



CITY OF  
**PORTLAND, OREGON**

OFFICIAL  
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **26TH DAY OF MAY, 2010** AT 9:30 A.M.

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

Commissioner Leonard arrived at 9:46 a.m.

Commissioner Saltzman teleconferenced from 9:57 a.m. to noon.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Ben Walters, Chief Deputy City Attorney; and Pat Kelley, Sergeant at Arms.

Item 748 was pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

<b>COMMUNICATIONS</b>	<b>Disposition:</b>
719 Request of Mei Ling Wong to address Council regarding guide dogs (Communication)	<b>PLACED ON FILE</b>
720 Request of Patricia A. Kepler to address Council regarding assaults on service animals (Communication)	<b>PLACED ON FILE</b>
721 Request of Dedoceo Habi to address Council regarding a townhall meeting to discuss solutions to national economy and budget (Communication)	<b>PLACED ON FILE</b>
722 Request of Shedrick J. Wilkins to address Council regarding Mayor Adams' pledge to give \$500,000 for Community College scholarships (Communication)	<b>PLACED ON FILE</b>
723 Request of David Morrison to address Council regarding the children's wireless protection act (Communication)	<b>PLACED ON FILE</b>
<b>TIMES CERTAIN</b> [see next page]	

**May 26, 2010**

**724 TIME CERTAIN: 9:30 AM** – Council to convene as Budget Committee to approve the FY 2010-11 Budget (Mayor convenes Budget Committee) 15 minutes requested

**1) Motion to accept substitute staff May 25, 2010 change memo:** Moved by Mayor Adams and seconded by Commissioner Fish. (Y-5)

**Motion to approve the budget as amended in attachments B, C and D:** Moved by Commissioner Leonard and seconded by Commissioner Fish.

**2) Motion to amend budget note for Parks to direct OMF to work with the Commissioner in Charge and the Bureau of Parks and Recreation to develop a written policy describing the processes and timelines for requesting O&M for newly acquired and/or developed Parks property:** Moved by Commissioner Fish and seconded by Commissioner Fritz. (Y-5)

**3) Motion to amend Bureau of Development Services budget note to add the CAO will also convene 5-7 people with expertise in commercial and residential real-estate, including a member of SBAC and DRAC, to take into consideration current and future development activity as it relates to BDS's ability to meet debt service requirements:** Moved by Commissioner Saltzman and seconded by Commissioner Leonard (Y-5)

**4) Motion to add budget note to state the purpose of the Bancroft Bond Interest and Sinking Fund is to provide financing for loans to property owners to pay for local improvement district assessments, system development charges, sidewalk repair assessments and other special assessments authorized by statute or code. By January 1, 2011, the Chief Administrative Officer, in consultation with the City Auditor, shall (1) conduct an assessment of the financial condition of the fund and the adequacy of the current fund balance and future loan repayments to retire all outstanding debt service requirements; and (2) propose to Council legal provisions and management policies that will strengthen the long term health of the fund:** Moved by Commissioner Saltzman and seconded by Commissioner Fritz. (Y-4; Adams absent)

**5) Motion to add a sentence to Bureau of Development Services budget notes that the Council must separately approve of moving forward with a new permitting system before expenditures are made or loans received:** Moved by Commissioner Fritz and seconded by Commissioner Saltzman. (Y-5)

**6) Motion to approve the budget as amended:** Moved by Mayor Adams (Y-5)

**7) Motion to approve the tax levies:** Moved by Commissioner Fish and seconded by Commissioner Leonard. (Y-5)

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**725 TIME CERTAIN: 9:45 AM** – Portland Development Commission Budget Hearing (Mayor to convene Council as Portland Development Commission Budget Committee) 15 minutes requested

**PLACED ON FILE**

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**PLACED ON FILE**

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**CONSENT AGENDA – NO DISCUSSION**

**Mayor Sam Adams**

**May 26, 2010**

<b>726</b> Reappoint Sue Dicile to the Mt. Hood Cable Regulatory Commission for term to expire May 31, 2013 (Report) (Y-4; Leonard absent)	<b>CONFIRMED</b>
<b>Bureau of Police</b>	
<b>*727</b> Authorize application to the Oregon Department of Transportation, Transportation Safety Division for a grant in the amount of \$20,000 for Multi-Agency Traffic Team enforcement with officer overtime (Ordinance) (Y-4; Leonard absent)	<b>183796</b>
<b>*728</b> Authorize an Intergovernmental Agreement between the City, TriMet and the City of Cornelius for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183797</b>
<b>*729</b> Authorize an Intergovernmental Agreement between the City, TriMet and the City of Forest Grove for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183798</b>
<b>*730</b> Authorize an Intergovernmental Agreement between the City, TriMet and the City of Gresham for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183799</b>
<b>*731</b> Authorize an Intergovernmental Agreement between the City, TriMet and Multnomah County for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183800</b>
<b>*732</b> Authorize an Intergovernmental Agreement between the City, TriMet and the Port of Portland for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183801</b>
<b>*733</b> Authorize an Intergovernmental Agreement between the City, TriMet and the City of Tigard for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183802</b>
<b>*734</b> Authorize an Intergovernmental Agreement between the City, TriMet and the City of Troutdale for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183803</b>
<b>*735</b> Authorize an Intergovernmental Agreement between the City, TriMet and the City of Tualatin for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183804</b>
<b>*736</b> Authorize an Intergovernmental Agreement between the City, TriMet and Washington County for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183805</b>
<b>*737</b> Authorize an Intergovernmental Agreement between the City, TriMet and the City of West Linn for Transit Police Division services (Ordinance) (Y-4; Leonard absent)	<b>183806</b>
<b>Bureau of Transportation</b>	

**May 26, 2010**

<p><b>*738</b> Authorize the Portland Bureau of Transportation to indemnify Bridgeport Condominium Owners' Association for a building eyebolt and span wire attachment to the property owners' building in connection with the Portland Streetcar Loop Project (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183807</b></p>
<p><b>*739</b> Accept a \$170,000 grant from the Oregon Department of Energy's State Energy Program to pay for Smart Park garages lighting fixture upgrades (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183808</b></p>
<p><b>*740</b> Grant revocable permit to Good Sport Promotion to close N Mississippi Ave between N Shaver St and N Mason St from 11:00 a.m. until 10:00 p.m. on June 12, 2010 (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183809</b></p>
<p><b>741</b> Grant revocable permit to Scandals Lounge &amp; Restaurant to close SW Stark St between SW 11th Ave and SW 12th Ave from 7:00 a.m. on July 4, 2010 until 1:00 a.m. on July 5, 2010 (Ordinance)</p>	<p align="center"><b>PASSED TO SECOND READING JUNE 02, 2010 AT 9:30 AM</b></p>
<p><b>742</b> Grant revocable permit to CC Slaughters to close NW Davis St between NW 2nd Ave and NW 3rd Ave from 7:00 a.m. on July 3, 2010 until 6:00 a.m. on July 4, 2010 (Second Reading Agenda 676)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183810</b></p>
<p align="center"><b>Office of Management and Finance – Human Resources</b></p>	
<p><b>743</b> Authorize the Employee Transition Services Program for the period June 1, 2010 through June 30, 2011 (Resolution)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>36788</b></p>
<p align="center"><b>Office of Management and Finance – Internal Business Services</b></p>	
<p><b>*744</b> Pay claim of Ernest Henderson (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183811</b></p>
<p><b>*745</b> Pay claim of William Langley (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183812</b></p>
<p align="center"><b>Commissioner Nick Fish Position No. 2</b></p>	
<p align="center"><b>Portland Housing Bureau</b></p>	
<p><b>*746</b> Accept two McKinney-Vento grants totaling \$513,060 from the U.S. Department of Housing and Urban Development for administration of the Homeless Management Information System and OTIS programs (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183813</b></p>
<p><b>*747</b> Amend subrecipient contract with Impact Northwest to add \$20,000 for relocation services (Ordinance; amend Contract No. 30000578)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183814</b></p>

**May 26, 2010**

<p><b>*748</b> Amend Tenant Readiness Rent Guarantee Grant Agreement from the State of Oregon Housing and Community Services Department to receive an additional \$124,000 for services to assist low-income renters who face barriers accessing housing and receive payment (Ordinance; amend Agreement No. 30000962)</p> <p><b>Motion to strike subsection B because additional \$124,000 was captured in Portland Housing Bureau's FY 2009-10 budget in the Spring BuMP:</b> Moved by Commissioner Fish and seconded by Commissioner Leonard. (Y-5)</p> <p>(Y-5)</p>	<p align="center"><b>183826</b> AS AMENDED</p>
<p><b>*749</b> Authorize Intergovernmental Agreement with Portland Development Commission and Multnomah County for \$12,500 for investigation of tax abatement programs and provide payment (Ordinance; Contract No. 30001321)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183815</b></p>
<p align="center"><b>Portland Parks &amp; Recreation</b></p>	
<p><b>*750</b> Authorize an Intergovernmental Agreement with Multnomah Department of Human Services' Area Agency on Aging to support specialized urban and human services to the elderly for the period July 1, 2009 through June 30, 2014 (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183816</b></p>
<p><b>*751</b> Amend contract with Summit Design/Fran Kievet in the amount of \$20,000 to provide additional graphic design services (Ordinance; amend Contract No. 30000272)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183817</b></p>
<p><b>752</b> Authorize ten contracts with nine professional, technical and expert firms for landscape architecture, trail planning &amp; design and identification services by vacuum excavation as required in support of Portland Parks &amp; Recreation projects (Second Reading Agenda 684)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183818</b></p>
<p align="center"><b>Commissioner Dan Saltzman</b> <b>Position No. 3</b></p>	
<p align="center"><b>Bureau of Environmental Services</b></p>	
<p><b>*753</b> Authorize agreements for the conveyance of properties under the Bureau of Environmental Services' Grey to Green Land Acquisition and Johnson Creek Willing Seller Programs (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183819</b></p>
<p><b>*754</b> Authorize application to FishAmerica Foundation for a grant in the amount of \$75,000 for Eastmoreland Golf Course Culvert Removal and Habitat Enhancement (Ordinance)</p> <p>(Y-4; Leonard absent)</p>	<p align="center"><b>183820</b></p>

**May 26, 2010**

<p><b>*755</b> Authorize Intergovernmental Agreement with Oregon Department of Agriculture to revise and publish a new edition of the GardenSmart Oregon booklet (Ordinance)  (Y-4; Leonard absent)</p>	<p><b>183821</b></p>
<p><b>*756</b> Accept a grant in the amount of \$158,000 from Metro's Nature in Neighborhoods Capital Grants Program for Baltimore Woods Connectivity Corridor Project (Ordinance)  (Y-4; Leonard absent)</p>	<p><b>183822</b></p>
<p><b>757</b> Authorize contract and provide for payment for the construction of the SW Yamhill Street from SW 10th Ave to SW 11th Ave Sewer Replacement Project No. E10024 (Ordinance)</p>	<p><b>PASSED TO SECOND READING JUNE 02, 2010 AT 9:30 AM</b></p>
<p><b>758</b> Amend Ordinance to correct concurrence requirement for change order for the Portsmouth Force Main Segment 2 construction contract Project No. E09039 (Ordinance; amend Ordinance No. 183705)</p>	<p><b>PASSED TO SECOND READING JUNE 02, 2010 AT 9:30 AM</b></p>
<p><b>759</b> 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><b>PASSED TO SECOND READING JUNE 02, 2010 AT 9:30 AM</b></p>
<p><b>760</b> Amend contract with Marsh USA Inc. for insurance brokerage services for Phase III of the Owner Controlled Insurance Program (Second Reading 687; amend Contract No. 36262)  (Y-4; Leonard absent)</p>	<p><b>183823</b></p>
<p style="text-align: center;"><b>Commissioner Randy Leonard Position No. 4</b></p> <p style="text-align: center;"><b>Bureau of Development Services</b></p>	
<p><b>761</b> Authorize an Intergovernmental Agreement with the State of Oregon on behalf of Portland State University, for the use of parking permits and access cards at the 4th Avenue Garage and provide for payment (Second Reading Agenda 688)  (Y-4; Leonard absent)</p>	<p><b>183824</b></p>
<p style="text-align: center;"><b>Bureau of Water</b></p>	
<p><b>762</b> Authorize an Intergovernmental Agreement with Multnomah County Health Department to administer the LeadLine and provide free blood lead screening (Second Reading Agenda 690)  (Y-4; Leonard absent)</p>	<p><b>183825</b></p>
<p style="text-align: center;"><b>REGULAR AGENDA</b></p> <p style="text-align: center;"><b>Mayor Sam Adams</b></p>	

**May 26, 2010**

<b>Bureau of Planning &amp; Sustainability</b>		
<b>763</b>	Revise residential solid waste and recycling collection rates and charges, effective July 1, 2010 (Second Reading 665; amend Code Chapter 17.102)  (Y-5)	<b>183827</b>
<b>764</b>	Increase commercial solid waste fees, effective July 1, 2010 (Second Reading 666; amend Code Section 17.102.250)  (Y-5)	<b>183828</b>
<b>Bureau of Transportation</b>		
<b>765</b>	Create a local improvement district to construct street, sidewalk and stormwater improvements from Glisan St to 74 feet north of Davis St in the NE 97th Avenue Green Street Local Improvement District (Hearing; Ordinance; C-10035) 10 minutes requested	<b>PASSED TO SECOND READING JUNE 02, 2010 AT 9:30 AM</b>
<b>766</b>	Authorize an Intergovernmental Grant Agreement with the Portland Development Commission regarding financial contribution to fund the final design and construction of the South Corridor Phase II: Portland-Milwaukie Light Rail Project (Second Reading Agenda 696)  (Y-4; Saltzman absent)	<b>183833</b>
<b>767</b>	Revise transportation fees, rates and charges for FY July 2010-2011 and fix an effective date (Second Reading Agenda 699; amend Code Titles 16 and 17)  (Y-5)	<b>183829</b>
<b>Office of Management and Finance – Financial Services</b>		
<b>*768</b>	Suballocate Recovery Zone Economic Development Bond volume cap to Portland Public Schools and other eligible issuers (Ordinance)  (Y-4; Saltzman absent)	<b>183834</b>
<b>*769</b>	Authorize a borrowing of not more than \$32,450,000 in anticipation of the Fire and Police Disability and Retirement Fund levy for fiscal year 2010-2011 (Ordinance)  (Y-4; Saltzman absent)	<b>183835</b>
<b>770</b>	Authorize additional revenue bonds for Central Eastside Urban Renewal Area (Ordinance)	<b>PASSED TO SECOND READING JUNE 02, 2010 AT 9:30 AM</b>
<b>Commissioner Nick Fish Position No. 2</b>		
<b>Portland Housing Bureau</b>		
<b>771</b>	Delegate authority to review and approve financial assistance under Council-adopted guidelines to the Portland Housing Bureau (Second Reading Agenda 705)  (Y-4; Saltzman absent)	<b>183836</b>

<p><b>Commissioner Dan Saltzman</b> <b>Position No. 3</b></p> <p><b>Bureau of Environmental Services</b></p>		
<p>772 Revise sewer and drainage rates and charges in accordance with the FY 2010-2011 Sewer User Rate Study (Second Reading Agenda 663)  (Y-5)</p>		<p><b>183830</b></p>
<p><b>Commissioner Randy Leonard</b> <b>Position No. 4</b></p> <p><b>Bureau of Development Services</b></p>		
<p>773 Amend fee schedules for building, electrical, mechanical, plumbing, facility permit, field issuance remodel, land use services, neighborhood inspections, noise control, signs, site development, zoning and certain construction permits (Second Reading Agenda 667)  (Y-5)</p>		<p><b>183831</b> AS AMENDED</p>
<p><b>Bureau of Water</b></p>		
<p>774 Authorize the rates and charges for water and water-related services during the FY beginning July 1, 2010 to June 30, 2011 and fix an effective date (Second Reading Agenda 664)  (Y-4; N-1, Fritz)</p>		<p><b>183832</b> AS AMENDED</p>
<p>775 Authorize contracts with Black &amp; Veatch, Michael Willis Architects, and CH2M Hill for the Bull Run Supply Treatment Project (Second Reading Agenda 716)  (Y-4; Saltzman absent)</p>		<p><b>183837</b></p>
<p><b>Commissioner Amanda Fritz</b> <b>Position No. 1</b></p> <p><b>Office of Neighborhood Involvement</b></p>		
<p>776 Authorize \$373,550 for grant agreements with Center for Intercultural Organizing, Immigrant Refugee Community Organization, Latino Network, Native American Youth and Family Center and Urban League of Portland for the Diversity and Civic Leadership Organizing Project for the period July 1, 2010 through June 30, 2012 (Ordinance) 15 minutes requested</p>		<p><b>PASSED TO SECOND READING JUNE 02, 2010 AT 9:30 AM</b></p>
<p>777 Authorize \$1,462,068 for grant agreements divided between five neighborhood District Coalitions to support civic participation services for neighborhood associations and individuals within their target areas from July 1, 2010 through June 30, 2015 (Ordinance) 15 minutes requested</p>		<p><b>PASSED TO SECOND READING JUNE 02, 2010 AT 9:30 AM</b></p>



**May 26, 2010**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,  
OREGON WAS HELD THIS **26TH DAY OF MAY, 2010** AT 2:00 P.M.

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

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Shane Abma, Senior Deputy City Attorney; and Pat Kelley, Sergeant at Arms.

**Motion to hold a meeting 6:00 pm July 29<sup>th</sup> for Schools Conditional Use Zoning:**  
Moved by Mayor Adams and seconded by Commissioner Fritz. (Y-4)

At 2:44 p.m., Council recessed. At 3:03 p.m., Council reconvened.

	<b>Disposition</b>
<b>*778</b> <b>TIME CERTAIN: 2:00 PM</b> – Add sunset clause to Campaign Finance Fund Code (Ordinance introduced by Auditor Griffin-Valade and Commissioners Fish and Fritz; amend Code Chapter 2.10) 1 hour requested for items 778 and 779  (Y-4)	<b>183838</b>
<b>779</b> Refer Portland City Code Chapter 2.10, Campaign Finance Fund, to City voters at the November 2, 2010 General Election ballot (Resolution introduced by Auditor Griffin-Valade and Commissioners Fish and Fritz)  (Y-4)	<b>36789</b>
<b>780</b> <b>TIME CERTAIN: 3:00 PM</b> – Authorize a grant agreement with Choose Local for \$4,995 to publicize the benefits of the Portland Rewards Credit Card Program to Portland residents, public schools and businesses (Ordinance introduced by Mayor Adams) 30 minutes requested	<b>PASSED TO SECOND READING JUNE 02, 2010 AT 9:30 AM</b>

At 3:19 p.m., Council adjourned.

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

By Susan Parsons  
Acting Clerk of the Council

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

**May 26, 2010**  
**Closed Caption File of Portland City Council Meeting**

This file was produced through the closed captioning process for the televised City Council broadcast and should not be considered a verbatim transcript.

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

**MAY 26, 2010            9:30 AM**

**Adams:** Good morning, and welcome to the city council chambers, today is wednesday, may 26, 2010, and it's the 9:30 a.m. session, good morning.

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

**Adams:** Can you call the roll.

[roll taken]

**Adams:** We'll begin with communications, i'm sorry, we will not begin with communications. We have a very special presentation today, and we're honored to have with us today and council the 15 members of the 2010 rose court. Remarkable group of young women representing many high schools in the city and region, and here to introduce them are jeff curtis, the executive director and robert hansen, president of the Portland rose festival association.

**Jeff Curtis:** Good morning, council members, thank you for, for allowing us a chance to preview the festival, we're just two short days away. Rain or shine, 103rd rose festival will begin, we'll have the court come up and give a preview and tell you all the things that are about in store for Portlanders and the surrounding community, as well as the visitors from across the State. And from around the world. And first, I want to introduce our heart and soul of the rose festival, the volunteer leadership. Robert hansen, our board president, serving a second year and term as president of the rose festival board. Robert?

**Robert Hansen:** Thank you, jeff. Thank you, mr. Mayor and city council members for your recognition and support of the rose festival. I represent the board of directors of the organization formed more than a century ago to act as stewards of the festival. The Portland rose festival foundation. And the men and women on the board plus our partner organizations like the royal rosarians, the rose society, along with thousands of volunteers are poised and ready for another great festival. And this year is something of a homecoming for all of us. The foundation has a wonderful new headquarters at waterfront park thanks to the council, and in turn, we're reaching out to the world to welcome them out to our larger home, the city of Portland and the state of Oregon. On monday, we'll say welcome to the troops of the 41st division combat union of the army national guard. Their leader lab featured speaker during the commemorative ceremony and we hope to have more returning troops marching in the march. We're also inviting veterans of the war to join us on monday, so we can off them a special rose festival welcome home. Decades overdo. And finally, we're welcoming dozens of former champions and drivers home to the festival as the rose cup races celebrate their 50th anniversary this year. I want to thank you for having us here this morning, and tell you, on behalf of the board of directors and volunteers of the Portland rose festival, we are proud to be your home grown festival, Portland's official festival. Thank you.

**Curtis:** I want to let the court tell you about the rose festival 2010 so I would like to have the court come in and share.

**[Rose Festival Court speaking together]:** Hello, we are the 2010 rose festival court presented by pacific power. We would like to introduce ourselves in tell you what's happening during the rose festival. Natalia.

**Natalia Mosailova:** I'm natalia from david douglas high school. Five years ago I moved from Multnomah to my new home here in Portland and I am a national honor society student and I enjoy ballroom, hip-hop and salsa dancing. I plan to become an obstetrician. This year the Portland rose

**May 26, 2010**

festival moved to a new home. A beautiful restored building in waterfront park. Many people toured the official festival at our public open house on saturday, may 22.

\*\*\*\*\*: Bralee.

**Bralee Gilday:** I am bralee and I attend Wilson high school. I run cross country, and track, and also tutor underclassmen at the school. I lead a small group of eighth grade girls and enjoy working with middle school students so much that I have decided to become a math teacher. You don't have to be great at math to find great deals during the rose festival. Just pick up our souvenir pin, which is now a season pass to all three weekends at waterfront village. Join us for the opening celebration and fireworks, presented by pacific power, and followed by the all american spirit weekend at waterfront village and the newest parade, the memorial day march.

\*\*\*\*\*: Julia.

**Julia Alvarez-Garza:** I am julia from st. Mary's, and I am a member of the national honor's society, and a participant of the united nations program and mentor fifth grade science students. Next year I will begin studying for a career in nursing. I would like to participate in the rose festival by racing dragon boats. The Portland rose festival is proud to partner with the Portland sister city association to promote the dragon boat races. We partner with many other community events, too, like our brand new youth silent film festival. We learn about the partners at [rosefestival.org](http://rosefestival.org).

**Violet Thomas:** I am violet and I go to jefferson high school. I sing in choir and am president of the junior class. I also love to write and perform poetry. I'm looking forward to my senior year at jefferson we're I will be preparing to attend college. Preparing for the future may be daunting so all of us appreciate the mentorship program provided to us by pacific power. It's just one example of the 100 rule tradition of community involvement. A legacy that includes supporting multiple Portland rose festival programs.

**Alicia Ducre:** I'm alicia, and I go to roosevelt high school. I'm involved in lots of activities in our school, including jazz band, chair mentoring, photography, cheerleading and cross country. And I plan to study early childhood and development in college. Join us the second week of rose festival june 27 through the 6th when something brand new comes to the waterfront village. Barbecues, don't miss the delicious smell and taste of the pacific northwest championship.

**Bergen Rueck:** I go to franklin high school, and I played sucker for four year, have been in three school plays and am the student body president. And I love working with children, and plan to go to western Oregon university next year to study early childhood education. The highlight of the second week of rose festival is the Portland general electric starlight parade. Join us downtown on saturday, june 5, or tune into the live broadcast on news channel 8. Look at the floats, marchers and The bands light up the night.

**Siobhan O'Malley:** I'm siobhan and I attend central catholic. I plan to study communications in college and hope to pursue a career that involves travel. I am co-president of the diversity club, a member of pure mediators and enjoy being in school plays. One of the star performers is the new rose meal at elmer's restaurant. A special feature in honor of elmer's 50th anniversary. Stop by any elmer's location in the Portland area now through june 13, and to sample the meal and support the rose festival.

**Yuliyana Kobel:** I'm from marshall high school, and I have played tennis and volleyball and have participated in student council. I am the youngest of eight siblings, and I love spending time with my family. Whether you are the youngest or the oldest, you can be young at heart during the fred meyer junior parade, come and watch thousands of kids march, dance, or pedal bikes in the hollywood district on the wednesday, june 9.

**Rebecca (Becci) Read:** I'm becci, and I go to parkrose high school. I'm the vice president of the national honor's society at my school, and enjoy participating in mock trials and in the student leader school. I also played varsity basketball if you are serious about having fun, head down to

**May 26, 2010**

the waterfront village during the third week of the rose festival. To experience circus city. Don't forget to visit clown town we're amtrak cascade character clowns will be performing all week.

**Sharice Jackson:** I'm sharice and I attend benson high school. I'm I mentor students at my school, and I participated in track for two years. And eventually, I would like to become a child psychologist. I also really enjoy photography. Everyone will have a camera ready on saturday, june 12, when the pacific power queens coronation happens before the keybank parade in the memorial coliseum. Come and join us and be the first to welcome one of us.

**Jessica Hua:** I'm from aloha high school. And i'm a member of the swimming, track, and lottery pool teams and am also the student body treasurer. In my spare time I really like to bake. I also would like to pursue a career in public health. Join the regions grand floral walk, join thousands in walking and waving at the parade route just before the parade happens.

\*\*\*\*\*: Lindsey.

**Lindsay Patino:** I am lindsay, and I am from madison high school. I plan to major in business or political science in college. Right now, i'm involved in a little of everything, including soccer, track and field, citizen debate, choir, and student congress. You could see a little of everything in this year's keybank grand floral parade on saturday, june 12, and including our first ever group. Watch the parade live on news channel 8. Thanks to spirit mountain casino, that's my destination.

\*\*\*\*\*: emily.

**Emily Taylor:** I'm emily and the from cleveland high school, we're I play soccer and volleyball. I'm also a member of the german national honor's society and spent last summer living in germany. This fall I will attend the university of Oregon to pursue my dreams of becoming a special education teacher. The region's best amateur auto racers will be pursuing their dreams of winning at this year's rose cup races presented by the mechanical corporation 11-13 of the don't miss the invitational, celebrating the 50th rose cup races this year.

**Ruwarashe (Zanele) Mutephfa:** I go to lincoln high school, and i've been a member of the varsity track and field team and am the president of black student union. I also volunteer with a non profit organization helping empower youth for the future. I plan to study business in college and hope to organization an that supports and empowers women. As a 501c3 organization the Portland rose festival needs support, too. You can help by volunteering at our event, becoming our fan on facebook or you can come to a fundraising dinner and auction, happening on october 15 at the Portland marriott downtown waterfront.

\*\*\*\*\*: Victoria.

**Victoria Dinu:** I'm victoria, and I attend grant high school. I'm the advertising manager of the school newspaper. I also play the violin in the Portland school harmonic and coach ice skating. I plan to attend Portland state university and am considering a career in advertising or public relations. The Portland rose festival gives back to the community in many ways, including our outstanding heritage program. Our award-winning living history program brings store Portland to life and our history roses tour gives you a passport to the beautiful historic homes and gardens that make our city the rose city. All year long.

**[Rose Festival Court speaking together]:** Thank you for hosting the 2010 rose festival court presented by pacific power. We'll see you all at the rose festival. [applause]

\*\*\*\*\*: And on behalf of the rose festival, I would like to present you with the picture and the pins symbolizing that you are part of the rose festival.

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

\*\*\*\*\*: And our earrings and necklaces are from elizabeth jewelers, and our watches are from [inaudible], and our shirts are from the court committee, our slacks are from fred meyer, and our shoes are from payless. Thank you for having us.

**Adams:** Great.

**Fritz:** Lovely.

**May 26, 2010**

**Curtis:** We'll get out of here.

\*\*\*\*\*: Would you like us to put these on?

\*\*\*\*\*: The mayor is over here.

\*\*\*\*\*: I'm sorry.

\*\*\*\*\*: Don't be frightened.

**Curtis:** Mayor Adams and council I want to wrap up by two messages having to do with our city and environment. First one is that we're starting a new program and on June 4, we'll go out into north Portland and do a community service project and help a 92-year-old woman Portlander get her yard and home in shape, and the rose festival court will be out there under the leadership of commissioner Fish on that day and we'll hope that starts a new tradition and day of service in our community and I want to thank you for that. And second piece is, we're trying to figure out a way to be leaders in our environment, and we are the cleanest and greenest festival, a lot of people are proud of that, but we got a new way of celebrating that this year. And we'll introduce this year during the grand floral parade green men and pink lady and I want to give you a preview of our green men and pink lady.

**Adams:** Wow. That's cool. Wow. I like it.

\*\*\*\*\*: Oh.

**Adams:** That pink lady is, is trashing our city.

**Leonard:** And she has an attitude about it.

**Adams:** Get her. There you go. Security.

**Leonard:** I love the commentary, keep it up.

**Adams:** You are caught now. Oh. Raise her up to enlightenment, don't trash the city. [applause]

**Curtis:** Celebrate the rose festival 2010 in a clean and green way, thank you very much.

**Adams:** Very good. Thank you. [applause]

**Leonard:** I just want to say a couple things before you leave that it has been a great pleasure to work with the counselor that has consistently supported some of the programs that you are involved in, and to help make the parade even a better parade than it has been. Commissioner Fritz, before she was even on the council, worked with me on the parade access committee so now we have rest rooms at the rose festival parade, and, and council has stepped up to make sure that they are on good financial footing, and I appreciate the work of each of my colleagues to make that happen. It would not have happened, and Jeff, you provided the most outstanding leadership that I have seen at the rose festival since I've been on the council, so thank you for your good work and I hope that the board recognizes the, the spitfire that you are and how you are the theme to all of these great changes that have happened in the last few years. Thank you.

**Curtis:** Thank you. Commissioner. Thank you very much.

**Adams:** Thank you for your great service.

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

\*\*\*\*\*:

**Adams:** All right. You are welcome to stay and watch democracy happen or, perhaps, there are other things that you have to do. You are welcome to, to, yes. Thanks for having breakfast with me, it was a lot of fun.

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

**Adams:** Reassure Portlanders that this is an incredibly smart and articulate group of Portlanders here. Just in the rose room. It's a mayoral tradition.

\*\*\*\*\*: First the breakfast club. [inaudible]

\*\*\*\*\*: I see we're this is going.

**Adams:** That leads us to, we have five people signed up for communications with council. Sue, please read 719.

**Parsons:** We have commissioner Saltzman who would like to teleconference.

**May 26, 2010**

**Adams:** Ok. Are there any objections to commissioner Saltzman teleconferencing? No objections.

**Parsons:** You should be connected now.

**Adams:** Commissioner Saltzman, can you hear us?

**Saltzman:** I can hear you.

**Adams:** We're are you?

**Saltzman:** Live from new york.

**Adams:** Ok. You are going to be really upset because as warm, sunny, beautiful day here. And you are missing it. Oh, wow. All right. If you can put it on mute so you want to talk, that would help us on the feedback. And all right. So, can you please read the title for item 719.

**Item 719.**

**Adams:** Miss wong. Welcome to city council. Glad you are here. That is our council clerk.

**Mei Ling Wong:** Good morning, and thank you for having me. I am visually impaired, and I have a guide dog, and her job is to provide me with safe, independent mobility in our city, and I just want to share with you a couple of, of experiences where she has not been able to do her job due to aggressive, unattended, untrained dogs, and I live on 10th avenue, and i'm walking home one day with her, and there is a nice restaurant and a nice couple and they are eating dinner and they have their dog and I am just trying to walk home and, and out from the table comes a dog charging at me and chasing me guide dog, and I into the street on 10th, and into traffic. And I am suddenly amongst the cars coming at me, and I see the dog, I try to keep the dog from attacking my dog while the owner tries to get a hold of his dog and gets a hold of her, and again, she comes after me, and again, i'm stuck out in traffic, with my guide dog, and with, again, cars coming up behind me, and that is one example. Other situations have happened we're I am approaching, i'm in the street and crossing the street, and i'm approaching an intersection, and I hear people conversing on the corner and hear dogs barking at me and blocking the corner so that I can't get onto the sidewalk, and then I have a truck coming at me that's trying to turn left, and a light changing behind me so I have cars at me in two directions, and I am not able to get on, onto a corner, and these are just a couple of examples that have happened to me in downtown Portland. I have interactions with dogs and dog owners, and almost every day, and not usually quite that scary, that involve me and traffic. But, we would like to talk to the city and, and encourage education and some enforcement on, on dog owners, so that our guide dogs can simply do their job, which is providing us a safe way to, to navigate the streets of the city.

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

**Adams:** I really appreciate your testimony. Chief reese is here, and his team and I am sure would be happy to talk to you on your way out. He and his team are, are formulating our --

**Saltzman:** [inaudible]

**Adams:** I am hearing voices. [laughter] It's ok but i'm hearing dan Saltzman's voice in my head, and as melodic as it is, can we fix that? [laughter] So, chief reese. Is to your left and he will take your card. We are putting the final touches on, on not only dealing with the issue that you described in terms of the animals not being properly handled, but also, the implementation of the sidewalk management plan, which hopefully will, will help but we would love to get your information so you can keep us apprised of whether you are seeing a difference.

**Wong:** Thank you.

**Adams:** Thanks for being here.

**Fritz:** Thank you.

**Adams:** And can you please read item 720.

**Item 720.**

**Adams:** Hi, miss Kepler, how are you? Welcome. Sue will help you.

**Parsons:** There is a table in front of you.

**May 26, 2010**

**Patricia A. Kepler:** Ok. Oops. There we go. Sorry about that. Hi, I am patricia kepler, I am an independent living specialist and work in Portland. And he hung up on us. [laughter] I work in an independent living resources in southeast Portland, and part of my job requires that I travel throughout the tricounty area to meet with clients, and community partners and perform other duties. I have done that for seven years, and I have had regular encounters throughout the city so not just the downtown area. This is a tricounty-wide problem. And of dogs on long leashes, just, just interfering with my dog's ability, stories similar to may. Last year, at a dragon boat race, actually, my dog was innocently laying at my feet, and we were inside my team's tent, and when, when a dog being controlled, very large dog, I was told it was a rottweiler, and controlled by a child half its weight came bounding into our tent and attacking my dog. So, he's now pending retirement due to the stress of these ongoing encounters. So, back in 2003, my, well, I volunteer, oh, my co-worker here and i, we began approaching the state for statewide legislation because this is, this is a huge problem. Not just a small issue, and asking to help because the state law says that we need to prove intent when somebody willfully and neglectfully allows their dog to, to do this. We have been trying to get a change made to change the intent to willful negative, and, and have been -- came close at the state level a few times, but now our hope is that, is that we might be able to get something started at the city and hopefully, spread so that our dogs can be protected because they perform a tough job, and I can't ride the max without an unpleasant encounter, and, and it would be nice if, if I could, I could, like everybody else in this city, safely go to work every day and know my job can do his job, thank you.

**Fritz:** Thank you very much for coming in, and these ladies came into my office to tell me something about the issue, and, and it's a city-wide issue. It's downtown but it's all over the city, and i'm was wanting to work with you on that legislation or the Multnomah county, if we can't get it statewide. We thought it would be helpful for them to come in today to speak because we don't think that people do intend for, for others to attack the dogs but we want the citizens city-wide to understand that if you tie up your dog outside of a grocery store that might impair these women and others being able to get into that store because they don't know that the dog is there, and their dogs are a risk. Did you want to add to that?

**Kepler:** No, that is exactly it. We do realize that these are people that love their dogs, too, and they don't -- we're not trying to tell them the dogs are tied up in the yards, we want them to be out and enjoying the community as much as we are with our working dogs, but we want them to understand that, that, you know, they might think that their dog is saying high when it's barking. But oftentimes, they are being challenging and are intimidating our dogs who are trained from puppyhood to be submissive and to be gentle and the ongoing, just like for any of us, if we were being harassed daily, it wears them down and after a while, they stop enjoying their job.

**Fritz:** And your dog is retiring because it was attacked. How much did it cost to train that dog?

**Kepler:** You know, they cost about \$50,000, to train these animals, and ruben has, I have been very blessed to have trainers from several schools come and take the time to work with him because his trainer had retired. So, several other non profit schools, you know, out of the kindness of their hearts have come out from as far as new jersey to work with, with my dog to keep him working.

**Fritz:** Thank you very much for coming in. We appreciate your testimony.

**Kepler:** Thank you.

**Adams:** Absolutely. Appreciate it. All right, sue, can you read the titles for item number 721.  
**Item 721.**

**Adams:** Good morning.

**Dedoceo Habi:** Good morning. In the interest of time and to show community voice we prepared a script that each of the community is asking, if you would allow me to, we would not exceed the three minutes.

**Adams:** A lot of people ask that and we don't allow it and I have to treat everyone the same.

**May 26, 2010**

**Habi:** Thank you. On behalf of the residents of Portland and the surrounding areas we would like to thank you for allowing us the opportunity to speak today on 26 June, 2010, several hundred residents of Portland will come together along with several thousand residents from across the United States to have a non-partisan open and empowering conversation on what can be done to respond to the growing problems with the national budget economy. We have put together a coalition of agencies and outreach professionals that represent the full spectrum of diversity here, whether it be political ideology, ethnicity or socioeconomic status. And the purpose of the collaboration represented before you is to make a formal request to you or a representative from the office to come to the Oregon convention center, sometime on 26 June between 8:30 a.m. and 2:30 p.m. To observe your community as they engage in cordial, thoughtful, and discourse around a very important topic of the economy and budget, beside me is Julia Masa and Mr. Rich Burk, and we also have in attendance, Laural Singer, and who, who has prepared a statement, which I will read on their behalf from Julia, friends, colleagues and honorable city of Portland, Portland City Council, the people of the United States have a spectacular opportunity to deepen and develop the democracy, and governance on June 26, and I am delighted to report that the people of Portland, Vancouver region and I, in that I have had the privilege to connect with around this project recognize the power and integrity inherent in this effort. And the people here, like people throughout the country, are eager to take part in a discussion that cuts through simplistic and misleading explanations of the challenges that we face as a nation, they are eager to dissolve the gridlock and hostility that has come to characterize political process. They are eager to find their own voice and have those voices heard. I am deeply honored and by this opportunity to participate in this project that will engage the people by listening and telling and problem solving and will articulate a plan for forward motion. I hope you join us in this project by lending our eyes and, excuse me, by lending your eyes and ears and to witness America of and by the people speaking. On behalf of Mr. Rich Burk, members of the commission, I'm Richard Burk, and I am responsible, I am responsible for engaging fiscally conservative organizations in This event, and the Cascade Policy Institute, Americans with Prosperity, the Oregon Tea Party and the 912 Project, we, the people of Southwest Washington and Rebuild Oregon will be participating by encouraging their members to take part in the conference, and in addition to our nation's 13 trillion debt, our nation has made financial decisions totaling between 70 and 100 trillion during the next 50 years. And as we seek to build sustainable communities, we must begin enacting sustainable budgets in order to secure high quality of life for future generations. Fiscal conservatives are anxious to engage in this conversation, and it's why they will be taking part in the conference on June 26. Do I have time for the final section? On behalf of Laural Singer I represent the National Policy Consensus Center at Portland State University, as experts and practices of effective collaborative governance, we believe that, that the best and most sustainable solutions to public issues emerge when the community representatives are connected with their legislative leaders. Your presence as an observe and her witness on June 26 as our local community length their voice to an important national dialogue is a testimony to your commitment to the value of community engagement and the importance of dialogue and deliberations and public decision-making. As a leader in our community, your presence on June 26 would directly communicate that what our citizens have to say is important, and should be considered in the governance process, and having been involved in the America Speaks process on several occasions I wanted to add that this is, this, this is truly an amazing experience that I don't think that you will want to miss. Thank you for the opportunity to present this information, and we look forward to speaking to representatives from your staff, from your office, on the particulars. We have information package which we brought for each person here, and we also have a dvd that shows, that demonstrates process if anyone is interested.

**Adams:** Thank you very much. Appreciate you being here.

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



**May 26, 2010**

**Adams:** Leave those with sue.

**Habi:** Thank you.

**Adams:** Great. And sue, can you please read the title for item 722.

**Item 722.**

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

**Shedrick J. Wilkins:** I am shedrick j. Wilkins, and I would like to promote the idea that we need to have more community college programs. I have a degree from Portland state university, and I am to say bluntly it's worthless. It's like I did not get a good job out of it. The universities are more expensive, and I have children that are going, they are in high school, and I strongly say they should go to a community college first, and then get their foot in the door and then go another Two years. And sometimes the media doesn't want to say, that they want toast it's better to go four years, I don't agree with that. I joined the army, and went on the college front and I didn't end up with anything. My wife went to one year at pcc studying dental assistant and she is almost ready to retire. And there are a lot of practical skills that, that the water bureau and environmental services deal with solar energy, and the university, the universities deal with cold fusion, I don't know if we will have that. We have solar power, and I would say science has slowed down in the last 30 years. And again, there is another idea that we really need to have practical community college knowledge, that's applied to the police force or other things. The space shuttle is being retired. It's too much, it's, it's, it's had accidents, again, the university puts a lot of optimistic science, and, and the city of Portland really needs to have just practical things, practical water recycling, solar energy projects, projects to redo houses and make them more -- you know, save energy. These are not things that are done at a university. These are thing done at the community college so, I really applaud the mayor for doing that. John kitzaber wants to have a two-four education system. He's running for governor again, and again, not just the four-year thing but a two-year System and then you kind of get into the job market, and then you go another two years. I think that's a better way to do things. And I where I shall 30 years ago that I had just maybe gone out to mount hood community college or pcc, and that's the message that I want to say.

**Adams:** Thank you and appreciate your testimony.

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

**Adams:** Sue, can you please read the titles, item 723.

**Item 723.**

**Adams:** Welcome back.

**David Morrison:** Same to you. And recently I think last week the fran supervisor's committee approved a bill that will require cell phone companies to list the far, which is the specific absorption rate, which is the amount of radiation a cell phone puts out. What I would like, the Portland city council to take up is a, an act that, that the state of maine, it was defeated in maine but it's going to be taken up again, and will probably pass this time. Called the children's wireless protection act. And it will require a warning label, it's different than the sar, a more broad-reaching thing. It's, basically, a manufacturer of cellular telephones may not sell at retail in this state to a retailer in this state or for use in this state, cellular cell phone unless it bear as warning label that is legible, non removable, located in a prominent place, and that is conspicuous and not obscured by the other written matter. And so, so on and so forth and the label would read, warning, this device emits electro-magnetic radiation, exposure to which may cause brain cancer, and users, especially, children and pregnant women should keep this device away from head and body. And I don't have time to go into all the science. You guys are pretty astute about that, I think. And, and another thing that I wanted to mention, the resolution that you recently voted on, the 677 to revisit the, the fcc, part of the fcc telecommunications act that, that, that requires you can't use health reasons for, for citing a cell tower. Longhorns just, I think, passed another bill in which their language was a resolution, their language was much more pointed, and they, sorry, i'm not ready here for this. Let's

**May 26, 2010**

see. I think it would be nice if we wrote a more hard hitting resolution that's not so polite to deal with this nightmare that we're facing of these cell towers and, and clear coming in here. The amount of background radiation in my house has since clear has gone online has, has, has gone up from, from 1,000 percent to 10,000 percent so that's something to consider.

**Adams:** Thank you very much and appreciate your testimony and your ongoing advocacy. And we'll now consider the agenda, the consent agenda. Does anyone wish to pull any items from the consent agenda?

**Fish:** We would like to offer 748 later.

**Adams:** 748 is pulled. Anyone else? Sue. Can you please call the vote on the consent agenda.

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

**Adams:** Well --

**Ben Walters, Sr. Deputy City Attorney:** We need commissioner Leonard in here because some of the items on the consent agenda are emergency.

**Saltzman:** I'm also here, aye.

**Parsons:** Ok. Thank you.

**Adams:** Ok, so approved. That gets us to the 9:30 time certain, can you read the title for 724.

**Item 724.**

**Adams:** We have with us andrew scott and jeramy patten. And you have a shorted presentation?

**Andrew Scott, Office of Management and Finance:** Yes. You have a script.

**Adams:** Ok.

**Adams:** I hereby convene the Portland city council, reconvene the Portland city council as the city's budget committee. According to ors--- let's see, Oregon revised statutes. Right.

**Scott:** We can go ahead and go into the state shared revenue sharing hearing.

**Adams:** Ok. I'm trying to find my script. This one? Or this one? Sorry, folks. This hearing is held by the city council of Portland, Oregon, in compliance with the provisions of the state revenue sharing regulations ors-221.770. It is to allow citizens to comment on the possible use of these funds in conjunction with the annual budget process. As proposed for council adoption, the fiscal year 2010, 2011 budget anticipates receipts totaling 12,867,392 from state shared revenue, as has been the case in prior years it is proposed that this revenue be allocated in equal parts to support the fire prevention and police patrol services. Is there anyone here today that wishes to be heard on this subject?

**Scott:** This is just the state shared revenue, we'll take testimony later on the approved budget.

**Adams:** All right. Hearing none, I close the hearing. Possible uses of state revenue sharing. And bureau of financial planning will now present a summary of the changes that the budget committee may wish to incorporate in the approved budget as presented in memo approval of the budget for the city of Portland.

**Scott:** Good morning. And i'm andrew scott, financial planning manager, and last thursday we filed what is the approved change memo, what this does is it lists out all of the changes from, from the mayor's proposed budge, which he presented before to council, and however, in the last, since we filed that last thursday, we have -- there have been a few technical and small balancing items that we would like to change so we would ask that a substitute, which I think has been distributed.

**Adams:** So moved. Is there a second?

**Fritz:** second.

**Adams:** It has been moved and seconded on the substitute. Sue, would you please call the roll?

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

**Adams:** Aye.

**Fritz:** I just have a question on that, this is different from what I had.

**Adams:** It is approved and on the table for discussion. Had to get that in.

**May 26, 2010**

**Scott:** It was distributed to council yesterday and I can go through the five items. They are quick. In terms of the bureau of environmental services.

**Fish:** Can you give us the page in which you are referring?

**Scott:** These are, actually, within the memo, all of the changes start on page 4. But I won't go through all of them. I will be happy to answer questions, but I was I was going to list the changes that we filed last week in terms of the memo. So, there are relatively small but, bureau of environmental services, made a final adjustment, in their rate going from 6.1 to 6.35, that was what council had, had adopted that amendment last week in the first hearing of the, of the rate hearing, and bureau of transportation, it moved 142,000 from ongoing to one time and we were off in terms of the one-time balance so we had to make that move. And in terms of the office of management and finance, it increased an interagency agreement between facility services and the bureau of environmental services by 125,000. And in Portland parks and recreation, it increased the parks and bureau of environmental services by 65,000, and to fund the parks protect the pass program, and the Portland police bureau, mounted patrol clarified that the 100,000 in private funds will be receiving will be used throughout the general fund fiscal year in 2011. The original memo had said 09-10, and in the police bureau is makes a reduction in the service coordination team by 16,000 from what we previously filed and was to balance the other packages which were \$16,000 higher than the police bureau, it doesn't change the budget but we were making the final technical balancing changes. Those were filed last week. The memo lists the changes from the proposed, to the approved budget and those include in this case the mayor's recalibrated budget. Those changes are also listed here in terms of the police bureau and some of the other adjustments. And again, I am happy to, to go through any of those in more detail, and the memo also then talks about budget notes at the end and has all the appropriation tables attached.

**Scott:** Ok. And I think at this point, in terms of the process, if the mayor calls the motion to -- you already accepted this as a substitute, but to approve the budget as amended, that's seconded and council can discuss any further amendments they would like to make before the vote on this.

**Fritz:** Do we take public testimony?

**Scott:** Yes. After our council goes forward with all their amendments, each needs to be, a motion needs to be voted on separately at that point, and we would open it up for public testimony on the budget as amended at that point.

**Adams:** So first we approved the approved.

**Scott:** Actually, you just entertain a motion to, to approve the budget as amended in attachments b, c, and d, which you just brought into substitute.

**Leonard:** Move.

**Fish:** Second.

**Adams:** Moved and seconded and we will have discussion.

**Scott:** Right, discussion and amendments.

**Adams:** So, are there any amendments to, to the approved budget?

**Fish:** I have an amendment and a colloquy as well. Sue, do you have the amendment? I have an amendment to the budget notes on parts o and m budget. Andrew, do you have this?

**Scott:** I don't but I think that i'm aware of it.

**Fish:** This is language we worked out with omf and my colleagues which addresses the next steps that we will take to develop a written policy for o and m requests going forward. It is non controversial but it just clarifies the commitment that parks has made in this regard. I offer this as an amendment to attachment d, parks operation and maintenance.

**Adams:** Is that a motion?

**Fish:** Motion.

**Fritz:** Second.

**Adams:** Motion and second.

**May 26, 2010**

**Fritz:** I thank commissioner Fish for this amendment and I hope that we'll have a discussion amongst the whole Council regarding a policy for making sure when we bring in new needed parks properties that we have an ongoing mechanism of making sure that we get the maintenance funded. There used to be a dedicated fund and there no longer is, and I think we need to reopen that discussion.

**Fish:** We like the idea of a dedicated fund.

**Fritz:** The whole council needs to be involved in figuring out where the money would come from.

**Adams:** Any other discussion from council? Sue, call the roll on the proposed amendment to the park and budget.

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

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

**Fish:** I have some colloquies and maybe it's better to take the amendments first.

**Adams:** Go ahead, commissioner Saltzman.

**Saltzman:** Thank you. These are again, on the budget notes attachment d. First one, relates to the bureau of development services on the online permitting system. And at the end of that note, I believe you have it in front of you, but this concurs with discussions that I had with the chief of the administrative officer about, about the ability of BDS to repay the debt. The chief administrative officer will also convene five to seven people with expertise in the commercial and residential real estate, and including a member from the small business advisory committee, and the development review advisory committee, to take into consideration the current and future development activity as it relates to BDS ability to meet debt service requirements.

**Leonard:** second

**Adams:** Moved and seconded. Council discussion? Sue, call the vote on the amendment to the budget note on development, bureau of development services, computer system.

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

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

**Adams:** Amendment is approved. Commissioner Saltzman.

**Saltzman:** And the budget note related to the Bancroft and sinking fund. I believe you have the note in front of you. The Bancroft bond interest and sinking fund allows the property owners to improvements such as the sidewalk repairs. It's a complex fund requires expert by the auditor's office and city debt manager. the council has taken actions, and I believe wise actions to allow the bureau of development services \$1.5 million, and this proposed budget, has a 3.5 million cash reserves for affordable Housing, and all needs that the city council is wisely addressing, and in 2006, council authorized a \$5 million cash transfer out of the sinking fund, and at that time, the city auditor gary blackmer recommended his office work with council omf and the bureaus to responsible financial policies regarding the debt service reserves. My amendment calls for the council to act on auditor blackmer's 2006 recommendation. Approve the proposed budget notes, and protects the integrity of the [inaudible] I move that.

**Fish:** Is there a second?

**Fritz:** I will second for the purpose of the discussion.

**Fish:** Council discussion.

**Fritz:** I appreciate Commissioner Saltzman emphasizing that he supports the allocation of the 1.5 million to bureau of development services and also the use of the fund to, to balance the budget in these very tough times. And so, he and I am seconding it, support the mayor in making those decisions and the whole council supported the 1.5 million in allocation to bds so recognizing these are challenging times, that needs to be very clear that we support the, the current allocations, and I also would like more information on how the bancroft funds can be used in the future, what the sustainable level for the funds is and moving forward, maybe setting a policy for future councils to consider when looking at that fund and, and deciding how to use it.

**May 26, 2010**

**Fish:** Further council discussion?

**Saltzman:** I have a response. [inaudible] and to propose the council annual policy will strengthen the long-term [inaudible]

**Fish:** Further comments? Sue, could you call the roll?

**Fish:** Aye. **Saltzman:** Aye. **Leonard:** Aye. **Fritz:** Aye. [gavel pounded]

**Fish:** The motion passes. Commissioner Saltzman.

**Saltzman:** I have no further amendments.

**Fish:** Mayor has returned. Commissioner Fritz.

**Fritz:** Thank you. I want to go through several of the budget notes and ask some questions starting at the top with the emergency coordination center, one which states that, that the general fund will pay for, for the Portland office of emergency management portion of the debt service, the emergency communication center, and i'm wondering why, why we're directing that for next year's budget and also, what about the other general fund bureaus that, that will be, we'll be needing to

**Adams:** 60,000ish payment, isn't that correct?

**Scott:** Yes, that's for the ongoing operations and maintenance. The budget note actually is directed towards starting the 11-12 budget there will be debt service on the ecc, so we are, again, putting a note in there to note the general fund will pick up that in fiscal year 2011-12. The total amount of the debt service is 270,000 but if poem pays it that it goes into the overhead model so about 123,000 will be general and 147,000 non general funds, and paid by other non-general fund bureaus. And also, the second part of the budget note, in fy 2012-13, when the center is operational, the operation and maintenance costs will be built in, and those are going to be about 100,000 in outgoing operation maintenance starting in 2013, and that's 31,000 general fund, 69,000 [inaudible].

**Fritz:** What about the other general fund bureaus involved in the emergency communication center? How does their, their debt service get taken care of?

**Scott:** Well, this would be the, the entire general fund portion of the debt service. The other non general bureaus would be paying their own.

**Fritz:** So it's not just poems?

**Scott:** No, I think the that I we structured this, the general fund would pick up the entire amount. And often, that's the way that we do it is that, and I think that this is actually structured so that the general fund debt service payment would be made directly. We often budget general opportunity debt service outside of the bureaus, instead of giving it to bureaus and having to transfer it in.

**Fritz:** Thank you, and I have a question on the bureau of development services, developing new technology systems, and the amendment you added to the budget notes says that bds must present a new five-year financial plan to council, and council must approve it before bds expends any additional funding for the permitting system. I move, would like to move an amendment, or in addition to that, Which I will pass out to, add another sentence that the council must separately approve of moving forward with the new permitting system before spend expenditures are made or loans received.

**Saltzman:** Second that.

**Adams:** Moved and seconded to add the council must separately approve of moving forward with the new permitting system before any expenditures are made or loans received. Sue, can you call the vote?

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

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

**Adams:** That amendment is approved.

**Fritz:** Thank you very much. And onto the education scholarships, I want to make sure that my understanding of how the 500,000 is, has been promised in the state of the city speech is, where it's

**May 26, 2010**

coming from, and my understanding is that, that from saving that the office of management and finance has been able to make in the overhead model, and --

**Scott:** It's savings from omf through interagency agreements from the internal service.

**Fritz:** Through interagency agreements, and in a normal year, that those funds would not go back to the bureau, they would go to the ending fund balance and contingency, is that correct?

**Scott:** Yeah, for those bureaus, that's correct. The lower amounts would, would go into the bureau income balance.

**Fritz:** Into the rate funded bureau's balance?

**Scott:** Correct, any savings, well, actually, I think it would be up to the bureaus in terms of the how the funds are spent.

**Fritz:** That's conflicting information from what I had heard before. So, I still have a question about that.

**Adams:** Just to try to clarify, a third will come from the general, a third from water and third from sewer rates. The office of management and finance lowered their overhead charge and the savings interagency charge and the saving accrued as a result of omf lowering their interagency charge is what will be used for the scholarship, so it's a no impact to rate payers, proposal.

**Fritz:** And it's from efficiencies within city government?

**Adams:** Correct.

**Fritz:** Thank you. And keeping down the budget list.

**Saltzman:** Mayor, I have another question.

**Adams:** We'll wait until we go through commissioner Fritz.

**Saltzman:** Ok.

**Fritz:** Under Portland development commission, on page 26, there is a budge note that says omf will bring forward an ordinance an amount 30% of all business, license, tax revenue above the april 10 general fund to be allocated to the Portland development commission. So, my understanding is that we would have a full discussion about whether that is council policy, when it that ordinance is brought forward; by accepting the budget note we're not saying that we have had that discussion, is that correct?

**Adams:** Correct. This does not commit the council to anything other than having the discussion.

**Fritz:** That's all my questions. Thank you.

**Adams:** Commissioner Saltzman.

**Saltzman:** Going back to the emergency center, I wanted to follow up, could you explain, what is the general fund and enterprise fund? Proportions? [inaudible] is poem paying on the debt?

**Scott:** So, you know, again, the center has not been built but the initial estimates are that poem would copy 55% of the new ucc and water would occupy 45%. So, the breakdown currently is based on that ratio.

**Saltzman:** Ok. Are there any general fund bureaus [inaudible] or just poem and water --

**Scott:** I think it's just poem and water.

**Saltzman:** Ok.

**Adams:** All right. Commissioner Fritz.

**Fritz:** I think i'm done.

**Adams:** Commissioner Leonard, anything? Ok. All right. Now we will have -- how many people signed up for testimony? And this is testimony on the general fund budget, so not sewer, water, garbage, leaf rates. That comes later in the agenda. This is just the general fund budget. So if you signed up, for discussion of the general fund budget, then this is your time do it.

**Scott:** And Mayor, I would just clarify, it is testimony on the entire approved budget. The rate ordinances are separate, discussion is later. But this can be testimony on anything within the budget.

**May 26, 2010**

**Adams:** I appreciate that. Luckily i'm the chair of the committee, so I want to separate out testimony on the rates and make sure that we have a focus on that from testimony on the general fund but I appreciate your coaching. All right, anyone signed up to testify on general fund issues?

**Parsons:** First three, terry parker, jay wilkins and david morrison.

**Adams:** Welcome back. Mr. Morrison, general fund, next one?

**Parson:** Wilkinson.

**Adams:** He did his communications.

**Parsons:** Annie, or amy.

**Adams:** Are you amy? Welcome. And last person, or is that it? Is that the last two that signed up?

**Parsons:** And erik fruts.

**Adams:** Ok. Go ahead, mr. Parker, and welcome back.

**Terry Parker:** Thank you. Terry parker, lifetime resident of Portland. Well, what we have here is a horde of misaligned priorities. Giving guidance to a stubborn donkey, things have to be repeated. You are, obviously, not listening to the objections of mainstream Portlanders. By dipping into the rate payer dollars, the mayor is creating a slush fund to pay for its own special interest and social engineering agenda. Increasing already astronomical rates and using those for infrastructure, and student scholarships, and tree maintenance, and staffing costs for the river plan is a classic move of embezzlement. In the private sector, an increase in housing costs. Such a scam would be called cooking the books. Excessive utility rates, increased housing costs, and the 10% plus of Portlanders that are unemployment, and also, for the declining working class we're wages have not kept up with the inflation, additionally, increasing garbage rates does the same. More recycling must be financially sustainable equating to lower, not higher rates. And these utility rate increases, along with the dollars is out of touch with reality. And so is budgeting funds for street parties like sunday parkway events, especially when it is in the face of police bureau layoffs. Like bicycle infrastructure, the sunday parkway events need to become the financial responsibility of the [inaudible] bicycle community. And in closing, do you get it yesterday? The public does in the shorts. It's time you respond to main street Portlanders, to what mainstream Portlanders are saying and represent public opinion by cutting back the basic service utility rate increases. It is also time to heed the advice of the Portland utility Board by using utility rate payer dollars for the delivery of water and sewer services. Be prepared. Cuts in funding resources from the state of Oregon are on the horizon. Top priority for this city budget must be to fine funding for the services such as police and fire services, and for maintaining infrastructure that is in place such as roads, parks, and underground utilities. Thank you.

**Adams:** Always nice to hear from you.

**Amie Shaffer:** I'm amie shaffer, and I work for the Portland police bureau. I started there in 2007 as a police desk clerk and I have been promoted to pass, and all my positions there -- I have obviously enjoyed my positions and we're there to support the sworn officers but I wanted do comment on the ramifications of the budget decisions you are making in the police bureau. Firing, I don't know how many, 25 non sworn, with the illusion that's going to save the officers being on the street and being able to help people is not the case. The officers will be taking our positions at desks, processing checks and doing things that I do for half the price. Officers are tactically trained to help people and have non sworn people at the desk to support them and do their paperwork, and all kinds of other issues, and I think it will have a lot of ramifications on the public that they will see if we are all laid off, specifically, we're I work now In the alarms unit, we generate, we have generated up to \$3 million a year in some years, it went up and down and have the possibility to generate more, but I don't think it's fiscally responsible to get rid of one pass, and i've been told a police officer will do my job when they make twice as much as I do. And most of the jobs that we have are college jobs, mostly women and minorities, and they are going to be filled by white men, I mean, making twice as much, and our mission is supposed to be creating diversity and hiring, you

**May 26, 2010**

know, more women, more people of color, you know, and that just seems completely redundant, and on the issue that's been mentioned about providing money for college, I have a college education, and, you know, think that any kind of education is wonderful, but if you are providing money for people to go to college with the illusion they will come out and get a job in the city of Portland, it's ridiculous because you are laying us off instead of promoting and creating jobs and how is that going to help the budget when we have over 10% unemployment and now there will be more. So, that's what I would like to say. And I think it's fiscally irresponsible, as well as a lot of other things in the budget that would be cut that wouldn't be us.

**Adams:** Thank you for your testimony, appreciate it.

**Eric Fruits:** Thank you, I am Eric Fruits, president of Laurelhurst Neighborhood Association, and I think that I want to begin by just saying that, that we really do appreciate the efforts that you put in trying to craft this project. For us, budgeting is easy because we're broke. For you guys, you have more money to deal with and services to provide to I sympathize with the choices you have to face. But even so, there is certain parts of the budget that I think are a tribute to miss placed priorities, and when you look around you see that a huge major of, of the population of Portland drives and uses their cars, every day, and this motoring majority battles potholes and faces a paving backlog that can truly pave a road from here to San Francisco, and even so, we're told over and over, that the city has no money to fix the growing backlog. And at the same time, the city waves a magic wand and produces 20 million in savings to be diverted into, into projects that tear up streets and replaces them with bike lanes and bioswales. What we have now is a program that actually spends money to make the experience worse for drivers in Portland. We also know the savings are as real as a pot of gold at the end of the rainbow. A few years from now those savings will magically transform into cost overruns, and we'll have another hearing about how the savings are gone and how we have to raise rates to cover the lost savings. And that's going to be a real problem in the future. And in a sense, Portland, the rate payers will pay twice for the same service. And there are great strides in opening up the budget process to the public, I received emails inviting me to the budget forums and so have people in my neighborhood. But, what's really troubling is that the most contentious issues have been hit only to be revealed at the last minute. And in particular, the new leaf pickup for a was buried in the back of a 24-page document revealed only a week ago. And none of the neighborhood associations were notified or given sufficient opportunity to comment, and we only learned of the new fee by reading it in the newspaper the next day. This is not a front to what we call the hallowed Portland process. In the past, any time the issues have come up we have had a vigorous debate and an extensive discussion on it. This discussion didn't occur this time. And so I respectfully ask you to delay the vote on the new fees to allow the affected stakeholders ample time to comment. Thank you very much.

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

**Parsons:** That's all.

**Adams:** A couple of comments by way of discussion, I realize that, that there are folks out there that have access to large microphones who keep promoting this notion that we're spending sewer contract savings on bike lanes and no matter how many times we repeat it and show that's not true, that, folks are going to continue to believe that and say that, in reality, the bioswales have been part of the plan for reducing basement backups of sewers for the past four years. And in terms of the savings, the bureau of financial planning has estimated savings over a period of time between 40 and 60 million. That saving doesn't come from, from any, any accounting change. That savings comes from projects getting bid out and coming back cheaper than originally estimated years ago, because the economy is tougher and, and contractors have less work and are willing to give the city their, their competing for those bids, is more challenging and as a result, the city is saving money. If you go out for remodeling on the home right now, you will find it will cost less than it cost three years ago. That's part of the recession. And in terms of the scholarships, that is coming from



**May 26, 2010**

efficiencies between the bureau, between the office of management and finance, and between the, the utility bureaus so those savings are being used to fund a portion of the scholarships. Why do that? Well, if they were stand alone utilities, like Portland general electric or pacificorp they would be some of the largest companies in Portland. They would still have to do affirmative action, there would be an expectation that they do affirmative action, that they are good stewards of their economy and their employee base is representative of their service territory. Well, the city of Portland has made strides recently in becoming a more diverse employer but we do not yet reflect the diversity of the community, the growing diversity of the community is not reflected in the city's staffing. And it is a priority for us in terms of why do this now? The bearer of human resources estimates there will be 600 retirements in the next three years. 600 retirements, and that, that give us a once in a generation opportunity to diversify the city, especially in job classes, that pay a family wage but don't necessarily require advanced degrees. And this is the kind -- this is part of what it means to embrace our diversity as a city government. You have heard a lot of complaints, but it's the police bureau, the fire bureau, our maintenance workers or what have you, that the city employees, employment base is not representative of the diversity of the committee. This is our once in a generation opportunity to do that. It was on the front page of the Oregonian, and I think at least once, maybe twice. The city government polled on whether folks in the leaf zones, defined as places in the city we're the leaves are so plentiful, whether people would like this service. They have been able to rake the leaves into the street, and for, for \$1 or \$2 and the response through this from the bureau of transportation was very positive. Much better than having to bag it up and, or put it in the composting can. In terms of our -- mr. Parker and fruits, trust me, the vast majority of money goes to automobile-related maintenance in the city, a tiny fraction goes to things like bikes. We had 151 people killed on our streets and roads in the last four years. 151, that outpaces every other murder, anything like that. It doesn't get a lot of press, but you will see this mayor being strident in trying to save lives through the two and three-fers, bioswales just happen to also serve to slowdown cars and save lives. They are not part of the bike system. They are not subsidizing the bike system. I would like to move to, to, and hear the testimony on the rates, so if you could read the rate ordinances.

**Adams:** Very good. All the rate ordinances.

**Adams:** Read them all, please.

**Parsons:** The testifiers.

**Adams:** If you could read the ordinances on the rates and then we will have testimony and vote on everything.

**Ben Walters, Sr. Deputy City Attorney:** Mayor, we need to close out the hearing on the budget. Do you want to take the vote and approve the budget?

**Adams:** If my attorney says I should, I will do that. Do you recommend that? Ok. Then I will amend my direction, sue, can you calling the vote.

**Parsons:** This is for approving of the budget?  
Mayor Adams, 724.

**Fish:** Well, this is the second full budget cycle that I have participated in, and I think that it's not lost on people that this was even more challenging budget cycle than last year. And that's because we continue to be hammered by the recession and we're forced to make tough choices. I want to begin by acknowledging that, perhaps, the mayor's most important and charter-based role is to bring the council together around the budget, and I learned in working with my colleagues, people I have the greatest respect for, that we're not the easiest group to corral, particularly when it comes to sharing the pain during a tough budget cycle. And that's particularly because my colleagues are passionate and they have strong views, and a few of them are known to be stubborn on occasion, and it's the mayor's job to find the sweet spot and bring us together around a budget so I want to compliment mayor Adams for bringing us together and reaching budget which is a responsible

**May 26, 2010**

budget and one in which I can support. Three years ago, this council had surplus dollars, which it was, was able to allocate. The last two budget cycles we have had to make tough choices because our needs are growing and our revenues are declining. I can tell you based on my first two years in office that it's more fun to be Santa Claus at budget time than Scrooge. And it's hard to tell people no, particularly people dealing with the human consequences of a recession which is making life hard for everyone. So, as this council tightens its belt just like families throughout our community, I am pleased that as we made the tough choices, that this budget reflects my priorities. First, it protects public safety. Second, it invests in job growth and third, it, once again, maintains the social safety net during tough times. Those are your values, mayor, and they are values shared by your colleagues, and I compliment you for bringing us to this moment. Now, in the particular areas that I'm responsible for, parks and housing, I am grateful to my colleagues for continuing to invest in people who have been hurt by this recession. That includes \$2.5 million above the base budget, to fund what we call the safety net, mayor, and which you and I also know means shelter services, rent assistance, and programs, which are desperately needed in these times. You also added an additional and unprecedented million dollars to help us address the significant spike in street homelessness and particularly, to come up with strategies that help women and families experiencing homelessness. On the parks front, parks has for now has the 6<sup>th</sup> or 7<sup>th</sup> year had to take cuts that frankly in the long term will no longer be sustainable, but we've taken our fair share of cuts along with other general fund bureaus. But this budget resource is funding programs which are essential during tough times. Money is restored for teen programs, so that young people have healthy and creative activities this summer. All 23 playground programs have been restored. And that's a double win because approximately half of our playgrounds serve hungry children perhaps the only nutritious meal they will have during that day. We are investing in programs which feed people who are hungry and we have been able to draw a line and maintain funding for programs like senior recreation that our older adults rely on so much. I will remind my colleagues that, when we did our survey not long ago of who was our typical customer in parks, we learned it was a 70-year-old female, low income, and single. And that particular person has paid their dues through a lifetime and, at the end of their life, deserves to have healthy communal activities which can engage them, and they don't have the choice between joining the mac club or going to their local rec program. Mayor, I also want to acknowledge that, in making something tough decisions in this budget, we have also seen the private sector and our private sector partners step up to help us do the job and fund areas that we can't, and I'm especially pleased as the parks commissioner that we're offering a full menu of programs through the summer free for all, free concerts, free movies, and free programs in our parks all at [Portlandparks.org](http://Portlandparks.org) which, in these tough times, would not be possible unless our corporate citizens like Nike, Daimler, Bank of America and so many others step forward and say they want to invest in family-friendly community activities. So I'm grateful for their work. One somber note I want to close with. This is the 6<sup>th</sup> or 7<sup>th</sup> year in which parks has taken cuts and as has been noted repeatedly, we are simply not meeting our maintenance obligations for our inventory, and our basic system is being degraded because we do not have the funds to invest in it. At some point I will come back to you and seek your support for a bond measure to handle the capital side of our business. We haven't had one since the mid 1990s. The public wants us to move on this, but the economy has to turn before we ask people to dig deep to help us with that. But there's a cost to us not continuing to have adequate resources to maintain our system. If you doubt me, think no further than the city club report on Forest Park which represents one half of our system, our gem in the heart of our city, and clearly for a long time we haven't had the resources to maintain it at the level that we would like, and we simply, in the immediate future, will not have the resources to do the job either, and we'll have to rethink how we deliver services to a community that loves its park systems but has historically underfunded its park system. I commit to working with you, mayor, and my colleagues to find new and creative ways to deliver

**May 26, 2010**

services people want, recognizing that the time that we once looked upon government being the sole source of funding and the answer to our problems is over and chastened by the news yesterday of the substantial hole in the state government, we know that there are going to be lean times ahead, so we are frankly going to have to rethink the way we do business. I want to thank the mayor and his staff for the courtesies extended to me and our colleagues. These hearings are more placid at the stage we get to the public here, a little livelier behind the scenes. Ultimately I think a mayor should be judged by his ability to bring forth a budget that gets five votes and, for that reason, I think this is a successful budget. I want to thank Andrew Scott and his team for supplying the information we needed to make informed judgments. Andrew has one of the toughest jobs in this building, and we appreciate all the courtesies you've extended to us and the professionalism. I want to acknowledge my two bureau directors, Director Van Vleet who is relatively new in her job but has been a very helpful guide as we have made tough choices in this budget and Director Zari Santner from Parks. Betsy Aims, Jim Blackwood, and the other people in my office I want to thank for working tirelessly. I'm grateful to the many citizens who have taken time at our various hearings, including our public hearing last week, who have come out to testify and helped shape the budget from day one. And I want to acknowledge -- actually, that covers all my acknowledgements. With that, Mayor, I am pleased to cast a vote of aye on this budget. Aye.

**Parsons:** Mr. Saltzman, are you still with us?

**Saltzman:** Yes, I am. I'd like to thank the mayor and my colleagues for this work on the calibrated budget. Revenue is down and expectations are up. Making the cuts needed to balance our budget was and will continue to be a difficult task. This budget before us, this is dramatic improvement, in my mind, of the proper balance of cuts to the general fund bureaus. It's a proper balance for Portlanders. A few of the items I'm particularly pleased to see included are restoring sworn police officers to maintain full strength as a bureau and to take our commitment to develop a more diverse police force, to fulfill our pledge to see through the construction of the treatment center, the continued funding for parks and youth program, keeping our young people engaged in positive activities in a safe environment, the \$125,000 for [inaudible] to allow police officers to [inaudible] where survivors can receive services and support to safely exit the prostitution. As a legislative body and currently as a budget committee, allocating resources is one of our most important responsibilities. It cannot be done without debate and disagreement. I'd like to thank the mayor and my colleagues for this budget and all the work that has gone behind it. Aye.

**Leonard:** Since first being elected to public office in 1993 in the Oregon senate and to remind people of the politics back then, I was one of nine democrats in a 30-member body, so there were 19 republicans, nine democrats, until today, I have never been through a more challenging economic and political climate to bring a budget together. The economics in spite of the fact that each of us works our hardest to make sure our bureau is run as efficiently as possible, that our office is run as efficiently as possible, and we do those things that we can to innocent new -- incent new businesses, doing what we can to change the tide of economics that affects not just our city, state or nation but the entire world, and we're having to deal with that. On the politics, I think I iced to be known being in such a distinct republican majority, but I think it -- in a republican majority wherein I was a democrat gave me some skills, and it taught me also how to be when you are in the majority. It's come to help me a lot. There's a lot we need to do in this building to improve the politics of how this budget was produced. And to the extent that there's something I can do or Mayor Adams can do to improve that, I'm not only confident that I will do that, but I'm convinced that, knowing Sam as well as I do and how he works, he will do that. But we can only control those things that we can control. For an example, today, Loy voted for two amendments on the bureau of development services that I oversee, I didn't see them until today. Two of my colleagues certainly have the right to produce amendments and certainly have the right to have them voted on without first showing me or any other commissioner what they say to make sure they're worded

**May 26, 2010**

appropriately or get to the issue they're intended to get to, but it's not how I have learned we relate with each other if politically we want to work well together. To the extent that I can do something to improve that in the next year, I will. To the extent that that has had some adverse impact on the bureaus I oversee, I need to even be more diligent to do a better job. We're closing a fire rescue. That has real consequences to people's lives. Fire rescues are staffed by two paramedics who are highly skilled, just short of physicians as far as i'm concerned, medical personnel who respond to people who have heart attacks, who have children who quit breathing, car accidents where people are trapped, and that particular rescue serves one of the poorest parts of east Portland that will be closed. There were ways to craft this budget to avoid that but again, politics being what they are, I am also realistic and, in than effort to move this city forward, and willing to move forward. I think all five of us need to take stock in how we got here today in the process that we used to craft the budget that is here today and do better, because this isn't about me and what my goals are. It's about promoting the best interests of every person in this city and say to decide whatever it is that I think should happen or whatever it is I think a process should look like and do what is best for the entire city which means each of the five of us here need to do a better job of processing our each individual agendas in a way that everybody feels honored, respected, and most of all listened to. I also want to thank mayor Adams who has put together a budget in a most trying circumstance. I've experienced a number of them since i've been in public life, and I appreciate his decisiveness, appreciate in just a couple weeks the new tenor coming from the police bureau led by chief mike reese. I think there is a new day in Portland with the brand-new leadership i've seen at the police bureau and the police managers that chief reese has assembled around him. I am optimistic about the future of our city, about the future of the relationship our citizens have with this police force. Having said that, I vote aye.

**Fritz:** We're all struggling. Portlanders are struggling. This is a very challenging economy, and it doesn't seem like it's going to get better anytime soon. I want to start by thanking everybody who's been involved in developing this budget over the last more than seven months, Because the bureau budget advisory committees begin in late fall to start making their recommendations. I recognize that we should start planning for next year's budget as soon as this one is adopted. We need to recognize that taxes pay for services. I believe this budget does use taxpayers' money wisely. All but one of the city bureaus are taking cuts, some taking significant cuts. I want to recognize my five bureau heads, all of whom responded to my request to dig deeply and make sure we are providing value from the taxpayers' money. The office of neighborhood involvement, just to give you one example, their employees volunteered to cut a vacant position and that they would then work harder to prevent crime prevention services. Their employees stepped up and took voluntary reductions in their amount of days of the weeks that they work, which of course doesn't mean that the amount of work goes down. It means that they will be working even harder at the time that they're in the office, and our office of neighborhood involvement looked in all of the line items in the budget so that we could make the required cuts. I greatly appreciate mayor Adams' recognition of the value of graffiti services and neighborhood mediation. We weren't able to fit some of the programs into our ongoing budget, and so the graffiti program is taking a 17% cut, and we're still very glad that it's funded. We need citizens to help us step up to fill the gap of what can no longer be done by paid staff, so we invite everyone to take ownership of your neighborhood and joining in the community can make a huge difference, and we need your help. The staff are working diligently with the human resources department to come up with any contract that will, I believe, save money and also make the employees more efficient and more healthy, so I appreciate their due diligence in looking, taking the opportunity of the union contracts being up for bargaining right now and truly coming to the table in a partnership and interest-based bargaining which is going to be good for all of the citizens of Portland both in the services that the 9-1-1 center provides and in the cost-effectiveness with which we do those services. I'm very proud of them. All of the members of

**May 26, 2010**

council are committed to jobs in the city. And taxes also help provide, maintain jobs. We were looking at whether to use contract savings for more green streets, which as the mayor said are safer. I also looked at how many jobs that represents. Public sector jobs are a huge part of our economy. They're the folks who are going to be able to go to the grocery store and buy things. That weighs into my decisions on these budgets. I greatly appreciate our financial team. Andrew Scott and your whole team has done a wonderful job of making things clear to me and to the citizens of Portland. We commit to continue to work on the budget process. I believe it's better this year. It was better last year than it was the year before. We know we still need to make improvements to make sure that citizens are truly engaged in helping to make the decisions, and I call out the mayor's attention to performance measures, to standardized reports, to making sure that all of the bureaus give the performance measures on things like minority contracts on the women's employment, those kinds of issues. As commissioner Leonard alluded to and so did commissioner Fish, we have had disagreements in making this budget, and indeed there's parts of it, if it was left only to me, I would change. It's not only left to me. It's a community discussion with everyone and with the five of us on the council. Disagreements are healthy. There has been some discussion in the community and in the media about the stride dent disagreements on the council. The taxpayers and citizens of Portland win when those disagreements, which are definitely out in our community, are aired by your representatives and we are able to come to either a respectful disagreement or consensus or sometimes annoyed disagreements. Airing those out and being able to cope with each other is a very important factor. I particularly appreciated the comments regarding the police bureau budget, and I am deferring to Mayor Adams and to Chief Reese as newly in charge of the police bureau and police bureau budget to make those budget decisions. I appreciate also the service of commissioner Saltzman and Chief Sizer prior to that in recognizing that the police are part of the community safety, and I would not call out the mayor's dedication of \$540,000 in very precious money for us to partner with the county in providing mental health services and doing so in a cost-effective manner through those partnerships so that we can provide services -- appropriate services -- to people with mental health crises in the community as our police officers are called upon on a daily basis to help people with limited resources. We had the mental illness walk and, Sunday was not a nice day. It rained. There were 1400 of us walking around in the rain to demonstrate that we care about people with mental illnesses, including Dave Benson, the president of the police officers commanding association and other city employees who care about people in our community. So we're making a lot of progress, and those good things don't often hit the headlines. I'm about 400 e-mails behind in answering stitch went e-mails. I do believe that there are five people on this council who are looking deeply into every item on the budget, and often there's an explanation that may take a little longer than the column inches that may be in a newspaper article. If you have questions, call our offices. We'll tell you what the rationale was, what the disagreements were. This is a very thoughtfully put together budget. It does provide extra money for housing and shelters. Let's be clear that getting people into permanent supportive housing is the most cost-effective way of helping people. I deeply appreciate commissioner Fish's ongoing work in that regard and the mayor's additional allocation of money in the budget. This has been a very challenging project, as everyone in our community is being challenged right now, so there isn't a perfect solution. Last year we were fortunate in that the business income tax came in higher than expected, and so we didn't have to make some of these very tough choices. This year there's a lot of people who are disappointed, a lot of programs and services that won't be provided. And yet the needs are not going to go away. So we do need to continue to work with our community partners to figure out how to get those things divided. By providing some staff support, we can involve our community in the volunteering and the wonderful support that we get from the private sector here in Portland to try to make this budget work for as many people as we can. Thank you. Aye.

**May 26, 2010**

**Adams:** I would not thank my colleagues for their participation inputting together this budget. I'm really happy that together we've put together a budget that strike as balance between being good financial stewards of the city and also prioritizing cuts and ads around safety and security, focusing as much resources as we possibly can on the businesses and the individuals that are feeling the brunt of the worst recession -- national recession -- since world war ii. The cuts I want to recognize first the hard-working employees of the city. We are cutting hundreds of jobs, authorized positions, in the city to help balance the budget, some filled, some unfilled. Those that are filled, that's a family that is feeling that loss. Our updated severance packages that we updated last year I think are a lot more compassionate than years past. And so we will do everything we can to help you transition to other opportunities. I want to thank the bureau of financial planning, andrew, jeremy, ken, rich, the entire team for going through this are a do with us process. These are tough times for many people, but it's also good to have some perspective and to give thanks for the fact that we actually have it better than a lot of other places. We've had double digit unemployment for 13 months, and that is a real hardship, but the unemployment rates in other parts of the country are now higher than ours. Other cities have already burned through their financial reserve, like seattle, which is now facing double digit cuts in its city government. We have not. We have maintained the highest credit cards that a municipal government can get. The city of new york city is at a 7% property tax increase, and they are feeling this recession as mightily as we are. We have a balance between maintaining the system, having an equitable -- talking about the utilities, sewer and water, we do have the challenge of complying to mandates and federal orders, pushing back on some, and also that these businesses be run in an equitable manner. Triple, bottom line, sustainable manner. And to try to prevent as much hardship of rate increases on households as possible, so the forecast called for an 18% increase in water, and that was brought in at 12. It called for a 6.9% sewer rate increase, that and came in at 6.35. That saves rate payers millions and millions of dollars in what otherwise would be higher rate increases. We know that no rate increase in this environment would be ideal for most households and responded to that by lowering the increases. I want to thank my bureau managers as well. Like parks, some of us have been cutting in some of our bureaus for six, seven years. The office of transportation is in its seventh year of cuts. We rely on the state gas tax and vehicle-registration fees. Our streets are not as well maintained as they should be, but where I have prioritized resources is into saving lives. So, yes, it means our streets are more bumpy than they otherwise could be, but I have, whenever we find savings and efficiencies, invested that first and foremost into saving lives and reducing injuries, and we have to suffer through some bumps on the road because of that, but I stand by that difficult child molestation. In closing, two things. I'd like -- three things. I'd like to thank tom miller and warren jimenez on my staff who worked very long hours putting this budget together. The state cuts that commissioner Fish talked about are on top of already brutal state budget cuts. That will show up in our streets and homes and businesses. We can't keep up with the growing demand, much less the growing demand and the cuts required with state programs that are here or were here in this city. And I am going to continue to stress for more equity among local governments in the region to fund social services, hunger, and affordable housing programs to the same level as the city of Portland funds them. Multnomah county and the city of Portland cannot subsidize local government budgets around the region. We cannot -- we do not have enough money ourselves to adequately address the issues of hunger, homelessness, and affordable housing. When you have the city of Portland spending around 8 to \$11 million and Washington county spending \$600,000 of their general fund, that is not equitable. Finally, budget by geography. Later this year we'll have discussions with the council about how the capital money and operations money is spent based on geography. We all will begin to make sure that our investments are calibrated best with the needs in every part of our city. And I look forward to that coming to the council and to the public in the fall. Thank you all. Glad to get to this point. Aye.

**Scott:** One final thing. We need a motion to approve the tax levees.

**May 26, 2010**

**Adams:** Been moved. Seconded?

**Leonard:** Seconded.

**Adams:** Please call the roll.

**Scott:** Actually, mayor, we need to read that into the record.

**Parsons:** Motion to approve the tax levees.

**Scott:** There's a text in front of you.

**Adams:** Thank you for that clarification.

**Scott:** The proposed language, the city shall levee it's full permanent rate of 4.5 770 per \$1000 of assessed value and 8,697,773 for the payment of voter-approved general obligation bond, \$118,526,840 for the obligations in the fire and police disability funds and -- furthermore the city shall levee for urban renewal Collections.

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

**Fritz:** Just to clarify, this is setting the rates -- tax rates -- at the levels they have been at, including the obligations we have through our voter-approved levees and state obligations. Aye.

**Adams:** Aye. So approved. I here by adjourn the budget committee.

**Adams:** We will now move to the 9:45 time certain. Can you please read the title for item number 725?

**Item 725.**

**Adams:** Good morning. Welcome back.

**Bruce Warner, Portland Development Commission:** Mayor and members of the commission, you're here serving as our budget committee today. I didn't notice whether you'd reconvened as the Portland development commission's budget committee.

**Adams:** I here by reconvene as the Portland development commission's budget committee.

**Warner:** Probably want to call the roll for that.

**Adams:** Can you please call the roll for the Portland development commission's budget committee.

**Fish:** Aye. Here.

**Saltzman:** Here.

**Fritz:** Here.

**Adams:** Here.

**Warner:** Mr. Mayor, members of the commission, pleasure to be here this morning. I believe you have in front of you my may 21st, 2010 memo entitled budget approval resolution and recommended changes for approved budget. Last week, while serving as our budget committee, we went through our budget and the proposed changes to the budget, so what i've done in this memo is just outlined the six areas where changed are, have been made from the original proposed budget that was submitted to the city and also the appropriation schedules which make those changes. Those six issues is that we wanted to amend the budget to reflect the almost million dollars savings that we have from staying in our current location in old town, china town for lease of the office space. It does reflect the reduced general fund allocations proposed revised budget, and the last are technical changes revolving around internal cost allocations. A couple items really related to the final steps of the transfer of all of the housing programs to the new Portland housing bureau and allowing us to take some resources from the head waters apartments, receive them, and then transfer them to the Portland housing bureau next fiscal year as well as some additional resources that were necessary to do the actual transition costs that will continue on into the next fiscal year. So those changes are reflected in the categories. I want to make clear for anybody listening that the total recommended expenditures are making no changes to the projects and programs other than those that we discussed as impacted by the general fund allocation. This will result in a total pdc budget being reduced from the proposed original 230.6 million to 228.4 million and a total recommended expenditures of operational part of the budget from 187.8 million up to \$188.8 million. Again, these are all changes we discussed with you last week.

**May 26, 2010**

**Adams:** Discussion with council?

**Fish:** Mayor, this is remotely germane, but if you may indulge me. Last week -- are you ruling me out of order?

**Adams:** No. I'm not going to rule you out of order.

**Fish:** Last week director van vleet and I met with the mayor to seek his approval to move forward on an incredibly important project in our community, the veterans housing in block 49. We did not mention that at the hearing last week 'cause there was some consultation we had to do with our partners, other announcements that had to be made. Since we're now here to adopt the budget, I just want to acknowledge that we have finally found a way to break through the impasse which for years has prevented us from delivering on the promise of affordable housing in the south waterfront. When the mayor gave the green light to moving on this project, what we have put in place is a series of steps that have tab bean by your body and our body to get the formal green light. But if we are successful, this will not only be a good day for those who have waited patiently for affordable housing in the south front to the tune of over 200 units of housing for people below 60% of mfi and almost 50 of those set aside for homeless and formerly homeless veterans, fulfilling a commitment we made, but we will be investing public resources in a project that will put cranes in the air and create good family-wage jobs along the way. And the promise of this project is a more diverse community in south waterfront, housing for homeless veterans that desperately need it, creating jobs along the way, fulfilling a commitment that council made a long time ago to bring affordable housing to the south waterfront. I want to thank the mayor for giving us his approval to move forward and thank pdc for all the work they have done with director van vleet to work out the incredibly complicated financial challenges. It's a good day for affordable housing, for veterans, and for the south front community. I want to thank the mayor and our partners at the pdc for making that possible.

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

**Parsons:** No one signed up.

**Adams:** Please call the vote on the pdc budget.

**Fish:** We had a chance to thank you last week, so again good job. Thank you for the very thorough airing of each of the districts and the budgets, and there are some tremendous countries toly ahead particularly in my areas of parks and housing. Scott, it's been a pleasure to work with you as the new chair and, as always, a pleasure working with your professional staff at pdc in moving our agenda forward. Aye.

**Saltzman:** Well, i'm supportive of this budget. I just want to continue to cite my concern about the creation of the general fund up to \$1000 to support our targeted job growth sectors. [inaudible] show strength where we're going to grow, retain jobs, and I want the ability to revisit that process little critical that we maintain a healthy general fund investment. Aye.

**Leonard:** I worked a few years ago to create a more transparent pdc budget and process, and i'm really proud of the changes that have occurred as a result of that. Scott has done a great job as chair of pdc. I appreciate that. Bruce and your team, you have done a wonderful job under trying circumstances the last few years, and nobody knows that better than I do. The pdc, I think, is back to what its original mission was when it was created in the mid part of the 20th century, and that is to cause things to happen in this city that would otherwise not have happened. Not necessarily subsidizing people, not necessarily giving grants to people who are going to do things but in terms of development but being very focused, smart, and creative in how to create opportunities in Portland that otherwise would not exist if the pdc wasn't there with the valuable tools it has. I think it lost its way there for a while, but I am convinced that it's back on track, doing what it should be doing, and i'm really pleased to support this budget, really pleased that you have embraced the changes that have occurred in these last few years. Aye.



**May 26, 2010**

**Fritz:** Well, thank you, all of the pdc staff, for your work on this very different budget. And thank you, scott andrews, for your volunteer work. It seems like you're on staff here because you're here so much. Appreciate your leadership on the Portland development commission. I believe there's about 17% cuts in the administration budget. That's a lot of people losing their jobs and administrative efficiencies needing to be made. That does mean doing more with less, and we know that is often very difficult. I agree with commissioner Leonard's comments regarding the positive relationship between the Portland development commission and the city council and also the improved relationship with the community and your efforts to diversify your committees to reach out to the community and truly listen. As for the city structure, we all have more work to do in that regard. I appreciate that you are cognizant of that even while cutting staff that involving the community doesn't take more time. It often takes less time. It brings in partners who are significant, and we need to recognize it as significant can't in making sure that our urban renew value dollars get spent in the community by folks who have been in the community for a long time. I very much appreciate your work on that. I share commissioner Saltzman's concern about the reduction in the cluster development funding. Like commissioner Saltzman and the rest of the council, we all looked to see if there was somewhere else we could provide more general funds money, and I didn't see it. Again, though, recognizes that you've done really great work to hone in the strategies of the four target clusters and you don't want to leave that good work, because I believe you've done a good job of figuring out what are the industries that, by attracting businesses from outside the region, that we can revitalize our economy. And also respecting that you do continue to fund people who are here now and the little businesses that we want to grow to big businesses. That's a core part of our development strategy and that the council simply supports. I appreciate the ongoing partnership between the office of healthy working rivers and the harbor ready program. Clearly our working waterfront is very important to our economy, and I am committed to continuing to work with you on that. I appreciate the partnership and the diligence of your staff and reporting the progress that we've made and continue to make. Thank you all. Aye.

**Adams:** Thank you for your leadership. As someone who grew up in Portland and comes from modest means, it's served you incredibly well as leader of the Portland development commission, and I want you to know, as my colleagues have mentioned, how much I appreciate your leadership. To bruce and aaron and keith and patrick and the whole staff at pdc, thank you. It's challenging, interesting, very rewarding work that we do with you, and we really appreciate your can do attitude, especially in these difficult times for so many Portlanders. To my job of economic development team. As a team with pdc and our other bureaus, I thank you for trying to grow local businesses and find jobs for the unemployed and underemployed. Very happy to vote aye. That gets us to school board member wind, courtesies of an elected official. The school board member is here to testify on item something something something. I'm suspending the rules to take this public comment. Do you know the item?

**Parsons:** Yes.

**Item 768.**

**David Wynde, Portland Public Schools:** I'm david wynde. I'm member of the Portland public schools. Congratulations on approving your budget. The Portland school district approved our budget on monday night. I hope you have better luck with yours than ours because 24 hours after we approved our budget the state economist came out with a revenue forecast and blew a substantial hole in the budget that we had just approved. So I hope your budget approval is of longer tenure than ours proved to be. I'm here today to thank you partners with --

**Adams:** Thank you for putting it into perspective.

**Wynde:** It could be worse. I want to thank the city for partnering with Portland public schools in a significant way. We adopted a resolution to issue bonds that will be made possible by this ordinance. We're grateful that the city of Portland has shared the federal stimulus bond resources

**May 26, 2010**

capacity with Portland public schools. We were pleased to submit a proposal to the city to use \$11 million of the city's allocation for energy and water conservation projects. Within the city's recovery zones, being given this \$11 million allows the school district to finance energy and water conservation projects. There are a number of ways in which the partnership is significant. First it puts people to work this summer and allows that work to be dedicated to high-priority green building partnerships. Green building projects are a priority of the school district. Replace seating and lighting control systems and exterior lighting fixtures to energy efficiency standards, greatly improving energy consumption. We get to replace old plumbing fixtures and install water conservation devices, use of over 25% as well as utilizing building trade labor to install those. We get to upgrade and replace school kitchen and food refrigeration, food service equipment which is scarily old. We get to repair irrigation systems and old school boilers with high-efficiency natural gas burners and weatherized windows for greater energy efficiency. Not only do we create jobs by this package of projects, but our estimation of the annual energy savings is nearly 3.5 million-kilowatts, 33,000 therms of natural gas, and over 50 million gallons of water a year by utilizing these improvements. These energy-saving projects and the jobs that are produced are paid for out of the energy savings estimated over \$1.1 million annually. For once, this really is a win/win proposition. We get to provide jobs for people who need the work. We get to recognize energy and resource conservation within our school district, and we get to use that bonding capacity to do that. We want to thank you for the partnership that is in a larger context of the partnership that's growing between the city and the school district. I think we have been looking across the footprint at our facilities with a view possibly to a capital bond, so we had the data ready and could quickly identify these projects, so I'm grateful to the school district. For their ability to respond in a very short timeframe, and we thank you for your support.

**Adams:** Thank you for persevering in difficult times and for maintaining your high expectations for Portland schools. You're ratcheting expectations higher, and I think we're all very grateful for that, being as innovative and creative as you possibly can.

**Wynde:** Thank you all.

**Adams:** I will pause this. We'll go back to the regular agenda, and that was the pulled item from commissioner Fish first.

**Fish:** Well, our last names both begin with an f., although there are some other differences. If we could read 748, mayor, I'm going to offer a brief amendment.

**Item 748.**

**Fish:** When the phb staff prepared this ordinance, they apparently overlooked the fact that the \$124,000 was included in the spring bump and that the -- therefore this ordinance accidentally included language to amend the fy 2009/2010 budget in the ordinance. Therefore, I move that we amend the ordinance as follows. Strike section b because subsection b because the additional 124,000 was captured in phb's 2009/2010 budget in the spring bump.

**Adams:** Seconded.

**Adams:** Moved and seconded. Any additional discussions? Anyone wish to testify on this matter? Please call the vote.

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

**Adams:** Aye. So approved. That gets us to -- sorry. Can you please call the vote on the underlying ordinance?

**Fish:** Aye. **Saltzman:** Aye. **Leonard:** Aye. **Fritz:** Aye. **Adams:** Aye. So approved. Can you please read the title for second readings item number -- well, we'll start with 763. Please call the vote.

**Item 763.**

**Parsons:** We did have one person who wanted to speak on that.

**Adams:** This is a second reading.

**May 26, 2010**

**Parsons:** Right. I thought you indicated earlier that the testimony you would be taking on the rates.

**Adams:** You're right. Who would like to testify?

**Parsons:** Linda winning.

**Adams:** You've been waiting. Absolutely.

**Linda Wenning:** Good afternoon. My testify is regarding the sewer rates.

**Adams:** This is about solid waste, so we're getting close. I promise. Please call the vote.

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

**Fritz:** I need to note that deciding whether or not to support an increase in rates is definitely not a decision that any of us take lightly and that most of these proposed increases are supported by the Portland Utility review board. The one that isn't is the solar trash compactors which I think can be very helpful in the areas that they'll be used to decrease the overflow of gash containers in highly public areas. I'm voting aye.

**Adams:** Aye. Please read 764.

**Item 764.**

**Adams:** Please call the vote.

**Fish:** Aye. **Saltzman:** Aye. **Leonard:** Aye. **Fritz:** Aye. **Adams:** Aye. So approved. We're going to keep on rates. Can you please read the title for seven 67?

**Item 767.**

**Adams:** Anyone wish to testify on this matter, the transportation rate? Please call the vote.

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

**Adams:** Aye. 767 is approved. Please read the title for second reading 772.

**Item 772.**

**Adams:** That's you. Thank you for being patient. Anyone else wish to testify on item number 772? Thanks for waiting.

**Wenning:** Good afternoon. My name is linda wenning, and I looked up on and it says the sewage fund is an enterprise fund, and it says this fund accounts for the waste water collection and treatment system activities and financing systems development charges to bonded assessments and payment of principle and interest on improvement bonds. Revenue is derived mainly from User fees. Enterprise funds work much like a business. The revenues and expenses should approximately, over time, equal each other. If the rates are too high, then the rate payers are subsidizing the city government. If the rates are too low, the citizens are supporting the users of the sewage. The fiscal year ended june 30th, 2009 does not have items for scholarships, tree maintenance, bike paths. For that year, the sewer operations contributed \$56,206,257 of the increase in the city's net assets, quote, primarily due to charges for service which exceeded cost of operations, unquote. Enterprise funds are not deep pockets subject to raiding other activities. It may well be illegal to do so. In light of the fiscal year 2009 surplus, this is not the time for any sewer increase, and I would like an opinion from the city attorney -- it can be in writing sometime later -- using sewer funds that have been collected from sewer users for use for the sewer department allocating those funds to other activities. Thank you.

**Adams:** Thank you for your testimony very much. We take those issues very seriously. Anybody else? Sue, would you please call the vote for seven 772?

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

**Fritz:** It's important to note that most of this increase is budgeted and has been budgeted since the beginning of the big pipe project and so that there are gradual rate increases rather than a big bill at the end or beginning after project. So I do, as mayor Adams said, take the concerns very seriously. This rate is down from the proposed 6.9. During the budget meetings, we discussed whether 5.9 was workable, and the citizen budget committee looking at what projects would drop off advised us that that was too much after cut, so we worked really hard amongst the council to find the point at which necessary services, including maintenance of our 100-year-old pipe system, are funded, that

**May 26, 2010**

we fund the green solutions, which actually are cheaper than pipes and so save rate payers' money and also put the majority of the savings from contracts into their rates to keep them lower. As the mayor note inside the comments on the budget, there were over -- the office of management and finances were over \$40 million in savings from construction costs coming in lower. Most of that is paid forward and decreased the rates. We decided as a council to fund the green swales and storm water facilities in streets because they do provide other benefits, but that money is going to storm water facilities, proven facilities that decrease basement flooding and are more cost-effective. So it's unfortunate that there's been such a lot of talk about that \$20 million. Last year, the council voted to save \$500 million by switching to a different method of treatment for the water bureau. So we are looking out for the interests of rate payers on a daily basis, and I believe this is a responsible rate that does that while making sure that we can pay our ongoing debt obligations because of the big pipe and other green projects that we need to do to keep the stream water clean. Aye.

**Adams:** Well, based on requests and based on forecasts, the savings provided to rate payers with this vote is around \$8 million a year, and that's significant, and that's the way it should be in a recession of this depth and magnitude. So I appreciate everyone working together to get that down. We do have the requirement to fulfill our state and federal court mandates, and it's difficult. In addition to the sanitary sewer, it's important to note that the city operates a storm water sewer system as well, 37 inches of rain a year we have to deal with on 4000 miles of streets and roads and other impervious surfaces. We also have charters related to initially mapping the poison in the willamette river, and then we have to, by federal mandate, bring it up. Our work to both keep rates low and to having an equitable system responsive to our state and federal mandates -- you know -- that's a tough job, and we're going to continue to apply ourselves. I'm pleased that, in this discussion, there have been four people -- only four people -- who have testified against the budget, expressed significant concerns with the budget, and there was an additional item, I believe maybe two, at the public budget hearings, so I want to thank Portlanders for their understanding of the collective challenges that we face. Aye. All right. That gets us to item number 773.

**Item 773.**

**Adams:** Anyone wish to testify on item 773? Please call the vote.

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

**Adams:** Aye. 773 is approved. Please read second reading 774.

**Item 774.**

**Adams:** Anyone wish to testify on item 774?

**Parsons:** We had steven jerold if he's still here.

**Adams:** Please call the vote.

**Fish:** Last week I supported the motion to reduce the rate from 12.9 to 12%. There may be additional savings that we can find looking forward, and I look forward to working with my colleagues in the next budget cycle to look at both of our enterprise bureaus for potential future savings, but I believe this is a defensible number. Aye.

**Saltzman:** I did tell you I was in new york. What I didn't tell you is i'm working on the unauthorized biography of commissioner Fish. [laughter] There's plenty of people here to talk about. Anyway, i'm pleased to vote aye, wish you all the best. Aye.

**Leonard:** I would not thank the water bureau staff who have developed a budget in one of the most trying conditions i've experienced in public life. I recognize that, and I appreciate it. Aye.

**Fritz:** I greatly appreciate the water bureau's staff, particularly david chaff, who diligently provides the information that I ask and the information that I should have asked before I even ask for it. I appreciate the good work you've done and also the reductions of the 6% from changing the filtration plant -- changing from the filtration plant. We all hope we get the variance on treating bull run water so we can save another 1 to \$2 million in not having to develop that ultraviolet system. I appreciate all the work that office of management and finance has done in looking at the budget.

**May 26, 2010**

The office of management and finance recommended a rate increase of 11%, and that was before the .9% was knocked off from removing the emergency staging area money from the contingency during the -- in last week's vote. I have been looking at a rate significantly less than 12%. 12% doesn't require any cuts within the water bureau. When all other city bureaus are taking significant cuts, it seems to me that we could have looked at efficiencies in operations and management, in expenditures within the water bureau, both in internal and external services. So I can't support this budget rate request. It continues to be a respectful disagreement, and I appreciate the debate. Aye. I mean no.

**Adams:** Aye. Aye. Please read 775. That's not a rate, is it? Then we will go back to item number 765.

**Item 765.**

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

**Andrew Aebi, Bureau of Transportation:** Andrew abbey, local improvement district administrator. We received no remonstrances against lid formulation.

**Adams:** Anyone that wishes to testify on 765? It is the first hearing. Moves to a second reading next week. Please read the title for second reading item number 766.

**Item 766.**

**Adams:** Please call the vote.

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

**Adams:** Aye. Please read the title for emergency ordinance item number 768.

**Item 768.**

**Adams:** What are we looking at? Why should we support this? And who are you?

**Patrick Quinton, Portland Development Commission:** Patrick quinton for the Portland development commission. We're here today for you to vote an ordinance to sub allocate the city's -- a portion of the city's allocation of recovery zone economic development bonds to the Portland public school system. David wynde was here earlier to testify on their behalf on their plans for the bonds. Just a little background on the recovery zone bonds. The city was allocated about \$13.5 million of recovery zone economic development bonds as part of the stimulus package, the american recovery and reinvestment act. These bonds are taxable, municipal bonds, used for a public purpose only, but they have a rebate with them which, in many cases, makes them more affordable than tax-exempt bonds. The city put out for interest, and we received three different proposals for this particular allocation of bonds and the staff deemed the proposal from the public schools to be the most -- public schools to be the most responsive, fitting the parameters of the request for proposals. Just to highlight, the priorities for that review were in line with our clean energy works program, so we made it a priority to look for projects that were going to undertake energy efficiency work and other green development work, and as board member wind pointed out, the school district will use the bonds to performed a base level of improvements across 95 different school district buildings, so we felt this was a great use of this bond authority. The city has to suballocate the \$11 million to the school district so they can issue those bonds. They're the obligations of the portland public school system, not the obligation of the city. And the staff that's worked on this recommends this, thinking this is an ideal use of this program.

**Adams:** Questions from council?

**Fritz:** I apologize I wasn't able to ask the question before. I'm wondering if there might be an opportunity for either council or an advisory group to weigh in on which of those is the one -- this clearly is one that is of great benefit to our whole community.

**Quinton:** We're proposing to suballocate 11 million to Portland skills and would have 2.5 million after that. At this point, we don't have any other responsive proposals for that pot of money. The second allocation was 30 million, roughly \$30 million for what are called recovery zone facility bonds, private activity bonds that end up -- you can issue tax exempt bonds for those purposes. We

**May 26, 2010**

did receive a number of proposals on that. We have four that we basically responded to and said, we're happy to move forward with those four projects, but all of them have various uncertainties around them, and so we want to see which ones actually can move forward and meet the time line of the authority, which expires at the end of the year. They're all worthy projects. If we make decisions about one or the other right now without knowing that they can actually deliver by the end of the year and to issue bonds, we would have prevented other projects from happening. We're happy to continue the conversation, but the more important variables are whether the projects can actually get going by the end of the year more than anything else.

**Fritz:** I appreciate the correction. We have \$20 million in facility.

**Quinton:** 20 million plus the 13.

**Fritz:** I reiterate that I think it should be something other than first come, first served. Yes, we want to look at the ones that can get through the process. If there's more than one that is approvable, I think there should be a public process, including the council weighing in rather than you got yours in a day ahead of the previous one, which is what I read by first come, first serve. The second question is what happens to the remaining 2.5 million in this pot.

**Quinton:** At this point, we don't have -- like I said, we don't have a proposal for it. If we aren't able to use it by the end of the year, it goes back to the state. If it's not used, it goes back to the state. We're still open for proposals for that 2.5 million.

**Adams:** I want to make sure I understand your concern, commissioner. We did a request for proposals, and these are the ones that came forward showing interest. This is the only one that appears to be ready to sign up for the liability and for the opportunity, so there isn't competition with the school district at this point.

**Fritz:** Correct. As part of the briefing, there is competition for the other part of the money, and it says that was going to be used first come, first served.

**Quinton:** For the facility bonds.

**Fritz:** And again I apologize for not being able to check this out ahead of time. I'm now glad to hear you say you would be open to more proposals.

**Quinton:** On the public side. We have to have other public entities like the school system would have to apply for that 2.5. We can't move that 2.5 over to the other side.

**Fritz:** So another public school district, for example, in Portland could apply for that remaining 2.5 million.

**Quinton:** They could. Build America isn't limited to any kind of dollars allocations.

**Adams:** We don't want -- commissioner Fritz just reiterated we don't want to have to send the 2.5 million back to the state. We are working to try to find someone who can put that to good use, because it isn't a cost to the city government.

**Quinton:** Right.

**Eric Johansen, Office of Management and Finance:** The remaining 2.5 we can apply just about anywhere, because we're constantly doing governmental purpose projects. We could apply it to sewers or any project that's a governmental project we can do by the end of the year. It's a question of the various things we're going to finance for the rest of the year.

**Adams:** We can often get financing on our own at the same or lower cost.

**Johansen:** This one is probably a little more cost-effective. For example, on the sewer bonds, we could allocate a portion of that upcoming sewer issue to this particular program and get a slightly lower financing cost than we could get through our traditional -- either through babs or through our traditional taxes. This is kind of referred to as a super babs program, because the subsidy is deeper than what we get in the babs program.

**Fish:** The build America bond, the briefing I got a few days ago was that that you could not use on residential rental construction.

**Johansen:** Correct.

**May 26, 2010**

**Fish:** Is this program eligible for rental and new construction of residential housing?

**Johansen:** The remaining 2.5?

**Fish:** Yes.

**Johansen:** No. It can only be used on governmental purpose bonds, and I believe that will preclude residential housing unless perhaps it was publicly owned.

**Quinton:** One of the other proposals we looked at is rental housing, and white require the city to own the project.

**Fish:** That's right. That was the problem with the build america piece. Ok.

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

**Parsons:** We have two people who signed up, john end wit and loretta smith.

**Adams:** Thanks for waiting.

**Loretta Smith:** On again half of senator wyden, I came to read his letter In regards to the recovery zone economic bond, and thank you, mayor Adams, and commissioner Leonard, commissioner Fritz, and commissioner Fish. He writes today to express strong support for the proposal now before you to assign 11 million recovery zone economic development bonds to the Portland public school district. This federally supported bonding authority is an important provision contained in the economic -- the american recovery reinvestment act of 2009. I am pleased that the city of Portland is proposing to use them to benefit Portland schools, school children, and taxpayers who will benefit from lower school utility bills. When I wrote it to pass the recovery act in february, 2009, the economy was in a free fall. Lay-offs were skyrocketing, and public safety nets were failing. The recovery act provided much-needed funding to maintain local services, extend unemployment benefits, and as with the proposal before you today stimulates job creation by carrying out much-needed infrastructure improvement projects. That is why my staff and I have closely worked with the mayor's office, the bureau of planning and sustainability, Portland development commission, and Portland public school district. The city of Portland I applaud, you and your staff, for using recovery act to develop innovative, energy-saving models like the Portland clean energy works program. Extending the recovery zone economic development bond to Portland public schools is an example of the foresight, thinking, and planning that have come to be an Oregon hallmark. It is my understanding that the Portland public schools intend to use this bonding authority to finance a number of energy and water conservation projects this year before the end of the year, and these projects will replace antiquated water systems and heating and cooling systems with new low-carbon, energy-saving equipment, saving money for taxpayers today and for years to come. Projects like these are a win/win outcome for the city and the schools, and I commend you all for recognizing the opportunity these bonds present. This proposal could not have come at a better time. Despite federal investments, commercial, and industrial construction and associated employment are lagging. Unemployment in the building trades is said to be as high as 30%. Three times that of the state as a whole. By speedily implementing these retrofits, Portland public schools can help to lower that alarming figure, get trades people back to work, and save water, energy, and taxpayer money this year. I strongly support these endeavors and look forward to working with the city of Portland and any other municipalities and counties to replace projects like these around the state. Senator wyden. Thank you. Loretta smith, a Multnomah county field rep for senator wyden.

**Fish:** And proud mother of a lincoln graduate and student -- student athlete at the university of Washington.

**\*\*\*\*\*:** Yay.

**Fritz:** It's put to good use and greatly appreciated.

**John Endicott:** Good afternoon. I'm john endicott. I'm the business manager of plumbers and steam fitters local 290. I just want to take a brief minute to really come down and thank mayor Adams and the commissioners for strongly looking at this proposal that senator wyden brought

**May 26, 2010**

forth, and we had a discussion several months ago, and I get calls a lot from elected officials is any stimulus money helping your members go back to work? And there haven't been anything. This idea, when we worked it out with senator wyden's office, the next day he was on the phone and said this is going to work. I'm going to make it work and do anything we can to help. This'll greatly help put our members back to work. As you heard in the statement, we're 30% to 60% unemployed in some of our trades. I represent 450 premises. 100 of them have been out of work for over a year, and it's very difficult to sustain your trade when you can't continue to train replacement workers that we need in the future, so we've been hit real hard, and this is such a make-sense idea that you've got boilers over 60 years old. Some came off of liberty ships they dismantled after world war ii. They're very energy inefficient, polluting. We get the polluters out, save a lot of dollars in utility costs for the school district, and we put family-wage people to work on those jobs. I just really wanted to say, especially to senator wyden's office who really picked up the ball and the city that jumped right onboard, thank you very much, and our members appreciate that.

**John Mohlis:** John mohlis, pacific trades council. I'm just here to reiterate my support and the council's support for this effort. As john said, our crafts are anywhere from 35 to 40% unemployed, three times the state average, and I think the underemployment rate is about the same as well. We're probably 65% underemployed. This is a great idea, and we need to do more of it. Thank you.

**Fritz:** Thank you all for coming in.

**Adams:** Anyone else wish to testify on item number 768. Please call the vote on this emergency ordinance.

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

**Fritz:** Mayor, this is another example of where you and your team have gone out for money and are putting it to good use, and I particularly thank kimberly schneider in your office who have been keeping my office informed. With all the other budget stuff going on, i've got two full binders briefing me on every one of these items on today's agenda, and it's important for citizens to know that staff are diligently looking into every single item, and we appreciate the funding. Aye.

**Adams:** This is great. Three weeks ago, we also approved our contribution to the Portland and milwaukie light rail line that breaks ground next summer, 12,000 jobs, and I want to thank senator wyden for his support on that as well. We desperately need those jobs. So making sure that we stand the line and got the full grant agreement was really important. Aye. Please read 769.

**Item 769.**

**Johansen:** This will fund a cash flow deficit. As you may recall, the annual borrowing is necessary to fund expenditures next fiscal year until such time as the property tax turnover starts to occur. At that point, we'll begin to accumulate those tax revenues and use the property tax levee to repay the tax and participation notes. This is something that we've done for many years consistently now again as a result of having consistent expenditures throughout the fiscal year with the tax turnover not starting until november. So this is an emergency ordinance. Competitive bidding in late june or early july expected. Happy to take questions.

**Fritz:** Has there ever been a discussion of trying to synchronize the two so we don't have to this every year?

**Johansen:** Not sure how to do that. A carry-over balance would be one way to carry us through, but legal provisions don't allow to us do that. I don't see really how we avoid the situation. And actually, it's not a bad thing, as it turns out, financially for the city. We're able to learn a little bit on the bond proceeds. Right now, for example, I would expect we'd borrow at about a half a percent. As long as we can invest the money for grater than that, it is a small money-making opportunity, one of the few that the irs permits to us realize.

**Adams:** Please call the vote on this emergency ordinance.

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



**May 26, 2010**

**Adams:** Aye. 769 is approved. Please read the title for nonemergency ordinance item number 770.  
**Item 770.**

**Johansen:** This authorizes a \$2 million increase in central east side urban renewal area's line of credit. The increase is requested in order to provide pdc with sufficient borrowing authority to accelerate the funding of the detox center into the current fiscal year. We will negotiate an increase in our existing line of credit for central east side in order to provide the additional funding for this project.

**Adams:** Council discussion or anyone who wishes to testify on this matter? It moves to a second reading. Please read the item second reading 771.

**Item 771.**

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

**Fritz:** I appreciate the work on this and the inclusion of public input into the revised process. Aye.

**Adams:** Aye. Please read second reading 775.

**Item 775.**

**Adams:** Please call the vote.

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

**Fritz:** Well, again, we hope we don't have to continue to do this, but in the meantime good work. Aye.

**Adams:** Aye. Please read 776.

**Item 776.**

**Fritz:** I am very proud of the program within the office of neighborhood involvement, and in my mind I consider our diverse civic leadership program our coalition that we fund these organizations to provide culturally specific and wonderful involvement of our communities of color in Portland. And so i'd like to turn this over to give us a little bit of information.

**Jeri Williams, Office of Neighborhood Involvement:** Good afternoon. I'll be really brief. My name is jerri sundvall-williams. I want to thank you for doing the daily task work you've been doing. My parents grew up in the depression and talked about how times were tough but that people pulled together. And we're actually having that opportunity to do that again, and it's working out wonderfully for us despite the recession we're going through. This program itself develops leadership to bring and include more voices of Portlanders into the city processes. And it's in its third year with cio going into its fourth year, and we've seen amazing things happen. We've seen folks join boards and commissions and also seen them expand their work to not just city but county, state, and now federal. Earlier this morning, I know you had a presentation talking about america speaks where we're having a national budget forum, and the dcl programs are all plugged into that as well. We're working on getting folks to be a part of the national budget conversation as well as we've had folks be a part of the city conversations, the county conversations on the budget. These programs empower people many times to believe that the city does care what they think. And for most of their lives and they've been before, that's not been their experience. So it's incredibly empowering. We're addressing equity by enjoying hundreds of new voices coming into the city of Portland process as we're working on the Portland plan. I want to thank mayor sam Adams especially for the equity video, which I think was really great, and you worked -- you did a great job on that round, too. And it was very enjoyable, and we're looking forward to getting our folks into that Portland plan process as well. I want to turn it over to Lai-Lani Ovalles from Naya, one of our organizing projects.

**Lai-Lani Ovalles:** Good afternoon, it's an honor to be here and I'd first like to thank the commissioners and also to recognize and thank the other partners, the other community based organizations that are doing the hard work although I am here to talk a little bit about the work of the Portland youth and elders council that is housed at Naya. I know that our other community partners are very committed to engage their communities and the important task of raising our

**May 26, 2010**

voices to create change in the city. And to kind of highlight the work of the dcl and specifically the youth and elders council, our mission is to strengthen the quality of life for the Portland American Indian and Alaskan native community by encouraging local leadership, community development and the practice of culture values and traditions and I think that's true for all of the organizations involved. To have curriculum and leadership training that is really culturally specific so that our community members feel empowered because we strive to achieve our purpose and power and ability to achieve our purpose so through these programs are able to strengthen each of our communities' voices and specifically the youth and elders' council, we engage all ages from babies to toddlers to young people and adults to our elders and the strength of our alumni is present in your office. Carey was involved with the youth and elders' council for many, many years. And we know that making people feel comfortable in coming to city council. A lot of folks not traditionally engaged in mainstream organizations, bringing them here to talk to you makes them feel they can be part of the decisions that get made and their voices and opinions can make a impact on decision making so one of the things we really stress is the importance of getting engaged in boards and commissions. For example, we have youth and elders' council members who have been actively involved in the public involvement advisory committee and part of the human rights commission and planning commission and just recently, the newly created native american advisory group and a lot of the things with respect to access to parks and jobs and housing have been going out throughout the city. And we really strive to be a successful example of urban indian community organizing for other cities. So I thank you, and I want to also say that, you know, the funding helps us do the work, but it's really the staff and community members who come and provide their own personal time, and passion for making Portland the best city it can be. So thank you.

**Fritz:** Thank you for your time in coming down and thank you for serving on the planning commission. A lot of work.

**Adams:** Thanks for your help with the Portland plan and it's been a great partnership. More to come. And the planning commission. All right. This moves to a second reading next week. [gavel pounded] please read item no. 777, nonemergency ordinance.

**Item 777.**

**Adams:** Commissioner Fritz.

**Fritz:** Thank you, mayor, we did have some reaching from the five coalitions earlier but the time was such -- from the five coalitions but the time was such that they had to leave. This is a companion piece to the previous article that we just heard. In that the neighborhood coalition are collaborating to broaden the scope and involvement of who participates in the neighborhood involvement system which is beyond the 95 neighbor associations. The grant agreements are structured to ensure that the coalitions focus on the goals and strategies in their five-year plans and southeast uplift is significantly higher and that's due to the number of neighborhoods and people they serve. Eventually when we get into a expansion budget mode, we would like to make sure that we have equity in the amount of funding that's allocated to the 95 neighborhoods and have not been able to accomplish that. But I do want that to stay on the front burner and notice that although we had to cut the neighborhood small grants program in the budget we passed in morning, it's been a tremendous success and we're proud to fund a portion of the small grants program. That provided \$563,867 to 271 organizations including many disadvantaged communities of color and organizations and the average grant was \$1,972, which is not very much and yet we were able to leverage, as a result of this investment by the city, over \$2 million in in-kind after volunteer hours invested in community projects and it's been a successful program and I want to thank mayor Adams for funding it and continuing to provide what funding is available for this year's program. With that, i'll turn it over to the office of neighborhood involvement.

**Paul Leistner, Office of Neighborhood Involvement:** I'm paul leistner. With the office of neighborhood involvement. Part of what we wanted to communicate is this is not the old

**May 26, 2010**

neighborhood system. This is a system that really has gotten the message and the five-year plan for increasing community involvement in Portland, we've reoriented toward those goals and working with partnership which is something that many of you have called for and v as have people in the community. Part the what you see in these grant agreements is a reorientation of the coalitions to make sure we make progress in that area. The system is good people. Not about a coalition office. Or computers. It's the people having the skills and confidence to engage not only on issues they care about but to learn to work with others, and that's a big challenge. People learning to work with people who may have different ideas and backgrounds and that's a big challenge and our coalitions are working together to develop a city wide strategy for leadership training that they would all share in and coordinate with the dcl partners to help people learn skills and learn how to resolve conflict and make the neighborhood associations more welcoming and relevant and they're volunteers doing a great work. And it's the kind of people support that the coalitions are providing that I think will make the difference. There's a increased emphasis on increasing the diversity and number of people involved. A lot of people don't want to come to a neighborhood association meeting. That's not the vehicle that's going to transform our democracy. It's about making sure that's working effectively but having many other different kinds of things for people to do to get them out of their homes and connected with other and learning how to connect. And networking and collaboration. They're acting like the hostess at party. Here's the pta, here's a african american advocacy group, a neighborhood group, you have similar interests and shepard that along. And also promoting effective communication. Getting the word out. Northwest coalition, all the neighborhoods have websites and listservs -- doing the outreach and support work to make this happen and there's examples of blowups that happen where the coalition steps in, and solarize Portland, it's a popular program that came about from one person in my neighborhood, mount tabor, who called southeast uplift and had a idea of neighbors going together and buying things and lowering the price. That exploded in the successful program that is replicated around the city and southeast uplift person was flown to utah to talk to a national audience about that project. There are great ideas in the community and they need the support that the coalitions can provide to help those things rise up and happen. I appreciate the long-term support this city council has given to the neighborhood system in this coalition model. It's unique in the country. We get calls all the time, how do you do it? We had a woman from canada talking to us. Figuring out how she could spread the word in canada. We're a laboratory. Don't do everything right, but we understand the problems better and working on them. So your support on the next five years is going to keep us in the forefront and being the laboratory for the nation to move us to a more participatory democracy in this country. Happy to answer questions.

**Fritz:** Would -- we do have seven district, two of them choose to have city-run offices, so that's why there are five grant agreements. And I need to mention that the folks here from the coalitions, previously -- charlie clark, the board secretary, west-northwest, and residents from the neighborhood, small grants coordinator, and dora perry who is my liaison and [inaudible] who is doing a wonderful job being the director and continues to do so.

**\*\*\*\*\*:** Thank you very much.

**Adams:** Thank you. Unless there's anyone who wishes to testify on 777, nonemergency order, it moves to a second reading next week. We're recessed to 2:00 p.m. [gavel pounded]

At 12:42 p.m., Council recessed.

**May 26, 2010**  
**Closed Caption File of Portland City Council Meeting**

This file was produced through the closed captioning process for the televised City Council broadcast and should not be considered a verbatim transcript.

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

**May 26, 2010**            **2:00 PM**

**Adams:** Sue, please call the roll.

[ roll call ]

**Adams:** Quorum is present. Before we move to the 2:00 time certain, I move that city council approve an evening session for deliberation and consideration of the school code on thursday, july 29th, from 6:00 to 9:00 p.m.

**Fritz:** Second.

**Adams:** Moved and seconded. Any discussion? Anyone that wishes to testify on this motion? Please call the vote.

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

**Fritz:** Hoping this has been checked out with our schedulers. Aye.

**Adams:** I just do what i'm told. Aye. [gavel pounded] if it isn't we'll come back with a different motion. Do you have the talking points? We are very lucky to have with us some very special guests that have traveled a considerable distance to spend some time here in Portland to check out some of the various ways that we plan and -- plan our future and implement it. And we have a delegation from the conference of mayors of china, and so please join me in Welcoming them to the council chambers. [applause] so today we are considering the issue of whether or not the voter financed assistance to potential municipal candidates should be referred to the ballot for voter consideration. Sue, can you please read time certain item 778. And 779, please.

**Items 778 and 779.**

**Adams:** Would our auditor and guest please come forward? Welcome back.

**LaVonne Griffin-Valade, City Auditor:** Good afternoon. Lavonne griffin-valade, city auditor. Here today to introduce the ordinance amendment and the referral. And here with me is the former elections officer for the city of Portland, who has taken a new position at pssrp, which i'm told stand for public safety systems revitalization program. So the auditor's responsibility in this matter is to prepare a resolution measure and ballot title to refer the publicly financed campaign system to voters. And our approach in this has been to develop a completely neutral measure and ballot title that provides necessary information in clear and understandable language to voters. So we really wrestled with the best way to do this, and the best approach for this, because again, our whole goal was to have something clear for voters to vote on. We wrestled with a couple of -- several different options actually, and I thought it would be good to highlight those for The public, primarily, because we've met with you and discussed those options before we settled on our final approach. But we thought about an advisory question to voters, and we struggled with the fact that wouldn't be binding and it might be confusing for voters to vote and for their results not necessarily to be binding. So we passed on that one. We also wrestled with referring current code, but there was concern about legality. Current code has never been referred to voters before. We could find no legal precedent for that. And so we were concerned about confusion around whether or not it would be binding. There was also a thought to repealing current code, and the yes would mean no program and the no would mean to keep the program, and so we decided that would also be too confusing to voters. And then finally there was no interest from leadership, meaning you folks, to refer this for a charter change. So what we decided to do, and this came on the advice of lynnly

**May 26, 2010**

reece, our trusty city auditor -- excuse me, city attorney representative, you're welcome to join the city auditor's office if you want to. To first sunset the existing code so that -- amend the ordinance or amend the code so that it sunsets the existing program after the november general election. And that's the ordinance amendment before you today. And then a second piece would be to bring for you to vote On -- to refer the campaign financing program and word it in such a way that voters know that if they vote yes they are showing their support for keeping the program, and if they vote no, they do not support the program. So that's basically what we have here today. I'll begin my introducing the ordinance that -- to add a sunset clause to campaign finance fund code chapter 210. So, discussion? Questions? Not yet? Ok. Do you vote on that before I go to the next one? I'm sorry, I don't know the protocol. Ok.

**Adams:** We'll hear about both and then take public testimony on both.

**Griffin-Valade:** Ok. So that's the ordinance amendment before you today. To sunset the campaign finance code as of the november election. And before you also is a resolution to refer chapter 210, at the november 2nd, 2010 general election. And I think that's all i've got for now, until you have questions for us.

**Adams:** Is there anything else we need to do? Ok. How many people -- how many people have signed up?

**Moore:** Four people.

**Chris Smith:** Mayor, commissioners, chris smith, definitely not in my planning commissioner hat, but representing some other hats i've had in this process along The way. First point I want to make is the importance of doing this referral to keep the promise that we have advocates made when this was first adopted that you as city council made, that the voters would have a chance to review this. As someone who works hard to make government part of the solution, I think it's very important that we do what we say we're going to do, we said we'd do this, it's important that we do it. Having made that point, I want to reflect a little bit on the system. I take the longview on this. I first studied public finance for city club back in 2000 for a statewide ballot measure and became a fan at that point. I was part of the original set of advocates who pushed to have this adopted. I think i'm in a relatively exclusive club with former commissioner sten, commissioner Fritz, advocates for the system who have run under it. I'm not sure what it says i'm the only one who hasn't managed to get elected from that club. But I have observed this keenly and have some reflexes. I think has dramatically changed the political culture in Portland by reducing the amount of money spent in elections. Even in races -- even for candidates who have not opted into the system and in racing where it's not been applied, it's generally lowered the amount of campaign spending. Dramatically. The four-digit campaign contribution is now a rarity in Portland, and that is directly in contradiction to national trends, and I think it speaks very well for our political culture in Portland. It also has led to the geographic dispersion of campaign contributions. If you look at a graph of where contributions come from in the city, you will see that in the races that have publicly financed candidates, there is no big peak around downtown and the west hills as there is -- tends to be in the privately financed campaigns, and that the I think speaks well to the values of equity inclusion that we value here in Portland. So i'm hoping that voters will take a very positive is attitude towards this, certainly i'm going to campaign in favor of it. And then finally i'd like to express some thanks. First to the auditor's office for their ongoing efforts to enforce and improve the system. I want to particularly single out andrew carl strom, the elections officer during my sigh and probably has done more than anybody else to implement the system. And I want to thank commissioner Saltzman, who voted for this initially, and has so far been the only incumbent to face publicly financed challengers, has had to do so twice and has done so with grace, and I appreciate that. And i'd like to make the point the system has learned. In the first cycle, we saw that there were -- the balance was more towards inclusion and less towards integrity. We exposed a problem there. During my cycle the form was dr. Forum was difficult, and no one was going to commit fraud with

**May 26, 2010**

that form. The most recent process -- we just get better and better and I hope we'll have the opportunity to continue time prove it in the future. Thank you.

**Adams:** Welcome back.

**Carol Cushman:** Good afternoon. I'm carol cushman, representing the league of vip women voters of Portland. The league supports the referral of the campaign finance fund to voters for the 2010 general election. When Portland city council adopted voter-owned elections in 2005, there was a commitment to refer the reform program to voters after five years. This is given Portlanders firsthand experience with the program as well as provided opportunities for improvements as suggested by the volunteer citizen campaign commission, and adopted by city council in the ensuing years. We applaud the hard work that was done by city auditor lavonne griffin-valade and her cosponsors for the referral, commissioners amanda Fritz and nick Fish, in preparing an even-handed and informative ballot title. The league has long supported campaign finance reform as a critical element in achieving the goals of open and representative government. The league wholeheartedly supports voter-owned electric and we applaud the leadership in leading the way for political Reform that is needed at both state and national level elections as well. We look forward to the opportunity for voters to judge the reform program and we believe the citizens of Portland will retain voter-owned elections because they are the ones who truly benefit from this system. Thank you.

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

**T.A. Barnhart:** High name is t.a. Barnhart. I want to thank the city council for keeping its promise to the people of Portland in referring the voter-owned election process to their consideration. And not giving in to the consideringable pressure being applied to the nine voters say in this matter. I am not here to speak to voter-owned elections other ton say despite what opponents and doubters say, the system is not about investing money in candidates, publicly financed elections are an investment in democracy. I don't need to detail the problems with america's political and electricitorial system. We need major reforms not merely in financing, but the very nature of how we vote. This council took a major step in reform with public finance of campaigns. But voter-owned election assist just a first step and we must not go backwards from here. We must go forward, not merely maintaining public financing but addressing the actual casting of ballots. We're fortunate Oregon has Adopted valerie plame -- vaim for elections, these make steps easier. Vote by mail gives Oregon one of the highest turnouts in the nation, but that's not enough. Last week approximately one-quarter of Portland voters cast a ballot. That means three out of four voters did not even bother to vote. Why? In part us it's because too many people feel their vote does not matter. They don't want to vote for the leading candidate or the candidates of the two major parties. Yet a vote for anyone else seems to be a wasted vote. A vote for someswun who is going to lose. This is especially true for those who want to give their support to a third party but realize that party has no chance of winning. Every voter should be able to cast a vote that counts. Unless you're willing to vote for the democrat, the republican, or the big guns in a nonpartisan race, your vote most definitely does not count. This is wrong, and we must change it. I favor instant runoff voting, but there are other options. As the council does the right thing and refers voter-owned elections to the ballot, i'm asking you to take the next step and consider the possibility of adopting or asking the voters to adopt a system like instant runoff voting in order to give more people a meaningful ballot. More of a reason to vote. This is not something to decide today, of course, but this is a matter of critical importance. Elections in america and in Oregon need reform that goes beyond funding. Please take the next step and appoint a body to study what next steps of electoral reform the city can take, whether that's instant runoff or other options for expanding legitimacy and participation. Voter-owned elections are an important first step, but if we don't take the next steps we've wasted our time and money. Thank you.

**Adams:** Thank you for your testimony. Appreciate it. You win the best t-shirt of the day contest.

**May 26, 2010**

**Spencer Burton:** Thank you for having me. I ran this time, I believe in public financing of campaigns. Without it, people with a vision, without opportunity to money can't have an opportunity to be heard. And I think it's important for the diverse people with diverse ideas, but without access to money have that opportunity. It was fortunate and we're blessed to have the man on this council and because of campaign financing. I ran against dan Saltzman and with the intention of getting campaign financing dollars. But I wasn't able to get to the thousand threshold this year, but I want that opportunity to be there for the future so the good men and women with a vision can have an opportunity to be heard. Refer it to the voters, let them have a chance to vote on it, I Think when they take a good look at it, I think they'll decide it's a good investment, it's worth their money, and it allows them and the people that represent them an opportunity to be heard. So all I ask to you do is let the people decide. Up or down, let them make the choice. And I think they'll make the right choice. Thank you for having me. Thank you.

**Adams:** Thank you very much.

**Mary Ann Schwab:** Mary anne schwab, a former person who ran against one of the crazy eights against randy Leonard a few years ago. And I remember being in here when this was first being developed by commissioner Saltzman and commissioner sten, and I think it was poorly written initially, but I think the bump and bruises have come out of it now, and eight of us ran against randy Leonard, and he won by one half of 1%. The people of my social economic background and others have no chance without this. I'm imploring to you please let the voters decide, and give them that opportunity. I would go one farther. You heard the gentleman talk about reform. I think everyone running for office should use the same dollar amount to sit and watch people throw darts at each other on television more and more intensely as the voting day comes close is wrong. And the only winners in this are those that are printing the lawn signs, and those that are printing the brochures.

Mayor katz told me years -- when I was running against randy Leonard, that I told her short of taking a second mortgage on my house there was no way -- no way could I run for office. She dropped her hand to the desk and said, I don't -- don't do that u. I repeat, do not take a second mortgage on your house. Best advice I ever got from a mayor of the city. [laughter] so please, mayor Adams and commissioners, forward this to the voters, and let us decide. Thank you. Ache thank you both very much. Anyone else wish to testify that did not sign up? All right. Let's proceed with the vote.

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

**Adams:** Welcome back.

**Rudy Soto:** Thanks for the opportunity to be here in front of you to speak. I just want to say that I understand the fear and insecurity of the Portland business alliance in terms of allowing publicly financed candidates to have a seat at the table and on city council on a place like yourselves, but I want to encourage people to be open to the concept that there could be somebody and there has been someone like commissioner amanda Fritz, who is very pro business, and prosperity. So it is -- there's nothing to fear. And we should support this. And allow people to have a voice on the issue. Thank you.

**Fritz:** Give us your name for the record, please.

**Soto:** My name is rudy.

**Adams:** Anyone else? Then let's proceed with the vote of the first item.

**Fish:** I am pleased to cosponsor this ordinance with the distinguished auditor and my colleague, commissioner Fritz. As has been said before, this fulfills a commitment that the council made to refer this to the voters. My vote fulfills a commitment I made as someone who is skeptical about putting off the referral for five years and thought the referral should have been sooner that this matter be referred to the voters. But I want to first give the credit where credit is due in this process. That is the two people who I mentioned before, the auditor and commissioner Fritz. First the auditor. The auditor has been scrupulously impartial and neutral in her administration of this

**May 26, 2010**

code. And I think everyone up here views that as a breath of fresh air. And we appreciate the way that you've done your business, and the way you've advised us on these matters. To commissioner Fritz, while I think it's important to give lots of credit to different groups for strengthening the law, I don't think the current law in the state that it is in would be as strong -- would have been strengthened but for her advocacy. I think she's been the indispensable person, with all due respect to the commission and others, in terms of bringing forward proposals to strengthen This particular law. And as has been stated, when it was originally drafted, it was incomplete and did not anticipate a number of contingencies, including as I have some personal experience with, special elections. And it is commissioner Fritz who has worked tirelessly with her colleagues to bring forth the amendments which have significantly strengthened this code. It is in my view appropriate for the voters to decide whether this is an appropriate use of taxpayer dollars. As I said earlier, my only quarrel in past years was I think it should have gone to the voters first, not at the end of a five-year period, but today we are fulfilling a pledge that many of us have made to give it to the voters to have that decision made by them. And I think that is appropriate, and I am pleased to vote aye.

**Leonard:** I voted to refer -- I didn't vote for this originally because I wanted it referred to the voters immediately. When it passed. That was the reason I gave at the time. Since that time, problems that have arisen occasionally under the system have created more concerns than what I could have possibly conceived of at the time. But as those problems have arisen, they have been from time to time resolved. For example, the problem that has been the most notorious with Emily Boyles and the fraud -- defrauding the system, for which she owes \$90,000 to the city, in my view was resolved with the election of our new auditor. To me that was an issue not so much of it being written poorly, but of lack of adequate oversight. It was "the Oregonian" that had to find there was a problem with the signatures in that case, and it wasn't the auditor's office. So as far as I'm concerned, that has been resolved as an issue, and I appreciate that. However, since that time there have been other issues that have raised concerns for me. Some have said here today this opens up the system to make it more democratic. It does if you happen to belong or have the support of the strong organization behind you. If you happen to be a member of one of those organizations that support you, as one special election candidate did, a period of 10 days, was able to go out and get 1700 signatures. Obviously could it not do that on his own, without that blessing, it would not have been able to do that. That's how campaigns work. I did that when I ran, I got organizations to support me to go door-to-door and -- door to door and there's nothing wrong with that. I suppose even the latest election raises some concerns for me, though it violates no laws, I think it's concerning to me that a candidate who qualified for public financing would have to use money given to him by the city to hire people to go door-to-door. Campaigns are about public support. And that's whether you're privately financed or publicly financed. You need to have volunteers be a part of your campaign organization or it means you're not viable as a candidate. Yet we spent \$145,000 for that candidate. Now, I've had a difficult time understanding why some might think it be inappropriate to use water bureau dollars to build an emergency staging site on the west side. In case the bridges collapse in Portland. So we keep equipment permanently on the west side. But seem to be ok with spending water bureau dollars to which over a quarter of a million dollars has been spent on this program, sewer dollars over a half million dollars on this program, all bureaus have spent over \$2.6 million on this program. But that's -- that doesn't seem to raise the same kind of debate as what I consider a much more close nexus to the water bureau having a place to put emergency responding vehicles. That's concerning to me. Now, so what's the solution? I'm one who never likes to point out problems without a solution. This morning I voted because we were short 560,000 dollars to close a fire rescue. The amount of money that's been spent so far in this program would have kept that fire rescue open for four years. That disturbs me. I don't think that's an appropriate use of resources at a time when we're closing emergency apparatus that could possibly save people's lives. So what I would like to see happen is one of a couple things. Either



**May 26, 2010**

this go out with a levy, where the voters not only vote to do this, but they vote a funding mechanism that funds this in perpetuity or an ongoing basis. That seems to be a much more realistic way of funding this program. While allowing us to fund key programs in the city. Second, as an alternative, I would support campaign limitation amounts for city races that made it very clear what the upper limits were on campaign contributions. And given some of the constitutional challenges with that other means by which we can control the cost of campaigns if not by limits than by even more disclosure. But in my view, at this time, with the challenges this city has just to provide basic public safety, it's not an appropriate use of our dollars. I will vote to refer it to the voters, but unfortunately I can't support the program as it's currently funded, or administered. Aye.

**Fritz:** First thank you auditor griffin-valade for your good work on this. I believe it is a very clear and objective ballot title. Thank you andrew for all of your work, ongoing since I first got to know you back in 2005 when I started running for public campaign financing the first time. Thank you lynnly reece for the good advice and the elegant method of sunseting the current ranks and telling voters, vote yes if you want to continue. This it's very clean and clear, and I hope that voters will vote yes in november. Thank you commissioner Fish for being involved in choosing the language carefully on this ballot title so that both and you your staff and me and mine were involved so that we had all sides at the table thinking clearly about how would this be perceived by different folks. And thank you to rudy and mary anne and chris who have come in and having run under the system and not had the good fortune I have to serve on the council, but still committed to the program. This is about hope. This is about equality. This is about every citizen of Portland. If you're a registered voter, you have a legitimate shot at being elected to our city council. It's an investment in democracy. It's an investment in the american dream. And Portland is trend set can. It's unfortunate we're the only jurisdiction in Oregon that offers this other than the political tax credit that's offered at the state that Portland should not be the only office that one can run for only with public campaign financing. As I have found over the last 17 months, this is not a rookie assignment. And it's not for political newcomers, and so the voters of Portland invested their money in Me, and I likewise invest my time. I had invested close to 20 years in participating in Portland politics, which is why i've been able to be successful along with my staff helping me, and the good people who work in the city bureaus. All the city bureaus, including water and environmental services, and other bureaus that aren't funded by the general fund. And people who pay rates for sewer and water, some of them live outside of the city of Portland. And they too have an investment in who is elected to the city council, and it's appropriate that a small portion of their rate money should be allocated to make sure that maybe one day the commissioner in charge of one of those bureaus would be a public campaign financing commissioner, and that may be a good thing. Certainly it's a good thing to know that's a possibility. What one of the things I like about this system is that it's a choice. And that there are limits for how much those who choose to run with private money can raise without there being matching funds. There's limits to the matching funds that if somebody did want to fund-raise independently, they could. And it's honorable to choose either mechanism of being elected to council, i'm very happy that there is the choice. And that's why i'm very glad to finally be at the point of referring this. I used to -- I believe it's important for citizens to know that, yes, your public tax money is paying for this system. And it is a good investment of democracy. It is voter-owned elections now because only those who are registered Portland voters are eligible to get the \$5 to help a candidate qualify. When we refer it to november and if voters choose to adopt it, it will be doubly voter-owned, and it will be something really special that the voters of Portland can choose to keep or can choose to go away. Thank you league of women voters and thank you common cause, and previously money and politics in trust research project. A lot of good work has been done, and the eyes of the nation are looking at us. So from the eyes of the nation I want to go to three people, tim, ed, and linda robinson, who helped me in my first campaign when the rule was that if you made one mistake were you disqualified. One

**May 26, 2010**

mistake in a thousand signatures. We would have been disqualified. So I knew the names of all thousand people we went over and over and over them before we submitted them because we wanted to make sure they were right. And I later had a fellow come up to me at a rally, and he said to me, "do you remember me? I gave you \$5." and I said, what's your name? Oh, I threab name: And he was so invested in my candidacy. He knew that he had made a Significant difference in getting me on the ballot. And getting me in a position where I could be elected. And that is huge, that the citizens of Portland have a very big responsibility. If we pass this in november, each person who gives \$5 needs to be very clear about whether they actually support that candidate, both getting \$150,000 for a city council race, and being elected. We will be voting in november about whether we support the system or not. After that, each person will have to be very clear just as I have to be very clear in every vote I make on the city council, is that worth the dollars I am giving of given, each person giving those \$5 needs to be particularly careful. I sat next to a business person at a charity dinner a couple weeks ago. And he said, thank you so much for running with public campaign financing. I can't tell you how much money i've been asked to give and had to give to candidates running for all kinds of offices. And i'm tired of it. And I said, you're very welcome and i'm glad to be here, and since did you help pay for my election anyway, to the tune of about \$1, I didn't say that part, but, yes, every Portlander has I understand has helped finance my election. So I said, so since I am your commissioner and you contributed to my campaign, what can I do for new and he goes, nothing. Just keep listening, keep making the decisions based on the Information you're getting from every citizen. And I thought that was beautiful. I also remember every night when i'm doing my hundredth email of the night and it's 12:30 and i'm getting berated by somebody who may or may not have had the right information, but certainly is letting me have it on email, I remember this person helped finance my election. They deserve as every citizen does, they deserve my lpt and -- my respect and my time in answering that email, because I am beholden to them. That's the only way i'll use the term "beholden" in this campaign. We are all five of us beholden to the voters who elected us. Whatever the mechanism, ultimately it's the people who check -- who fill in the bubble on the ballot that elected each one of us. So I am very honored to be here as a public campaign finance commissioner. I respect my colleagues greatly and I thank you for referring this to the voters. And I want to thank again tim and tom and my staff who have worked really hard on this as well. And i'm deeply honored to be here on the council because of public campaign financing. Aye. **Adams:** I want to thank our auditor and commissioner Fritz for bringing this forward, along with commissioner Fish, janice thom sorntion league of women voters, and everyone involved. Aye. [gavel pounded] We are in recess for --

**Fish:** We have another matter.

**Adams:** I take it back.

**Parsons:** 779. I'll just call the vote.

**Fish:** The resolution, mayor, actually has the ballot title, the caption question and summary, and this was the product of a lot of work. A lot of draft can, and editing, and it was the guiding principle was to give no advantage to either side on this issue. To have a strictly neutral and impartial title, and description. And that is not always been the history in Oregon on ballot referrals. But I want to compliment the auditor and commissioner Fritz for their hard work to get this. I think this is in fact meets the test we laid out to be neutral and impartial. And to be a clean -- to present the voters with a clean up or down vote as we advertised. Aye.

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

**Adams:** Aye. We're recessed for 15 minutes. [recess]

At 2:44 p.m., Council recessed.

At 3:03 p.m., Council reconvened.

**May 26, 2010**

**Adams:** It is still may 26, 2010, and it is still wednesday afternoon, 3:00 time certain. Sue, can you please read the title for item number 780.

**Item 780.**

**Adams:** I would like to thank the education cabinet for helping to create, put in place, and implement some key strategies that will bring additional community support to the success of all schools in Multnomah county. Commissioner Saltzman and huses work on the children's levy has Also been key, along with the leadership of the Portland schools foundation, work systems, and everyone involved in the government side. But government alone can't solve the problem that four out of 10 eighth graders do not graduate from high school on time. It takes a public-private effort, and i'm very pleased today to bring forward for council a recognition a -- except in a generous -- accepting a generous offer from matt clicks and chooselocal.com, along with unitus community credit union that you're going to hear about in just a minute. I like the two together because for every \$100 that is spent at a local independently owned store, 68 stays in the local economy in the form of payroll and taxes and economic benefit, compared to national chains, which have their place in the city of Portland. National chains for every \$100 spent at a national chain, 43% stays in Portland. Portland has more locally owned neighborhood businesses, businesses that are five or less employees per capita than any place we can find among major cities. And I think that's a great thing. But in this recession, this local businesses that have had hard time getting access to capital, while at the same time have struggled along with all businesses to get customers through the door. The Portland is better together campaign is an umbrella that the council has work under to make Sure we're helping folks in greatest need. And so today along with a partnership of the businesses that I mentioned, we are rolling out a Portland rewards card. A hyper local credit card program through unite us where customers can learn about counts and -- discounts and specials at local stores, and where 50% of the net interchange income on each transaction will be donated to Multnomah county's sun schools and summer youth connect programs. So shopping at local stores is always a good thing, but now it comes with donating a donation for local schools. With that, i'd like to invite up the david bentley, paul kirkbride, and mr. Fish, do you want to come up as well? Not the other mr. Fish. 1st up, david, and our good friends paul at map clicks, choose local, and uniteus, there this wouldn't have been happening without your interest, your generosity and being incredibly creative. So thank you both.

**David Bentley:** I'm joined with paul kirkbride, vice-president of credit services, unitas community credit union. I also have behind me my marketing director observing as well. To give you background, we've been working with neighborhood businesses since 2002 starting with the alberta street walking map, and now we publish and distribute over 10 different maps for different districts. And we're totaling almost 2 million maps a year for those Districts. Two years ago we started to choose local program with this card here, and it promotes businesses as you mentioned, encourages people to shop local and with these local companies. These cards are free, and it's gained a lot of momentum in the last two years, and they're available at local businesses, and we distribute them at community events and so on. Almost a year ago we formed a partnership with unitas community credit union to create this credit card that now I just received. That benefits card holders and their community. Will choose local visa credit card is an affordable card with a competitive rate, without costly fees and gotcha and things of that nature. The choose local community the cabinet will use this income to promote its goals of improving high school graduates rates, utilizing the program schools, unit be neighborhoods and summer youth connect. There are three ways to apply for the choose local visa card by visiting unitas branch, by calling unitas or by going to the website, chooselocalvisa.com. Membership is required a. \$5 membership, it's open to the membership is open to those who live or work in Multnomah county, Washington, clackamas, marion, polk, yamhill or clark counties. This grant is to supplement the funding of the choose local visa. They'll

**May 26, 2010**

be used for advertising purposes, we'd like to thank the Mayor and the city council for allowing us our time to do the application for the grant.

\*\*\*\*\*: I have no prepared comments. I'm here to support david.

**Adams:** Ok.

**Warren Fish:** Good afternoon mr. Mayor, and commissioners. I'm warren Fish, policy advisor to county chair jeff cogan. And i'm really excited to be here today to talk about this grant and the choose local credit card. It's really exciting that this will be a way for people to really get more involved in their community through regular everyday purchases. As you all know, buying locally is a great practice for us to adopt along with reusing, reducing, and recycling in order to support local businesses, keep people employed locally, and it's great that it says on there, choose local, because it's a helpful reminder as you reach for your wallet that you can make a conscious choice about how you're going to be a consumer here in Portland to help the community and that helpful reminder is also going to translate into support for sun community schools and summer youth can act. And i'll tell you about sun community schools. I know you're pretty familiar with the program, but for those who don't know, sun is active in 58 schools in Multnomah county. Schools with a large low-income population, 71% of the kids served by sun are kids on free or reduced price lunch, and 63% are from a culturally specific community. Sun works closely with school Principals, and other school personnel to build on positive assets in the school community in a partnership that brings other nonprofit groups into -- into schools to deliver after-school programming before-school programming, school counseling, a wide range of services from academic, to emotional, and social supports. It also connects families and parents to services they may not be aware of. So it's really great to see this additional help coming in. There's great need in our schools right now, and we would love to expand the sun program. I'm hopeful that a lot of people in the community will sign up for this card and let their transaction fees that right now are going to large banks typically stay in our local economy and help support local business, but also support our kids and our youth in our sun schools. Thank you.

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

**Barbara Timper:** Hi. I don't have the rollers. Good afternoon. Mayor Adams and commissioners, my name is barbara temper, and I am the summer youth program manager at work systems inc. I really appreciate the opportunity to come and talk to you and to support the choose local initiative. Summer youth connect as you probably know is an initiative of the education cabinet to provide meaningful activities for youth in the summer months so that they can stay connected to school and stay connected to The idea about meet can -- needing to have additional education and to be successful in the work force. The summer youth connect programs are the -- which provides career and college exposure to youth as they're transitioning into ninth grade. There's the career plus career plus college connections program for youth at our transitioning from ninth to 10th grade that gives opportunity to do credit recovery if you have failed court classes. And to allow them to do more in-depth career exploration in one of the recognized career pathways. And the third program under the summer youth connect isouts summer works, with is -- which is a subsidized youth program for youth during their 10th and 11th and 12th grade years. These programs all take money to be successful and having had the wonderful pleasure of stimulus money last year to run a summer youth jobs program, and then this year having none, it's -- the need to find opportunities, multiple opportunities with both the public and the private sector to create a funding stream to help continuing to support program year after year is important. So I say thank you very much for your willingness to support kids and our community, and i'm appreciative to have this opportunity to come and support this effort and your application.

**Fritz:** Thank you for your work. I was just at marshall high School last night, my son is a tutor there, and they were signing akili smith up for summer youth connect, and there were a lot of sign-ups.

**May 26, 2010**

**Timper:** That's great. Glad to hear.

**Fritz:** It's a hugely successful program in terms of keeping students connect and giving them that adult mentoring support. So how do I and anybody else sign up for one of these credit cards?

**Bentley:** Basically there's an internet website as well as unitas has its website as well, and we have flyers going out amongst all the community to show people how easily being that i've been doing the maps for so years, I have a lot of great business partners that are placing those flyers around, and things like that, so we're going to have good penetration to market that way in terms of marketing. As far as someone just knowing more -- if you go to chooselocal.com, the credit card is twofold. It's got the benefits of course that we're discussing today, but it's also a card that -- on the chooselocal.com site is a card you can get discounts and all sorts of great deals from local businesses. They have access to their own pages. So they can switch up and do different things on those pages to benefit their business. Anyway, on that site as well it has connections to unitas and the visa card.

**Fritz:** I go to chooselocal.com. If I sign up for a credit card That looks like it has the same logo, does that same one card fit in with your program?

**Bentley:** Yes.

**Fritz:** Great. Thank you very much.

**Adams:** The mayor has one of the world's largest versions of that credit card in his office.

**Fish:** Assuming this is a big hit which of course we hope it is, do we have a sense of what it could generate over time?

**Paul Kirkbride:** My name is paul kirkbride, i'm with unitas community credit union. To answer your question, commissioner, we ran a number of different scenarios, and obviously it would depend on how many cards were issued, but I think we're looking somewhere between -- if we issued a couple thousand cards between probably 50-100,000 dollars a year could come out of the interchange donation. Things that can influence that or impact that would be the type of credit card user. If somebody -- say they carry balances but they're not a transactor, they're not spending and of course that could bring it down, and there's a number of discussions taking place right now at the national level about interchange income. So a change in the interchange rates could also impact the amount of the donation. The important point is the more cards that are issued, the more likelihood there is of transactions, which means the greater the donation will be. Floss cap on how much we end up donating at the end of the day. And if it's -- if the amount is inconsequential in six to 12 Months we'll reevaluate the amount of the donation to make sure we're having a positive impact on schools.

**Fish:** The other comment I wanted to make to warren, no relation Fish, is that I liked your vision of expanding the sun school program. My guess is with the kind of budget challenges that the county and the city are going to face over the next few years, if we could just hold the line on the funding, that would be progress. And as you know, the city funds between 10 and 11 sun school programs through parks and we have a great partnership with the county on this, but my concern beyond expanding the program is holding on to what we have while we're likely to be cutting budgets for some time. So whether it's to shore up what we have or to expand, it sounds like a wonderful opportunity.

**Warren Fish:** Given the budget challenge at the county and the city, it's our priority. But some day there are a lot of particularly in our high schools, a lot of opportunities to serve more kids who we can give them some real important support and service, the kids and families who are not getting it now.

**Adams:** Thank you all very much. Really appreciate it. Thank you. Anyone else wish to testify? This moves to second reading, a vote next week. [gavel pounded] we are adjourned. [gavel pounded]

At 3:19 p.m., Council adjourned.