



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **16TH DAY OF DECEMBER, 2009** AT 9:30 A.M.

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

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

COMMUNICATIONS	Disposition:
<p>1715 Request of Patrick Johnson to address Council regarding solutions for homeless cart and bedding issues (Communication)</p>	PLACED ON FILE
<p>1716 Request of Ulisher Hardiman to address Council regarding lack of respect for the City Charter and Oregon and U.S. Constitutions (Communication)</p>	PLACED ON FILE
<p>1717 Request of Sharon Maxwell-Hendricks to address Council regarding youth violence and small businesses in N/NE Portland (Communication)</p>	PLACED ON FILE
<p>1718 Request of Hector Lara Cervantes to address Council regarding illegal experiments in government and medical systems (Communication)</p>	PLACED ON FILE
TIMES CERTAIN	
<p>1719 TIME CERTAIN: 9:30 AM – Recognize Kayse Jama recipient of the 2009 Lowenstein Trust Award (Presentation introduced by Commissioner Fish) 15 minutes requested.</p>	PLACED ON FILE
<p>1720 TIME CERTAIN: 10:00 AM – Require City Bureaus to include at least one minority evaluator provided by the Alliance of Minority Chambers on all contractor evaluation and selection panels awarding City contracts in excess of the formal solicitation thresholds for contracts that are not awarded on the basis of lowest responsible bidder (Resolution introduced by Mayor Adams and Commissioner Leonard) 1 hour 15 minutes requested.</p> <p>Motion to add requirement for quarterly reporting: Moved by Commissioner Leonard and seconded by Mayor Adams. (Y-5)</p> <p>(Y-5)</p>	<p>36757 AS AMENDED</p>

CONSENT AGENDA – NO DISCUSSION		
Mayor Sam Adams		
1721	Appoint Carin Carlson and re-appoint Carrie Richter to the Portland Historic Landmarks Commission for terms to expire November 30, 2013 (Report) (Y-5)	CONFIRMED
Bureau of Planning & Sustainability		
*1722	Authorize contract with Pacific Power and ShoreBank Enterprise Cascadia to provide on-bill repayment and loan processing for the Clean Energy Works Portland program (Ordinance) (Y-5)	183398
*1723	Authorize contract with Portland General Electric and ShoreBank Enterprise Cascadia to provide on-bill repayment and loan processing for the Clean Energy Works Portland program (Ordinance) (Y-5)	183399
*1724	Authorize a grant agreement with ShoreBank Enterprise Cascadia to implement the Clean Energy Works Portland program (Ordinance) (Y-5)	183400
*1725	Authorize the Director of the Bureau of Planning and Sustainability to enter into agreement with contractors working on publicly funded construction projects for clean diesel fleet retrofits funded by the U.S. Environmental Protection Agency (Ordinance) (Y-5)	183401
*1726	Authorize an Intergovernmental Agreement with Multnomah County for clean diesel fleet retrofits paid for by a grant from the U.S. Environmental Protection Agency (Ordinance) (Y-5)	183402
*1727	Amend contract with Tetra Tech, Inc. to provide additional services for the River Plan/North Reach restoration program and provide for payment (Ordinance; amend Contract No. 38089) (Y-5)	183403
1728	Authorize a grant agreement with the Portland Sustainability Institute to support work on the Oregon Sustainability Center, EcoDistricts and the Climate Prosperity Project (Ordinance)	PASSED TO SECOND READING JANUARY 6, 2010 AT 9:30 AM
1729	Adopt a Waste Reduction Program and authorize an Intergovernmental Agreement with Metro to receive Metro Waste Reduction Challenge Funds in the amount of \$263,834 and \$471,220 for the Recycle at Work Program in FY 2009-10 (Second Reading Agenda 1687) (Y-5)	183404
Bureau of Transportation		

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<p>*1730 Amend contract with AKT LLC for financial review of City Parking Garages (Ordinance; amend Contract No. 30000194) (Y-5)</p>	<p>183405</p>
<p>1731 Grant revocable permit to Good Sport Promotion to close SE 9th Ave between SE Hawthorne St and SE Main St and to close SE Madison St between SE 9th Ave and SE 10th Ave from 5:00 a.m. until 5:00 p.m. on February 14, 2010 (Second Reading Agenda 1688) (Y-5)</p>	<p>183406</p>
<p>1732 Authorize Intergovernmental Agreement with the Tri-County Metropolitan Transportation District of Oregon to operate and maintain the North Interstate Light Rail Project in City right-of-way (Second Reading Agenda 1689) (Y-5)</p>	<p>183407</p>
<p>1733 Authorize an Intergovernmental Agreement with Tri-County Metropolitan Transportation District of Oregon for maintenance of the North Interstate Light Rail Project within the City (Second Reading Agenda 1690) (Y-5)</p>	<p>183408</p>
<p>Office of City Attorney</p>	
<p>1734 Authorize the City Attorney's Office to join in an amicus brief and participate in court proceedings in McDonald v. Chicago (Resolution) (Y-5)</p>	<p>36755</p>
<p>Office of Emergency Management</p>	
<p>*1735 Accept an Oregon Military Department, Office of Emergency Management, Department of Homeland Security, FY 2009 Urban Areas Security Initiative Grant to plan for terrorism events through planning, training and equipping First Responders (Ordinance) (Y-5)</p>	<p>183409</p>
<p>Commissioner Randy Leonard Position No. 4</p> <p>Bureau of Water</p>	
<p>1736 Authorize the Portland Water Bureau to execute grants to fund the installation of high-efficiency toilets in low-income multi-family buildings (Ordinance)</p>	<p>PASSED TO SECOND READING JANUARY 6, 2010 AT 9:30 AM</p>
<p>Commissioner Amanda Fritz Position No. 1</p> <p>Office of Neighborhood Involvement</p>	
<p>*1737 Authorize grant agreements for the East Portland Neighborhood Office 2009-10 East Portland Action Plan Grants Program (Ordinance) (Y-5)</p>	<p>183410</p>

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**Commissioner Nick Fish
Position No. 2**

Portland Housing Bureau

- *1738** Accept a Tenant Readiness Rent Guarantee Agreement Grant from the State of Oregon Housing and Community Services Department of up to \$100,000 to assist low-income renters who face barriers to accessing housing and receive payment (Ordinance)
(Y-5)

183411

- *1739** Authorize three subrecipient contracts totaling \$567,910 for home buyer assistance services for low-income households and provide for payment (Ordinance)
(Y-5)

183412

Portland Parks & Recreation

- *1740** Authorize a grant to Linnton Community Center for operational costs (Ordinance)
(Y-5)

183413

**Commissioner Dan Saltzman
Position No. 3**

Bureau of Environmental Services

- *1741** Authorize Intergovernmental Agreement with the Oregon Department of Environmental Quality for regulatory oversight related to contamination management for various capital improvement and operating projects (Ordinance)
(Y-5)

183414

- 1742** Authorize Intergovernmental Agreements for implementation of Grey to Green ecoroof projects (Ordinance)

**PASSED TO
SECOND READING
JANUARY 6, 2010
AT 9:30 AM**

Bureau of Fire and Police Disability and Retirement

- *1743** Waive bond requirement of Code Section 5.08.160 D to allow the Bureau of Fire and Police Disability and Retirement to make final benefit payments not exceeding \$10,000 to heirs or next of kin living outside of the State of Oregon (Ordinance)
(Y-5)

183415

City Auditor LaVonne Griffin-Valade

- 1744** Implement an updated Uniform Public Records Request Form and schedule of Standard Fees for Public Records Requests (Resolution)
(Y-5)

36756

<p style="text-align: center;">REGULAR AGENDA</p> <p style="text-align: center;">Mayor Sam Adams</p> <p>1745 Portland-Mutare Sister City Association (Presentation) 10 minutes requested.</p>	<p style="text-align: center;">PLACED ON FILE</p>
<p style="text-align: center;">Office of Management and Finance – Internal Business Services</p> <p>1746 Accept bid of Landis & Landis Construction for the Lents Sanitary Sewer Extension Project for \$2,396,757 (Purchasing Report – Bid No. 111109)</p> <p>Motion to accept report: Moved by Commissioner Fish and seconded by Commissioner Saltzman.</p> <p>(Y-5)</p>	<p style="text-align: center;">ACCEPTED PREPARE CONTRACT</p>
<p style="text-align: center;">Commissioner Amanda Fritz Position No. 1</p> <p style="text-align: center;">Office of Cable Communications and Franchise Management</p> <p>*1747 Approve settlement of claims with XO Communications Services, Inc. (Ordinance) 10 minutes requested.</p> <p>(Y-5)</p>	<p style="text-align: center;">183416</p>
<p style="text-align: center;">Commissioner Nick Fish Position No. 2</p> <p style="text-align: center;">Portland Housing Bureau</p> <p>1748 Accept the Residential Tax Exemption 2009 Annual Report (Report) 20 minutes requested.</p> <p>Motion to accept report: Moved by Commissioner Fish and seconded by Commissioner Fritz.</p> <p>(Y-5)</p>	<p style="text-align: center;">ACCEPTED</p>
<p>*1749 Amend subrecipient contract with Portland Development Commission to add \$2,026,456 in Community Development Block Grant-Recovery funding and \$4,394,200 in HOME funding for the affordable housing projects funded through the American Recovery and Reinvestment Act and the HOME entitlement grant (Ordinance; amend Contract No. 32000134) 20 minutes requested.</p> <p>(Y-4; Saltzman absent)</p>	<p style="text-align: center;">183417</p>
<p style="text-align: center;">Commissioner Dan Saltzman Position No. 3</p> <p style="text-align: center;">Bureau of Environmental Services</p>	

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<p>*1750 Amend legal descriptions for permanent and temporary easements for the construction of the Fanno Pump Station Pressure Line - Garden Home Section Replacement Project through the exercise of the City's Eminent Domain Authority (Ordinance; amend Ordinance No. 183126) 10 minutes requested for items 1750-1751.</p> <p>(Y-4; Saltzman absent)</p>	<p>183418</p>
<p>1751 Amend contract with CH2M Hill for additional work and compensation for the Fanno Basin pump station pressure main - Garden Home Section, Project No. E08293 (Ordinance; amend Contract No. 37100)</p>	<p>PASSED TO SECOND READING JANUARY 6, 2010 AT 9:30 AM</p>

At 11:50 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **16TH DAY OF DECEMBER, 2009** AT 6:00 P.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; No City Attorney present; and Pat Kelley, Sergeant at Arms.

<p>1752 TIME CERTAIN: 6:00 PM – Proclaim December 16th to be Senator Margaret Carter Day (Proclamation introduced by Mayor Adams and Commissioners Fish, Fritz, Leonard and Saltzman) 30 minutes requested.</p>	<p>Disposition: PLACED ON FILE</p>
<p>TIME CERTAIN: 6:30 PM – Rescheduled to January 28, 2010 at 2:00 pm Adopt and implement the River Plan / North Reach (Ordinance)</p>	

At 7:30 p.m., Council recessed.

December 17, 2009

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

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

Commissioner Leonard arrived at 2:03 p.m.

Commissioner Fish arrived at 2:07 p.m. and was excused to leave at 3:44 p.m.

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

<p>1753 TIME CERTAIN: 2:00 PM – Accept the proposed improvements to public works development review and permitting services (Report introduced by Commissioner Leonard) 1 hour requested for items 1753-1756.</p> <p>Motion to accept report: Moved by Commissioner Leonard and seconded by Commissioner Fish.</p> <p>(Y-5)</p>	<p>Disposition:</p> <p>ACCEPTED</p>
<p>*1754 Suspend portions of Code Chapters 17.24 and 17.32, and Ordinance No. 182841 regarding public works permit fees, and authorize special rates and charges for public works permitting services (Ordinance introduced by Commissioner Leonard)</p> <p>(Y-5)</p>	<p>183419</p>
<p>1755 Adopt uniform policies for deferred and installment payment of system development charges (Ordinance introduced by Commissioner Leonard; amend Code Chapters 17.13, 17.14, 17.15, 17.36 and 21.16)</p>	<p>PASSED TO SECOND READING JANUARY 6, 2010 AT 9:30 AM</p>
<p>1756 Adopt uniform policies for partial and full exemptions of system development charges for qualified affordable housing developments (Ordinance introduced by Commissioner Leonard; amend Code Chapters 17.13, 17.15, 17.36, 21.16 and 30.01, and Ordinance No. 182843)</p> <p>Motion to amend Exhibit A, subsections 30.01.095.F.4.d and e regarding exemptions: Moved by Commissioner Leonard and seconded by Commissioner Fish. (Y-5)</p>	<p>PASSED TO SECOND READING AS AMENDED JANUARY 6, 2010 AT 9:30 AM</p>
<p>1757 TIME CERTAIN: 3:00 PM – Accept the Small Business Advisory Council 2009 Annual Report to City Council (Report introduced by Mayor Adams) 30 minutes requested.</p> <p>Motion to accept report: Moved by Commissioner Saltzman and seconded by Commissioner Fritz.</p> <p>(Y-4; Fish absent)</p>	<p>ACCEPTED</p>

At 4:00 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.

December 16, 2009
Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

DECEMBER 16, 2009 9:30 AM

Adams: I would like to -- with the council's permission, hear the presentation from the mutare sister city association prior to gaveling in and then we'll have another special presentation from commissioner Fish. So who would -- austin, who is coming forward? Ok. We have a very special guest today.

*****: Very special guest.

Adams: Who has traveled a great distance --

*****: 36 hours.

Adams: -- to be with us today. And we're very happy to have you here. Very honored. And --

Maria Kosmetatos: Thank you, for inviting us. My name is malia. It's more than a honor, i'd say it's a holiday miracle to be able to introduce veronichah to you. And she's our coordinator for the Portland mutare sister city in africa, and she's an extraordinary woman and person that I hope someone is able to meet in their life. She profoundly touches so many people from children you'll see in a very quick video that we'll be showing who have been orphaned and that stay in school and eat and coordinate the bicycles that the Portlanders delivered last year. Not only are the bicycles used to visit the people in the rural area and coordinate healthcare and to have the kids have fun on them and coordinating with her community and women with hiv and to help them continue their microeconomic projects they work on. So I was been to mutare and had the privilege of knowing veronichah for the past 10 years. Last year, we had the privilege, 19 of us, spent 10 days in mutare and I would like to think we had a small impact but it's nothing that the impact of this one woman has had when she's come here and visited numerous of schools and a variety of places and it's my privilege to have her with me. And i'm going to show you a quick two-minute video. A couple of you have seen it, but you're going to see it again. But you'll be able to connect veronichah with that.

And then -- ¶¶ [music] ¶¶ ¶¶

Veronica Nyoni: Good morning, everybody. In zimbabwe, we say all protocols observed and i'm giving honor to everybody who is in this room. It's my special honor and privilege to address you this morning and greetings from zimbabwe. Mutare in particular. We call it the jewel city in zimbabwe and we're privileged we've been in contact with Portland and especially the school, an episcopal school and we're learning programs, women empowerment and it is now the impact has grown even bigger. The number of children. We now have 980 children. And we have had a lot of material support as well human support because we now have -- including myself, we've got three of them and a lot of pencils and crayons and doing physical education and the visit by the Portland city, a lot of impact, and we now have a club of women and children and the children playing soccer are called [inaudible] and we have a mother who feel those women giving birth in the rural areas can come to the clinic and get help at the women's shelter and stay there for almost two or three weeks making sure they're well taken care of. And they be in the shelter. And we got an ambulance, which is a -- a distance of about 100 kilometer. That's the only ambulance that sheriff serves the whole place. And teachers who are planning to come to our school, as well as children, but we cannot check in everybody. We always hope for the best and it's you, Portland, as everybody else, another good day to our people in zimbabwe in the world over. May I take this opportunity to thank you and continue helping us. Thank you. [applause]

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Adams: Yay. Thank you very much. And we look forward to growing on the partnership between Portland and mutare. And your great school. Thank you for all the efforts that you do. We also have a special announcement. Commissioner Fish.

Fish: Thank you, mayor, would ed blackburn, executive director, and tracy manning from central city concern please come forward. Mayor and colleagues, last week, ed blackburn was in Washington attending an event on the white house, and, yes, he was on the guest list. [laughter] and -- he met with the president. And in the course of his visit, he learned that Oregon and his organization in particular had been singled out for a very special recognition and a federal grant that will allow them to do something remarkable in our community and we wanted to celebrate that and invite them to share the good news.

Ed Blackburn: Thank you, commissioner Fish and mayor, for having us here in morning. You know, I got a call last month from senator merkley's office and we have this letter from the white house saying you're going to be attending a meeting with the president wednesday morning. And do you know anything -- do you know what this is about or why they're inviting you? And I said I didn't know we were invited. This stuff happens to other people. Doesn't happen to me. The next day, tuesday morning, we did get a call from the health resources services administration saying you're going to be there at 10:00 tomorrow more than. By noon, I was on a plane to Washington d.c. And this actually did happen.

*******:** Yes, it did.

Blackburn: And there were 30 of us community health center directors invited from around the country to this meeting. When we got there, we really did not -- we weren't sure why we were there, actually. Thought it might have something to do with healthcare reform. But a few minutes the president came to the meeting, it was announced it was about these grants. So what happened really was we had been trying to get ahold of the burger king site for self years and could not find a pathway to finance the acquisition and renovation of the building. But early last summer, it had become a magnet for camping and some drug dealing activity there and residents of the harris building were expressing concern about that. So I asked staff to look into who had ownership of the building and turned out it was in foreclosure by a bank in california and began the negotiating process. And then the health services resource administration with stimulus money had been announced there would be \$100 million available for community health centers to do renovation or build new buildings. So we apply back in august with about a two-week notice application. So our staff worked hard on getting that in but it was very competitive. Over 600 applicants. And when we found out last week we were the only one in Oregon, unfortunately, that was able to receive a grant. I want to say we're honored to be in a position to bring these resources to Portland. But we would not be in that position if it wasn't for strong partners, supporters in our community such as the city of Portland. You all sitting up there have been supporters of ours. The county, Multnomah county, and our donors and our other partners in the community. So it's been a honor. It's a little under \$9 million grant. We were working on a new market tax credit deal and we have some other investors who are interested in helping us with this. So we're on the fast track. With this grant, they want us moving. As you know, you're familiar with this. And so we'll be seeking some assistance on a permitting process, some attention to see if we can get this thing moving. They'd like us to break ground as soon as possible and i'm sure the community would. We've got good support from the business community in the area, of course, because it hack a problem, that site, for a number of years now. I also want to mention why I think we were competitive in this grant. And I think it is a reputation of the city of Portland and what's been done with homelessness here. It's the reputation of the other community health centers in the area and the wonderful work they do. The old town healthcare clinic is why we were eligible to apply for this grant. It's a healthcare for the homeless. Healthcare center. It's funded by the health resources service administration through a grant. And we do get special reimbursements for treating homeless with high acuity in terms of medical

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conditions. That old town healthcare clinic in the last two or three years has become a national model and we have a partnership with Oregon health sciences university and residents from the internal medicine department do regular rotations through the old town healthcare clinic and it's become a national model for delivering care to homeless people. The other thing that happened last year is that Multnomah county asked us to take over the cascadia, the former cascadia mental health clinic due to financial problems they were having at the time. So the recommendation from an auditor was to close that mental health center which means that 500 very seriously mentally ill people would be without a clinic in that area. We agreed to take it over and the staff have done a remarkable job of creating a wonderful center there for people with mental illness. However, it's on a lease and the lease is due. It's been 12 months and the owner who has been great, want to redevelopment that property. This grant will allow us to take that clinic and move it to the current site of the burger king and expand primary healthcare at the old town healthcare clinic which will allow us to serve another 1,300 homeless people with primary care and mental health and alcohol and drug addiction treatment. It's going to be a great project for the people that need it. It's going to be good for the neighborhood and I think will be good for the city. With that, I'd like Tracy to --

Tracy Manning: Thank you. So obviously, I think, as Ed said, we stand with amazing partners in being able to do what we do. I want to thank our project team. Ed talked about the timelines on these things are just insane. And the companies have been supportive when we couldn't pay them and appreciate their help in getting this off the ground. 111 construction jobs in the city of Portland will be funded through this project, 11 new permanent jobs at a minimum. Although staff are already looking at expanding. And I think coming from a housing background, housing resources for homeless people are scarce. Resources to build healthcare facilities are even more scarce and particularly in the community health centers where you're trying to serve people who have no means to provide their own healthcare. Who have perhaps behavioral health challenges and alcohol and drug addictions and mental health issues and chronic disease that tends to follow that. It's a deeply sad statistic that they found people with a very serious and chronic mental illness die on average 25 years younger than all the rest of us. And what the emerging belief is the way to deal with this is to provide primary care in a behavioral healthcare center where people are receiving their mental healthcare services. This is the best knowledge we have right now about how to deal with that and so this opportunity to have money to build a new health center so provide what's really, you know, cutting edge healthcare for people who are homeless, people who are low income, is -- is -- we're so privileged and so excited and I'm really looking forward to being able to share our progress, to share the opening. We're not going to reuse the existing building. We're escaping it. We'll invite you to be there on that day. And -- we're scraping it. And we'll invite you to be there. And all of you too. And we're grateful to have this opportunity and share with you the victories as we go through this process. And thank you very much, commissioner Fish, for inviting us today.

Fish: Thank you.

Adams: Did you have anything you wanted to add?

Fish: Mayor, we invest over \$200,000 in general fund moneys in programs run by central city concern. Services, transitional housing, affordable housing, and we have also invested substantial resources in rose quarter housing. So they're among the best of the best in the nonprofit world we contract with and partner with. This is their accomplishment, but we're proud to recognize them for what they've done for our community.

Adams: Good job.

Blackburn: Thank you. [applause] I do want to mention the president is a very impressive person. [laughter] [gavel pounded]

Adams: City council will come to order. Karla, can you please call the roll.
[roll call]

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Adams: We have four people signed up under council communications. Can you please read the title for council communications item no. 1715.

Item 1715.

Adams: Mr. Johnson. Mr. Johnson? Apparently not here. Can you please read the title for council communications item no. 1716.

Item 1716.

Adams: Mr. Hardiman, welcome back. Glad you're here.

Ulisher Hardiman: Good morning, your honor. Saltzman, Fritz, Leonard -- thank you for your patience. Over these ensuing months. Since way back in march. Been trying to get back my car and contents and get on with my newspapers and pizzas and still hasn't reappeared. I'm informed by the young lady you had me meet with last meeting that they sold the car. I could sue them. I'm wondering if the city can reimburse me and I can just go ahead on. Listening to the sounds of money you guys talk about. I mean, mayor Adams, your mentality amazes me. I'm reading the juggling and balancing acts and you're getting this and that done. I don't see how you get things done. Obviously, you're quite intelligent and diligent. And i'm all my family got. I buried my grandmothers and mother. And i've got to make money so I can get in touch with my sisters and brothers. They don't know what they're doing out there. Is there a chance that the city will consider to reimburse me so I can get another one? It's a '79 buick. Good for 10-12-miles a gallon. I guess it would be a gas guzzler. So I can get another car and go ahead and deliver pizzas and newspapers. I see that the plan is simple enough. There's a guy in florida who can sell me a hot dog cart and said he'll ship it for free. United states hot dog cart in florida.

Adams: I don't know if i've worked with any constituent in more detail than you, mr. Hardiman. We continue to be helpful.

Hardiman: Is there something that the -- efforts -- i've paid all the fees. The car is tagged and licensed and insured. I'm ready to go. Everything should have worked like clockwork.

Adams: I know you're -- your situation in great detail and I have a lot of respect for you and want to be as helpful as possible while trying to treat everyone as fairly as possible. So the -- my staff stands ready to do what we can --

Hardiman: They tell me there's nothing they can do.

Adams: Your car has been sold because --

Hardiman: That's what they're telling me. The car has been sold.

Adams: It really has, because of lack of payment --

Hardiman: They told me it was confiscated and sold because I owed ticket money. You owe the irs money, they can take your house and whatever and sell it.

Adams: I've learned a lot of details of our rules and regulations around fees and fines and the city's ability to sell cars and vehicles that have fallen into that. We worked really hard to try and work with you. But --

Hardiman: But, your honor, with all respect, that car had one driver wheel on public pavement. You couldn't legally tow that car. That's why sergeant's wouldn't tow it. They got h and d to come out from 111th. That's six or seven miles out to rip that car off.

Adams: Mr. Hardiman, my staff and I remain available to you. In this kind of forum, it's hard to speak freely on all the details. I know we've sat down with you and gone through some of those. I'll continue to problem-solve with you. You've been a good advocate on your behalf and we're trying to be a good partner as we can.

Hardiman: Please avail the thought of letting me -- help me out and getting me another one.

Adams: Thank you, sir.

Hardiman: Thank you, your honor. And merry christmas if you don't see you.

Adams: Merry christmas. Can you please read the title for council communications item no. 1717.

Item 1717.

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Adams: Good morning and welcome to the city council.

Sharon Maxwell-Hendricks: Good morning, mr. Mayor and commissioners. Happy holidays.

Adams: And to you.

Maxwell-Hendricks: Thank you to -- for opening doors to the community. I'm sharon maxwell-hendricks and I want to address youth violence and I want to stick to my script. I'm a mom of four children, ages 17, 19, 21 and 24. Three of them are in college. One of them is incarcerated. I want you to really hear what my heart is saying this morning. Equity. Inclusion. Access. Involvement. Successful. Intercity schools. Community programs that impact the target groups. Small business growth for african americans and families having employment. That's what I want you to hear. I want to state that as far as the african american community, north, northeast Portland, I believe we're been in warfare with drug and violence since the early 1980s. I want to thank commissioner Saltzman and commissioner shields for coming to jefferson, and a group that are targeting our young people. But that's just scratching the surface. I felt if I had had those resources previous to my son being incarcerated, he would not be there. I want to say we need that to be more consistent. I was the only parent there that I could see that evening. It was all of those groups there, but where were the parents? We need to really get the word out. I want to recommend that jefferson high school be considered for the school of architect and construction, school of law, school of business and medicine and school of public policy. I want to ask that the city have better relationships with the faith-based community and really see how there can be a better partnership to address communities that have strong faith-based communities. Also, I want to say that as a community member, we've been hearing for a long time, you know, that the programs are going to help us. I've seen mississippi, alberta street, all be developed without any benefit from the black community. It's been very scarce, ok? I want to thank owami and the african american chamber, namco, the hispanic chamber. But more has to be done. More has -- more has to be done to help small businesses, people really become entrepreneurs. We've been talking about living wage, employment, way too long and no employment has happened. I know we're right now in an economic distressful time, but something definitely has to change, because gangs are about economics. Violence about economics. If the young people cannot see that they can be accepted, that they can contribute, that they can have some success, they're turning to other things. Ok?

Adams: And, ma'am, you're time is -- your time is up but your words are well made and spoken. If you wouldn't mind responding by my office and ask for amy stephens, we started and the council helped fund a youth corps, that among other things gave 1200 summer jobs last summer. And 33% of them were to african american youth. So we're working hard to address this. And you're right, we have a lot more to do. A lot more to do. So we would love to work with you, and others, to keep a focus on successful and progress in the issues that you mentioned.

Maxwell-Hendricks: Thank you very much for hearing me and one last thing. Apprenticeship is not just about a starting apprentice. It's about journeying out. We have to see more children of color so our children have role models.

Adams: And business owners.

Maxwell-Hendricks: And business owners.

Adams: Thank you for that. [applause] please read the title for council communications item no. 1718.

Item 1718.

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

Hector Lara Cervantes: Good to be here. Thank you. Mayor, I asked --

Adams: Sir, could you lift the mic up. State your name, please.

Cervantes: I'm hector lara cervantes. Last time I was here I was stating the fact that the experiments and operations occurring, the involvement of law enforcement, involved in illegal experiments of implantation of these devices and the fact that there were several arrests that

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occurred in California and also Washington D.C. and Chicago, regarding this matter. As I stated before, that I was also looking into an investigation, a federal investigation to investigate this matter. As I also stated before, I got two daughters that are also victims of this. Right now, I'm in constant contact with the couple senators and -- Senator Hey Water from Nebraska, with the fact that when the arrests occurred in Washington D.C. But I also asked the commissioner to look into that matter. Another thing, there's a lot of retaliation against me for the fact that I'm coming forward and speaking about it in the city council. For some reason or another, it's law enforcement, not only here, in the Portland area, but also the Washington County area that there's been a lot of retaliation toward me. But as I stated to the senator, I guess, once the investigation starts, my main concern here is to me, basically the safety and welfare of the people of not only this city of Portland, but also the state of Oregon. Also, as I stated before, I used to be a speaker here in the state of California back in the late '90s or mid '90s, but the thing to me is that it's a very important issue and, you know, it's a very important concern and I think that the city of Portland should be also looking into this matter. And basically I believe last time I was here, the former mayor was -- wanted documentation stating about the event that is actually occurred. But the thing is to me, the fact I think -- bring it up to the city council and bring it up for the [inaudible] that I have, and I think it would [inaudible] the people of the city of Portland, and the state of Oregon. And base that's all I wanted to say right now.

Adams: Thank you for your testimony, Mr. Cervantes and happy holidays. That moves to our 9:30 time certain. Running a little late but we'll make up for lost time. Before that, we'll do the consent agenda. Thank you, Karla. Any items that anyone wish to pull off the consent agenda? All right. Can you please call the vote on the consent agenda?

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

Adams: Aye. [gavel pounded] consent agenda is approved. Can you please read the title for time certain presentation, item no. 1719.

Item 1719.

Adams: Commissioner Nick Fish. I would like to invite Kayse and Joe Hershberg. And I have a brief opening statement. Last year I was honored to present the 17th annual Steve Lowenstein Trust Award to Mark Jolin, the executive director of Join. This year, it's my privilege to present the award to Kayse. It is -- Lowenstein was a peace corps volunteer and tireless advocate for social justice. One of Steve -- Steve wrote that the recipient of the trust award, quote, shall be that person who demonstrates the greatest contribution to assisting the poor and underprivileged in the city of Portland, Oregon. This year, I'm pleased to announce that Kayse Jama has been selected as the recipient. He's the founder and executive director of the Center for Intercultural Organizing. CIO. A diverse grassroots organization working to build a multiracial and cultural movement for immigrant and refugee rights. Through CIO, Kayse and his team have helped countless Portlanders engage with civic life and done so in a variety of ways. Creating on-site immigrant and refugee led production studio. Advocating for change in our state legislature, connecting people to city services and facilitating a stronger relationship between local school districts and the English language learners that it serves. And like many of those in the nonprofit world, Kayse doesn't do it for the money. In economic times such as this, it's immensely gratifying we're able to offer this award to someone who in turn supports the many vulnerable citizens in our community. This is not the first major award that Kayse received. Last year he was the recipient of the 2008 Skidmore Prize for his work. Congratulations, and Michelle, if you can take it from here.

Michelle Harper, Portland Parks and Recreation: Good morning, Mayor Adams, Commissioner Fish and Leonard Fritz. Michelle, and it gives me pleasure to come before you and present this award to Kayse Jama. I would like to acknowledge our board at this time. No one does this work alone and we are the stewards of this legacy and we have a special relationship with Steve and he's inspired us for many, many years to bring us to the -- to have this presentation of this honor to

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kayse today. Some of the board members here, jamal folsom, would you stand? Margie, joel, and paul kelly and myself. I'd also like to acknowledge jerry.

*****: [inaudible]

Harper: Ron paul, as well. Thank you for your work. [applause] every year I pry to convince them to let me step down as chair and I never get to that point. They always pull a coup and the work that we do gives us pleasure and it's something that we look forward to every year. I'd like to acknowledge jerry williams, who is a past recipient of this award from 1996. Jerry, would you stand. I'd like to introduce joe hershberg, who is a board member who will give you a few remarks about steve and his life and legacy and why we're committed to do this work.

Joe Herzberg: I wanted to say a few words about steve because i'm not sure that you knew him personally. Although nick knew his mom evie, in new york.

Fish: My next door neighbor.

Herzberg: Right, and she worked for the city of new york, writing poison pen letters for mayor koch.

Fish: She did more than anyone in new york to create the green market movement. Launched in union square.

Herzberg: And I think in an ozzy osbourne video. Right before she died. A real pistol. Steve was my closest friend and there's not a day that goes by that I don't think about him. And I don't think about the bio-stuff. The war on poverty or his work in africa. Oregon legal services, I thought of him yesterday, when I had a rare dessert at and thought about the fact that he had dessert after every meal and when he decided he was going to eat healthier, he cut back to one dessert a day. He had terrible taste in clothes and movies, when he died, I went through his closet thinking i'd have clothes that would remind me of him. I found one shirt, two ties and a belt and everything he else went to goodwill. I want to talk about his work in city hall a little bit. And one thing that he always told me was at that time, it was a different day, he was mike lindberg's chief of staff, executive assistant at that time and it was the days when bud clark was mayor. He started when frank was mayor and councilmembers, included margaret strom, earl blumenauer, bob koch. He was a consensus builder and a passionate advocate for the disadvantaged but as I say, it was a different day. Steve parked his car right by the 4th avenue door. An old white toyota and parked by that door every day before ada, before homeland security. And it was a time when people wore suits every day. The -- when I was the interim director, I bought a suit and never wore it once and I wore it today to get some use out of it along with the tie that I took out of steve's closet. Mike lindberg, who just got back from mexico and wasn't -- mike lindberg, allowed steve to work as long as he could, even after he had surgery and steve insisted in his last days, he was effective than ever because no one could say no to someone who had cancer. He worked the halls, using every asset he had. Almost 20 years after his death, I can assure you every one of you has people in key leadership positions in your bureaus that think of steve as a mentor, and a role model. His last sort of major project was this book about the jews of Oregon. It's a book about a tribe of immigrants and refugees who came to Oregon, settled here and made a huge contribution to this state. The story of immigrants and refugees in Oregon is still going on. And some day, somebody's going to write a book like this about our current generation and i'm sure that kayse will figure prominently in that. I know that steve would have been proud that this award is going to kayse and he would really have liked kayse personally.

Fish: Kayse?

Kayse Jama: Good morning, mayor Adams, commissioner dan and nick Fish and amanda Fritz and randy. Good morning, Portlanders who are here and others. It's an honor to accept steve lowenstein's award and I want to thank the trustees of -- for allowing me to do the work that I do. And also recognizing the importance of the work that the center for intercultural organizing does. I want to be clear. It is not about me at all. This is about the work that many, many leaders in our

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community, who are dedicated to the issues and challenges that the refugee community face in our community. So before I quickly finish my note, I want to recognize some folks here today. First, I want to see if folks who are on the cio board members and staff members here, please stand. [applause] as I said, also there's someone in this room who has made a huge impact in my life, and contributed and also a cofounder for center for intercultural organizing. Someone who without her, I wouldn't be here standing in front of you. Someone who is dedicated also to social justice movement and in her own way, an amazing community leader and that's my wife, stephanie stevens, could you please stand? [applause] stephanie and i, we're expecting twins. So there will be a new generation of Portlanders. Finally, I just want to conclude by saying that the immigrant refugee community members who are working at the center for intercultural organizing, who this award is going to them today, have dedicated their life and energy to make Portland and Oregon to be more socially [inaudible] some leaders, like melendez, who dedicated her time to make Portland more inclusive and others who have a project that is including the refugee community in Portland. And josh, who is not able to be here because he's in colorado, trying to learn how to work with the issues and the media and inclusion of the refugee community and he's in colorado today attending a coverage. And also, leader -- a conference, and also who decided to put aside their difference of cross culture, cross race, cross ethnicity and decided to work together hard to make Portland, Oregon, to be more inclusive. And finally, all of our partners, including oni, urban league of Portland, erco, latino network, and all other 70 organizations that the center for intercultural organizing partners every year. I want to all of them, I want to thank them all and wanted to note that the work we're doing will be continued and we'll be making Oregon to be more inclusive and Portland to be a welcoming and inclusive community for all communities. Thank you very much. [applause]

Harper: I'd like to say a little bit about kayse. Kayse was raised in somalia and came to the united states as a refugee from the civil wars and devoted his life to building bridges and reaching out to others and determined to help those new to america to find common interests and despite all the challenges of people coming from different places, ethnicities and religious and national origins. He in partnership with all of those part the cio have helped strangers become friends and family in a very new home and helped Portland better embrace an inclusive future. At the core is education and empowerment. The rights and responsibilities of shaping their own futures and helping to shape the future of their new home. And conduct an array of training to help them with -- navigate through government, building community, talking about their differences, being able to build and strengthen each other and provide support. For some, the right to have a voice and voice their opinion without fear of reprisal is a very new-found freedom for them here. Kayse is an extraordinary person, and he is the first one to tell you it's not about him. He's a very modest person. Kayse is a very strong advocate. He's a person who I believe has created a vision for many who come here with many uncertainties, that they have a voice, they can be heard, they have the opportunity to create their own destiny and carefully guides them to take steps and provides a bridge of culture -- and he provides a bridge of cultural understanding. To be better. This ward and our recipient represents all that is good in the city of Portland. Passionate commitment and leadership and i'm pleased to present this award to kayse jama on behalf of the steve lowenstein trust this morning. [applause]

Fish: Would you like us to come forward?

Harper: Yes, that would be great.

Fish: Mayor, can we do a quick picture?

Adams: Sure.

*****: [inaudible] [applause]

Adams: All right.

Fritz: Mayor, may I add one thing.

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Adams: Please.

Fritz: Actually, I have a long write-up about kayse and in the interests of time, I won't go through this. I wanted to thank you for all of your work with the office of neighborhood involvement. You co-chaired the budget committee and we appreciated that. You serve as a mentor through the civic leadership program and a valued partner with the office of human relations and thank you for all you do. And we greatly appreciate you're here and part of our community.

Adams: Thank you. Karla, can you please read the title for the 10:00 a.m. time certain, item no. 1720. This is a resolution.

Item 1720.

Adams: Commissioner Leonard, are you out there? I lost you.

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

Adams: He stepped out? Yeah, we got a -- we got an eyesight on commissioner Fish.

Saltzman: I'll move the question.

Fritz: Second. [laughter]

Adams: There he is. All right. Commissioner Leonard. We have introduced your resolution.

Leonard: Thank you. If I could have roy jay come forward. Mayor Adams and council, as you know, there's no council that has been more focused on opening up our city to opportunities that historically in other cities extend to only certain segments of the population. We work to make sure whether he we reach out to our community to do business, that people of color, women, and emerging small businesses have an equal shot at getting a contract. For all of our good intentions, for all of our hard work and efforts on the part of those of us who want to do better, we have not got to where we want to be. In an effort to try a different strategy to get us to where we want to be, this resolution today will require that from this point on, any contracts the city does that include rfp committees and -- include one member of the minority community and -- at least one member and then proportioned on up dependent on the number of people on the rfp committee. I've worked closely not just with the minority chambers but a variety of folks in the community, and in developing this resolution, ty kovatch on my staff was key in helping get this before us today in the state it is and I want it thank him and roy and all of his constituent members and the work they've done. We had a meeting a few weeks back, I don't know if there were 40 or 50 folks in the room, but interest that point on, it became kind of a group effort to make sure that anything that we had proposed was changed to reflect any concerns that the community might have. I know mayor Adams, you have suggested an amendment. That I think is appropriate, and fine. We might want to before roy talks, propose that to get that on the table before us and, therefore, I shall move your amendment.

Adams: Second. The amendment in paragraph 6 in substance says that the alliance of minority chambers shall meet monthly with Portland-based business associations and provide some examples of that. And that the association of minority chambers will send a list of qualified panelists to the city of Portland on request for rfps and then there's a new paragraph that reads as follows. Be it further resolved that the alliance of minority chambers shall submit a report no later than 10 business days after the end of each quarter to the chief procurement officer and to collaborate and work with minority business associations for the purpose of developing a list of qualified minority panelists. And I think that was the intent but we put out here in a little more language. Any discussion on the amendment? Anyone wish to testify on the amendment? Karla, please call the roll on the amendment.

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

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

Leonard: Roy, it's your turn.

Roy Jay: Good morning, mayor and commissioners. Roy jay, founder of the alliance of minority chambers. I can't tell you how pleased that we've come this far. I made a bunch of notes but I don't

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go from script. What you see behind me are members of the filipino chamber of commerce. The urban league and probably a host of other group, individuals that came here, primarily to support this resolution. There's been a lot of time, a lot of controversy about what this actually does. And to put it in real simple terms, this allows people of color and small businesses, not just people of color, but and small businesses also be sitting on an evaluation of all rfps and rfqs for professional and technical services that the city is about to let from here on after. This isn't going to come overnight as I talked with commissioner Fish and Leonard and some of the receipt of you. Whatever is passed today will probably not go into he can until april or may, until the infrastructure is put together. Because all of our groups collectively will be meeting on a regular basis. Even though this wasn't an amendment, this is always part the plan. I do within the to thank commissioner Leonard for being involved in this from the ground level as we started to move forward because as we counsel and mentor small businesses one of the things that they say, they need to be at the table. Not underneath the table, not on the side of the table. This is a chance and an want to emphasize this is not a cure-all for anything, but at least we'll have people at the table to evaluate some of these rfps and rfqs that are coming out. I know you'll hear testimony pro and con, but this is for the good of the entire city. Not for any particular group. Not roy jay or the african american chamber. What you see are a collaboration of folks here to support. Because this will be the first city in the nation to ever walk the walk, and talk the talk and that goes beyond any good faith effort. You're putting in print this is what we're going to do and this is about being inclusive, not exclusive. I don't want to go for a hour and a half telling you the good benefits. I think you already know. This is 25 years past due. It's time for us to step to the plate. Thank you again. Thank you for what you're about to do. Hopefully what you're about do to do. I never take anything for granted but i'm going to leave it up to everybody else to step forward and give their piece, whether it's good, bad or indifferent. But we're all in this together. So thank you.

Adams: Thank you very much. [applause] how many people signed up?

Moore-Love: 10 people.

Adams: Please call the first three. Mr. King, mr. Williams -- Welcome back to the city council. Glad you're here.

Promise King: Thank you. Mayor potter -- mayor Adams, commissioner -- [laughter]

*****: You haven't been here for a while. [inaudible]

Adams: Let's restart.

King: I've embarrassed you. No. Mayor Adams and mayor -- nick Fish, commissioner Saltzman, amanda Fritz and Leonard -- amanda Fritz, and Leonard. We're here because you made a resolution that we start the ferment of american dreams for a lot of us. We've been here before. Mayor Adams, you've been here 15 years ago. We've done this, gone through this part before. But like we have always done, we've paid -- made lofty statements. Today you're signing a bold creed that never again shall we minus any group, shut out any group, shut the door on any person, with regard to contracts in this city. With this resolution, you're making a sound judgment that it about time to move forward on the promises that have been made to minority contractors. That promise is that we will include you because you're also taxpayers. That's a promise that the city made to minority contractor, when we provide a capacity for you to get involved. This is not the end. We don't untestable we want it to be available to everyone. When the calculator is brought on, to calculate the opportunity and make sure that minority contractors are not just coming to put a stop on what is not, but also to be involved in the business of opportunity and dividend that's you brought on. You know? It is always -- always very funny to see all these plans and all these resolutions, but I ask you that to put a -- to have a mechanism behind it. Because five years from now, I want you as the council to come back and say how have we done? How have we done? With regard to this resolution? So I want to thank Leonard, you have always been there for some of us. Mayor Adams, your work in this matter has really -- really be -- really been very profound, so thank you.

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Adams: Thank you.

Juanita Walton: I'm a board member for the african american chamber of commerce. Mr. Mayor, commissioner Leonard, commissioner Fritz, Fish and Saltzman, thank you. Also, commissioner Leonard for sponsors this piece of legislation. I believe this will be a historic piece of legislation. It's very important to the community that we have inclusion, rather than exclusion. I believe that based upon having members of the minority community women and small business owners, this will help our community to make sure that we feel that we are part of this process and what's happening in this city. Thank you.

Adams: Thank you very much.

Leonard: Mayor Adams cosponsored it with us.

*******:** Thank you, mayor.

Adams: Mr. Williams.

Harold Williams: Good morning, my name is harold williams. Mayor Adams, commissioner Leonard, Fritz, Saltzman, and Fish, many statements about diversity, inclusiveness have already happened earlier today in testimonies. What we're here about is not our differences, or indifference to those who have paved the way in past struggle, but I take my hat off to commissioner Leonard and mayor Adams for cosponsoring this document that will move us closer in the 21st century and inviting all of us citizens to be at the table. You are to be commended because a city that -- of our size and one of the whitest cities in america, this is historical. To recognize people of color and other cultures to have a place at the table, this just doesn't happen. Forget new york, I.a., philadelphia, chicago, it ain't going to happen. But in Portland, Oregon, you truly made it the city of roses that is inclusive of everyone. We talk about people, Saltzman and his struggles and making things better with the police. Fish and bringing unity to people of the lion heart and great compassion of Leonard and the sensitivity of ms. Fritz. All of that and the leadership you bring will give us a stage to have a voice to do something great, to be at the table, to see that we will have a piece of the pie. No longer say we weren't at the table. We didn't have a knife to cut. You gave us the choice to do the cutting of the pie and choosing of the slice. We can't do bolt. With that opportunity, we thank you for moving forward. You have some who say not now. The question is not now, then when? Who will be the best voice? You've spoken for all of us. I look at this picture here, I don't see a black face, brown face, but I see beautiful hearts. That are inclusive of everybody and with your heart and compassion and minds, I thank you for bringing us to the table and however you vote today, i'm here to stand with you in making this a better place and those who came to a -- to challenge it and disagree and wait, I say shame on you. The time is now and I thank you.

Adams: Thank you, mr. Williams. Thank you all. [applause]

Leonard: Mayor Adams, we have signed up guest who has to leave early for the small biz advisory committee. If I can call him up. Mr. Bruce feathers.

Adams: Sure. Mr. Feathers. Welcome back to the city council.

Bruce Feathers: Thank you very much. It's been a brief departure. Good morning.

Adams: Good morning.

Feathers: I've already taken my hat off to you commissioner Leonard, it's sitting over there. Thank you for allowing me to step forward and meet some of the commitments in my schedule. Let me first -- my name is bruce feathers. The chairman and ceo of feather light. To establish my legitimacy. I've worked in three mayoral administrations. Taskforces, ad hoc, fair contracting forums, you name it. And most recently, as the co-chair with jeff baer on the goods and services committee which eventually led to the don't of the new supplier diversity program. All of this and the collaborative effort alongside the city procurement services department, as well as with some contract administrators and project managers. Historically, and up until this present day, the city's own data has a dismal record in achieving the goals to increase procurement from mwesb firms. I'm

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talking about professional services, construction and goods and services combined. But having said that, in recent years, that commitment has increased and there has been some significant groundwork that has been laid in the attempt to turn things around. This resolution proposed by commissioner Leonard, cosponsored by the mayor, is monumental, and the most significant initiative that's targeted at some of the very cores of the problem. And I think it's important for me to explain to you some of the cores. There's three. One, while there's been champions in the past among council members to establish the vision and the policy to increase mwesb contracts, at the implementation and execution stage, controlled by project managers and contract administrators, we find a lack of commitment and that's when the vision begins to break down. So, two, also in that stage, existed development of the scope of work. Created by the project manager, and because of the lack of training, commitment to the vision, that scope rarely includes mwesb language required for the vision to be manifested. I'm hurrying. So you find a tug of war, between the services department and the msb protocols and the contract administration. It's like baking a cake where your involvement can come at the stage of putting in the ingredients as opposed to at the stage where the cake is already done. And i'm done with this. So the keepers of the vision, which is the procurement services group, are the -- the procurement services group, they historically have had little reaction, oversight, or compliance -- that's important -- that can hold project managers and contract administrators accountable. Therefore, as I close, this resolution strikes at the very core of some of these problems. And it provides as many have said, the opportunity for us to have a seat at the table and begin chiming in on some of the other issues that have impeded our progress. Thank you very much.

Leonard: Thank you, mr. Feathers and thank you for your service on the small business advisory council. [applause]

Adams: Next three. Good morning.

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

Adams: How are you? Welcome back.

*******:** Fine, thanks.

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

John D. Witty: Thank you. My name is john witty, i'm going to get going off the bat. We have to time to waste. I own my own business in under the Portland. We've been -- north Portland. We've been around the city for a long time and you can tell by the gray hair i've been here before. But this resolution is supported by a lot of people, including the native american chamber of commerce. The native american community has actually been the silent minorities. We've not put our face out there. That time has changed. It's a time of change for us. In joining the other chambers in a coalition to work for all of us together, to take and try to showcase what we all can do. I'm really proud that this resolution's been presented. We support it. But it's not without issues. And you'll probably hear some of those but I think it's monumental for the city of Portland to have this resolution and I think it's going to be--really bring a lot of acclaim to the city of Portland. Thank you.

Adams: Thank you, sir.

Bianca Kednay: Hi there, i'm bianca, secretary of the board of the african american chamber and work at ohsu in the affirmative action office and i'd like to thank the mayor and rand did I Leonard and all of the rest the commissioners. This is about inclusion and that's -- including all of the chambers, all of us are participating. Including the silent ones. The Oregon native american chamber. This resolution allows all of us to have a seat at the table and for the native american community to thrive and not just survive. Thank you.

Adams: Thank you very much. Mr. Jackley. Give a round of applause. [applause]

John Jackley: Mr. Mayor, commissioners. I'm john jackley, the business equity director at pdc. We had the opportunity to talk about this resolution. Pdc strongly supports the resolution and we'll

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prepare a similar resolution for the pdc board for the january 27 meeting and also make sure that it covers things such as development agreements in addition to the traditional contracting that the city do z. I've participated over the years in countless of these review committees and the process could only be improved by having this kind of participation. It's going to improve accountability and transparency and understanding and we're looking forward to working with everyone to make it successful.

Leonard: I really appreciate that, john. The change in the relationship between the pdc and the council can't be better exemplified with you being here today. If people don't understand the significance of pdc in economic development, you're the economic development arm of the city. It's a -- on behalf of all of us here that believe in this approach, I hope you pass along my thanks to bruce warner, and the entire pdc board.

Jackley: I am.

Leonard: Thank you. [applause]

Adams: Welcome back. We've missed you.

*****: Thank you.

*****: Not everyone, i'm sure.

Leonard: I missed you.

*****: We were scared way, sam.

Lili Mandel: Hi, i'm lili mandell and i'm delighted to be here to praise this resolution proposed by mayor Adams and commissioner Leonard, because it is inclusive. We've heard this word all over. Because it is inclusive of all our citizens and the contract board won't remain exclusive. This is real progress, but it's long overdue. I hope that what i'm going to say, i'm going to win this bet. I'm sure this council will unanimously pass this historical resolution. Thank you. [laughter]

Leonard: If they weren't, they are now. Or else.

*****: Or else. [laughter]

Fish: How much did you bet?

Lili Mandel: I'm not telling you.

Irwin Mandel: Good morning, lily and I moved to Portland from new york some 16 and a half years ago. And as most of you are away, we're taken part in what's been happening in the city and watched it develop. I'll be very frank about it, we first moved here, one of the things that really bothered us, having lived in greenwich village for many years, we were practically living in honkyville at the time. [laughter] and let me tell you, it did bother us. Things changed. We've made many friends in the black community. And I don't think we've -- well, we've enjoyed this city. We bragged about living in it. It's a wonderful city, but I think I can speak for lily when I say we would never be as proud to live in Portland as we will when this resolution passes.

Adams: Thank you, mr. Mandell. [applause] Welcome back.

Faye Burch: Thank you, good morning, my name is faye burch, the vice president of namco, national association of minority contractors, and I own my own business as well. We set the tone -- in the mid 1990s, first with an s and p program and first to design monumental workforce development program. We wish to bring no ill will to the alliance by our comments. We just disagree with this particular resolution. The program that you're introducing today, we at namco believe you're missing the mark. We want to encourage you to achieve better opportunities for minorities but not make a move that abdicates. Our members -- as a matter of fact, one of our members is here today. We always volunteer for committees and whatever helps them improve small business and contracting opportunities. This time, our opinion was only asked after the resolution was introduced in council. In the long run, this could cost the city more money to implement it. Excuse me. It's you we depend upon to hold the council to a fair and equitable, transparent process. Please dust off your existing process of diversity inclusion and leave the city in the driving seat. I have copies of my testimony and as well as others' testimony.

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Adams: Appreciate your testimony. Is that all who signed up? Anyone wish to testify on this matter? Karla, please call the vote.

Leonard: It's been frustrating to me as i've sat here and I haven't been the one asking the questions. Normally, it's commissioner Saltzman and/or mayor Adams that pry when we have contracts when there aren't more women or minority or emerging businesses that are part of the contract we're letting. Although I haven't asked the question, i've listened carefully for over seven years now and taken notes and the reasons i've heard back are not irrational. We don't get qualified applicants and on and on and on. We should not understate the african american chambers of commerces' role in bringing this forward. Roy jay, brought forward this concept to me and felt that we could either do more analysis and more study and ask a lot more questions and be frustrated or we could try to change how we did business. And for good or bad, I usually vote in favor of trying to change something rather than talk about changing something. But having said that, the resolution that you have before you i'm convinced would not be in its present form without the great work of jeff baer. Thank you, jeff, for your involvement. [applause] jeff is truly a breath of fresh air. Not just this issue. I work very closely. Ty kovatch, who stayed up late at night. As I abdicated my reign, to answer emails and thai stood in me very well doing that and I appreciate all of thinks hard work as well. But final -- all of his hard work as well. But finally, I want to appreciate the community that worked with us in developing this. I want -- I went probably a month or so ago or so, to a meeting of some 50 folks who saw a rough draft of this, who then took it and worked on it and passed it around and refined it until this took the form it's in today. So I thank all of you for working with us and I really appreciate the efforts of everybody in bringing this together. It truly was a community effort and i've never been so delighted or more thrilled about a product that i've had some involvement in. Aye.

Fritz: I want to start by thanking mr. Roy jay and all of your community participates for bringing something to us, which as mr. Williams says is historic because no other city does it and it seems to simple and yet it's going to work. I know from being only the seventh woman on the city council in over 150 years that having a different perspective on the council makes a difference and we need people literally at the table and that's what this does and it's exciting. There's been a question whether this will serve as a bridge or a gate. It's clear to me that this is intended to be an open gate and a bridge to helping everybody participate so I think it's clear that anyone who wants to can step up to be on these panels. It's not intended to be an exclusive club. I appreciate the native american chamber coming and sitting in solidarity with the african american chamber and hispanic chamber and so many other who is do such good work and kayse jama's report, it's all of our community, and the diversity makes us better and the diversity in these contracts will help us do better as well. Thank you for your work and thank you, commissioner Leonard and mayor Adams. Aye.

Fish: I wanted to start by acknowledging roy jay. When he came to talk to me about this, we managed to spend most of his time about his forthcoming book on healthy eating. [laughter]

Adams: Really?

Fish: Some changes he's made in his life that he thought might be useful for this 51-year-old legislator. We with you talked about the work he's doing on project clean slate. And there's no -- there are few programs in the city that have a bigger impact on people's lives than clean slate. And as the housing commissioner, where we're faced with people having barriers to getting rent -- barriers to rental housing because something shows up on their background check, the fact that you're helping people correct things in their past so they have a chance to go forward is tremendous. So thank you for your leadership on this and all the good work you do in our community. Randy has been the leader on this, but it's only natural, if you look at his bureaus and the quality of people in leadership positions that he has control over, they reflect a great diversity of our community. Randy doesn't just say that equity is something that he cares about. Look at the senior leadership. It's wonderful to have people in entry level positions but show us the people in the leadership

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positions and Randy has consistently put that -- [applause] once again, I'm proud of his work in this area. Mayor, your work with Commissioner Leonard in the evolution of this draft and the evolution of this concept has only made it stronger which is proof if you have more people involved in something, it gets better. So thank you for your leadership and for 15 years you've made this a priority of your service. [applause] you know, I think we've learned from our life experience, the best way to give people a meaningful voice is make sure they have a seat at the table. Without a seat at the table, how can you exercise that voice? This gives people a seat at the table and a chance to improve a process we're committed to. And Randy is right. Sometimes you need to sort of jump the line and try something rather than studying it to death. We're, in fact, studying some other pieces, which is the disparity study which we'll have results next summer and use it to strengthen the sheltered market program in its totality. But thanks to the leadership of my two colleagues, we get to do something now, today, that will make a difference. So I'm proud to not only lend my support to this, but to help Lily out on her bet. [laughter] and I vote aye. [applause]

Saltzman: Well, I want to thank Commissioner Leonard and Mayor Adams for bringing this forward. I think it's a long overdue good idea. And it's something that I hope will make a difference. We did hear some very good news at a budget briefing. We had Tuesday. Just yesterday. About how we've increased the number of minority city employees by 20%, I think, over two years. So that's not bad. [applause] and I hope with this new process, that we will have similar leaps and bounds with minority contracts, or -- and participation. I think the key will be, though, you know, it's going to be incumbent upon all of you in this room and various organizations to make the time. These are time-consuming efforts to evaluate proposals and so it's going to be key to make sure that you have people that are going to show up and do the hard work. Because it's a lot of hard work but I think it will make a difference for the better and I do think this is a major step in the right direction. So I'm pleased as always to once again agree with Commissioner Leonard on so many things. [laughter] I vote aye.

Fish: Yeah, you're a regular rubber stamp. [laughter]

Adams: I believe that every Portlander has a right to equal economic opportunities and I think it's important that every Portlander understand that we are currently -- currently don't offer that and have not offered that in this city. At least as far back as we can find the statistics. This morning, Roy Jay, Gail, some others are on the Mayor's economic cabinet. We shared information from 2008, the -- some of the 2007-2008 was some of the most prosperous year this city has ever seen and this nation has ever seen. And yet in the best of economic times for the city as a whole, Portlanders of color were anywhere from 35-50% below median family income. And this is the best economic year. The recession has been punishing to many people across all racial and ethnic categories, but it's been especially punishing to people of color and it's been especially, especially punishing to African Americans, African American males have really struggled. And I've said for years that when we see parity among African American males to the Caucasian white community, as one example among many, we'll know we're getting somewhere. Because it's really tough. So my passion is for getting the results that we seek. And leading by example when it comes to workforce and contracting opportunities and I've been at this a long time. My passion is not we had to the way we -- not wedded to the way we do things. When I first heard of this idea, I recognized it for what it is, and that's a fantastic idea. I want to thank the community, Roy, Gail, and everyone who has worked on this, because it's something that -- it's one of those aha: Yes: That will help. Not a panacea, but there isn't one single thing. It's going to take different efforts and we're going to have to keep working at it and it's a fantastic idea and I'm glad it came from the community and I'm glad that Commissioner Leonard and his team and staff have expertly shepherded it through the process of getting it through council and I want to thank you for the great work you've done, and your team have done and thrilled to support it. I encourage you all to get actively involved in the Portland plan because that's where the fundamental framework for the next 25 years of this city is going to be

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laid out. We have to do it by state law but want to do it right. Finally, to show we're serious about this, we're getting a coordinator on this task that is second to none. I know her from her work in a variety of different areas, but tiffany, would you stand up and be recognized? Congratulations. [applause] i'm pleased to vote aye and begin the work of implementation. Aye. [gavel pounded] so approved.[applause] that gets us to the regular agenda item number--good work. Really good work.

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

Adams: So we have to move on with our agenda.

Saltzman: Maybe we could use this transition for some breaking news.

Adams: Yes.

Saltzman: We have breaking news that the tunnel boring machine, Rosie -- not our police chief, but Rosie, the tunnel-boring machine -- this morning was successfully removed from our Swan Island pump shaft and barged up the river and is now docked near OMSI where it will be placed back underground, and it will be starting to bore south and finish the east side.

Adams: Yay.

Saltzman: A successful mission. Well done. Congratulations to the department of environmental services. Karla, please read the title for purchasing report number 1746.

Item 1746.

Adams: Good morning, Ms. Moody.

Christine Moody, Bureau of Purchases: Christine Moody, procurement services. In front of you is a purchasing agent report recommending a contract award to the low bidder in the amount of 2,084,000 and \$39. The bureau of environmental services rates the level of confidence at optimal on this project. The city identified six divisions of work for potential MWSB subcontracting opportunities and participation on this project is at 48.2%. Work is being performed in the areas of concrete cutting and traffic control. So I'll turn this back over to council if you have any questions.

Adams: Discussions from council?

Saltzman: Sounds very good.

Adams: Anyone wish to testify on 1746? Entertain a motion to accept the purchasing record.

Fish: Moved.

Saltzman: Seconded.

Adams: Please call the vote.

Leonard: Aye.

Fritz: Very glad to see that the minority women, emerging small business participation percentage. Aye.

Fish: Aye.

Saltzman: I agree with Commissioner Fritz that's very good news especially on the heels of the resolution we just passed. Very appropriate. Aye.

Adams: Aye. 1746 is approved. Please read the title for emergency ordinance item 1747.

Item 1747.

Fritz: This is an emergency because we are getting a lot of money, and we want it right now. [laughter] the city will be receiving \$2.44 million before the end of the year due to the settlement of the office of cable communications and franchise management with X.O. Communications. X.O. Communications has been doing business in Portland since 2001. We have a franchise agreement with X.O. in 2006, a routine audit showed that Portland had not received all the money owed and the city entered into negotiations with X.O. When those negotiations proved fruitless in 2008, the enforcement of the franchise agreement was set up. General funds to cover unpaid principal and interest from January, 2001 to August, 2009. X.O. is now paying the ongoing franchise fees owed

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under the franchise agreement. The agreement includes a provision that allowed x. On to request repayment of the 2.44 million if the litigation had cert the -- I can't read.

*****: Certiorari.

Fritz: Thank you very much. From the supreme court. However, on monday, the supreme court denied what david oison just said, therefore ending any potential claim of the 2.4 million payment. I'm very pleased to introduce david olson, the director of the office of cable communications and franchise management.

David Olson, Director, Office of Cable Communication and Franchise Management: Thank you for managing the tongue twisting office over which I preside. I also want to say a couple of words here. This absolutely clears the way and removes all issues surrounding collecting this money. It's more fundamentally important than that. The sert denial on monday had ended eight years -- eight years -- of litigation with the telecommunications industry under five commissioners in charge, three of whom are seated at the rostrum as I speak. It's quite significant. At least two of you were here, and we had the telephone company walk in eight years ago and said, we're not going to pay you anymore and we're not going to pay you starting right now, unilaterally. The rest of the telecommunications companies in the city said then, me, too. After, as I say, eight years, the city has won every case, and the supreme court has now denied review of the last one. So for the first time, your tongue-twisting bureau can sit in front of you and say, under all of our commissioners in charge in the city, that we are not at this exact second in litigation to the telecommunications industry in Portland for the first time practically this decade. That doesn't happen accidentally. It happens only through a team effort, and it happens only through a bureau that you have supported and allowed us to be entrepreneurial and take advantage of opportunities, work with the city's attorney's office and really move very rapidly in this environment. The council has always supported our ability to do that. Much appreciate it. Although we are not at this moment in litigation with the telecommunications company, that is not to say more threats don't face the city, that they can't to face the city -- face the city. You have a franchise here countywide that has brought I know expensive broadband access to schools and libraries throughout this county, and that cable franchise is expiring and our I know come parent operator says they won't sign another one. That is a challenge facing you. You have a situation, as the council well knows, where phones you plug into the wall are the only ones that pay their costs to public services. That's a challenge you will continue to face. You have the telecommunications industry active in Washington, d.c., and in salem, and locally looking for every opportunity in a competitive business to not pay their fair share and to attack your authority at every level. You're very well-aware of that. Nevertheless, it is cause for celebration that we're not in court, that we have a settlement in front of you so the taxpayers and the city get their due in terms of the revenue from supports public services. None of this would be possible without a dedicated team, and it does take a village to do this. Not only the staff of our office but after eight years you now have a crack team of telecom litigators that are second to none in the nation if experience helps. Joe van eaton, our outside counsel, has been particularly helpful over the years. Our own team inside the office you've continued to support. A high percentage of our office is in this chamber right now. We're small. But mary beth henry, deputy director, and dave soloos, our utility program director, have also been instrumental in this and other -- both past and future items that will come before you. Also recognize melvin riddick, providing staff support, and key administrative support from carol justice. It takes a village to do this. So last but not least, I want to thank this council and your predecessors and successors, as it were, for continuing to defend city revenues, support the importance of lost control of the right-of-way, and to not give away public property for nothing to one segment of the industry. So we also thank you, and we thank you for acknowledging, supporting the settlement.

Saltzman: Huh-oh. You must have said something --

Olson: I must have missed somebody.

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Ben Walters, Sr. Deputy City Attorney: Council, ben walters with the city attorney's office. Just a couple of points. Besides the obvious benefit to the city from receiving payment from x.o. In this settlement, there are a couple of other benefits I want to call your attention to. One is the certainty that we derive from the settlement the types of revenues that they will be paying on and the resolution as an outcome of the audit, what it is that we can depend on x.o. To be paying on on a going-forward basis. So that's a benefit to the city and to the office. And because of that certainty, we'll also help us in discussions we have ongoing with several other telecommunications providers regarding similar questions about what they are or are not required to pay franchise fees on. So it sets a precedent for us in resolving those others. As david alluded to, we have discussions going with a couple of other providers, and this'll help us in getting closure in those discussions...or at least that's what we anticipate. I wanted to bring those two bits of information to your attention as well.

Fritz: Thank you. That's very helpful. I'll note that this council, the previous council, assigned the first \$4 million of ongoing ref that to the bureau of transportation to provide ongoing necessary maintenance and then the one-time settlement go to the general fund for council to decide how to appropriate. It's very good work.

Walters: And I guess there is one other thing. The sort of topical aspect of the denial of the petition submitted by time warner to the supreme court to resolve one aspect of uncertainty that had hung over the settlement. Because that's now resolved, to the extent that our office would have advised that the city maintain some sort of reserve to cover a contingency on that unresolved development at the time we actually inked the settlement document, that, as you've noted, is now done, and we've got that behind us, so these nor longer at play, as the case may be.

Fritz: Thank you.

Saltzman: I'd just like to commend that tongue-twisting office that did such a great job. Maybe we'll reward you with a new name. [laughter] but also our capable attorneys, ben and terry. And I just want to note that this was not only important to the city of Portland but to every city in the state of Oregon, and they were all joined in the litigation, but clearly I think Portland really--I hope llc is not listening, but clearly carried the day and added the gravitas every step of the way. Good work.

Adams: Is anyone signed up to testify?

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

Adams: Anyone wish to testify on this matter, item 1747? Not seeing anybody, Karla, can you please call the vote?

Leonard: I want to thank commissioner Fritz for shepherding this through the last hurdles, which were very perilous, and also acknowledge what great work the office of cable and franchise, particularly david and dan, who I had the opportunity to work with on not just this but other issues as well over the years, have really grown to respect their technical knowledge, professionalism, and hard work. This is a big deal. Thank you. Aye.

Fritz: I actually have a prop. [laughter]

Adams: Aw.

Fritz: I feel like santa's helper. So we do have one-third of the office of cable communications and franchise management in our chambers today with david olson, dave solis, and mary beth henry. So thank you to all of your team for bringing us this settlement. Thank to to ben walters and terry thatcher -- thatcher for these negotiations. Also the people in my office that worked very hard over the course of the year. Mention to citizens that david olson did say that we are going to be entering into negotiations with a key franchise holder, the your voice survey currently up online linked from my office. Please go to my website and give us your opinion on what's needed in technology services. And, again, thank you so much to everybody, and i'm very proud to be in charge of the office of cable communications and franchise management. I don't support changing the name. It

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took me three months to learn it. Now that I can rattle it off, it seems we're good. Anyway, that's a minor detail. The important part is how hard office of cable communications and franchise management staff worked and the pride that you take inputting this money into the general fund. We recently had a discussion of your ad minute strayity position, and even that was something that has to be requested rather than being expected even despite the millions of dollars that you helped bring in to the city. Thank you very much. Aye.

Fish: Just struck me that david was too polite to say it but eight years of litigation under commissioner Leonard -- [laughter] I just want to acknowledge. And amanda, great work. Aye.

Saltzman: Thank you, commissioner Fritz, santa's helper there, for bringing us some new revenue. Good work, everybody. Aye.

Adams: Fantastic work bringing it home, commissioner Fritz, and to your wise shepherding of a great team. To -- shepherding of a great team. Thank you for your work during the time you were responsible for it. I'm pleased to accept this money. Aye.

Fritz: If I might just ask your indulgence for one second, this is the last hearing of the year, my first year in office. So I just want to acknowledge that my husband, steve Fritz, when I said, do you have a santa hat, he's like, of course, and here it is. So whether it's been lending me the zebra car for parades or providing dozens of photographs to the office of healthy working rivers, the working willamette, my family has been very supportive to me and all the work i've done, and I just wanted to acknowledge it.

Fish: Mayor, before you read the next item, can I just give you a heads up?

Leonard: I'm leaving.

Fish: 1748, we hope to have that done in 10 minutes. There's a typo on 1749. We don't anticipate a 20-minute presentation. It's about a one-minute presentation. As you're doing your scheduling here, we'll have these done no more than 15 minutes combined.

Leonard: That changes how I was going to vote on both of them. That's great.

Adams: Are they together?

Fish: No. But the same people presenting.

Adams: Karla, can you please read the title for annual report item number 1778?

Item 1748.

Fish: I'd like to invite director margaret van vliet and kate allen to come forward. Mayor and cool leagues -- colleagues, this is the second annual report we have presented on tax abatements. It continues the commitment that we as a body have made to greater transparency and accountability in the use of this tool. Yesterday we dropped off at your office a copy of the power point, and we have a brief presentation to give you the highlights, and then we'll take your questions. And then, at the conclusion of the presentation, I want to give you an update on what we'll be doing with Multnomah county next year. I do, though, want to acknowledge the great work of the staff at the Portland development commission, our friends at the bureau of planning and sustainability, of course at Multnomah county and the work of the folks at the new Portland housing bureau who have contributed to this report? I'll turn it over to our new director, margaret van vliet.

Margaret Van Vliet, Director, Portland Housing Bureau: I think you'll appreciate the report we're about to present, and we'll put some closing remarks on it after she's completed.

Kate Allen, Portland Housing Bureau: Kate allen, member of the housing policy and planning team of the Portland housing bureau. I'm here today to present the 2009 annual report on the residential tax exemption programs. I think each of your offices received a copy of the power point.

We just dropped off some additional with Karla. Some of the numbers are a little small to see if you want that as a backup. Portland housing bureau has now oversight responsibility for the tax exemption programs in preparation of this annual report. The Portland housing bureau, the city's bureau of plan and sustainability, and the Portland development commission. Commissioner Fish acknowledged a number of the folks who did work on this. We were also assisted by the services of

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both shelly hack and javier mena who provided good backup information as well as barbara sack and robert johnson at the bureau of planning and sustainability and bob clay as well. We have a short presentation today highlighting key information from the report, focusing on program outcomes, the results of monitoring compliance activities. Staff are on hand to answer questions about programs or anything in the presentation if you'd like to do that. Just a reminder these programs impact both rental and ownership properties within the city. We're going to give you some visuals on those. Get of this program is to support an adequate supply of low-income housing and the prevention of homelessness. The admiral is a property operated by reach, 37 units serving very low-income seniors. Many are over 70, disabled, and have lived at the admiral a very long time. This is a presentation project, part of the Portland housing bureau's efforts in that area. The new multi-unit housing program is both a rental and ownership program to support living close to work, the creation of a vibrant residential community in the central city and a combination of population growth. You're looking at a picture of the vest shore which, when it was developed in 1996 by a private developer, made use of the multiunit a basement. 113 units, studios and one bedrooms.

Saltzman: Where is that?

Allen: 3rd and pine. That property was recently acquired by reach community development and will continue to serve that same population. When you think of the transit-oriented development programs, again both rental and ownership, the goal of the program is to support public investment and transit and accommodation of population growth. You're looking at the bookmark apartments in the hollywood district. This was developed by sockeye development, 47 units, one and two bedrooms. 19 of those units are affordable to households earning 60% of median. And the ground floor tenants of that property, the Multnomah county library and a coffee shop. The two single-family abatement programs we sort of think of as our neighborhood strategies. You're looking at a picture of the party commons, supports neighborhood revitalization and affordable home ownership in target areas and then rehab program is the other neighborhood-oriented program. So we're going to a quick program overview, and last year we showed you the '07/'08 tax year results and reported for the first time the total foregone revenue across all programs. This year's report includes cumulative results. We just received reports from Multnomah county in september or early october. And then we've gone ahead and put on the estimated results of the program that would include approvals you have made as well as terminations and expirations. In their cover letter to the report, which you have, commissioner Fish and director van vliet called your attention to the declining trend in foregone revenue against a fairly consistent number of units that the programs are serving. You'll notice there's a decline in all but the nonprofit programs. We believe this is probably the economy affects development activities kind of at the highest level. So we're focused a lot on accountability, and this slide displays results of compliance monitoring. First slide is for the '08/'09 year. You'll see we're tracking across the number of units in all of the programs, expirations which came by virtue of the fact those of 10-year abatements, terminations as a result of compliance monitoring, resulting in returned revenue for the '08/'09 year of about \$438,000. Going forward 10 to the 09/10 year, the number of units, increased expirations, units rolling off the program, and 68 terminations. And you actually heard the report on those terminations in september of this year and approved those. That results in, year on year, about \$2 million of revenue returned to the tax rolls from those compliance and monitoring activities. We wanted to focus on the affordability outcomes. This chart displays that 80% -- excuse me. 84% of the units in the program do serve households with less than 60% of median family income and some make it possible to serve much lower incomes like the admiral you saw in an earlier slide. We're guided in our work by recommendations from the council and the county board in response to the 2008 audit of the programs. We have displayed here the five recommendations that came out of that work and call your attention to the fact that we've made good progress in what we call status completed or

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resolved and in process on a number of these. We do submit an annual report to the council. You're hearing the second one. The Portland development commission has created and executes for each new tod an extended agreement that gives us the tool to track compliance on those, and a recommendation was made to review income verification processes that ensure that rent restricted units were occupied by qualified residents. Pdc collects income data annually for all -- annually and audits those reports and terminates for noncompliance, and you saw the results of some of that.

We've got two bodies of work that are in process, and i'm going to go to the last one first. We were directed to review the method for assessing financial needs for multifamily condominium developments and recommend a code revision. Staff, both housing staff as well as city attorney, have done that work and feel that we can bring that recommendation to a policy review body that commissioner Fish will convene in the spring. So on that second to last goal where we were directed to clarify the goals and objectives of the programs and assign responsibility for oversight evaluation reporting, we feel we were pretty good on the second half of that. We're pretty clear on where responsibility lies and, in fact, the Portland housing bureau now has oversight of those. We are setting about work currently and into the spring to clarify the goals and objectives of the program with an orientation towards how do we need to use these tools going forward. Couple of activities there. We have co-commissioned with our partners at the Portland development commission and Multnomah county and economic analysis of the programs looking at where have they been very successful and where do we need to improve them for use in this new economic world as well as our development goals. We'll also be informed by early learning from the Portland planning process which directs our federal funds over the next five years. In the spring, commissioner Fish and chair wheeler will convene a policy review committee that will include representation from the Portland school districts. Director van vliet is going to highlight some of the issues and we can fill in.

Fish: Thank you for an outstanding job.

Van Vliet: We've made tremendous progress. I'm very proud of kate and the rest of the team at the Portland housing bureau for really getting the program and our accountability systems into really fine shape. It's fair for you to understand there are still some challenges out there. One set of challenges has to do with some disagreements about how the interpretation of the use of the exemption program from the commercial space in some of these buildings, so different interpretations. I'm happy to say that we're partnering with the county. We do have a piece of legislation. We've been helped by the office of government relationships for something that should help grandfather in 19 properties where there is some conversion confusion. There are administrative pieces, and I think, as we move towards role clarification, I feel confident that we've got the right people intending to work through those and will get to resolution, but there's still some outstanding matters there. And then I think, just on a broader scale, we're all sort of wondering about the state of the economy and how do we balance competing priorities for stimulus kinds of activities and spurring development in the places where we want it versus -- you know -- having the tax revenue -- property tax revenue -- go solely to safety net programs. Those are important and timely programs that I know you'll follow closely, as will I. But you can see that it's a complex set of tools, and important set of tools but very comfortable. And my hope is that, as we get through this economic analysis, that we benefit from the leadership of commissioner Fish and chair wheeler in bringing together a broader group of leaders around what do we want to do with these programs and how do we want to think about them always a set of tools for housing but for liveability more generally that we can then take that back and refine as we need to at the administrative level?

Adams: Questions from council? Anyone signed up to testify?

Moore-Love: Two people. Nathaniel hartley and mardine mowe.

Adams: Maybe they signed on the wrong sheet. Anyone in the room wish to they have on 1748? Motion to accept?

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Fish: So moved.

Fritz: Seconded.

Adams: Please call the vote.

Leonard: I appreciate the transparency of how this program is administered. It's really refreshing. Aye.

Fritz: Thank you for reorganizing the housing bureau. It's become very clear why that was a good strategy that was decided upon, the diligence and -- i'm looking for the right word, because it's such a measured and organized approach to addressing the myriad of problems. People say why is the council not providing for housing? And I didn't know where to start in my answer to that, and I think part of the answer is that most people in the community don't know all of the good work that's being done, and million also of -- millions of dollars every week we hear from different programs providing affordable housing. I commend you for all your work. You're being very careful with the money provided. Thank you for your good work. Aye.

Fish: Margaret and kate, thanks for a great job. And thank you for moving the ball here. We've made a commitment, as randy said, to be more transparent, to provide the public with greater accountability, and our goal here is also pretty transparent. We want the public to have confidence in these programs. The data, I think, gives us confidence that these programs are meeting key needs in our community. You look at the income profile of people living in these units, the data in terms of how we're monitoring and kicking people off who don't -- who are no longer eligible I think gives people some confidence that this program is being administered properly, but ultimately it is a continuing exercise like this of showing our hand, revealing the data to the public that is I think going to rebuild trust. And i'm very pleased that this spring we'll be working with Multnomah county on a bigger look at whether these existing programs continue to meet the goals that were set out by the council and, if not, whether there needs to be some modification. I regret that we are forced to go to the legislature to do the fix on the commercial piece. That is not very collaborative in my judgment. But i'm hoping that the big look this spring we can also strengthen the relationship so that the city and the county continue to work together to implement these programs which, after all, meet the core policy objectives of both bodies. Thanks for your great work and for the team who assisted you. Aye.

Saltzman: Good job. Aye.

Adams: Superb leadership, commissioner Fish. Really appreciate it. You dug into this from your first days on council, and it shows excellent management, policy work as well. Thank you. And also to the bureau of planning and sustainability, great work as well. We're making progress. It's good to see. Aye. Can you please read emergency ordinance number 1749?

Item 1749.

Van Vliet: Again, this is a piece of business that authorizes us to bring the federal stimulus funds in to the bureau, and then we are still operating with a sub recipient grant agreement, so we're still sending the money, if you will, by this iga -- iga to pdc to administer for us. All the decisions are made under one roof about how to invest. So this takes care of that piece of business and allows to us get the money on the street. There are five projects that have been identified through a joint selection process with folks in my shop and at pdc. Again, it will add about \$2 million in federal funds. The five housing projects that were selected for funding will create over 200 new units of affordable housing targeted to very low-income people, and they are located countywide. A piece I should note is we are administering the county's portion of this as well, so we're working collaboratively with them to identify projects.

Fish: This is normally an item that would appear on consent, but if there were questions.

Adams: We're going to vote on it.

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Fritz: I have a question. We should always have \$6 million on the regular agenda, especially when it coming to us. That's really great. Is this money that was in the budget already or is this extra money?

Van Vliet: It was in the budget. We had anticipated it when the budget was done, so this just allows to us bring it in.

Fritz: Great. Thank you.

Adams: Anyone wish to testify on 1749 emergency ordinance? Karla, please call the vote.

Leonard: Again, I want to commend commissioner Fish for the outstanding transparency of the new bureau, and you're doing an excellent job, margaret. Aye.

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

Fritz: And another reason i'm happy that this is on the regular agenda is to comment on the excellent job you did in outreach, the well publicized public meetings to does the community block grant allocations and truly inviting all partners in the community to come in as part of making decisions. Thank you for doing that.

Fish: Thank you for the great work as always. Margaret had an out in her contract which has officially expired.

Fritz: Yay.

Fish: No. Kidding. Great job. Aye.

Adams: Ditto. Aye. Please read the title for item 1750.

Item 1750.

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

Brenda Sherwood, Bureau of Environmental Services: Good morning.

Adams: What are we looking at here?

Sherwood: I'm brenda sherwood with bes, and this amendment amends the ordinance we originally passed in august for easement acquisitions for the garden home pressure line. The city needs these for that replacement. The pressure sewer for the panel pump station was originally constructed in 2000 to serve the sewer customers in southwest Portland. Since then, parts of the pressure system have failed and leaked at three different locations. So the city decided last year to replace the pressure line to enter reliable operations. In addition, environmental services will replace the existing single line with two parallel 30-inch metal pipes to increase the pumping capacity to capture and convey peak sewage flows. Last summer, the city approved an ordinance to exercise and seize eminent domain authority to require those easements. Since then the need has been eliminated for city crews to cross private property to access the vaults, and there were other design changes that were required based on design. This is an emergency ordinance because the delay in acquiring the easements will delay construction.

Adams: Thank you. Discussion from council? Anyone wish to testify on 1750, emergency ordinance? Please call the vote.

Leonard: Thank you. Aye.

Fritz: Thank you for your good work on this and thanks to scott gibson for answering questions from my staff. I appreciate it. Aye.

Fish: Aye.

Adams: Thanks for your great work. Aye. 1750 is approved. Please read the title for nonemergency ordinance item number 1751.

Item 1751.

Adams: Just reintroduce yourself.

Sherwood: Brenda sherwood with bes. This ordinance also relates to the replacement of the garden home fanno pressure sewer line. This amends an existing contract with ch2m hill for work for designing the pressure sewer placement. The scope of the contract was based on existing sewage of 24 cubic feet per second. Since then, additional modeling has been completed and

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determined that the flow has increased to 40 feet per second to capture peak flows. Therefore required a modification in the project design. This contract amendment includes work on permitting and floodplain issues, additional project meetings, and work on the easement revisions.

Adams: Questions from council?

Leonard: I'm definitely for increasing the capacity to improve peak flows. I'll put that on the record.

Adams: Well, you're taking a controversial position, aren't you? [laughter] anyone wish testify on nonemergency ordinance 1751? Moves to a second recess next week. We stand recessed until 6:00 p.m. tonight.

At 11:50 a.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

DECEMBER 16, 2009 6:00 PM

Adams: The arrival of our honored guests and just a program announcement. There are two hearings going on tonight. The first one is to honor state senator margaret carter and the city council will adjourn and a reception will follow downstairs and commissioner amanda Fritz and I will be staying in this chambers to have a public hearing on the north reach willamette river plan. We get to honor a great woman and then we have to continue working, at least two of us. We're waiting for the senator to arrive.

Fish: I think we should also announce if you're here for the Portland plan, it's the wrong evening. [laughter] ¶ [gavel pounded]

Adams: Good evening, welcome to the Portland city council chambers. Today is wednesday, december 16th for our 6:00 p.m. session. Karla, could you please read the time certain item no. 1752.

Item 1752.

Adams: Doesn't that have a nice ring to it?

*****: Yes: [applause]

Adams: I would like to invite forward reverend renee ward and calvin hall.

Calvin Hall: Today is a wonderful day.

*****: Amen.

Hall: Mayor, commissioners, ms. Carter, your family, community members, elected officials my name is calvin hall and it's truly a honor to be part of this historic moment in our city's history. My remarks will be brief, however I would like to recognize a few people before beginning. Commissioner Leonard, thank you, sir, and your staff for your commitment to this endeavor. I also would like to thank the committee, first, professor price, reverend ward and dr. Haines, whose time and commitment to this effort made an idea a reality. Thank you all. I'm a former community advocate of more than 10 years. I have fought to address -- I have fought to address the closing of the achievement gap in inner city schools and stood with families whose civil liberties and constitutional rights had been violated. Tonight -- violated. Tonight i'm here to honor a community leader. The preamble to the constitution starts out "we the people," it's a very eloquent beginning but when that document was completed in 1787, I was not included in we the people. I also felt that george Washington and alexander hamilton by mistake left me out but by the process of interpretation and court decisions, african americans were included in we the people. Whether you're a democrat, republican, or independent, when you study her history of public service, it can only make you proud as a citizen. Her history reflects the ultimate goal, which is to create a shared community for all. To quote doctor king, courage asks the question: Is it safe? Expediency asks the question: Is it politic? But conscience asks the question: Is it right? And there comes a time when one must take a position, nor popular but because conscience tells one it's right. I was asked by a family member to serve as their community advocate whose issue quite frankly was above my head. I convened a meeting with three men, my request was that they stand with me as a family as we sought justice. The response from the first group was I can't because of potential retaliation. The second stated he could not for fear of being levied with manufactured facts against him if he were to help. The third stated, no. I fear being put into a secret database -- I fear being put into a

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secret database of those who challenge injustice. But there was one person who carried the torch to the Oregon legislature and who marched in the streets, using her presence which despite pressures from all backgrounds to get involved. I recall walking in back of a march that senator carter was leading. There is an elder couple, the husband pushing his wife in the wheelchair. As I walked with them, I asked, "why are you here?" and the wife, who had a spinal problem responded: "i'm here marching because senator carter is here marching." senator carter, thank you for standing when men were afraid. You carried the torch for the under privileged and those violated in terms of civil rights and liberties. You inspired an entire community to work better and be involved. So today we honor you with the highest city award, and the presence of these folks here today sends a clear message. If you have a dream of making a difference, that if you're not afraid like those men were, they were afraid to stand, but you stood, senator carter, you stood for the [inaudible] they were afraid of retaliation and for that I salute you and thank you and it's my distinct honor to lead the torch for today. Thank you, thank you. [applause]

Reverend Renee Ward: It's my distinct honor, first of all, giving honor to god, who is the head of my life and elders who have gone on to be in glory, we celebrate this very momentous occasion. Commissioner randy Leonard, we want to thank you and your staff for helping us bring in occasion forward. I'm someone who is standing on the shoulders of someone else who has gone before me and it's a honor and privilege. One of the people I thought of, was -- first of all, how many of you -- just show me a show of hands if of know who that person is. I want to share a comment, but i'm excited at the same time. I wanted to give a quote that I had wrote in the press release commenting about senator carter, who has known me since I was little. I'm not dating you. [inaudible] [laughter] senator carter is a contemporary to the stalwart and courage news and i'm honoring her for her courage and compassion and those are what I think of when we are to be a clarion and a herald of justice and liberty for all. But when we think about in the past, our forefathers and mothers did not have text messaging and these devices to get the message out. I think of sojourna truth. And I think of her commitment and her commitment and her commitment and no excuses and no excuses and no excuses. But to take care of business. So today, we want to thank you, it isn't much, but time is of everything and we thank you for your commitment and your commitment to be our sojourna truth. I want to introduce at this time, earnest moore, attorney at law, who will bring a tribute. Following by a representative from the governor's office and we'll go forward. Thank you. [applause]

Ernest Warren: Mayor Adams, councilmembers, it's my pleasure. Margaret is a dream come true for the city of Portland. And i'd like to say who has done more for the children and the most vulnerable in the city? I'd like to ask you whose done more to streamline business. The enterprise zone, women and minorities in business? And who's done more for the environment. Let's talk about the columbia river gorge and water fall project and there hasn't been a project like that for seven decades and when we have an answer to all of those questions, it's margaret carter. She was born back in 1935 in the jim crow south. In the great depression. Of shreveport, louisiana. Her father was a homebuilder. He built homes and he was a minister at saint calvary baptist churn and mother built homes right alongside her husband and was a homemaker. And margaret told me a story about how her mother could put tacks in her mouth and frame a room and they had magnets on the back of the hammers and she would walk and paper and frame the whole room and have supper ready in time for when her husband got home. That's a great woman and a great role model and that's what she brings as her christian faith to her beliefs. She had a dream and her dream was that she could escape jim crow, and escape domestic violence and she could be an advocate for the most vulnerable people in our community. And she -- a family friend said come on up to Portland and december 1st, 1967, margaret carter came to Portland with five kids on her hips. And she knew to attain her dream, she had to advance her education. She advanced her education. She started at grambling state back down south because we could only go to black colleges and got a bachelor a

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degree at Portland state university and by 1973, she had a master's degree in educational psychology. Oregon state university. And in 1973 is when she started her career at Portland community college. A faculty member, a counselor and a teacher and had an illustrious career at Portland community college, 26 years. Margaret then went after protecting the most vulnerable in the city of Portland. Our community. And ran for the house of representatives in the 1984 -- and in 1984 became the first african american woman in the history of this state to serve. Her first week as a -- as a representative was a rough one. She was called the "n" word. Called a monkey. She was called out her name and she cried. But she remembered her dream and it strengthened her resolve and she went on to not only serve in the house of representatives for 15 years, but served in the senate for eight years thereafter. And that's what this great woman did. Peter courtney once said when we needed an ambassador to the republican party of the state of Oregon, our ambassador was margaret carter. I can't remember all of the legislations that the ambassador talked about without looking at my notes, but the ambassador passed the following -- some of the following laws, the ambassador championed. The holiday honoring martin luther king jr. In 1985. The south africa divesture in 1987. The enterprise zone and some of you may not know how the enterprise zone affects Portland. The enterprise zone is in our most blighted areas. The federal government puts up money to go in and correct the blight. Margaret carter championed that in 1987. That's why we have the Oregon convention center. That's why we have all those new developments on mlk and that's why it's a bridge to everything, to this business community in downtown Portland. Margaret carter. She championed head start for kids and made it a permanent thing. The columbia river gorge project in 1985 and championed low and moderate homeownership for the city of Portland. When we had issues of protecting some of our most vulnerable people, minorities and gays and lesbian, they sent our ambassador, margaret carter and behind closed doors she went to the republicans and explained that her own experiences of discrimination, coming from jim crow. Coming from the depression in the south and up here in Oregon. And she explained that everybody needs to be free from discrimination. And that's how we have the laws as a result that we have today is because of margaret carter. When she was on the budget committee, former Portland state university president dan bernstein said margaret is a guardian angel in the budget process. When Portland needed money for children, when Portland needed money for schools and Portland needed money for security, she was on that budget committee and when that budget committee said no, margaret closed that door. Now the budget committee is -- margaret got up on that table. Margaret had on her high heels. She's a woman and a lady. Margaret stomped and stomped and stomped and stomped until the city of Portland, her community got its funds for the children, for the school and for the safety. Now -- and obama, president obama is not the first african american president in our state. Margaret carter is. From 2004 through 2008, margaret carter was the first africa president of the Oregon state senate pro tempore for four years. Now, she's currently the director of the department of human services. There's some naysayers, we've heard in the news, that say she ain't qualified. Well, I say, who's more qualified than the former president of the Oregon state senate? Who's more qualified than somebody with a masters in education psychology? Who is more qualified than somebody who is a faculty member and a counselor at Portland community college. And a leading lawmaker for over 23 years and who is more qualified than someone on the front cover of the "wall street journal" in 1985? And who's more -- and we need to remember when they put margaret in office, it was the people. Who's more important than the popular vote of the people. That's like you're voting for who is on the new york stock exchange for who's important. This ain't old boy network. This is margaret carter and margaret carter for the city of Portland is a dream come true. Would you please put your hands together and join me in saluting margaret carter? [applause]

Kate Brown, Secretary of State: That's a tough act to follow. Good evening, for the record, kate brown, secretary of state. Mr. President, city commissioners, thank you for having us here today.

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I'm going to share with you a brief letter from senate president peter courtney who couldn't be here today. It's truly written by him and you'll be able to tell after I read it. If you don't know peter, you should probably get to know him. [laughter] dear margaret, even though you left me, I wanted to write a letter to be read on the day of celebration in your honor. You said when we met, that you would never leave me. [laughter] I thought we would never break up. But you left. You killed me. I will never recover, and the Oregon legislature will never be the same. The good news is that you are continuing to work for the state of Oregon. You will be forever a tireless champion for the underprivileged, senior citizens and families who struggle mightily to survive. Margaret, you are a legislative giant. No one will ever replace your spirit, your passion, and your dedication to mankind. You are as raucous and as colorful as it gets. Your wisdom, insight and compassion, make you a great leader. You tell it straight. You brought it all to the legislature. Margaret, at least you're not leaving Portland. The doors to your home are always open. You are always there to give food, shelter, and clothing to people in need. You are the best cook I know. I hope you don't stop baking pound cakes for me. [laughter] this kind of event today in your honor is well deserved. Because of the kind of person you are, you deserve to have a day like this every day for the rest of your life. Best wishes for your future. I will always miss you. Respectfully, peter courtney, president of the senate. [applause]

Michael Cobb: Good evening, michael cobb, with the Oregon department of transportation. I'm pleased to be here tonight and honored to share in this celebration and I won't have -- my remarks won't be too long, but wanted to say some things that we're familiar with and have to be reminded that having power without passion is meaningless. Having position without passion is meaningless. Having influence without passion is meaningless. And a life without passion is definitely meaningless. But such is the case with many in the world as we know that today. However, there's an old saying that all of us are familiar with, that's that we pass this way but once. And the person that we've gathered to honor tonight, margaret carter, I believe she's realized from an early point in her life and long illustrious career because throughout her career she has lived and is living a life with passion that brings positive change to the lives of others. She understood it early on when she was a rural music teacher and on through holding many community and public service positions on to becoming the first african american woman elected to the Oregon legislature as we heard in 1984. She has always had a desire to make a difference. I know this first hand through the interest she's shown and involvement with the workforce development small businesses that I manage at odot and putting people to work and developing opportunities is always a challenging task and she's been there to offer support and advice to get the job done. She can be tenacious about getting the job done. I remember one sunday, I received a ten call on my blackberry. State issued blackberry and look at it and hmm, answered. Hello. And it's margaret carter. And this is michael cobb. Oh, michael, you're in my speed dial next to my nephew because of the same name. Michael. Ok. If I can be of help, let me know. After I hung up, I said, gee whiz, that's something. I'm in her speed dial. I better make sure I get this job right here. [laughter] that was just a little inside thing where senator carter indeed knows how to stay focused. She can be a force to be reckoned with but it makes it easier and worthwhile when you remember what motivates margaret carter. The selfishness and the desire to touch just one more person on her journey through life and it's the joy of life and passion of senator margaret carter that has brought us here tonight and for that, I say to you. Thank you. Senator margaret carter, may god richly bless you. Thank you. [applause]

J. Isaac: Mayor, commissioners, distinguished guests. I'm jay isaac. Senior vice president with the Portland trailblazers. I'm so pleased to be here today and honor senator carter isn't and reflect on what she's meant to our city and state. Several people have very eloquently outlined what she has meant in so many areas. In education and state government and charitable endeavors, but there's so much more to margaret that maybe not too many people know. She works behind the scenes in so many ways. Probably you don't know that she was very integral in us resigning

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lamarcus aldrige and brandon roy. We had reached an impasse and reminded them of the german chocolate cakes that she brings to the locker rooms they immediately signed right up. [laughter] she's not only talented as a baker. Have you had the opportunity to hear her sing? Unbelievable. She's done many anthems for us. I could have been managing margaret. We're here to -- i'm here, to say congratulations from your biggest fans, the Portland trail blazers. [applause] thanks.

Preston Pulliams: Good evening, i'm the president of Portland community college. To mayor Adams and commissioners and all of the honored guests, I want you to know how honored I am to come before you for several minutes to acknowledge this individual. I want to extend to you, senator, my -- your outstanding commitment to the community. Your fantastic courage as demonstrated in public service but you have a personal story of courage to tell and that serves as a role model for all of us who are challenged. And last, but most important f to me is your passion for public service and so many others. I want to especially thank you for your support in resources in higher education to kids get an education in this state. Thank you for helping us build those beautiful buildings at cascade campus. But I know you were the source of a lot of that funding and thank you for your person effort which you don't talk about, about personally contributing to our school legislator scholarship fund. And the margaret carter skills center. And for those of you that don't know, that center is about providing educational opportunity, life skills, counseling, advocacy and support services for many students who are poor, who are new immigrants to our community. People of color who may not have any other choice in this community to go to college and you helped create that program and I congratulate you for that. When I think about your life and work, I think about tough quotes from maya angelou. "love recognizes no barrier. It jumps hurdles, penetrates walls to arrive at its destination." it's not about pcc or really about you. But it's really about serving those students and providing hope and love to give them an opportunity. The second quote from maya angelou is as follows. "people will forget what you said, people will forget what you did, but people will never forget how you make them feel." and for me, I remember the first day I met you at your favorite chinese restaurant in chinatown where you invited me as a new arrival to the community. And you told me how you wanted me to be successful and if I was successful, you're going to be successful and I still to this day appreciate that commitment. And we didn't talk about politics or education, but you always asked about my family. Talk about my grandson or asked about my daughters or wife. That connection, that ability to make that human relation connection, I think is indeed your real strength and I know this is the beginning of many future successes as you continue your work with the department of human services, I know that's going to be a great success for you and you will continue serving all of us. I love you senator and the best of luck to you. Thank you. [applause]

*****: Senator margaret carter, mayor Adams, commissioners and all of the distinguished guests, friends here tonight, thank you, thank you for the opportunity to share a few words about this historic occasion. When I first arrived in Portland, I talked to a lot of people and someone said to me, if you really want to make your way around in Portland, you need to meet senator margaret carter. Senator margaret carter knowing everybody, knows about everybody, everybody knows her, she's related to everybody. [laughter] so I decided that I needed to hurry up and meet cousin margaret carter. So I made it a point to meet her and as it turns out, that's one of the smartest things i've done in -- that's one of the smartest things i've done in my life. There were a couple of times when senator margaret carter had to set me straight. She had to set me straight a few times but i'm a better person for having been a recipient of her guidance. [laughter] senator carter is one of those rare people whom I believe was born to be a leader. You know, people like me, i'm struggling trying to be a leader. Buff I think she was born to be a leader and I believe that a lot of people, all of us in this room here tonight and many people far beyond, a who the better off because of her commitment, her courage, her passion, compassion and hard work. And I can't leave this out. I don't know why the others before me didn't catch this but she's quite a snappy dresser too.

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[laughter] senator carter is an exemplary public servant because she's one of those people whom there's little distinction between friends and family and community and constituents. They all matter to her and all the beneficiaries of her tireless energy. I've come to know her pretty well over the last five to six years and I can say that I believe she serves so diligently out of love. What she's accomplished over her distinguished career, so far, has been out of love. Love for the community, love for her family. For her constituents and the city of Portland and the great state of Oregon. Dr. Pulliam has mentioned about senator carter forming the skills center some 20 years on my campus. It was like nordstrom's at the mall. It's an anchor for my campus and i'm proud that she formed it. It makes what I believe a community college campus ought to be about. Helping those people who have not been opportunities, under represented. Unemployed. Disenfranchised. Helping people like those get the skills they need to get a job, and keep a job and make a living wage and perhaps more importantly, that skills center has helped people find dignity. The dignity that comes along with being self-sufficient. Senator carter set out to help people who truly needed it and not only help them, but she has created an enduring institution that continues to help people today. So it was a great moment of pride when we and -- in 2007, named that center for her. It has served thousands and thousands of students. The skills center has been renamed in her honor, was one part of her legacy. One, of course, that's close to my heart and one that I feel privileged to have been a part. Today senator margaret carter day is another part of that legacy and it's fitting to say this is a tribute that is only deserving of a person with such singular distinction and accomplishment. Senator carter, thank you. Thank you for all you've done for this state, for all that you've done for Portland, and all the people who reside within them. We're all richer because of your work. Thank you very much. [applause]

Marcus Mundy: Hello, my name is marcus mundy, and i'm the current president of the urban league of Portland. I'm here today by virtue of my position and lucky enough to address you because of that. And i'm honored to speak on behalf of senator carter and just remind this group of some of the some of the things she's done in it community. Starting with the urban league. That's where I live and work every day. I'll be mercifully brief and, in fact, thank you for allowing me this venue, mayor Adams and commissioners. Through her work, she's -- she's given us scholarship funds and our students are using that skills center right now developing skills they'll need in the 21st century. She's given time and advice and given us -- she has kept the urban league going and this city going and state going with her passion for the work. But all those things, while important, one of the most important things she did for me and my family, served as an ambassador. When we first got to town, my wife and i, and family, we were strangers in a strange land. Every other city I lived in had a few more people of color than Portland. [laughter] but she made us comfortable and came to our house and sought us out because she was a sorority sister of my wife and made us feel welcome and told us how to navigate this city and how to deal with people in the city and how to get connected and constantly offered her service and help for whatever we needed and this was a very important person in Portland. Very busy working and we were just two folks in Portland, but she looked out for us and our family and beyond all the work she's done for the urban league and Oregon and the state. I appreciate that she always took the time to care about what was going on with myself and my family and as I further on in my role at the urban league, i'll try to emulate her version of service and leadership. She truly is a servant leader for our state. And if I can do that, I will be well served. Thank you, senator carter. And thank you for letting me share a few moments with you today. [applause]

Samuel Henry: Mr. President, thank you. I'm samuel henry. On the faculty of your university. Portland state university and former chair of the Oregon commission on children and families. I've come to city hall to offer thanks on behalf of all those children to senator margaret carter. Like a string of black women in our recent memory, including shirley chisholm, senators jackie winter and avel gordly. She knows that our youth deserve a community that accepts, educates and many cases

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protects them from harm. From the advantage point of chairing the commission on children and families, i've personally witnessed margaret carter make budgets where no one thought it was possible and seen her cross party lines when others thought it was political suicide. It was not easy.

Margaret carter and you lived and worked and the cranky, the narrow minded, the self-admiring, the spiritually dispossessed and the socially inept. All to make progress in our communities and literally would work with almost anyone. By strength of her will, her intelligence, her hard work, her leadership and astute and forceful questions and you haven't been asked a question until you stood before margaret carter at a legislative hearing and been asked a question. She knew those who tried to drive anti-kids agenda -- and thoughtful system wide approaches. So senator carter, from the teens who don't sleep under the Multnomah county bridges or in union county because you helped to steer run away legislation that translated into effective intervention. We thank you. For healthy start. And now provides one of the nation's most effective child abuse interventions, thank you. For the expansion of the children's relief nurseries whose people take in crack and meth babies and toddlers rescued in the middle of the night, we thank you. And for casa and community schools and higher education and k-12 education and a dozen ways to make it possible for all adults who care about children and youth to sleep at night, we thank you. Thank you, senator carter. [applause]

Vera Pool: Mayor Adams, commissioners, my name is vera pool. It's a pleasure -- i'll not be here long. I wanted to congratulate you, margaret on the work you've done in the community. I've known you for over 30 years and you're the reason why I have not retired. I celebrated my 39th year on monday and my staff want to know when are you going to retire? And an said I know senator carter, she's still working. As far as I can recall, you've had four careers and she still looks good and if I can continue to work and look as good as senator carter, i'll continue to work. So you're the reason i'm still working. And I want to say congratulations to you and on behalf of the Multnomah county sheriff's office and interim sheriff, we want to salute and congratulate you for being our partner over the years and in addition to that, on behalf of noble, national organization of black law enforcement executives, margaret was with us from year one. We were chartered in 1994 and whenever I would call on margaret to assist noble, she was always there. Of course, we didn't have any money, so there was always no charge. So on behalf of noble, I want to present you, senator carter, with the best of the best. And you are a -- you are a phenomenal woman and a phenomenal woman deserves phenomenal roses. [applause]

Roy Jay: Mayor, commissioners, thank you for allowing me back in the house again. Twice in one day. And they didn't have to call security. [laughter] margaret, I know you so well, I don't have to read from a script. I really don't have to read from the script. I'm going to remember the words of booker t. Washington, success is not measured by the position one has achieved in life. The obstacles they've had to overcome. Can I get an amen? I'm not a preacher, but there'll be a collection in a little bit. I'm a businessman. You know, we just did this about a month ago and it's a pleasure for me to come and say a few words about people we admire. People that have been an icon in our community. When you say a name, you know you've made it when you say a single name. When you say margaret. They already know. It's march get.

*****: Carter.

Jay: Ok. Tookie -- seriously. You know, I know you better than anybody else. See, we had -- now we got jon and kate and plus eight. But before that, it was margaret and -- on a serious note -- [laughter] people didn't realize for a long time and I did not know until how many years ago? 10-15 years ago, margaret and I are actually blood cousins. Our families are from shreveport. Our most famous cousin is blair underwood, the actor. She has made a difference in everybody's lives. That's here and not here. I want to be here for a few minutes because some of us get long-winded. Pastors, do you get the hint? [laughter] we need to get out of here so we can get rest. Margaret, we love you. [laughter] we love you. Keep doing what you're doing. I know the st. John's store is

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now closed because you're no longer in the senate. But I like what you're wearing today. [inaudible] [laughter] god bless you. Ladies and gentlemen, senator -- always senator margaret carter. Give a round of applause. [applause]

Adams: Thank you very much.

Reverend Roy Haines: To the honorable mayor and distinguished members of the city council, I take your hint, my brother. [laughter] the late martin luther king jr. Once said, human progress is neither automatic nor inevitable. Even a superficial look at history reveals that no -- rose on the wheels of inevitability. Every step toward the goal of justice requires sacrifice, suffering, and struggle. The exertion and passionate concerns of dedicated individuals, like the honorable margaret carter. Margaret carter epitomizes this quotation from the late dr. Martin luther king jr. As a voice for the voiceless, marginalized and the disenfranchised, she's been a fighter for children and senior citizens and the poor. Her life is a testimony to the virtues of hard work, commitment, education, sacrifice, and to the commitment of godly people, for humanity, that they can make a difference. We are truly thankful for god sending margaret carter to the great state of Oregon. She is a living legend. Our legend. That has touched so many lives in this city, and our state. We are truly thankful for you, senator carter. On behalf of the church family, and bible college, as well as the many ministers and pastors, you are our voice. Thank you very much. [applause]

Matt Hennessee: Mr. President, madame president, members of the commission. I'm the pastor of first vancouver avenue church. I'm delighted to be here, now that pastor haines has spoken, I can speak all night. I want to say a couple of things. One, I pay tribute tonight to senator carter, not just on my own personal behalf but on behalf of the fact that she has adopted so many of us as her children. She is -- she is a wonderful woman, and you, people talk about the nine children she's had biologically. I want to know, the last time we did in Multnomah county, I got in trouble from the sisters because I was talking about the sons who had been adopted by her. If you're a sister or brother and been adopted by margaret, raise your hands. Now that we've got that out of the way. It's about all of us. We love margaret for lots of reasons, but she makes the best pound cake. Amen belongs there. Good greens and jambalaya. Let me also say that when it comes to margaret, the one thing that I have noticed and maybe you all haven't. Maybe it's not your experience, but my experience is that I have never been asked by margaret to do anything. I have always been told. By margaret to do something and she does it in the sweetest way because quite frankly, you don't know that you've been told, but you know you've better do whatever it is she told you to do. The second reason and on my personal behalf and sharon and kyra and our family, it's a joy to be here tonight. Let me also, mr. Mayor and members of the commission, read a letter from our governor.

Theodore kulongoski, written to the citizens of Portland. I'm pleased to join you and the Portland city council in honoring the work and life of senator margaret carter as the first african american woman elected to the Oregon legislature, margaret worked tirelessly to make Oregon a place free of poverty, racial divisions, violence and injustice. While we have not achieved these goals, margaret continues to provide a moral compass. Margaret has been a champion for those without a voice and Oregon is a better place because of her service. The senator has exemplified commitment, courage and compassion in both her public and private life. I'm grateful to call her a friend and grateful for her years of service to Oregon. Signed sincerely, the governor and the first lady, mary oberst. Amen belongs there. [applause]

Dr. Bethel: 16th chapter, verses 11 through 15. There's a story about a woman called lydia and I thought about lydia because it talks to me about who margaret carter is. Lydia was a businesswoman. Which meant she had purpose, mental acumen and those things reside in margaret carter as well. Lydia was a devout woman. Worshiped god. And margaret has taken time throughout her career to take her faith seriously. When many who allow their personal pursuits and affairs to leave them with no time for faith, she believed and served. Lydia was also a seeking woman and present when paul was speaking and heard a message that captured her heart and

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impacted her life as well as her business. It's said, it is to open, is the part of god, and to pay attention is that of the woman. God opened and margaret paid attention and as lydia said, if you consider me a believer in the lord, then come and stay at my house. That leads me to three character qualities i'd like to share that I see in lydia and also senator carter. Number, she attended to business, the affairs of business, as well as her employment and service both in the house of representatives and the senate. She's fervent in spirit. Wee mained true to her character and believed as a woman of respect and fortitude and served. It was indeed perhaps a cold day on december 1st, 1967 when margaret arrived in Portland, the great pacific northwest, with five daughters, sometimes I would hear her say, with my babies, seeking a better and safer life. She did not -- she rose up. Like the old farmer who had a mule. Who fell not well. He threw all types of stuff on top. The mule was smart. Sometimes it hurt him, but shook it off. And kept on shaking until one day he rose to the top and out he came. That's a margaret carter. She used it as a stepping zone. She went back to school and became an educator and counselor and attracted attention of the republican leaders who in 1983 recruited her to run for the house -- excuse me, she won as a democrat, 1984. Life hands you circumstances, storms may come. One cannot control the storms but can control how one responds in a storm. During her tenure, she worked to bring about legislation and funding that benefited not only her community and district, but the communities of the state of Oregon. She went on from being the first african american elected to Oregon legislative assembly to become the president pro tempore. And I didn't say that right, but you know what i'm talking about. Of the Oregon state senate. You're blazed a trail. Not only in the spirit and character of lydia, but the spirit of margaret carter. A wife, a mother, an educator, a politician, a community activist and supporter. A neighbor, a friend, an individual. You have instilled among us and in us, a model we can grow and assimilate and we thank you so much today as we honor you as a living legend. On behalf of myself and my church, I leave you with two more things, very quickly. First of all, the wallace -- can't say it right. [inaudible] creed, which says, whatever you believe creates your reality. Tonight everyone achieves more. Enthusiasm is the wellspring of life. Respect yourself as well as others. Every day can be a fun day. Love is the answer. One day at a time. Never give up or become a victim. You see, the difference between a successful person and others is not the lack of strength, not a lack of knowledge. But rather a lack of will. There are no more surprise, I heard someone say, for predicting the rain. [inaudible] build an ark. [applause] *****: Can you hear me? Good? Ok. I'm be presenting a speech that was given by sojourna truth in 1851 at a women's rights convention in akron, ohio. She stood for women's rights and speaking to the crowd, letting them know that women need to be heard and also talked about superior rights versus intellect. This is a speech. Well, children, [inaudible] I think that the women of the south and north, all be talking about the rights. Why are we [inaudible] pretty soon. What's all this here talking about? That man over there, he said women need to be helped into carriages and lifted over ditches. Nobody ever lifted me into no carriages or over mud puddles or give me any best place. Aren't I a woman? Look at me. Look at my arm. I have plowed and planted and gathered and no man could head me. And aren't a woman? I can work as much and eat as much as a man, when I can get it. And bear the lashes well. And aren't I a woman? I've been on -- I born 13 children and saw them almost all sold out into slavery. And when crying out with a mother's grief -- and aren't I a woman? They talk about this thing in the head. What's that thing [inaudible] *****: Intellect. *****: That's it, honey. What's that got to do with women's rights or negroes' rights? If my cup won't hold but a pint and you a quart, wouldn't it be mean not to let me have my little half measure full? Then that little man in the black over there, he say, women can't have as much rights as man because christ weren't a woman. Where did your christ come from? Where did your christ come from? From god and a woman. Man had nothing to do with him. If the first woman god made was strong enough to turn the world upside down all alone, then together, ought to be able to turn it right

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side up again. And now they're asking to do it and the men better let them. [inaudible] for hitting on me and now old sojourna ain't got no more to say. Thank you. [applause]

*****: Margaret, this is dedicated to you. I'm sure you have some struggles and hills to climb, and i'm sure you've had some restless legs, but you didn't complain. ¶ ¶¶ [music] ¶¶¶ [applause]

Adams: On behalf of the city of Portland, the Portland city council, I have the following proclamation to read. Whereas, senator margaret carter became the first african american woman elected to the Oregon house of representatives in 1984 and whereas, senator mart great carter served in the Oregon house and senate for 25 years becoming one of Oregon's most influential elected officials and whereas, senator carter's skills as a bipartisan, collaborative and community-minded public servant have yielded countless benefits for the residents of Portland Portland and Oregon, and whereas, senator carter is an inspirational leader and role model for women all over Oregon and whereas, her career is defined by her relentless fight for equality and her courage in providing under represented residents access to their government and whereas, senator carter knows no mere in her advocacy for children, senior citizens, working families and whereas, two of Oregon's most prominent youth-centered programs, the Oregon head start program and the Oregon youth conservation corps were made possible by senator margaret carter and whereas, Portland community college dedicated the skills center in honor of senator carter service as a counselor and faculty member for over two decades and whereas, she successfully balanced life -- and I don't know how you did it -- as a mother, grandmother, student, legislator, community advocate, with grace, intelligence and perseverance and by being a voice for those who cannot speak for themselves and a tireless advocate for health reform, environmental protection, consumer education and improved quality of life for all Oregonians, senator margaret carter's voice will carry on and guide Portlanders for generations to come, now, therefore, i, sam Adams, mayor of the city of Portland, the city of rose, do there be proclaim december 16th, 2009, to be senator margaret carter day. [applause]

Margaret Carter: Thank you. Thank you very much. I'm totally -- i'm totally without words and I know many of the ministers would say that's not true. [laughter] [inaudible] my roommate. To mayor Adams and members of the city council, and you can -- thank you, thank you, thank you. To all of you who have gathered here this evening, i'm humbled by your congratulatory remarks and i'm at a loss for words and honored to have served at the community college shall I say for the 29 years I was there and honored to serve in the legislature. This november, this december -- november will be 25 years. And i'm glad that the city saw fit to send me over and over again back to the legislature. I am so very pleased to see chief sizer and members of the police department here. Because I care about that area a lot. And thank you guys for the night when people would like -- like the wild, wide west on my street. And in a minute, you were there. The first time in my 42 years of being on that street, that happened. But just thank you. I love this state. And I love its people. We have our trials and tribulations but no society goes without struggles. I think out of struggles come some of the greatest relationships that one can have. And i'm truly grateful and i'm a much better person as a result of your having put trust in me to serve you for these many years. On the 29th of this month, i'll make my 74th birthday and for that -- [applause]

*****: Wow.

Carter: And as the song goes, i'm not tired yet. You're not going to see me. When the big one comes, i'll be out of here and say thank you, lord, for having lived in this great city, this great place for a long time. But i'm not going to sit in a rocking chair in the corner and it ain't over yet. [laughter] [applause] and I can't even promise you that i'm through with politics.

Adams: Good. [applause]

Carter: I can say to you, I am having a great time as the deputy administrator for the department of human services. And I know that my work is something that I still feel highly passionate about and some people are going to be mad and upset with me about things that I see, but I serve the people,

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and the people's voice is the thing that's exciting to me and I want you to know some exciting things are going on in the department of human services and i'm excited about that. Before I close, I have to say one thing to you. Send up dr. Pulliam. He has big pockets. Stand up. Before you leave -- you know me enough to know what i'm about to say. There is a margaret carter scholarship fund for kids and before you leave, give a check for my scholarship fund. [applause] give money for the kids. You know I can't go without asking more money on behalf of kids. Please be able to do that. And thank you from the bottom of my heart. It's so good to see you. It's wonderful to see the members of the senate and house and see my friends and -- I just don't want to start calling names. You guy, i'm so filled. Thank you, thank you, thank you, Portland and the state of Oregon. I love you dearly. [applause]

Carter: Believe it or not, this is the last thing I understand we're supposed to do. I'm following instructions.

Adams: Yes.

Hennessee: I'm going to ask each of the ministers of all faiths if you'll come right now. Each minister of all faiths. This is your pastor. I'm going to ask him to do the benediction. Ministers, we know who you are. Good grief. I want margaret right out here in the middle and I want us to put our hands on margaret. Mr. President, madame president, brother, nick, if you'll come. Because we also need to make sure we're doing what we can to support you as members of our government, as government leaders. I want you to know we're proud of all of you and thank god for each one of you. Again, of course, you're a minister, any faith, we're expecting you to be here. A minister in any faith, because I don't want anyone to say the patter is the only one that's baptist down here. Amen. Margaret's pastor is on the way and I want to ask him to be the one to do this. While he's coming, let me remind you, margaret is the one person that cracks me up. I'm matt to everybody. And i'm matthew to her. I know i'm in trouble when I hear it. Secretary brown, if you would come. And former commissioner naito, if you would come. If there are legislators, please come. Senator schrader, come, those of you that have been elected somewhere. Senator walker is there. Brother lou. Yes. Thank you so much. We're going to give the microphone to [inaudible] to margaret's pastor.

*****: Father, we thank you for this evening, we thank you for the words, we thank you most of all for margaret and her life. Her faithfulness, which is an inspiration and a model for us. We thank you for her, we pray that you continue to bless her with health, passion and vision for us. And for your people. In jesus' name, amen.

*****: Amen.

Hennessee: I understand after we're leaving this area, there's a reception at the bottom of the stairs. We are looking forward to you coming and being a part of that. And whatever roy jay gives to margaret, i'll give half of that. [laughter]

Ward: We're going to ask everyone to exit to my left, please. Be expedient. We have another group that's waiting and we want to honor their time as well. We do need to vacate this -- vacate this place as quickly as possible. Thank you. We need to expedite, please. Hugs and kisses, downstairs, please. Please do not tarry, we have another group that's patiently waiting. Thank you for waiting.

At 7:30 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.

DECEMBER 17, 2009 2:00 PM

Adams: Would you please read the title for 2:00 p.m. Time certain, item 1753.

Moore-Love: Accept the proposed improvements to public works development review and permitting services.

Adams: Paul, paul david.

Leonard: Paul david, dean.

Adams: Dean, do you want to come forward?

Adams: Commissioner, we appreciate the brevity of commissioner Leonard's introduction. It is the last council meeting of the year. Okay. Commissioner Leonard, any words of introduction.

Leonard: Dean marriott, paul scarlett, and david schaff.

Adams: That is your best yet.

Paul Scarlett, Director Bureau of Development Services: Good afternoon, mayor and commissioners. Paul scarlett, here to present on the development of the colocation reports that have been submitted to you in the past in april and july and september where a number of objectives have reviewed and explored and in conjunction with pds and interagency bureaus, water, pdx, pdot and parks, and the big piece is the management and staff who worked on it. They had our support. It is in connection with improving the public works development review and permitting services process, of course to better align with the building and zoning development process that bds overlooks and implements. The pieces are technical in nature. The part we want to underscore is the amount of work the collaborative approach that went into developing what is at this point the ordinances to put to essentially implement the pieces of the development review improvement processes, and the technical pieces will be presented by the management team, colocation team members andy peterson and lana and company will come up afterwards. But i'm here to support and promote that this process has gone well. We had outside involvement through the development review members, membership, and we have not heard anything but good support, good praises, and we could actually use this approach as a model for how to develop city policies. It really was -- solution oriented. Pieces technical or not, the important piece is how involved the development community got along with all of the bureaus in being collaborative and knowing what mayor Adams started out a year ago is through extensive work and real careful deliberation, we have what we believe is an ordinance that ties the pieces around time lines and standard fees and processes that will help the city's development permitting process to be a better just approach for its customers, employees, and stakeholders who look to the city of Portland as investment processes and future development. So, i'm pleased to be here with the directors and I will send it over --

Dean Marriott, Director, Bureau of Environmental Services: Good afternoon. I'm dean marriott, director of environmental services. Thanks to paul for sharing this session. I will be very brief. We have been very supportive and have been participating, you will hear members of the team come up right after us to talk about the specifics that are in front of you today. Just want to be here to say that we are supportive of the process and the colocation has happened. The move has taken place. So the first major physical move has actually happened and the staffs are getting settled in and beginning that process. I just want to compliment the people sitting behind us who

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have really done the very hard work involved with working out the details and explaining how this is all going to work, and after all this is really about us making sure that the public system works to its highest degree and provides the best customer service and we totally are in favor of that. David, I will turn it over to you.

David Shaff, Director, Portland Water Bureau: I'm david shaff director of the water bureau. I would like to echo what dean just said. I went by the facility monday, toured it. The water bureau is right next to pdot, right next to bes and across the hall to bds. I went down to the development service center, closed on monday, but we toured our section, and we have -- we worked hard on making sure that all of these bureaus got together on the same floor, colocated next to each other and are working together. So, I think this is going to be a great success in the long run. It took awhile to get there and it was a struggle, but the folks behind us worked very hard and we're very pleased.

Susan Keil, Director, Bureau of Transportation: I'm susan keil, director of transportation. And what they said I agree to here. We spent so much time on this that we're thinking of developing a company song so that we can sing it together.

*****: No, we're not. [laughter]

Keil: But what we really have -- we have invested a lot of effort and the staff more than we have on this, but i'm also convinced that it is going to be successful and our folks have already indicated that there have been some small wins as a result of the colocation. So, I think it is a good thing and we're going to make it work.

*****: Thank you.

Adams: Thank you all very much.

*****: Thank you.

Scarlett: Andy and company, do you want to come up?

Andy Peterson, Bureau of Development Services: Good afternoon. I'm andy peterson with the bureau of development services and we're here to discuss the ordinances placed before you for the improvements to the public works permitting process. I want to touch base first on some of the folks that have been extremely instrumental in making this work. Christine leon -- as well as our work horse, dan vizzini and dick weir. It has been tremendous to work with them and it helped pull together the collaboration -- with that we will move forward to where we have been and where we're headed. The location, colocation mile stones back in april, we went through a process to identify several steps that we were going to work on bringing the bureaus closer together in the permitting services and improvements, both in permitting appeals and some sdc reforms. July we were back discussing with council some of our early steps and adopted some interagency recommendations on public works permitting turn around times, predictable fees, appeals process, and discussed the colocation of staff. September 23rd, we were back establishing the process for bringing forward some new fees for the public works permitting process, co-changes necessary for sdc policies and waivers to occur as well as rather fundamental change to some of the appeals processes for the infrastructure bureaus. We are as of december 7th the bureaus have been colocated, development review staff has been colocated to the 1900 building and as was mentioned earlier, we have seen early successes from that at this time and our belief is that that will clearly continue to build as we move forward in time. Today we're back to consider these three ordinances developed by the interagency team with the help and feedback from our external guidance groups. The ordinances in front of you will be to authorize a new fee for public works permitting services that reflect the new permitting process. Standardized policies -- for the repayment of sdc's, affordable housing exemption is are not met and need to be rescinded. We will be back in january with an appeals process but in january, we will initiate the new public works permitting procedures and present co-changes and administrative rules for the appeals

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process. Lana will talk about the new public works permitting process and how we have been able to construct that with our external agency help.

Lana Danaher, Bureau of Environmental Services: Okay. I'm with the bureau of environmental services. The first slide is about the process improvements because in order to understand the fees you need to see the difference in the process. This is a fundamental, deep change in the way we do business. If you take a look at the current process prior to when we started all of this, you will see that the developers on the left starting amidst a circle of all of the different review groups and functions that they -- the developer or their agent has to go to to try to coordinate decision-making and issues, and then went through and had to, again, go to each of the bureaus separately. We had made some improvements, some collaboration, but it was pretty minor compared to what we are proposing now. The recommended process is far different. What we do is we're engaged with them during the design process itself. We are an owner of these facilities when they're finished, and so we are committed to being on the design team as the owner. As the future owner. So, we will be working with them in significant steps starting with an inquiry and then a concept review meeting which we will be -- at which we will give definite information that we will hold, be held accountable for as to what the costs will be. A design review meeting at 60%, or approximately. An intake review, a final check-in to make sure that we have got it all straight, and then the permit review issuance. If we succeed, the permit review issuance, used to take so much time, used to be a back and forth discussion about decisions that they had already made that we didn't really understand or know why they made, will be very brief. We have put in here ten weeks, but, frankly, if we get this right, it will be less than that. How long should it take if we worked out all of the issues ahead of time? So -- but we're not making a commitment to it being less at this point. Today there is --

Adams: Yes, you are. [laughter]

Danaher: Today what we're doing is -- fees which followed from that, we -- it -- the current code does not give us flexibility to charge for the earlier events. This allows us to do a soft launch in January to suspend the existing permitting fees, and adopt a special schedule for the period January through June. Declare it as an emergency and implement them right away beginning with anything that comes in the door January 3rd. And it also authorizes us to review the fee structure and cost recovery calculations in April and propose code amendments based on our lessons learned and feedback from stakeholders. It also charges us with performing annual review of cost recovery calculations and preparing the -- comparing the estimates to actual program costs. So, the thing to remember here is that this is a soft launch. This allows us to test out our assumptions, and make sure that we get it right before we get it in stone. Or at least pavement.

Adams: Soft concrete.

Danaher: Soft concrete, yes. Nothing is in stone around here. Okay. The fees -- during the public works inquiry, the applicant has one of two choices. They have a basic guidance. This would be your small, pretty simple process. One that they don't have -- frankly we want to protect these projects because they're very small. They don't have a lot of money. They may not have the ability to spend a great deal on a detailed consultation nor do they likely have the need. These would be simple site-specific reviews, standardized report is what they would get, present and get, and it would be a briefing with our public works permit process manager or staff. Or more complex on larger projects, ones where there is some significant issues where we know there will have to be resolution, they can have a detailed consultation. Those would be 3,000 a meeting, and would involve comprehensive concept review, detailed reports they carry away with them, and a consultation with members of all of the review team. Then at --

Fritz: Before it moves on, how does a developer or applicant know whether they need basic guidance --

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Danaher: Well, most of them -- most of them know because they -- but those that didn't would be able to discuss that with us and we can help them make that decision. And the public works permit manager could assist them with that.

Peterson: Part of our -- as this progresses is an outreach and information system that we would then -- we -- our intent is to provide information out to the customer base so they can do self-screening, phone number with someone to talk to at the other end of it with our public works element and have that discussion ahead of time before they get too far down the system.

Fritz: I guess I'm wondering, really basic small projects, and complicated ones which are clear, how do you know you're in the middle of that? Where the cut off is, if you have a medium difficulty project --

Danaher: Well, I think it would really be a consultation with a permit manager in order to determine it on a case-by-case basis. Hopefully we will be able over the next few months to come up with pretty specific criteria. I don't know that we know now where that criteria will be. That is why we're doing a soft launch. The onus will be on us to help develop clear criteria for those distinctions.

Fritz: There might be also the opportunity, and I think in talking to my folks, online sort of -- if your proposal has --

Danaher: Yes.

Adams: These elements, probably a basic guidance. These elements -- and then also from somebody that you are going to guide -- you're going -- if in doubt, you go to basic guidance --

Danaher: Right. One of the reasons it is frankly \$150 does not totally pay for this -- the cost of this. But we want people to at least come in with this. And there may be people who come into the basic guidance and decide that they want more. They can do that. We're not directing them to -- that they have to do one or the other. We will be doing outreach. We will have online assistance. I think you will see in the bump package some elements of where we want to give outreach to people so that they know the options available to them. So, moving on to the concept review, at 30%, and this is a very significant event, because this is the place where hopefully based on what they have learned from public works inquiry or from the in-depth consultation, the issues that have been identified, all of those red flags have been identified. This is where we will flush those out and come up with a project-specific fee schedule. And this will be based on a 30% concept plan. And we will be able to articulate a fee schedule that we will be held accountable for. It will be not -- not to exceed number.

Adams: That's great.

Danaher: So, we will have a great deal of investment, obviously, in being engaged in this.

Leonard: That is huge -- is that part written in stone?

Scarlett: Well, yes. I think it is -- it's written to the point that this is the piece that our public stakeholders are the most excited about.

Fritz: And how will you know when you are at 30%?

Danaher: Again, that is -- we have been working very hard at defining those -- what defines each of these phases, and I didn't bring those today. But it is quite detailed definitions for each of those phases.

Fritz: And if it turns out that the project costs more than the specific fee, how is that subsidized? Who pays for that?

Danaher: The bureaus will be held responsible for subsidizing that through their regular budget. That is something that we will be held accountable to try to keep that fair and also realize that we do an annual review of our -- of those costs and our rates and we will have to show that we are staying in balance.

Fritz: What about development services, which doesn't have any extra money right now?

Danaher: This isn't development services. This is all public works bureau.

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Adams: I think this is fantastic. It will keep the onus on all of us, including the council, to continue to perfect our work. And it has been something that -- I mean, you're suddenly becoming, you know, best practice. When you look around the nation, I think that's fantastic. The disclaimer is if the conditions change, the conditions in the application change from that 30%, then --

Danaher: We do discuss that. And if there is a scope change and, again --

If the scope change is -- is significant, then they will have to go back through. And, again, this is one of those things that we have to be clear as to what are the -- what are the defining characteristics of -- that have -- that have characterized that fee that we have estimated, and there is elements, units within those fees that we have been working on pricing to make sure that it is clear and transparent how we have come up with the costs.

Adams: Just everyone has a piece of this, I think, except -- I think that is also to capture if not right away, whenever we figure out a better data system for you all, commissioner Leonard is working on, to also get the information of the owner, not just the professional service provider so that some of the communications copied to the owner so that -- when we're to be blamed, we should be. But when we're not to be blamed, we shouldn't be.

Danaher*: We have written in that the owner has to be involved with this to a greater extent than in the past.

Adams: I would ask for those emails--

Danaher: We have made that change recently in any case. That is -- the 30% concept review is vital. That establishes the -- it establishes the scope that then proceeds with the actual design. The design review is at 60%. This is when we bring in construction management folks as well to talk about constructibility, this is also based on a fixed fee that has been established at 30%. If in fact they don't -- this is where the onus shifts a little bit. We're held accountable, our applicants are also accountable. They will need to have produced 60% plan that meets clear criteria we have established. And if they don't, we will not be accepting it. Now, if it is a little tweaking here and there, that's one thing. If we have to go back through another 30% because they have significantly changed their scope, they will have to pay over again. Moving on to the intake review. It gets easier as we move down because we have honed in. The tough stuff is at the beginning. Now we do an intake review. It should be getting easier and easier to check through. Be sure that they have produced what it is that we all have agreed to, and the final plan check is what we call the mylar review, and we review and make sure that everything that we have commented upon has been implemented as we have agreed. So, the key here is that it is a fixed fee. It's based on a fee statement calculated at 30% review, and that if their scope changes, they get charged more. If it doesn't change and the elements of this job have stayed the same, we guessed wrong, we will be held accountable for those mistakes. And be obligated for it. If you take a look at the current versus recommended real fast, you can see the difference between the current fee structure processing time and what we're discussing in improvements, and really the difference here is that we're engaged during an early scoping and discovery session that is formalized and documented. We will have our reviews coordinated. Each of those sessions have all of the bureaus there and working together. Decisions are documented. Establish -- by the way, that documentation includes any kind of adjustments that have been made for issues that have come up that have had to get resolved because we want to feed that into policy changes if you recall past discussions. We will have established turn-around time that -- and predictable review fees. For these reasons, our review groups so far have -- our public works process user group that we have established and drac members have been engaged in this have been very supportive. The criteria given to us coming up with something that is predictable and dependable has been met. Cindy will talk about the sdc portion of our package.

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Cindy Dietz, Portland Water Bureau: I'm with the Portland water bureau. I will be talking about the next three slides. The slide that talks about sdc deferrals and sdc installment payment plans. What exists today? Well, development charges assessed by transportation, parks and recreation, environmental services and the Portland water bureau. Only two bureaus transportation and parks offer sdc deferrals, 180 day no interest deferrals. All four bureaus offer installment -- two bureaus offer a maximum 20 years payment term and two offer 10 year repayment terms. We are proposing that all sdc's be deferred, offer at least the deferral, and the length of the deferral period will be based upon the value of the development project. The deferral would be secured by a master financing agreement and property lien. In terms of installment payment plans, those would be secured also by a master financing agreement and a property lien. And all customers will have an option of five, 10, or 20 years in terms of payment plan options. The next slide talks about sdc exemptions and payment. What exists today? Each bureau has their own set of code language regarding the exemptions. The code language and policies are not exactly if alignment with each other. What is being proposed? A single section in code that standardizes the granting of the exemption for affordable housing provided by the city. Is the sdc's will be calculated -- with interest charged using the city's interim interest rate set by the council.

Fish: What is that currently?

Dietz: Currently 6.75%. And then the third slide is a summary, a period of analysis. Highlighting the differences between what exists and what is proposed. Both for the sdc deferrals and the installment plans as well as the sdc exemptions and repayment.

Fritz: What is the estimated effect on the 10-11 budget?

Dietz: I think in some cases there have been no effect really anticipated or one that is hard to predict. Some depends upon the developer and their interest in signing up for them or not.

Fritz: But if we're moving to paying the sdc's at the end of the project rather than the beginning, there is going to be a loss of revenue in the next year.

Leonard: That exists currently. They currently have deferrals, they're just making the deferrals consistent with -- some are 20, some are 10.

Fritz: Some of them can't be deferred right now, is my understanding.

Danaher: Bes has not offered deferrals for their portion of the fees, but since this is a financing, I really don't think it -- it will make a significant, if any, difference.

Peterson: In some cases what we see are attempts to utilize the affordable housing exemption as an informal deferral process as well. This gives a clear avenue for a deferral process that will work for all projects and be there and available for anyone who wants to use it as opposed to only some of the sdc's on some of the projects that may sometimes be able to meet affordable housing exemptions.

Fritz: Tell me again which sdc's cannot currently be deferred?

Dietz: It is by bureau. Environmental services doesn't offer deferrals and currently neither does the water bureau.

Fritz: Those two bureaus, there would be an effect on next year's budget.

Adams: We are not seeing a lot of development. If we had done it in the middle of a hot year maybe, I mean a year with a lot of permits maybe.

Danaher: I really suspect -- one of the things that -- that Andy referred to is what we suspect has been happening is that in some cases people have made changes in their project in order to get around the fact that some bureaus don't do a deferral. So they -- they -- a phase they're permitting or they sign up and say that they're low-income deferral and they get a low-income deferral and then when they flip it, they end up having to pay it back because it really was not a low income deferral. They have done things of that sort. That is why I say, my hunch is, and I say hunch because I don't have clear data to demonstrate this, that we won't see significant impact.

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Fritz: Has the office of finance and management looked at this?

Danaher: I don't believe so.

Adams: So just to fill out that conversation, I am very supportive of offering more expansive deferrals and consistent set of deferrals. The ways that sdc's work in transportation, and bus and I think the others is that we bond against historic trends -- keep track by the economy up and down, but by historic trends of income from sdc. It is not -- it has never been a pay as you go sdc system. The other -- the concern, legitimate, good concern is will fewer projects get the sdc's for which they are counting on and are budgeted because we bond sdc's or anticipated sdc revenues -- it depends how long the recession goes, but that is a different reason. I think we will be okay.

Danaher: Financing agreement --

Fish: I want to make sure that I understand one piece of this. So, when you -- when a developer comes to bds with a project, typically they have the hard costs and when they're getting their permits for the project, they have hard and soft costs. Hard costs are usually the financing for the, you know, the bricks and mortar and other stuff. Soft costs include their -- the sdc's and the fees that they have to incur, correct? And typically you have to pay those -- you have to pay the soft costs up front, or as banks are getting tighter with credit, show the ability to cover your soft costs on top of everything else. The concern we had from a development community is that at a time when credit is harder to get, it is more challenging for them to come up with all of the soft costs at the front of the project. This is prepaying even before you have built the project at the permit stage. Am I correct so far? So, the deferral -- the first part of any deferral is actually allowing someone to defer having to pay the cost of an sdc until there is a project that is actually up and running and there is at that point an impact on the systems. I mean, in a sense, we have been asking people to prepay those fees even before there is an impact, is that correct?

Peterson: Correct. We tried to match it to some proximity of when the normal construction activity would be concluded based on the value of the project.

Fish: What you are proposing here, as I read it, wouldn't impact affordable housing other than you're cleaning up the code language so that it is consistent.

Peterson: Correct.

Fish: You would still be eligible for your exemption, if you meet the definitions of affordability, which is more generous than we use for other standards. A more generous standard that we use for other definitions of affordability, but on the parks sdc's, you are creating a uniform -- you are making recommendation for uniform deferral policy which would allow someone to extend that out for sometime, with an interest rate set by the council, and so for someone who is currently coming before us and saying that in this economy, the sdc's are a make it or break it cost factor in actually building, this would give them terms which allow them to extend the payments and in effect make the short-term costs less to do this.

Peterson: Their immediate costs, yes.

*******:** Immediate costs.

Adams: On a cash flow.

*******:** On a cash flow.

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

Fish: This allows them to in essence finance some of the soft costs -- whether the bank gives you full credit for that is a different matter. We're just talking about the city side. Am I on the right track?

Peterson: Yes.

Fish: Okay. Thank you.

Adams: More discussion or kristine, did you want to --

Leonard: Were you done, cindy?

Dietz: Yes.

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Christine Leon, Bureau of Transportation: I just have one slide. I manage the Portland bureau of transportation development services division and I will focus on the cost. There is a slide --
*****: It's up there.

Leon: There we go. Thank you. The efficiencies, changes in code works permitting, reform, and the relocation, the appeals that will come to you in January, those will be not without costs. And so what we anticipate, what the bureau has anticipated in the winter budget adjustment, we will be coming forward with a request. We have preliminary numbers right now. And they're really for this one fiscal year. There is going to be an addition for next fiscal year when we come forward, rate-making ordinances, request to also adjust some of our budget in the development services sections of the various interagency bureaus. So, to date, the concepts that we have developed that we have been talking about here have been mainly done by absorption with the bureaus. We have had some ability to put our effort into this basically for the last year. But we're starting to get into the real implementation phase, and so as we see what we need, those will be real costs. But just to run through what we're estimating, we have moved up there. And there is about 40 people that have been relocated, and we have the preliminary numbers for that cost and the additional rent for the bureaus for this fiscal year. The relocation costs, furniture, i.e. Moving, some space planning, that is estimated right now to be about \$180,000. We should be able to get the final number next week. The rent for the rest of this fiscal year is going to be \$157,000. And then we talked about the outreach and the need to train staff and the need to let our clients know what is going on, the need to update our i.t. System, whatever that system is going to be, these are going to be real numbers. We need to develop brochures, now programming for the computer systems, and we need more staff to help with the -- field program, more of the outreach. Those are estimated to be another \$100,000 for the public outreach, \$110,000 for the staff training fees. For this fiscal year when we come through as bureaus with the budget adjustment in I guess, January, February, the bureaus are going to be asking for \$750,000 basically, budget adjustment. I don't know if you remember, but back in March, April, when the original proposal was consolidation, there was an estimate, and I pulled it out, of what the one-time costs were going to be when it was consolidation, and it was going to be \$690,000. So --

Fritz: We went to colocation, didn't we put something in the budget for that?

Leon: No, we didn't. We had discussions about it, at least within the bureau of transportation, but we didn't do that. We didn't know what the costs were going to be.

Fritz: This is our entire contingency for the rest of the year.

Adams: Not all of it is born on general fund.

Fritz: How much comes out of general fund?

*****: We have not had those discussions yet.

Adams: That is our job, not their job.

Leonard: It isn't necessarily any of it comes out of the general fund, because you have to feed off water, bus, and --

Leon: We will have to --

Leonard: Potentially parks.

Leon: We haven't budgeted for these specific costs. They're within the bureau of transportation. There may be a contingency that can cover it but we don't have an authorization, so that may be part of the budget adjustment and it may not be coming as a request from general funds but we have to reappropriate within our bureau.

Fritz: To support these am I saying that I support the funding?

Dietz: No.

*****: That will come back --

Leon: That will be a separate action.

*****: Right.

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Danaher: This is the -- the relocation has already been spent.

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

Adams: And this is -- we're getting from our staff team their best estimate of the costs and --

Fish: Could I get a clarification? Did you say a moment ago that the original estimates were the full -- for the full consolidation was less than this -- for colocation?

Leon: It was based on a concept back in march of what the consolidation was going to be for one-time costs and that was \$690,000. They estimated way back then for the ongoing costs to be \$645,000.

Danaher: And that didn't necessarily --

Leon: Comparing apples and oranges, but I thought it would be an interesting piece of history.

Fish: You know, i'm getting to the age where my memory is so faulty that I will put a disclaimer out. I could have sworn that we quantified some substantial savings when we had this discussion of colocation versus full consolidation. I remember a lengthy discussion about substantial savings. I don't understand why these concept numbers would be higher than what was projected for consolidation.

Leon: I think some of the reason, too, we estimated the i.t. Costs back in march to be about \$40,000. We're saying they're going to be about \$200,000 now because we're getting closer to actual numbers for an sdc calculator, and we have support and endorsement to move forward with that piece. We have been able to get a better estimate. In addition, for the fee estimator, it's going to run probably around \$100,000. We underestimated when we were developing the concepts way back in march. So, that is some of the reason why the numbers are different. We really didn't know what it was going to take. In addition, the training and outreach was really I think low estimated back in the spring.

Danaher: And those increases would have been the same increases because those activities were the same whether it was consolidation or colocation. Your i.t. Changes would have had to have happened -- in fact, more would have had to have happened. Those increases would have been identical.

Leon: In march, we said the move was going to cost \$300,000 and it has only cost \$180,000.

Fish: Having managed my own process of colocation/consolidation, I understand that the numbers are not firm until you actually go through the exercise. When we get to the winter bump, I would be interested in seeing the original estimates on both colocation and consolidation and see them in the context of this. You are not asking us to address that. I would like to know more about those numbers.

Leon: So, just one further thing to state. When we do come forward with our rate-making ordinances in the spring, we are going to take into consideration the things that we are going to learn over these next six months. We're hoping that there is enough data from projects to enable us to learn what we need to do to our fees. And we will adjust accordingly. We will continue with our user group, but we're hoping to get measure of success implemented and continue improvement.

Adams: Discussion from council?

Fritz: I have a question about the role of development services and how the funding -- are development service staff involved in this at all?

Peterson: In which part of the --

Fritz: Bureau of development services.

Peterson: Involved in supporting this work, yes.

Fritz: Yes.

Peterson: Yes, we are. We have been involved from, you know, this time last year.

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Fritz: How are we going to fund your piece? Because this is very labor-intensive. It is a good process and eventually I think it will be cost effective, but certainly while we're learning and people are establishing this process, \$150 is not going to cover your costs for having --

Peterson: Early inquiry meetings, they will be more directed towards the public works function as opposed to the private side development.

Fritz: How does the work of the staff and development services play into this at all?

Peterson: Well, what we did talk early on about is multiple entries into the public works processing. A preapplication process, bds oriented discussion of land use that surrounds development. Provide information to the applicant at that time. Those costs are incorporated, bds costs are incorporated into that preapplication conference. The balance of this is basically staff will, you know, our staff is -- are the folks at the entry portal for the development services center which we use as a collaborative piece. It is a cooperative function that we have with water and bes. There is not a person who walks into the dsc without interacting with a bds employee.

Fritz: Are you telling me you have enough staff to do this now without additional --

Peterson: Our role in this is primarily -- my participation, as well as one staff person that has helped coordinate, assist, and will -- our proposal is to look forward into the outreach education, training, how can we compliment that, they have a wide background in land use building permit and permitting system, how can we assist in development of the new programs that need to be created for the public works permitting process as well as the appeals process?

*******:** We are augmenting the program in that manner. But not to the same extent that the public works permitting staff, engineering review is participating.

Leonard: I would take it one step further and say that arguable that this process -- that -- capable -- reduce the work load of bds, because what used to be a system that bds was considered to be the point on all development, notwithstanding the fact that they had no connection -- somebody -- what you are hearing described here today in my world is nothing short of revolutionary and something that is -- would have been incomprehensible a couple, two, three years ago, and I think in many ways frees up our staff to focus on bes development issues and less on public works issues. A way that I find hugely refreshing and inspiring in terms of how we can facilitate permitting processes in the city.

Peterson: One way to look at that, over the last eight years bds has transformed over how we have done a lot of work and we have done that over an eight year period. The infrastructure bureaus to work with us. Ramping it up quickly into a one year time frame and we will carry that over --

Leonard: With a much friendlier face, I might add.

Peterson: That is one perception. That is one picture that I have used to look at this. That we had some time to express this and learn it and move through that process and the time frame that pdot, bds and water and parks participated as well, everybody has had to compress and learn and take this on in a very quick time frame. You know, changing learning, moving forward, talking to the constituent groups, all of these things were in play, but what we have done is taken them and compressed them down, which is -- you have those three factors, time, money, staff, and at this point, all of those three are coming together at one time. And that is why the cost is there, the staff demands are there, and we're coming out with a product that has a shorter time frame associated with it.

Fish: If I could just on that point, because I work with commissioner Leonard on aspects of this colocation, so I applaud the work you have done on reforming the system and the predictability and uniformity, and the innovation. There is a piece of this that I am still not clear about. I need your help. The system itself is being reformed. Now we're talking about changes with sdc's where we have uniform rules which I think is also laudable. There is a piece of it that I am not sure I know the answer to. You might have run this. You can help me. But if everybody who comes in

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to pull a permit opts for a 20 year deferral with financing on a parks sdc, how do that impact the cash flow to parks in terms of the sdc revenue, particularly since we've got programs in the pipeline waiting for money to come in? How does that practically affect the cash flow.

*******:** Sdc expert --

Adams: Commissioner Fritz asked this question.

Fritz: Get a definition --

*******:** I think there is a simple answer.

Dan Vizzini, Bureau of Environmental Services: Let's distinguish -- I have an sdc due before I get my building permit. I sign a piece of paper that says I want to defer that payment, or the loan payment for 12 months. My project is worth more than \$7 million. The deferral that we -- the program that we have in place allows me 12 months from that date. 12 months goes by. At the end of the 12 months I get to choose. I either pay cash, pay off the sdc, or the deferral rolls into a special assessment loan that I can pay monthly or semiannually over five, 10, 20 years.

Fish: Who underwrites the loan?

Vizzini: This the genius of special assessment financing. So, the city auditor's office accumulates all of those contracts for loans. And goes to the bond market, municipal bond market and sells special assessment bonds, we sell special assessment bonds in the bond market equal to the value of those loans. The city collects that money and distributes it back to the bureaus whose sdc's make up that loan portfolio.

Fish: Isn't that how this economy got into the mess to begin with? Who is advising us on this?

Vizzini: There is a key distinction --

Fish: I'm sorry. I'm sorry.

Vizzini: Municipal bond program in the united states is so much more secure than the commercial paper market --

Fish: And the security here, we have a first lien on the property.

Vizzini: First lien on the property and then you have the city -- the city is pledging a first call on revenues if the loans -- if the loans fail and we don't -- we're not able to collect through foreclosure the amount needed to cover the loans, then ultimately the ultimate security for these is revenues of the cities.

Fish: We're using our good credit.

Vizzini: Exactly.

Fish: And that risk is almost nonexistent.

Vizzini: Parks bureau gets the value of those loans in cash when the bonds sell, you go forth and build good things with that.

Fish: Thank you.

Vizzini: And then the property owner who took out the loan repays the city and we, in turn, repay the bond holders.

Fish: So that was a perfect answer, because I think I even understood it. Under the proposed -- under these uniform rules, then, to what extent are we changing the deferral rules?

Vizzini: Right, so what we have done is to say that we've swapped out 180-day deferral for park transportation sdc. Based on the size of the project, end a deferral that now can be applied to not only transportation and park sdc, but water and bes --

Fish: And that is the steps of six, nine, 12.

Vizzini: Correct.

Fish: At most \$12 million for a project valued at greater than \$7 million.

Vizzini: To get back to commissioner -- to get back to commissioner Fritz's concern, the budget impact is limited. The deferral period can only last the maximum is 12 months for the biggest projects. At the end of that 12 months, we're either going to get a cash payment from the development or get it rolled into a loan in which case we get bond proceeds. The parks bureau is

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accumulating this revenue to build projects, and as commissioner Leonard said, the loan program, loan financing is really what is going to -- it is the bond sale that is going to capitalize all of it.

Fish: Would we be recommending modified deferral period even if we were in a robust economy? Are there things you have heard through the drac process that justify this even if we were not dealing with hard pressed developers.

Vizzini: Yes, and it goes to that point of not wanting to come up with the cash before the development has been realized from the developer's point of view. So, the deferral is a good idea because it helps generate development. That's what we want to do. But it also does it in a way that ensures that we're going to receive the sdc payment that is needed for the systems improvements that are needed.

Leonard: It is important to recognize in the current discussion that is happening relative to drac and the letter that it has sent or is sending relative to -- relative to sdc's, when developers in a housing project build a house, they may take advantage of these deferrals, but what they're looking for is short-term loans that they can then pay off when somebody buys the house. What matters a great deal more to them, what the actual cost of the sdc is. Because they have to pay off that loan with the proceeds of the loan than what it is with the deferral period, versus a single family dwelling owner who may be taking advantage of a deferral and spreading it over a 20 year period.

Fish: What you have clarified, by reading this I guess I should have figured out for myself, it is well written, that we're providing two benefits here. An extended deferral period for certain projects, and a longer term financing of the sdc's. And those are the two benefits we're offering people so that the -- to address the impact of the soft costs at the front end of a project.

Vizzini: The reason we're doing this this way, state law doesn't allow us to go after the project, to hold up the occupancy of a project to pay sdc's. The only point in time that we can strike this deal with the developer is when the permits are issued. And so by having the developer sign a financing agreement that authorizes the deferral and the loan, we are able to protect our interest while at the same time providing this financing mechanism for the developer.

Fish: Thank you very much.

Leonard: If I recall correctly, prior conversations, some of these financing schemes actually generate revenue for the city in that the amount of interest charged the developer may be more than what we pay on the bonds if we bond out?

Vizzini: The current code had interest rates at 12%. We are reducing it down to the interim interest rate that is set by council for the special assessment loan program, which is closer to your cost of -- the city's cost of capital or the opportunity loss.

Leonard: The arbitrage benefit that we had doesn't exist anymore with the program.

Vizzini: The interim interest rate is intended to be set fairly close to what the long-term bond rate is going to be anyway.

Leonard: Why did we do that?

Vizzini: The reason we did that was that it was -- it -- it seemed at least to me personally that it was indefensible to charge 12% interest. It wasn't really linked to any cost of money.

Fish: That is absolutely outrageous -- [laughter]

*****: I'm going --

Adams: You're the first person i'm gavelling.

Mayor: Take control of this meeting, please.

*****: Thank you.

*****: I won't put my name on this --

Adams: In a city where 85% of our businesses employ 10 or less employees-- bah-humbug.

Adams: We have a lot of folks that work on these kinds of projects, a lot of companies that work on these kinds of projects, and small investors that -- whose benefit of this uniformed approach,

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their benefit will be amplified compared to the larger user. It is open, nondiscriminate, open to everybody.

Danaher: Additional benefit is that they -- all of the bureaus are now aligned. They don't have to -- they don't have to have a score card to figure out the different distinctions between the business practices. So, now all of the bureaus business processes are the same.

Adams: Any other discussion?

Fritz: I would feel better when the office of management, finances gives me an opinion on the financial pieces of that. If I could have that that would be great. A question on the technology part of it that you outlined with a list of software that we need to buy. Is it intended that those would be funded through the rate-funded bureau?

Adams: We have not -- I am going to answer that. We're coming back based on the request from commissioner Leonard, bureau of technology services will be working with the bureau of financial planning to figure out, not just to deal with this particular upfront investment, but there is a larger, bigger need for technology through the permitting process. That will be aired out --

Leonard: Which is what I announced on monday or tuesday relative to the work session in january is on that issue. We will have the specifics of what it is the system would look like and hopefully what it will cost by then and the best ideas of these folks and others as to how that should be paid for.

Fritz: This plan is not dependent on that, though, or is it?

Leon: I think what we have been told is to continue with what we need for programming, and if the system is replaced that whatever we do as far as upgrading our existing program would be easily converted so that it is not money lost.

Fritz: We need to move forward on for the new software for this faster than the bigger revamp, is that correct?

Leon: Yeah, about the same time --

Fritz: Right, but I think the larger picture has a longer time frame for implementation as opposed to some of the -- some of the measures that the new process requires will need to have some programming behind it to make it look as well as, you know, on the shelf right now with some money for programming we could put into effect a fee estimator for private development and sdc costs which have been supported by the drac, put forward --

Adams: Which gets back to among other things the earlier conversation about whether you need \$150 review or \$3,000. It is all part of -- it arms the customer with the information that they need based on the details, the important, specific and important details that they would plug into the estimator. So, it is part that and as I have heard it described, it is also sort of the short-term technology colocation or integration short-term that needs to happen. And the longer term is a much bigger project.

Fritz: And in terms of the people power, because initially it is very much people getting together and spending time problem solving early, the bureaus are confident we have the capacity to do that in our existing budget.

*****: The --

*****: No --

*****: I wouldn't say that.

Leon: We have the ability to figure out what we need, but we don't have resources -- we will be coming forward in the winter months with programmers because that's not budgeted in and that -- we can put our brains together and --

Adams: Let me also answer that. From the transportation point of view, being on our 7th year of cuts, and with fees down in this area, no, there isn't enough people. So, let's just get it out there on the table. This is getting the kinds of efficiencies and improvements and effectiveness with the people that we have. It doesn't mean there won't be a lag even after we get -- that's why looking

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for the longer term investments in technology to improve overall efficiency is so important. So, this is -- this is about doing better with what we have by far. And having worked on this, been around this issue for a long time, I really want to thank you. This is amazing work. But it doesn't mean that we are staffed up where we need to be yet. But because everyone is coming together in a colocation and getting on the same sort of technology, more on the same technology language, we will better be able to figure out fees and workloads and general funds or not.

Fritz: I just have one final question. That is how does this fit into the budget prioritizing process within the bureaus --

Adams: In the 11 by 17s on each program area, which I know everyone on council has memorized, some better than others, you will see the current level of effort and then you will also see what the proposal, if any, changes both cuts or additions by program.

Fritz: My question is what is the citizen involvement and prioritizing process of this project versus other projects?

Adams: Same as -- every bureau will go through and prioritize. For example, bes, parks, bds, transportation, broken out as a program that gets prioritized in the same two ways. One, mission, furthest from -- from the customer's point of view, the most requested to the least requested, the most popular, least popular, and things that are furthest away from the mission, although we have -- least popular --

Fritz: When we do something in the winter months, is that prioritization process involved or does it then go back into the bucket to be considered for the next year?

Adams: No, interim changes, technical, nontechnical. We don't go through that process again. The interim bump is outside of that process right now.

Fritz: How do we figure out where these acts would be in relation to the rest of the bureau's budget?

Adams: We will know what their -- every bureau in the city is requesting in terms of any new revenues between budgets, and we will be able to judge that against their existing programs, whether we want them to go back and cut something. Even during the interim period between budgets, and as we always do, look between the bureau request whether this has more -- we think this is a higher priority than that.

Fritz: Thank you very much.

Adams: Sure. Any other discussion from council? All right. Any one who wishes to testify on this matter? So I have --

Leonard: We do --

Peterson: That is the amendment to 1756.

Adams: Hear a motion to accept the report.

*****: 1756 does affect one of the ordinances that we need to --

*****: Do you want us to do that first?

*****: We haven't read all of the items.

*****: I think we can do 1753 first and dispense with it and then the report.

*****: I heard a motion.

Adams: Second? All -- anyone wish to testify on 1753? Carla can you please call the roll.

Roll on 1753.

Leonard: I need to make a couple of remarks about the significance of what is happening here today. While this may be a point at which I have felt it necessary to get to for a long time, and have made such a case to now three different mayors, and it is only this mayor who has not only agreed that this was an important step to take but was willing to take the leadership when he first got into office, I mean, the very first day, to provide the leadership necessary to bring the various bureaus together to issue permits. So, I certainly want to acknowledge that without sam's leadership on this, it would not have happened. And second, I also can't help but be struck with

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having been here long enough to have been through a debate under a prior mayor as to why it is that we needed to change the form of government to cause what we're seeing happen here today happen. But by disassembling the entire way we do government and elect people to the council, that this mayor chose to use collaboration and the bully pulpit, if you will, to cause to have happen what we're seeing happen here today through using his ability to assign resources and influence those of us on the council to make government more efficient. -- this is an efficiency measure that is occurring today, and a measure for the development community, whether that means somebody that is building a high-rise tower downtown or a housing project or putting a bedroom on their house, for a person to be able to go down and now for the first time as Lana pointed out, predictably find out what their sdc's are going to be is a huge issue. And it isn't that people are mad that I hear from about what the sdc's end up being, is they want predictability at the beginning of the project so that they know what it is that they're dealing with. If it was lost on anybody else here, it wasn't lost on me what the significance of what you said was. It's huge. And, you know, likewise, the sdc standardization, it isn't so much that it is confusing to people that come in relative to different bureaus having different processes or maybe no process at all relative to an sdc, but that it is predictable and understandable and that you can go to a place and have somebody tell you what that is. That is a huge change. And it is a huge change for the city, but it is fairly standard in other cities around the country and the state as people enter their development process to be able to go to a single point of entry and have an intake that covers the various disciplines we have heard talked about here today. So I am really in many ways blown away by the work that you all have done in such a short period of time. As Andy said, Lana, Cindy, Kristine, I want to thank you for your diligent work and I have got updates on it and couldn't be more appreciative of you and your bureaus and what you have done. Andy -- I know he has worked evenings, weekends, given up family vacations and has brought all of this together in a way that I'm not sure was possible with anybody else because of his particular skill set and his way of communicating. I want to acknowledge your work and Paul's confidence in you, and particularly at a trying time for Paul and I and the rest of the bureau, which you are also involved with, your focus on this and competence is really appreciated. So this is at least in the world that I have lived in since I have been on council, a red letter day in terms of achievements and accomplishments for the bureaus that I have been assigned. And I can't thank enough Mayor Adams vision and fortitude in getting to this point and the work of all of you.

*****: Fritz.

Fritz: That was a helpful historical perspective, and I have known some of you for nearly 20 years and the enthusiasm and diligence that staff have taken, and I am looking at staff throughout this chamber and others I know that you have enthusiastically embraced this concept. Having been given direction by council in April that we would like you to sit together and work together and actually improve the process that you with your experience have been able to do that and you have embraced it and moved forward with it. This report is another step in that. I thank you a lot for your work and it is good work and it shows that the council can work together, too, and this report was cosponsored by the three main commissioners in charge of the main bureaus and I embrace it as well. Aye.

*****: Fish.

Fish: Hanna Kuhn is not here, she is traveling in Europe, but I want to acknowledge the assistance she has given me on this issue over the months. I want to acknowledge that there is a dynamic on this council that the public is utterly unaware of. But this firmly reminds us, because when this issue -- there is a familiar pattern with how we deal with complex and controversial issue and it is a mystery to most people because it is never covered. In this case, the mayor, I think four or five reform packages he wanted the council to take up. Someone has to first say it is a priority. Once that is done, a commissioner in charge has to move the ball and try to get

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consensus around it, and that was Randy. There was a significant disagreement on this council about which of the competing visions was the right one. And there was a robust discussion at council and behind the scenes about that. But what I think is often dismissed in terms of how we operate is out of that sharp disagreement came a 5-0 vote in support of a vision advanced by the commissioner in charge which has led us to this point. In effect, you can say what you want about the commission style form of government and its inefficiencies, but what it does do is require adults to sit down and find common ground around issues, and that is what happened here. That led to a vision for colocation and what to me is doubly remarkable to at to what Randy has said, some of the staff who have brought us here did not necessarily agree with the outcome of the council debate. Once the debate was over, they moved forward and implemented it and far exceeded the council expectations. This is an extraordinary piece of work. The debate has helped me understand it a little bit. Little concerned about bundling, arbitrage and -- [laughter] and the h.r. Matter -- we will -- I don't think we're allowed to discuss that in a public setting. So, again, this dynamic is a well-kept secret. I want to acknowledge for us to function, that we are at our best when the five of us engage passionately, bring our values to the table, give and take, and come up with ultimately a better product. But it takes leadership. The mayor got the ball rolling. Commissioner Leonard did the heavy lifting, and now you have brought us forth a road map for how we go forward. I want to compliment everyone involved. Aye.

Saltzman: I want to add my accolades. This has been a great process and a process which has resulted on what I think we're on the brink of is actual change and results that will improve the process. I want to commend everybody. I know there was a lot of dissension and concern about this, about change, and so far this change seems to be headed in a good direction. One of the things that I think we are going to always have to pay constant attention to is the -- I love the not to exceed fee. I think everybody likes that. But we're also in bureaus where we hire consultants on not to exceed fees, too, and the big issue is scope change and when does the scope change constitute the need to be come pen -- compensated for your fee? I think we're all familiar with that in each bureau that is affected here and we need to make sure that we don't fall too much into that syndrome that the scope has changed because that will not, I think, breathe the faith and integrity in this process that we want to have for ourselves as a city, but also that we want our customers, developers and others to feel when they come into the bureau. We want certainty, but not prolonged debates that the scope has changed and therefore the fee has changed. This is great work. We need to continue on this path. I am pleased to support this.

*****: Adams.

Adams: I want to thank commissioner Leonard for yet again taking on an ugly, nasty, controversial but to many people boring issue and --

*****: Not these guys.

Adams: Not to them. But to many people a boring issue, and -- but incredibly important. And making change, getting results. I want to thank you for that. It wouldn't have happened otherwise. I want to thank commissioner Fish for brokering, playing Henry Kissinger and brokering a great compromise. I am a very compromising person really, and seeing this move forward. This is the largest change in the area of public works processing and permitting -- I don't know, what would you say -- ever in the last -- at least the last 16 years. And I want to thank all of you for -- I've served with you in city government as colleagues on a staff level and now on these various different levels and I want to thank you for, as has already been mentioned, coming up with something far better than I ever originally imagined. This is really fantastic work. And it will make a big difference for the city. What we're doing today, picking up on the notion of a red letter day, what we're doing today is a red letter day to remove unnecessary red tape and we're providing as well a guaranteed price, and why are we doing this? We're doing this because we want to remove the unnecessary delay and red tape from community supported, well designed,

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green development. If it is bad, if it is ugly, if it -- you know, denigrates our environment, our regulations are in place to stop that. But what we have learned over the years, despite our best efforts and you're some of the smartest public servants I have ever met, sometimes the unintended consequence of a bad system is that we stand in the way of the very thing we want to see in our city. That is why I vote aye. So thank you, aye.

*****: Can you please read the rest -- the next three?

Item 1754, 1755, 1756:

Moore-Love: 1754, suspend portions of code chapter 17.24 and 17.32, ordinance 182841 regarding public works permit fees and utilize special rates and charges for public works permitting services. 1755, adopt uniform policies for deferred and installment payments of system development charges. And 1756, adopt uniform policies for partial and full exemptions of system development charges for qualified affordable housing developments.

Leonard: I move the amendment item 1756.

Fish: Second.

Adams: Moved and seconded to amend 1756 as referenced by this piece of paper, which ben will witness. Thank you, ben. Anyone that wishes to testify? All right. Carla call the roll on the amendment to eye --

Leonard. Aye.

*****: Minor details, administrative details which specify the language of when things happen, aye.

Fish: Aye. Yes. **Saltzman:** Aye. **Adams:** Aye.

Adams: 1756 amended. Unless there is testimony required for 1754 -- does anyone wish to testify on 1754? Call the vote on 1754 emergency ordinance.

*****: Just a note that it is an emergency clause on this ordinance. It goes into effect july -- january 30.

*****: Thank you.

Adams: Please call the vote.

Leonard: Aye.

Fritz: I'm pleased to support -- I still have questions on the budgeting in the bump and in the next year's budget, which -- aye.

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

Adams: And unless there is additional discussion or anyone wishes to testify, 1755 moves to a second reading on january 6th.

*****: I'm getting there.

*****: It takes a whole village apparently to chair this meeting today. [laughter]

*****: Sorry.

Adams: Every type a personality -- all right. 1756 moves to the second reading on january 6th unless there is objection. Thank you very much. Happy holidays. Good job. [applause]

Item 1757.

Adams: All right. We are going to hear a time certain running a few minutes late. We're on to 1757. And if our invited guests would please come up. Carla can you read the title for report, 1757?

Moore-Love: Accept the small business advisory council 2009, 2010 annual report to city council.

Adams: Good afternoon. Welcome back. We're glad you are here.

Martin Maderios, Chair, Small Business Advisory Council: Glad to be here. For the record, my name is martin medeiros, chairman of the small business advisory council. It is a volunteer organization. And once a year we are to present the annual report and the statute requires a one-page -- actually recommend a title for this.

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*****: It does?

Maderios: Yes, it does. That is what I am going to review for you today --

*****: Good news it is one page, bad news it takes two hours.

*****: Exactly.

*****: Time certain and half an hour, at least an hour and a half.

*****: Minimum.

*****: Is there going to be any religious service accompanying this --

*****: Last night, last night.

*****: Will there be a laying on of the hands at the end of this -- [laughter]

Adams: Commissioner Leonard, let the record shows who often complains about long presentations, I think is a thing of the past mayor, subjected us to wonderful --

Leonard: I will point out in my case, it was in the name of the lord.

Adams: All right. Please continue.

Maderios: Very good. As you can see, the one pager here, ordinance has review the accomplishments and recommendations for the year. Current items and issues, and upcoming issues. I would like to begin with the mission of the small business advisory council or sbac, and that is that the small business advisory council representing the interest of the small business community citywide provides -- the goal of the sbac is to promote a customer-centered business climate within the city of Portland through well informed organized advocacy. And the group that preceded me is -- couldn't have planned it better, because that is a great example of what we're doing and how we really think things are pulling in the same direction here in the city. Among the eight accomplishments and recommendations this year, we began the year talking about the economic development strategy that was promulgated by pdc and we provided input on it regarding small business issues, and we work with them and we think we have a great product, not only because of the work product itself, but because there are so many economic development agencies all pulling in the same direction. That is the first time in ten years that I have seen that happen. That is very encouraging. And on the colocation, scarlett, testifying on his behalf regarding the bds centralization and we were happy to do that because we believe if you want compliance, you make the conditions of acceptance easy. When you have businesses running around you, different agencies trying to figure out what to do and what it costs, by making it easy I think you will see compliance will go up at the end of the day and it makes things easier. Secondly, we requested restoration of funds to entrepreneurship training and through no fault of the city's, this actually has to do with the funds allocated through the university system in salem. They basically reduced entrepreneurship training administered by -- what we ask the city it do is to think of creative ways to help this entrepreneurship training. We hear about work force training, we need employer training, people who give these people jobs, and that was hit hard like many things in this budget cycle. The third thing we think is successful is automating some of the informational processes, and Portland online we work with the city -- that portal where it has more and more information to facilitate business, creation, expansion, on growth. And fee estimator, making it easier to pay taxes, revenue, we work with them on that, has really helped the utility of that site increase for small businesses. Logic is as follows. We have looked at economic data since at least 1890, whereby in each recession when fees or regulation were increased before an economic recovery could happen, the depth and severity of that recession was lengthy. We realize this is a tall order. But, you know, everything, all revenue is down, but before the revenues can increase for the city, the tax base, the business sector has got to have some sort of recovery and that is why we took that position. We asked dan to facilitate our annual retreat and he did a great job in brain-storming ideas. We think dan did a fabulous job.

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Maderios: We also along the lines of the fees, we continue to make progress through leadership on the issue. We want to increase that to 125 k for owner exemption and we think that that three year leadership has come along this year.

Maderios: To grow the small businesses of highways, jobs, we wanted to present a target. What does it mean --

Fritz: Living wage, did you say 40?

Maderios: 40. Annually about \$7,000 more in the county. Basically talking about 80k a year versus 73. For homeownership, it's like \$258,000 is the price in the city of Portland.

Leonard: There's an official -- there's an official --

Leonard: Which is a far cry from \$40 a hour. It's like \$14 a hour.

Maderios: I know. One of our major assumptions is homeownership, if we want property value, make sense, what's the [inaudible] case on the living wage. I understand that. Thank you for the clarification. And we met with each of you on this process for rule-making. What we've seen in -- what we've seen other cities do, before an ordinance -- and this can apply to -- this can't apply to every ordinance. But they may cost jobs, add jobs and right now in the city we have no visibility into that. Small businesses don't. So what we suggested what for ordinances of some type of impact, let's go ahead and do an economic analysis. Let's revisit it, maybe, because we want to make sure that the ordinance is still irrelevant and take a look back and see if it's effective in its intended result which may or may not be the case. And finally, we would like to provide some notice to businesses on regulatory changes, especially to the affected businesses. An example, there was a microwave repair placed that a loading zone, and a bioswale, which is a sustainable endeavor, was to be put in in the loading zone and that plan was out months, but that business found out about that plan, the day a jackhammer was showing up and luckily we were able to intervene. And you had competing endeavors. A bioswale and a microwave repair business. And when you repair things, they don't end up in landfills. And we don't know that result. It may be electronic, door hangers. We're going to work on it to figure out the best result. For affected businesses, by having a little say, we can anticipate and do the most logical thing than story actually had a happy ending because of the great public employees, we shall able to have a fire drill and get it solved and the neighborhood business association issue and with a little more notice, I think we can have a lot more community-related development in these types of projects. And one thing we're doing more this year is monitoring the state of small business. And with changes with the snba and neighborhood associations we're working to have a better feedback. And why done we go to some of the slides on here. There's good and bad news and I want to deal with that. I'll start with the bad news, and we have a lot of good news, but I want to save that until the end. It's the holiday season. Foreclosures, top 10. We talked about the entrepreneurship training cut. And we have some fees, tax increases but I think they've been cut to a kept to a minimum. And the ambient economy, capital is absolutely dry. Credit-worthy businesses that are cash flowing are not able to get capital. Why is this important? If we ever see an opportunity to increase capital in the city, right now we need to do that. Because lines of credit are essentially shut down. You don't see a lot of money moving around for acquisition, investment. And that's one of the states of the economy. So go to the next. And what does this translate to? 6% decrease in capital income and in this ea area in Portland since 2000. And i'd like it say this was an effect of the recession, but it has not. Because the decline transcends both expansion years and recession years. So this is a systemic problem. We think we have the solution and we'll talk about that later on. Next slide. And here's the good news. We have more businesses and most probably small businesses in the city. Over 9,000 new licenses this year in the city of Portland. And we stopped taking data mid november when we started writing the annual report. This is important because some of these are probably accidental entrepreneurs, people who were -- became unemployed, under employed and started to put more resources into a hobby. And we have no ability -- the data comes from the department of revenue.

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We have no ability to differentiate small from large businesses but it's fair to assume that very few large employers moved into the area in the last year. But certainly we have data from the mayor stating 94% of the businesses in this town are small business and a lot of the business growth was in small business. And this is the opportunity and this is a rare opportunity because I don't think we're going to see this in years ahead. Next slide. So that gives me -- that get me to the current issues. Licenses are up. Employer training is down. Employer training for all these new 9,000-plus entrepreneurs absolutely needed right now. Capital formation, the current issue is we have to have a bias for capital formation. If you can think of something to have a negative impact, we have to move way from that. Something that has a positive impact, that's where we should be now because so many businesses are as you can see going under. Business disruption. Pdot has done a really great job with the road construction on minimizing business disruption. And if your business fails because of a bad business plan, poor management or the market you're in just doesn't exist anymore, that's fair. But what we like to think, no business should fail because road construction or some type of infrastructure improvement. So as most of road work has been bonded before the recession, but now some of the stimulus money, federal money may trickle down and if it does, we want to be vigilant as we have been in the past about this idea of business disruption. When streets go off line and sidewalks, is there something done to those affected businesses.

Adams: At sbac, we worked really hard at your behest --

Maderios: Yes, thank you.

Adams: -- on the transit mall.

Maderios: Right.

Adams: And not without success, not without some failure and we learned a lot and you helped us and we appreciate that.

Maderios: Thanks. And another thing that requires vigilance is fee increases and the cost of doing business in Portland. Now is a pretty dicey time for a lot of businesses and we just want to be vigilant and say, hey, what is the impact of this increase? Is a business that's on the border going to, you know, fall off and then we'll have more people on the street without jobs? That's the ultimate thing we're trying to avoid. Because we believe the best associate program is a job, the more employers we have employing people, the better off we all are. And let's see, let's good to upcoming issues. I think there's a slide with this. No? Not yet. Ok. Go back. Upcoming issues. The three main themes that came out of our retreat with dan, bes, we came up with a lot of ideas and I tried to put them in buckets. Fairness, efficiency and efficacy. First fairness. We talked about this. When we looked at other cities, we saw that rule-making was better ordinance creation rule-making, legislation activity, whatever you choose to call it, informed small businesses more than we do in this city and that's why, we, the process committee, which was a group that met for 18 months, included city employees and sbac members to come up with this process improvements on how we do economic analysis, what have you, and presented that to you and we're going to probably ask for some type of ordinance where we look at some of these things that have economic impact in the future. So that's -- we think that's a fairness thing. One of those things is notice. Providing notice to the affected businesses. And secondly, the ordinance actually calls for a small business advocate. And thinking a little further on the issue, we thought maybe having this idea of an office of small business. And a small business advocate is needed and i'll tell you why. This just happened -- this is my typical day. In the morning, I got a letter from the sellwood westmoreland business alliance about an issue they had. Sbac is an all-volunteer organization and I can be sure I won't be able to bird dog in issue but it has do with pdot and I think having this small business advocate restored would be a great idea. Because we -- as a voluntary organization, we really do not have the bandwidth deal with a lot of these issues that come out. The next pillar of our discussion, the upcoming issue is this idea of efficiency, and we heard about it today with the collocation. The fee estimator. Establishing a single point of contact would be yet another thing we

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can do to help businesses, business creation, growth, and sustaining them in the city. Much like the city of san diego, where you basically have one number to call and that number will be allocated to the right resource. If you wanted to locate a business there or grow your business or look at a permit. Basically a clearinghouse. And this idea came up, thanks to the mayor, and we talked about it a little and thought becomes we could have like a help desk. On -- to get -- it's passed around to the right agency or even a website where the business can get information. Once that happens, we can really start seeing the economic growth happen in this city that -- that it so desperately needs.

Adams: And we got that. Did you know that?

Maderios: I did not.

Adams: 503 --

Maderios: Type it in so that people can see it at home.

Adams: We got it two weeks ago.

Maderios: Great.

Adams: 503-865-4biz.

Maderios: Is that biz?

Adams: Biz.

Maderios: Very good.

Adams: Couldn't afford an "s." zs were cheaper. Much cheaper. I apologize, we took that seriously and it made sense and it's not perfect, but it's up and it's going to be advertised on the website.

Maderios: Super. That's awesome. Second, efficiency. Again, make it easy to comply with regulations. You get higher compliance when you make compliance easy and that's where we're working toward. And we're on board with that and we know that the bureaus are as well. Let's talk about efficacy, which is the third and final pillar of our action plan. And -- in 2010. We'd like to see, again not to beat a dead horse, but to restart the finances dedicated to entrepreneurship training. Now is the time we really need that. Because we have so many new entrepreneurs on the street and some will be successful businesses and they will be the tax base of the future and the employers of the future and that's why we legal really think now is the time to focus on that -- why we really think now is the time to focus on that. And outreach for small business. I met with abnba last -- this week. And talking on strategies and how we can get a better feedback channel to and from the neighborhood business associations and I think things are going to change. The interim executive director has assured me he's focused on building the right organization, not just to fill the chair and move on. And I think that's a very positive thing for this main economic engine in the city, that being small business. There is a discussion in the meeting about dedicated investment pools for small business beyond the brick-and-mortar business. We see a lot of street front things, but a lot of the employers actually don't have a street front. And a number of our members said maybe a pool for, say, business disruption or other capital pool would be something we'd want it look at and explore in 2010. Four, explore ways to share the cost of transportation and maintenance with alternative transportation. We -- sbac in years past, has actually supported huge increases in infrastructure investment for the city. And we would like to see that dialogue continued again and this time, we'd like to look at, as commissioner Leonard, the fairest tax or fee, the one that everyone pays.

Leonard: That no one pays. [laughter] [inaudible]

Maderios: Yes.

Leonard: Or that someone else pays.

Maderios: Exactly.

Fritz: To be clear on that, yesterday we accepted a settlement for cable communication and franchise management and the one-time settlement doesn't go to transportation, but the ongoing fees

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does go to transportation. In particularly to alternative transportation. The part that comes from utility. So, in fact, everybody does pay.

Maderios: Very good. And what we're trying to do, and I mentioned a little bit here, is to go beyond Portland so see, what are the good examples of how small businesses in the cities are mentioned as well. And I mentioned a few. San diego. And anaheim, they were able to do economic development even with negative funds. And what we'd like to do is build these business partnerships with small and big businesses. Why? Because some of these bigger businesses have the ability to offset some of the public-private partnership projects. I'm thinking about director park where 60% of the funds was private sector. If you have the large sector employers doing that, it lessens the burden on some of the small businesses that may not have the access. In fact, the small business administration did a study, that the per employee cost of federal regulations for a large employer, 500-plus employees, is around \$5,000 per employee. With a small business, that's around \$7,000 per employee. So there's a disparate impact and any time we can do a small-big business partnership, we welcome it. And finally, here's the opportunity. Here's the best news of all. Tomorrow's billion dollar companies are right here in the city. They're small. They're tiny. They have nothing but creativity and innovation and right now, in every recession, is where these companies form. Some people, it's forced upon them. Some people, it seems like the only thing that they can -- they can manage getting their entrepreneur head around. They can only work in a certain style. It's happening right now. And this is important for the city. And I know there's been lots of trips to different cities and minneapolis/ st. Paul, endowment in the arts and education are there. That takes a big economic engine. I want the art and education here. The fire drill where we did with the ballet theater last year. This will be created in this recession. These companies are here now and I don't know who they are. If I did -- you know, or if you know them, give me some tips. But what the challenge to our community. Now that we know they're out there and don't know who they are, attract and grow and retain these nascent businesses because some day they're going to be the attach base, the funders of endowment and education that we need. Sbac wants to see a bias for the creation of jobs. Which means helping out employers, working with employers, like we have in years past and we continue to do. We want a focus on having all elected officials and bureaus understand where businesses are coming from. Where the small businesses are coming from and at the end of the day, we need to attract capital do that and make our economy more robust and I heard the word "leadership." and I think this group of elected officials has shown leadership. We heard about it before I testified today, and going forward, I think it will continue, at least if I can have any say with it. And last but not least, I want to recognize clay neal who is moving on to bigger and better things. He's been exemplary in cracking the whip on me and all the members of sbac to get a really professional amazingly efficient means of dealing with the city and getting the right people involved and we're going to miss you a lot and I wanted to recognize you today. Thank you very much and i'm open for any questions.

Adams: Any questions or comment? No? Sounds good. How many people signed up to testify?

Moore-Love: We have one person. Chuck jones.

Adams: Mr. Jones. Thank you, martin.

Fritz: Thank you very much.

Adams: For all your work. Clay is not going far. He's moving to the planning and sustainability team. Mr. Jones, welcome back.

Chuck Jones: Chuck jones, chuck jones and associates. I won't take much time i'm here primarily to back the chair and show him support but I thought it would -- let me echo about clay. He's just been fabulous. It's a shame that we're going to -- we really will miss him. In light of full disclosure, I need to tell you that in addition to serving as chair of the cost of doing business subcommittee of sbac, i'm also on the state leadership council of the national federation of independent business and chaired the state small business development center's advisory board.

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Which I happen to think is the -- one of the best kept secrets in the state as far as the least expensive and fastest way to create jobs. I wanted to touch on what i've seen and mr. Mayor, you may remember that the first time I think he saw you at a chamber of commerce meeting down at the old location when you were chief of staff for vera and that was the beginning of seeing the city actually work with small business and try to work on some of the problems that we had. We've come a long way and there have been real advantages of sbac. Martin mentioned a couple of them. One has been a working relationship with the city employees that I didn't see before that is really good. We've heard dan mention today, there have been numerous others, the liaisons that you have assigned to sbac have really worked well. I think we've learned there them. But they've also learned from us of what it's like to run small businesses and in many cases they didn't have that experience before. I think we've been influential in avoiding several negative situations. Martin mentioned the one about the microwave -- you know, repair shop. One that you probably haven't heard, which was just sort of neat that I found out. A small business explained that their -- commissioner Leonard, you might be able to tell me. Either the fire bureau inspection fee or whatever it was. Was raised by 100% and they were going around telling everybody. We said, what is this? We found out that wasn't it at all. It was the fact that -- whatever small business it was, had paid the residential fee one year and when the inspection came around, found out it was a business. And got billed not retroactively but --

Leonard: What was that address, do you know? [laughter]

Jones: The point of that was they were going around telling other organizations and it came to us and we were able to squash it real quick and that's a real important, very minor, but negative stuff like that perpetuates its and we were able to put a stop to that -- we were able to put a stop to that. My last and final thing, I can't encourage you enough -- we're 50% of the population of this state. Approximately 50% of the small businesses and we have to work with the state and obviously i'm involved down there a little bit. I'm told there's going to be a bill introduced during special legislation for a small business incentive. From what we've heard so far, we're not thrilled with the way it's going, but i'm going to be working diligently to try to get something that really helps. For instance, a tax credit doesn't really help small business, if you don't owe any attaches, tax credit doesn't mean a thing. But in any event, I really encourage -- mr. Mayor, i'm not sure who from here would work with the state, but I think it's going to be real important in the next six weeks. Anyway, thank you for your support. I think it really does help the city.

Adams: Thank you, mr. Jones, you've been a very constructive and tireless advocate as well. And we appreciate it. Thanks. All right. Do I hear any motion to accept the report?

Saltzman: So moved.

Fritz: Second.

Adams: Moved and seconded to accept the report. Karla, call the vote on item 1757.

Leonard: Thanks for a thorough report and it's an ongoing dialogue and relationship in trying to move the ball forward for small business. Really appreciate your work. Aye.

Fritz: Thank you martin and chuck for being here and your go report and the letters that you sent over the course of the year advising us on various issues. The city council always considers and it's important when I get a letter from the sbac and it's hard to keep on top of all the issues. And i'm really impressed with the thoroughness of your reports. Thank you very much and it's appreciated. I'm glad to know we're making progress on small business issues and the mayor with dedicating a staff person has been able to move that forward and there's general consensus we do value small businesses and we're a city of small businesses and we're going to continue to work with you to make -- and i'm especially glad to hear you're working with the apnba. , but i'm look to go continue to improve the relationship between neighborhood associations and business associations and neighborhood-business districts and with the office of human relations to reach out to our

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immigrant and refugee and new Portlanders who are interested in being a part of the small businesses. Aye.

Saltzman: I want to thank martin and the rest of the small business advisory council for your great report and work ongoing. I think there has been a lot of changes here in the city as a result of your advocacy. And we will continue that. I have a profound respect for everybody who has a business. I've had one myself at one time and I know how -- how difficult it is. And, you know, I guess my tearing of difficulty. The restaurant business is the number one most challenging small business to survive. I have such admiration. But every small business. It's a challenge, and these times even more so. I like your ideas of perhaps what we can do to advocate, help in the capital formation ideas and incentives that aren't tax credits. And they are great, great ideas and please keep them up and keep us on our toes. Thank you, aye.

Adams: As I said, I really enjoy working with you all, and i'm very grateful for all the volunteer hours you put in and the sbac puts in. We've made some I think significant progress, especially in the last year and it should inspire us that more is possible. Look forward to working with you. Aye. [gavel pounded] city council's adjourned for 2009.

Captioning performed by Ins captioning www.Inscaptioning.com

At 4:00 p.m., Council adjourned.