has nothing, as well as mark the beginning of a downward spiral where equity, equality, and safety is a reserved only for the privileged. Or it's the day we embark on a path of potential of it being the envy of the world, a model that embraces equity and equality, that stares poverty directly in the eyes instead of looking away. Where children, families, and seniors are all honored. Where sustainability isn't just a symphony of sound bytes but a citywide reality. You have the power to make this happen, we have many intelligent and dedicated city employees and I certainly consider patrick to be among them. I ask you to challenge them and have them take a page from every good parent's handbook which is to do what's best for the city and not what's easiest. A streetcar system that fully embraces the entire east side of the willamette is what's best. It certainly won't be easy, but it is most definitely possible. I'm happy to share how to make this happen and specifically how to pay it for the powellhurst gilbert loop. I'd like to also point out on the recommendation of patrick that while there's numerous problems within our neighborhood, there are so many opportunities. It's almost impossible to describe them all. I would probably guess that very few people in the city know that the only public botanical garden is just across the boundary in pleasant valley. Powell butte has 600 acres of hiking and places for people to ride bicycles as well as ride horses. We have the spring water corridor wetlands. It's absolutely beautiful. There's tremendous amount of opportunity there. Not to mention the fact that as a major stakeholder in the david douglas school district, there's 67 different languages spoken there. And our neighborhood just the cultural aspects alone, are just tremendous. That needs to be cultivated. So I really, really appreciate your comments in the beginning and I really do hope that is indeed the case.

Adams: Its interesting, 3½ years ago when I was making the rounds of neighborhood associations to talk about wanting to do a citywide streetcar plan, and at your neighborhood this -- a woman

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stood up and just berated me for the idea of streetcar on specific streets. And how far -- and that the neighborhood wasn't interested. And I was democracizing that action, other folks stood up and said no, were interested and that I started the conversation with your neighborhood. It's great to have you here championing the idea of street cars in your neighborhood and I also like the way you put it in terms of what's best for the city not necessarily what's easiest. Commissioner Fritz?

Fritz: Can you tell me where is the powellhurst gilbert loop envisioned - -

White: What I'm considering right now is starting at foster road down 122nd to division. That's the entire length of our neighborhood from one end to the other north to south. And then on Holgate starting at around 136th near the powell butte trailhead down to 82nd, and then crossing -- 92nd, and then crossing 92nd over to the lents town center, and then back up at 122nd at foster all the way down to foster and 50th and then beyond. And just about 90% of what I just mentioned is wholly within the lents town center urban renewal area.

Fritz: Some of it is in the concept plan, just not the part that is east of 122nd.

White: Correct. But my understanding is that the initial 20-year first part of it doesn't -- the only part in east Portland is the gateway.

Adams: And that's what I'm suggesting in the next phase we do differently than what's on the plan. So it's in the plan, it just was prioritized in the plan at a farther future date than we're going to consider it in the next phase of alternative analysis.

Fritz: Thank you mark.

Adams: Thanks.

Arlene Kimura: My name is arlene, I live in the Hazelwood neighborhood association. I'm asking you that support the plan concept, and I want to thank all the members of the working group who did all of the hard work and also spent some time discussing the fact of there are people in st. Johns and the far east side as being farther down the trail than we would like and the group itself was very supportive of the fact that there's also the kind of concept that you have to talk about, what you want, what's doable and where can we meet in between. And I think this plan is the right step forward, so I'm asking that you support this. Thank you.

Adams: Thank you, arlene. Jerry?

Jerry Koike: Mayor Adams, city council members, my name is jerry, I reside in the gateway urban renewal area. I had a presentation ready, but after mayor Adams mentioned his proposal, it kind of tweaked mine. Basically I would like to ask that city council support the recommendation of planning commission hearing, which was held last month. As an active participant in the gateway area for the past seven years, along with arlene and others, I would like to encourage the city leaders to at times think outside the box, which was one of the -- mayor Adams' presentation of looking outside the inner core. That said, when most of these proposals are presented, a lot of it is within the arm's length of the cbd, or the port of Portland, and -- the core of Portland, and it radiates out there. Is life outside the reaches of the city. One example would be -- and it's a far-fetched example -- the first transcontinental railroad. Basically the idea was to link the eastern half of the us with the western portion, and to -- kind of like along with the streetcar. Think of the eastern section of Portland and develop that area and then go inwards as mayor Adams had suggested. There's so much unlimited development potential in the outer southeast. But consider whether it be future projects, more emphasis in the outer southeast, and allow Portland to become one united city rather than factions in the east, west, north, south, and central Portland. Thank you.

Adams: Thank you very much. And thanks for all of your work, each of you, on this project. How many do we have signed up?

Moore-Love: Seven.

Adams: Welcome back.

Terry Parker: Whomever said Oregon is for dreamers had it correct. The view here continues to be tax and spend, as if taxpayer money grows on trees. Sustainability starts with financial self-

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sustainability, including not subsidizing a project from other resources or a source of revenue outside of what the project itself generates. My neighborhood has requested documentation many times over that clearly demonstrates development can be attributed to the streetcar itself as opposed to new development being attributed to taxpayer funded subsidies that follow the streetcar land in the pockets of affluent developers and lead to gentrification. Most subsidies in this category do not specifically require a streetcar as the mode of transit and are being used in neighborhoods without streetcars for projects that otherwise do not pencil out. Without explicit documentation, the theory of advocating the streetcar as a development tool lacks credibility and therefore it is totally ambiguous. The continual alluding to we're working on it, side stepping a timely statistical answer from pdot supports that conclusion. Producing the steel rails and digging up the streets to put them in is less than ecofriendly. Cost breakdown data has also been sought by my neighborhood specifically separating out the per-mile cost for the installation of the overhead wire plus any track work in the streets. Again, no specific information has been forthcoming. It appears as if the public process has been hijacked by the special interests advocating for streetcars. In the 1970s when dollars from the defunct mount hood freeway were in the process of being redistributed to other transportation projects on Portland's east side, an in-depth study took place that compared upgrade options to the banfield freeway, constructing a light rail line, or a busway. Special treatment to city streets and various combination of those options. Specific transit planning must start with purpose and need. Along with the interference streetcars pose to other traffic on city streets, disregarded by streetcar advocates, one of the key and primary issues with the streetcar system plan is the lack of affordability for taxpayers. None of the up front costs are recoverable through the fare box. Instead of mode choice coming first, and then justifying the decision with hype, assumptions, and one-side cherry-picked data, an in-depth comprehensive comparison study of other transit options must take place on all routes. Specific language needs to be added to the concept plan that requires this kind of action. Additionally to maintain an objective purpose the word "streetcar" needs to be removed from the title possibly replaced with the word "transit." Finally, it is my view building a web of streetcars is a lavish, unaffordable frill as it applies to an expense that will be continually picking the pockets of Portlanders for generations to come. Additionally, streetcars crawling along on fixed non-maneuverable rails at slow speeds that duplicate routes where other more expedient transit already exist, will obstruct and gum up the streets for other tax paying street users, and contribute to more motor vehicle engines idling in traffic that waste 2.3 billion gallons of fuel a year nationally. The streetcar concept should be scrapped, electric trolley buses are less expensive, less intrusive, more sustainable option that needs to be thoroughly studied as the top choice for a viable transit alternative. Thank you.

Adams: Thank you, mr. Parker. Go ahead.

Kenny Heggem: Hello. I'm kenny haggem southeast woodstock neighborhood, student in broadcasting at mount hood community college. I'm here to advocate reconsideration evaluation, further evaluation leading to better connectivity of southeast woodstock as well as further bordering areas such as milwaukie. Connectivity to other neighborhood business districts and downtown Portland. Much talk of connecting lents, foster powell is all the excitement right now, woodstock has such potential and an underserved socioeconomic and age diversity, including students and nearby neighboring reed, elderly people that will need the increased mobility, a growing number of young families attracted to the practical and walkable business district. And affordable homes in the community. Let's encourage the population to utilize frequent, accessible streetcar system, families, elderly, young students can connect to other business districts and downtown events. Woodstock has experienced increased density and due to selling dividable lots and mixed use business development off 52nd and 39th to 52nd and beyond. To decrease car use and curb the effects of increased population and demand of transport, the effects of global warming, increase transit use in woodstock lents business, increase the number of local businesses, and access to our

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jobs in our community and bordering areas. It is crucial that streetcars connect as many business districts and as many neighborhoods as possible. Please include the core southeast woodstock within the business district as well as housing strip and not only as far off as 92nd and foster, but encourage students, families, elderly, and youth growing up with families to utilize the convenient, frequent, safe transportation right there in their neighborhood using sustainable forms of transport, encourage more local business in downtown woodstock. One of the Portland's oldest neighborhoods. Urban renewal areas such as foster and powell and lents as well as sunset, magazine location like hawthorne and belmont are key, but please do not let the diverse woodstock area become an odd duck in this milestone. Additionally, I strongly encourage evaluating after-hour transit to allow those drinking and providing money to nightclubs, those that are attending nightclubs and bars, by having access to transit and keep people off the streets, making streets safer. I would love it if I could go d.j at a nightclub and walk out, jump on a streetcar and come home to my neighborhood. Do this and I will sell my car, let's put it that way. I won't need one anymore. Connect my neighborhood and others to alberta, hawthorne, mississippi, and i'll have no need to drive. This is the type of forward thinking I expect and respect in the Portland region. Thank you.

Adams: Thank you. Well said. Sir?

Nick Christensen: Nick christensen, southeast ellis. I'm here to emphasize the importance of spreading the benefits of the streetcar system with the entire city. And to ask that you implement the changes necessary to prioritize the foster road corridor. Before I ask for those changes, let me remind you why it's vital time improve the zoning situation along foster road in order to increase its viability as a streetcar corridor. The Portland model doesn't allow for strip malls, favoring the neighborhood center, the 20-minute community as the focal point for each neighborhood. Getting people to those centers and keeping businesses viable and healthy is problematic, particularly in the outer neighborhoods of the city. In places like belmont and woodstock and alberta, they're viable as they stand as walkable neighborhoods. They have the grocery store, they have the restaurants. Commuters don't need their cars to go to the store, to go shopping or out to eat. They don't need to drive to work because they're closer in to the city. Bicycles, buses, and max make a car-free living an option. In those case as streetcar can do little to improve what is an already ideal situation. But mentally take a trip on the belmont, hawthorne, foster study corridor to lents every neighborhood center you find less and less viability for local businesses. Because of less and less access for the increasingly vehicle type consumer. If belmont or sunnyside, zupans or fred meyer are a short walk away, shops and restaurants on south tabor make for a bike friendly area, but the gap for walkability and business vitality between Arleta and hawthorn is just as gaping as the difference between arleta and lents. The plan does not allow for more access and options, and in the end more sustainable neighborhood businesses in diverse sections of the city. Despite scoring tremendously in the city study of ridership potential, the foster half of the belmont hawthorne foster corridor was dumped from the first tier of priority corridors. That raises the question of equity. We know streetcar attracts new businesses and permanent investment that is tangible as to the streetcar tracks themselves. Why would the city focus this development of the streetcar system in neighborhoods that are already flourishing? If people are already walking to the store and biking to work from hawthorne or hollywood, why add a streetcar that in many ways is simply redundant boost to an already strong economy. The foster corridor has the potential to connect consumers and residents to businesses in six neighborhood centers and provide a serious boost to lents, one of the most amenity starved of metro's designated town centers and an area target for higher density growth. Without your help in reevaluating the zoning, along foster and the lents town center, that won't happen. Business' will take their risks to areas with higher likelihood of reward, and outer neighborhoods will continue to ask about equity and the dedication of the city's redevelopment efforts. Here at the beginning of the beginning, please take a look at the conditions that caused city

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planners to eliminate foster corridor from consideration, and do what you can to resolve those issues. There are a few corridors that make more sense for a streetcar than foster road. A nudge from the council could start the current that finally brings the success of inner portland to outer southeast.

Adams: Well said. Consider my comments a shove. They're just for you. Welcome back. Mr. Charles, would you like to begin?

John A. Charles: Thank you, mr. Mayor. My name is john charles, president of cascade policy institute, a policy research center. I was glad to hear you mention earlier the phrases of alternative analysis, and undertake due diligence moving forward. And my remarks today are designed to help give you some alternatives and point out what I consider fatal flaws in the conceptual draft and give you something to look forward to in the next analysis. I want to take on three common assertions. First assertion is that Expansion of the streetcar will result in improved travel. Mode split compared to other options, while transit planners in the city always say that. It's easy to make those predictions of the future and you can't rebut them because the future hasn't arrived. I think you should go back and time and ask what happened to previous predictions in 1990s, I was on the citizens advisory committee to the central city transportation management plan. I remember us being talked into a mode split goal of 60% for the downtown. Sound great. People in the city -- it's easy for them to adopt it. They weren't going to be around in 2010, when it's time to answer what happened. Look what has happened. We don't have anywhere near the mode split. Transit mode split in downtown has declined in the last 10 years despite more than a billion and a half dollars of real transit. The streetcar has been completely -- citywide, mode split has stagnated despite huge expenditures in real transit. So now you're being told with another \$750 million on this plan, we could go forward and conquer. I just think you need to stop looking at rosy predictions of the future and go back to see what has happened from previous predictions. Second assertion is that streetcar users will pay going forward 29% of operating costs for the east side loop. Ok, well, the entire history of the streetcar for the last eight years, they've never gotten more than 3% fare box recovery. They currently recover a record low 2.2%. How are you leaping to 29% on the east side? I think you need a conversation when people advise you about that. Third assertion is that this is not about transit, this is about affordable housing and creating -- being a catalyst for development. This is not going to help affordable housing. This is going to hurt affordable housing because types of projects you're looking at are extremely expensive to build. They're more than 100% more costly than lower density projects. You can't escape that because they're just different beasts. My final 20 seconds, moving forward, there is a better way. I've done some research into a very impressive project in l.a. called the mta rapid bus. It's not brt, which is quite expensive. This is -- i've given stats for you. It's relatively inexpensive. So i'll just say, the Portland streetcar is 73 times more expensive to build per mile than this rapid bus option, but is it 73 times better? No, it's not even as good. So i'd like to suggest that moving forward you look at some low-cost rubber tire road-based projects that could be implemented on a real budget. Thank you.

Adams: Thank you.

Brad Perkins: Mayor, commissioners, thank you for allowing us to be here. I'd like to start by saying that patrick sweeney has done a fine job on this, and he should be congratulated. I support the plan. I also appreciate the fact that paul smith is now guiding our efforts on the bikeway, and that when we talk about transit we ought to be talking about all modes of transportation. And where these interconnect are the most important parts to the whole equation citywide. The other method of transportation, high-speed rail ought to be included. When we talk about convergence and multimodal uses that we can transfer from one source to another we ought to be conscious of providing bike racks. Where these interconnect are good examples where the streetcar will go over the bikeway and sullivan's gulch. That's a great location for great interconnection plus multilevel development, missed use development, affordable housing, and how we mix affordable housing to

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these networks are very poor. I think it's a great opportunity. Next I want to reinforce the need for proper financing of not just the streetcar system, but all forms of transportation. Right now the bikeways corridors are not funded by this state, odot system. So we really need to look at that. The congressional delegation also need to put higher emphasis on federal dollars for a more fair split between car type transportation and multimodal transportation assistance. And lastly, I would like to comment, as a commercial realtor -- by the way, i'm part of the streetcar loop committee as well as the sullivan's gulch committee. As a professional real estate person, I just want to add one thing in regards to the comments about broadway or inner city flourishing corridors. They are not. It's very difficult to combine pieces of eritrea to make appropriate size development opportunities and include parking as well. I just had a conversation with one of the high-powered onerous -- owners in the corridor, weidler and broadway, and he talked to me like, gee, the streetcar should already exist in order to help out development. And what really would help out is a reduction level of parking. Once you do that, and streetcar will help do that, then you eliminate a great cost, and help reduce the amount of cost that developers have to spend in order to develop property. And once we have these systems that cross network with each other, we will have a great city that then can, on -- i'm sorry if i've taken more time. We have a great city that then can really truly be a green sustainable city. Thank you very much.

Adams: Thank you. Commissioner smith.

Chris Smith: Thank you. Mayor Adams, members of council, i'm appearing I think for the last time in my capacity as chair of the streetcar citizen advisory committee. I've asked the mayor to find someone that can pass the baton so I can focus on my planning commission duties. Let me discharge that responsibility first. You have a letter that was forwarded from the planning commission from the cac, I think that letter speaks for itself, but if you have questions i'd be happy to answer those. What i'd like to do is put this plan in context, address what I think is a misapprehension about the two different sets of corridors in the plan and talk about how we go forward. This is a system plan. It is a vision for how all the pieces of streetcar around the city can fit together. And I put the emphasis fit together because we want to have a regional plan. It does not try to describe every streetcar street we may have in the city. That's not its role, it's a bigger picture plan. In looking at that, we broke the plan into two types of corridors. I've heard a lot of people describe those as tier one and tier two. The system advisory committee specifically rejected those labels. Because what they are an indication of the readiness of those corridors for streetcar. The concept corridors are places where we could build streetcar today and in our view it would be successful. The comprehensive plan corridors are places where if we built it today, it would not work. If we lay rails on foster today, The zoning would not support enough ridership and that would mean we wouldn't get the kind of retail and other mixed use development we want. We have other work we have to do, specifically we need zoning, we need funding strategies, we need economic development strategies. When those are in place, those can be viable corridors. And I would suggest that our next step is to do that work to make those viable corridors. Because it was not the intent of the system advisory committee that that distance between concept corridors and comp plan corridors should represent priority. It's not. I agree with the view I it this mayor has stated the most transformative places for streetcar in the city of Portland may be those outer locations. Those are places we have the opportunity to create 20-minute neighborhoods where today all we have are neighborhoods where you really have to have an automobile in order to successfully live in those neighborhoods. The impact of streetcar could truly be transformative in those places and I think we should work on making those a priority. And in talking about how we go forward, I have great sympathy for mark white's points about powellhurst gilbert and it's not the intention of this plan to ignore the idea of a lents powellhurst gilbert loop f we were to start at the outside and build in, I think we probably would not choose to simply have a Linear corridor on a portion of 122nd and foster, we would probably want to build a local service loop. And then later

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that would connect with the network that would include those network corridors that have been identified on powell -- foster and 122nd. The place to answer mark's question, if I can have a few more seconds, place to answer mark's question is an alternatives analysis. I share his goal I reach a different conclusion about how to move forward. It's not to reject the plan, but to accept the plan and move forward to an alternative analysis that can look at the local detail that he is interested in and a passionate advocate for. With that i'd be happy to answer any questions.

Adams: Thank you all for your testimony. I really appreciate it. Commissioner Leonard has to --

Leonard: I unfortunately scheduled a commitment out of the building that will leave me gone for one hour. If for any reason the council is still discussing this at 5:00, which you have the capacity to do, i've learned, I will be back then. Otherwise, I know I have it in good hands.

*****: [inaudible]

Leonard: No. I know the inclinations here.

*****: [inaudible]

Adams: Are there issues that the council would like to discuss with staff or myself as the sponsor? Karla, please call the roll.

Saltzman: I really want to first of all thank everybody who testified today. I think your testimony is very on point and I can tell you're a very well studied group, and even -- mr. Charles, your points are typically a minority in this body, but they are very accurate and -- they are very sharp and I am loose ball can at your statistics and scratching my head a little bit, I have to confess. But I think the streetcar is -- there's a lot of enthusiasm behind it, the equity issue I think is something that needs to be addressed. But I do think the plan before us is a good place to launch the next phases of our streetcar system. Notwithstanding the equity issues, which I think will have to be addressed as we become more successful. So i'm pleased to support this, thank the mayor, bureau much transportation and the citizens advisory committee for all your good work. Aye.

Fritz: I too am pleased to accept the report and commend the citizen and staff who have worked so diligently on it. I was campaigning last year and pretty much everywhere I would go patrick sweeney was giving a presentation on the streetcar, and commend bring always a very similar presentation, tailored to the particular place he was at, but it wasn't like he was telling one group one thing and another group another. I also appreciate mayor Adams' task force to look at the issues He outlined, and make up of that. I'd like to add that we should invite -- and recognizing that we've already made the decision to extend the streetcar. That decision was made in the transportation system part of the comprehensive plan, that is official city policy. So this is a particularly helpful document to look at how to plan to do that. It's an existing conditions report and also looking at some of the speaking into the future and suggesting how to do it. It's a very helpful document. We also need to figure out how to provide sidewalks. We need to figure out how to provide paved streets. We're not going to get 20-minute neighborhoods, even with streetcar if people can't walk from their neighborhood to -- from their home to get to the streetcar. When we're look at how we're going to -- how to expedite the outer east loop, we need to look at how to provide sidewalks on halsey in order for people to be able to walk to get to the north-south arterials.

And I know mayor Adams has that concern that he knows we need to provide basic services to, and that his safe sounds and green initiative is merely on hold, and there will be attention to providing those basic services in every neighborhood. I appreciated carlotta mentioning the streetcar as transportation. I came to understand my time on the planning commission that it's been very much used as an economic development tool, and That is how we should be looking at it in the outer neighborhoods as well as in the inner neighborhoods. And she mentioned the loop that you'd link to lake oswego, using it as a new way as transportation. And we need to see if that can work. We need to look at and challenge the assumptions as far as the cost benefit in every proposed extension.

And that's part of what I would see my role as in accepting this report and also knowing that we're going to do dill expwrent work with staff and citizens throughout the process to figure out which

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ones should be built and which ones don't make sense. Looking forward to seeing how this ties into the Portland plan, the east Portland action plan, some of the other processes which are also underway. Thank you to Patrick Sweeney and to Mayor Adams and his staff. The PDOT director and manager of transportation planning Paul Smith, Bureau of Planning Sustainability staff, the Planning Commission, their very thoughtful comments and suggested amendment, which we just incorporated, which is very much appreciated and I like it when the Planning Commission makes things even better than the staff has presented to them. We had over 100 district working group volunteers who helped evaluate the corridors. Richard Roth was one of the chairs of the committees, so I know firsthand how very many hours neighborhood volunteers have put into this work. There were many different ways citizens could comment. Could you go to meetings, or Patrick went to the meetings that people were already having. You could comment online, send emails, and letters and phone calls, and citizens have done that. And this is a plan process where the citizens much of Portland are coming together, and that's how we do things in Portland. I want to mention particularly Cora Potter, who couldn't be here this afternoon, but from the Lents area who has given some excellent advice on various topics and who I'm sure will be glad to hear about this task force forming. So again, commending Mayor Adams for property says and for the product. Aye.

Fish: The problem with following Amanda sometimes is that she captures everything a number of us are trying to say, so I'm tempted to associate myself with her remarks. But since Commissioner Leonard expects us to be in session in an hour, I feel I need to expand a little bit or pick a fight. First I want to say to Chris Smith, I did not -- I was not present at a prior council meeting where your nomination to the Planning Commission was voted on. I want to correct the record on that. I was detained somewhere else but had I been here would I have enthusiastically support your nomination. I thank you for taking on that tag. Actually it was mentioned that it was nice to have John Charles here. I have never seen Chris and John side by side, that was a battle of the two heavyweights on this issue. But we have security here just in case. This is a concept plan, and I had a chance to talk about some of the Mayor's staff before. It is not our task to either concur with everything in here or to quarrel with any particular thing. And there are certainly some points in the concept plan that I have some reservations about, concerns, questions, but I see it as a broad road map for future discussion. And in that spirit I'm prepared to accept it. There was a reference by one of our speakers today to Sullivan's Gulch. And that is something the Mayor and I will be working on, which has enormous opportunities for bike and pedestrian travel, and it could be connected to Gateway Green and down to North Portland Greenway and other trails, and an exciting possibility for me at the Housing Commissioner is that there's opportunities to do housing along that Sullivan's Gulch in ways that are cutting edge. And likewise, as the Housing Commissioner I'm very interested in the opportunities for leveraging housing along streetcar. And while I agree with Commissioner Fritz that this is a transportation mode, the economic development and leveraging component of streetcar has been phenomenal. Look no further than the River District. If we can generate that kind of leverage in other parts of the city to bring mixed use development, particularly affordable housing affordable to a range of Portland citizens, I think that's tremendous. So that's where I have a particular interest in shadowing this as the new Commissioner in charge of the Portland Housing Bureau. Mayor, great work, I've also been circulating a petition to block your reassignment of Shoshanna to the Portland Bureau of Transportation. We don't want to lose her. We would prefer not to lose her in this building, because she's been a fabulous person to work with thanks to your Bureau and all the people, the citizen who's came out today, I will tell you as someone who just completed his first year anniversary here, this was a very important discussion. And particularly those aspects about equity that were mentioned. This Council has in my year of service, made an enormous commitment to East Portland in a variety of different ways. And almost every Bureau I can point to places where we have said we've heard and we're going to bring a fair distribution of public resources east of 39th. So it's a continuing process, and I think it's important to be reminded that

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the fruits of this effort need to be distributed fairly and equitably bring throughout our neighborhood. I thank people for that testimony. I'm pleased to vote aye.

Adams: I too want to acknowledge patrick for your tireless efforts and your willingness mid based on the original time limitation sort of mid project making the decision based on feedback from neighborhoods that we needed to spend more time, basically, the discussion phase, public outreach phase of this project. Palm for your leadership of the division, shoshanna, thank you for all your great work. Our planning for the process and for hiring patrick I think was six months before that. So really appreciate your work. Enjoy working with you and look forward to your work. With a we've done is set expectations for further evaluation, and we've really in addition to that what we really are doing is narrowing from around 4,000 miles of streets and roads within the city, citywide to about 75 miles of corridors for further study for streetcar. From 4,000 to about 75 miles. And I like the -- I think you talked about this being a living document, we're going to learn more, some corridors might pop up that we don't george tenet yet know about, and some might move off the table after further evaluation. But we have more focus. We have a focus, at least, to start the further evaluation. I look forward to doing that and making sure that we get all the benefits. Streetcars are a lot about the trips not taken. It's about building complete neighborhoods that -- where you don't have to take a trip t sometimes you don't even have to take a trip on the streetcar to benefit from the streetcar in terms of the additional amenities that will come with it. The ability to make complete neighborhoods, because instead of an average of three blocks around a grocery store with streetcar, you can extend it to 10 blocks, or 14 blocks on either side. So the statistics are different for streetcar. It's a different animal. And it's one that here we've spent about \$125 million before the east side loop, and we've gotten back according to an outside economist, about \$3 billion in private sector fund-raising. Private sector investment. So thank you everyone for testifying today. Aye. [gavel pounded] we stand recessed.

At 4:01 p.m., Council adjourned.