



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 15<sup>TH</sup> DAY OF SEPTEMBER, 2010 AT 9:30 A.M.

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

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

Items No. 1252 and 1262 were pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

	<b>Disposition:</b>
<b>COMMUNICATIONS</b>	
<b>1243</b> Request of Angela Moos to address Council regarding recent polling of Kenton neighbors on Portland International Raceway (Communication)	<b>PLACED ON FILE</b>
<b>1244</b> Request of Ryan Pittel to address Council regarding recent polling of Kenton neighbors on Portland International Raceway (Communication)	<b>PLACED ON FILE</b>
<b>1245</b> Request of Jared Tormohlen to address Council regarding recent polling of Kenton neighbors on Portland International Raceway (Communication)	<b>PLACED ON FILE</b>
<b>1246</b> Request of Arthur Lewellan to address Council regarding artist renderings of CRC Project Concept No. 1 and Hayden Island Roadway proposals (Communication)	<b>PLACED ON FILE</b>
<b>1247</b> Request of Kurt Albright to address Council regarding problems apartment owners have incurred from the meth issue (Communication)	<b>PLACED ON FILE</b>
<b>TIMES CERTAIN</b>	

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<p><b>*1248 TIME CERTAIN: 9:30 AM</b> – Accept donation of the sign commonly known as the Made in Oregon Sign from Darryl Paulsen and execute an Intergovernmental Agreement between the City and PDC; authorize the Director of the Bureau of Internal Business Services to execute Maintenance Agreement, Retail/Parking Lot Commercial Lease, Rooftop Commercial Lease and Rooftop Easement in support of the sign and donation (Ordinance introduced by Mayor Adams and Commissioner Leonard) 45 minutes requested</p> <p><b>Motion to add emergency clause:</b> Moved by Commissioner Leonard and seconded by Commissioner Fritz. (Y-4)</p> <p>(Y-4)</p>	<p align="center"><b>184120</b> AS AMENDED</p>
<p align="center"><b>CONSENT AGENDA – NO DISCUSSION</b></p>	
<p align="center"><b>Mayor Sam Adams</b></p>	
<p align="center"><b>Bureau of Planning &amp; Sustainability</b></p>	
<p><b>*1249</b> Amend contract with Campbell DeLong Resources, Inc. in the amount of \$13,000 to provide additional evaluation of curbside food scrap pilot household research services (Ordinance; amend Contract No. 30001169)</p> <p>(Y-4)</p>	<p align="center"><b>184110</b></p>
<p align="center"><b>Bureau of Police</b></p>	
<p><b>*1250</b> Accept and appropriate a grant in the amount of \$824,764 from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance Edward Byrne Memorial Justice Assistance Program Grant to prevent or reduce crime and violence (Ordinance)</p> <p>(Y-4)</p>	<p align="center"><b>184111</b></p>
<p align="center"><b>Bureau of Transportation</b></p>	
<p><b>*1251</b> Approve the terms and conditions of a Customer Requested Work Agreement with Pacific Power, a division of PacifiCorp, to facilitate work associated with the Portland Streetcar Loop Project (Ordinance)</p> <p>(Y-4)</p>	<p align="center"><b>184112</b></p>
<p><b>*1252</b> Accept a \$50,000 grant from TriMet for Transit System Safety Improvements (Ordinance)</p>	<p align="center"><b>REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</b></p>
<p><b>*1253</b> Grant revocable permit to Paddy's Bar and Grill to close SW Yamhill St between SW 1st Ave and SW Naito Parkway from 12:01 a.m. September 25, 2010 until 7:00 a.m. September 26, 2010 (Ordinance)</p> <p>(Y-4)</p>	<p align="center"><b>184113</b></p>
<p><b>1254</b> Grant revocable permit to TriMet to close NW Overton St between NW 13th Ave and NW 14th Ave from 3:00 p.m. to 9:00 p.m. on October 18, 2010 (Ordinance)</p>	<p align="center"><b>PASSED TO SECOND READING SEPTEMBER 22, 2010 AT 9:30 AM</b></p>
<p align="center"><b>Office of Management and Finance – Internal Business Services</b></p>	

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<p><b>1255</b> Accept bid of Moore Excavation, Inc. for the Oak A Basin Phase 1 Sewer Project for \$1,914,651 (Procurement Report – Bid No. 111821) (Y-4)</p>	<p align="center"><b>ACCEPTED PREPARE CONTRACT</b></p>	
<p><b>1256</b> Accept bid of K&amp;R Plumbing Construction Company, Inc. for the SE Stark St, 72nd Ave, Taylor St and NE Wistaria Dr Sewer Rehabilitation for \$655,59 (Procurement Report - Bid No. 111825) (Y-4)</p>	<p align="center"><b>ACCEPTED PREPARE CONTRACT</b></p>	
<p><b>1257</b> Accept bid of Sierra Construction Company, Inc. for the Fire Station 31, Construction of New Station for \$1,884,000 (Procurement Report - Bid No. 111879) (Y-4)</p>	<p align="center"><b>ACCEPTED PREPARE CONTRACT</b></p>	
<p><b>1258</b> Authorize CityFleet to transfer trailer title from City to Clackamas River Water (Ordinance)</p>	<p align="center"><b>PASSED TO SECOND READING SEPTEMBER 22, 2010 AT 9:30 AM</b></p>	
<p align="center"><b>Commissioner Dan Saltzman Position No. 3</b></p> <p align="center"><b>Bureau of Environmental Services</b></p> <p><b>*1259</b> Accept a \$300,000 grant from National Oceanic and Atmospheric Administration - Open Rivers Initiative for Crystal Springs Culvert Removal and Habitat Restoration Project (Ordinance) (Y-4)</p>		<p align="center"><b>184114</b></p>
<p align="center"><b>Commissioner Randy Leonard Position No. 4</b></p> <p align="center"><b>Bureau of Water</b></p> <p><b>1260</b> Authorize Intergovernmental Agreement between the Portland Water Bureau and the Portland Development Commission for purchase and installation of public restrooms (Second Reading Agenda 1233) (Y-4)</p>		<p align="center"><b>184115</b></p>
<p><b>1261</b> Extend the lease agreement with Modular Space Corporation for modular units at the Water Bureau Interstate Facility (Second Reading Agenda 1234; amend Contract No. 40947) (Y-4)</p>		<p align="center"><b>184116</b></p>
<p align="center"><b>Commissioner Amanda Fritz Position No. 1</b></p> <p align="center"><b>Office of Healthy Working Rivers</b></p> <p><b>*1262</b> Amend contract with EnviroIssues for Portland Harbor project management and contractor coordination (Ordinance; amend Contract No. 36273)</p>		<p align="center"><b>REFERRED TO COMMISSIONER OF PUBLIC UTILITIES</b></p>

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**Commissioner Nick Fish  
Position No. 2**

**Portland Parks & Recreation**

- \*1263** Authorize loan agreement to facilitate field improvement for Buckman Field (Ordinance)  
(Y-4)

**184117**

- 1264** Approve Intergovernmental Agreement with the East Multnomah Soil & Water Conservation District through their Partners in Conservation Program to develop Neighborhood Forest Management Plans (Ordinance)

**PASSED TO  
SECOND READING  
SEPTEMBER 22, 2010  
AT 9:30 AM**

**REGULAR AGENDA**

**Mayor Sam Adams**

**Bureau of Planning & Sustainability**

- \*1265** Authorize a Grant Agreement with Clean Energy Works Oregon, Inc. to deliver high-quality job creation, energy savings and carbon reductions through the expansion of Clean Energy Works Portland to jurisdictions around Oregon (Ordinance)  
(Y-4)

**184118**

**Bureau of Transportation**

- 1266** Create a local improvement district to construct sidewalk and stormwater improvements in the SE Water Ave and Yamhill St Local Improvement District (Hearing; Ordinance; C-10038) 10 minutes requested

**PASSED TO  
SECOND READING  
SEPTEMBER 22, 2010  
AT 9:30 AM**

- \*1267** Authorize contract with Alta Planning + Design to provide project development services for street design projects to implement the Portland Bicycle Plan for 2030 (Previous Agenda 1227) 10 minutes requested  
(Y-4)

**184119**

**Office of Management and Finance – Internal Business Services**

- \*1268** Authorize CityFleet to purchase replacement police patrol vehicles at \$1,144,000 (Ordinance)  
(Y-4)

**184121**

- 1269** Authorize CityFleet to purchase replacement dump trucks at \$1,190,000 (Ordinance)

**PASSED TO  
SECOND READING  
SEPTEMBER 22, 2010  
AT 9:30 AM**

At 10:43 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,  
OREGON WAS HELD THIS 15<sup>TH</sup> DAY OF SEPTEMBER, 2010 AT 6:00 P.M.

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

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Tracy Reeve, Sr. Deputy City Attorney; and Steve Peterson, Sergeant at Arms.

	<b>Disposition</b>
<p><b>1270 TIME CERTAIN: 6:00 PM</b> – Authorize Petition to the Oregon Liquor Control Commission to implement an Alcohol Impact Area in the Downtown Portland area on behalf of the City of Portland (Resolution introduced by Commissioner Fritz) 1 hour requested</p> <p><b>Motion to amend rule language to read “Licensee will not sell fortified wine over 14% ABV except port, sherry, madeira, and vermouth”:</b> Moved by Commissioner Leonard and seconded by Commissioner Fish. (Y-4)</p> <p>(Y-4)</p>	<p><b>36815</b> AS AMENDED</p>

At 8:15 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.

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

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

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

**SEPTEMBER 15, 2010 9:30 AM**

**Adams:** It's 9:30 a.m. And the city council will soon come to order. But we have a special announcement prior to gaveling ourselves in. I'm pleased to read the honeybee proclamation. Please come forward. Whereas, the honeybee is responsible for over 40% of all the pollination of the food that we eat. And whereas, the honey produced is delicious, helpful and therapeutic and whereas, the honeycomb wax is a miracle of engineering and the life it creates is a comfort and joy to people and the honeybee's domestication thousands of years ago resulted upon dependent of human care and beekeeping practices that will be necessary to reverse colony collapse disorder and the new documentary, "queen of the sun, what are the honeybees telling us" a profit of the non-profit collective eye features our residents with other bee keepers and scientists and artists and philosophers and "queen of the sun eye is partnering for theatrical release in Portland with diverse organizations, Portland farmers' market, the city of Portland bureau of planning and sustainability, Oregon sustainable land trust, the Oregon wildlife fed indication, growing gardens and the northwest alternative to pesticides and sustainable and healthy community and whereas, of Portland resident can be part of the as for supporting the health of honeybees by voting the -- buying food from farmers who avoid toxic pesticides and planting flowers for honeybee forage and calling for a swarm expert and reducing the misplaced fear of honeybees that they're rarely the source of most insect stings, now, therefore, I sam Adams, mayor of the city of Portland, and a honeybee keeper myself, do hereby proclaim september 17th through september 23rd to be honeybee week.

Congratulations. [applause] would you like to sit at our table and say a few words?

**Taggart Siegel:** I'm the director of "queen of the sun, what are the bees telling us" and it's a great honor to have honeybee week signed as the proclamation of helping save honeybees and I deeply appreciate it. It gives me great hope that cities throughout the country might be able to follow suit. And that Portland is a leader in this area. And there are beautiful backyard bee keepers all over Portland, and I really feel it's going to be a growing thing. And you'll probably see more and more fruit and flowers in your -- in your city. In our city, so thank you very much, mayor sam Adams.

**Adams:** I can attest to that. This is the first year i've had honeybees and my garden has done much better this year than in previous years, even without adequate sunshine this summer.

**Fish:** And the local premiere is where and when.

**Siegel:** The hollywood theater on friday at 7:30.

**Adams:** I'll see you there and encourage Portlanders to attend. Thank you very much.

**Siegel:** Thank you.

**Adams:** Let me give you this proclamation. Congratulations. We'll now come to order, can you please call the roll. [roll call]

**Adams:** We'll proceed beginning with communications. Please read the title to item 1243.

**Item 1243, 1244 and 1245.**

**Adams:** Angela?

**Angela Moos:** Here I am.

**Adams:** Ma'am president, how are you?

**Moos:** Fine, thank you.

**Adams:** Welcome.

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**Moos:** May I ask that we have ryan pittel and Christopher little, substituting for Jared Tormohlen, join me. Jared could not come due to a death in his family.

**Adams:** Unless there's objections from council, we'll allow it. Come on up. Welcome and you'll just need to say your name and who you're representing and the clock in front of you will count down from three. Glad you're here.

**Moos:** Thank you, good morning, Mayor Adams and city council, I live at 3417 Northwest Jessup Street and serve as the chair of the Kenton Neighborhood Association and I want to provide a background of the survey of the Pir Workshop group and I think nicely complements the new city public involvement principles and the Kenton Neighborhood values our partnership with city council and our presence today will give you a better information of our community and concerns and trying to engage in early involvement as we share and identify a growing problem area and come to continue to building a collaborative working relationship and our community concerns which touch many of the city bureaus. Because the city has specific authority over the Pir as part of Portland Parks and Recreation, we're sharing these results. A liveability is a key concern for the Kenton Neighborhood Association and our neighbors. Noise is our most outstanding liveability issue. And the Portland International Raceway is the key source of noise in our neighborhood. The last three to five years has seen a major shift in demographics to a more aware neighborhood which is reflected in the composition of our Kenton Neighborhood Association board. Of our 18-member board, over 70% of the neighbors have lived in the neighborhood less than six years. Part of a new revitalization and bright, outgoing, talented and look at living in Kenton as an investment in their future and leading the way for a wholesome and healthy neighborhood without noise pollution. How to coexist in our North Portland neighborhood. The Kenton Neighbor Board was directly contacted by Friends of Pir to discuss goals to assume management of the Pir. The Pir Workshop was created from the Kenton Liveability Noise Subcommittee to develop a neighborhood voice and response from the Friends of Pir. The Pir Survey was a logical step to quantify on Pir related issues and usage. The board approved the survey as long as it was completely non-bias and agreed to pay the expenses to creating the survey to accompany the newsletter edition delivered to our Kenton neighbors of 3,000-plus households. The survey was a grassroots effort and proved to make a deadline and did it without outside support and created a six-week window of survey responses and volunteer time is a rare and gifted commodity and taken us as volunteers several months to digest what we collected but proud to deliver the survey this morning the Pir Workshop was created to develop the neighborhood voice and we're ready to pursue dialogue but our main message is that Kenton will be rigorously voicing concerns for noise mitigation and resolution and as we utilize the results to go forward. I'd like to have Ryan go ahead.

**Adams:** Welcome.

**Ryan Pittel:** Thank you. My name is Ryan Pittel, on the board of the Kenton Neighborhood Association and serve as the noise subcommittee chair. Mr. Mayor and city commissioners, my purpose is to not only present the results but to bring to your attention the seriousness of the results and the impact Pir has on our daily liveability. During Pir's daily races and if you so, you know how muted the air is and how threatened our liveability is. As a resident, I'm affected by the noise pollution and constantly denied the enjoyment of outdoor or indoor spaces. Seven days a week, the late night drag go late into the night and preventing us from enjoy the summer evenings. On a beautiful evening, thousand those of us in North Portland do not have the luxury of an open window. What about the affects on children that go to bed well before the drags have commenced? Should a city park be the culprit for the injoin of our property and health and welfare. Title 18 is in place to protect the liveability of Portland citizen, not those who subject citizen noise pollution. I'm sure you've read this title in the past but I'll read the title 18 policy statement. It is the intent of the city council to minimize the exposure of citizens to the negative excessive noise and protect and promote the public health, safety and welfare and control the level of noise in a matter that

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promotes use and value and enjoyment of property and reduces unnecessary and excessive sound in the environment. The city has fallen short of accomplishing any of the aforementioned intent and done the complete opposite. It was not our choice to put a race way in such close proximity to homes. Since 1961, long after kenton was a established neighborhood, there's been noise polluting the neighborhood most of the year from pir. Noise continues to be the top liveability issue in kenton and the track has taken way the standard enjoyment of personal property and use of outdoor space for almost 50 years. It's time that the substandard liveability be addressed by council so that your intentions to negative the noise and promote the use of property by the citizens can be realized. And begin enforcing title 18 and I would love the opportunity to sit down with each of you to discuss what can be made. Please help us find a solution that can reduce the excessive noise and give us back our neighborhood.

**Adams:** Where do you live?

**Pittel:** Delaware and scoffield.

**Christopher Little:** Hi, my partner and I moved to Portland two years ago and what brought us was the reputation of environment, green friendly, earth conscious. Last year we invested in a house in kenton and like the neighborhood. It had the max station close by and public transit is something -- i'm from california and don't get a lot of use out of public transportation. I love it here. The denver avenue redevelopment, the ecofriendly storm drains, and great addition to the neighborhood. The historic kenton firehouse is across the street and retrofitted with solar panels and more modern ecofriendly additions and the new library is on denver. Utilizes leed design. Pir. We have a problem here. I accept the title 18, create special rules for pir but still they exceed the sound volume. Rules that shall set forth in pir. They exceed the time limit in restrictions that pir's operate under. Create smell, smoke and pollutants. And then finally, any call to enforce these rules seems to go unheard. No one -- no one is able to take action that creates some penalty for pir to create correction or change in that issue. What i'd like to see is enforcement and consequences of the existing laws. I'd like to see enforcement of sound measurement that is match the epa standards used on airports, including pdx and other race venues. There's standards out there and pir apparently doesn't have to follow those. I'd like to see pir reflect Portland values. Green, put the Portland into pir. I'd like to require four quiet new tech alternative racing events to match the exemptions that pir seeks every year. Well, that's the information i'd like to leave with you and I hope you would take the time to review the information we've gathered in the survey and hopefully you can understand our dissatisfaction. Thank you very much.

**Adams:** You bet. Disclaimer, I live in one of the streets closest to pir and as your president will tell you, that's a disclaimer. This is an issue that the city has worked on over the years. We've got a lot of new people in kenton with new expectations so it will be useful to go back through the efforts to date. We did a scientific effort, I want to say four or five years ago and we'll dig that up and make it available to you. It was of the entire peninsula, including kenton because we wanted to know what the noise pollutions was. And we have railroads and you know that, but for those listening in, pir is an effort to continuously improve on the operations of pir is something that we're committed to. Encourage you to work, we've got a great, relatively new parks commissioner in charge of overseeing the friends of pir and that contract that operates sort of semi-autonomously, but I know he's committed to working with you on this issue and continuously make efforts to reduce the impacts on the neighborhood and boost as many of the -- as we can. And I appreciate your advocacy and we'll definitely partner with you.

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

**Adams:** Thank you very much. Can you please -- that was items 12443, 1244 and 1245 for the record. Can you please read the record for 1246.

**Item 1246.**

**Adams:** Mr. Lewellan, welcome.

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**Art Lewellan:** Thank you. I'm waiting for [inaudible] to be distributed.

**Adams:** Go ahead and have a seat. She's very good at this. She'll make sure we get two sheets.

**Lewellan:** I'm sorry i'm short.

**Adams:** That's ok. Commissioner Fritz and I will share.

**Lewellan:** Hey, the clock is running. Oh, and reset. My name is arthur lewellan. I'm here as a follow-up to the last time I came about this subject three weeks ago. With drawings, I like the ones you have today, but these are more refined. There's two papers. The written one has an email reply from the columbia river crossing public outreach member who responded to my email and I was very appreciative of his reply and on the other side is my response back to him. While appreciated his reply, it didn't convince me that the advocacy that i'm -- i've taken on, I need to -- that I shouldn't continue with it and so I kept up with new drawings. So if you look at the drawings in this form here, i've added to -- now i've refined them and made them hayden island road proposal published in the "the Oregonian" a few years ago and -- put them all together, the two to me, seemed like it is a way that should have been considered as a part of the process. Last night, I was here at city hall and was a little bit mortified my proposal didn't make it into the 14 that were discussed at the meeting here last night. But I know how things go. I know how public process doesn't always work out the way you expect. So -- so I want you to consider the new drawings. And -- and I want them to go into the public record. And i'd like to have some kind of response from you. And maybe you'll be able to convince me that I haven't got anything, haven't got an idea that's worth further consideration but it's the committee's work, the planning and odot and the city and all the planners putting the work together. And my last remaining second, I want to say -- i'm at the meeting, I saw all of these other proposals that the public came up with and I do side with replacing the i-5 bridges. And I really like the north Portland interchange design, the way that's -- but I just felt that we definitely have to cut down on the size of the project and the state of Washington -- my time is running out -- has two other mega highway projects they have to spend money on and I think this one should take second before those, the state of Washington.

**Adams:** Thank you for -- this is a -- this is a big project with, as you know, lots of parts and what helps makes sure that our thinking is as best as it can possibly be is engaged citizens and I want to thank you for your engagement and i'll read it and do the best we can.

**Lewellen:** I know you will.

**Adams:** Thank you. Sir. Can you please read the title for item 1247.

**Item 1247.**

**Parsons:** He called in and cannot make it.

**Adams:** Ok. We will not hear 1247. Are there any items -- looking at the consent agenda, 1252 is pulled, as is 1262. Are there any other items on the consent agenda that anyone wishes to pull?

Sue, can you please call the vote on the consent agenda.

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

**Adams:** Aye. [gavel pounded] consent agenda is approved. We have a special 9:30 time certain, sue, can you please read the title for nonemergency ordinance item number 1248.

**Item 1248.**

**Adams:** I'm pleased along with commissioner Leonard to bring forth for council's consideration, item number 1248 regarding the historic sign, made in Oregon sign in old town. It has a long Portland history. Many Portlanders know this history, in 1940, ramsay signs built the illuminated sign for the white satin sugar company which rented the space on the white stag roof and it included animation and in 1959, it was converted to the existing form for the white stag company. In 1997. Letters were again changed from white stag sportswear, the sign has changed many times to reflect the current sponsor's brand and under the terms would change -- under the terms we proposed would change to reflect Portland's identity, it has always been a iconic piece of our city's skyline and will permanently protect the sign and put it under public stewardship and ensures it has a city of

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Portland oriented message, not a commercial advertisement. Oregon's free speech laws means it could say virtually anything as long as it's in the right font and the city, without ownership would not be able to control it. Every time this sign appears in national magazines or the blazer's games, it is the city of Portland that gets the recognition, not a company. This is a priceless iconic sign and one that comes into the city's ownership under favorable terms and I want to underscore our master negotiator on the city council, commissioner Randy Leonard. Along with our private, you're going to hear from our wonderful, wonderful private partners in this effort and you'll see in these times of very, very tough city budget, how entrepreneurial it is and how it's done without impacting the funding of any other area of the city so with that, I'd like to turn it over to commissioner Randy Leonard for further comments and introducing our special guest.

**Leonard:** Thank you, Mayor Adams. I think you've covered all of the elements that need to be covered. At this point, I think it would be appropriate to bring up the people that really did the work from the city side. And have them explain the elements of the deal and then we'll have whoever else they want to come forward and explain from their perspective why they've done this generous act on behalf of Portland. If we can have staff come forward. Anyone else you think you might need -- these three, Mayor Adams, as you know, but for the rest of council and the public, were intimately involved in the day-to-day discussions led by Mark from the city attorney's office who did a outstanding job and the devil is in it the details and Mark was very careful to make sure that -- that the agreement reflected what all the parties wanted in the end and got there for us. And so without further ado, I'll turn it over to whoever wants to lead off.

**Ty Kovatch, Commissioner Leonard's Office:** I'm going to lead off by -- if we can get up on the board. I'm initially showing you the landmark's commission approved font for the Portland Oregon signature that will be on the sign and then I'm going to put a image that doesn't yet reflect this exact font. There's a swoosh in the p and the -- the letters are chamfered instead of round.

**Leonard:** You might want to detail the importance of what you're describing. I'm not sure people understand the nuanced precision by which we have to have lettering approved.

**Kovatch:** As a general matter, government can't regulate what the message says, so the words themselves, as Mayor Adams referenced earlier, one of the values of bringing it into public ownership, we can control the words. Because this is an historic feature of the city's skyline, if not one of the most readily identifiable features, it has been sanctioned as such to require that any words that go on it, follow a prescriptive font that's undergone a lot of executive scrutiny, most recently to the landmarks commission and I think to the untrained eye, but just for the purposes of what you're looking at right now, you'll note that the p has a swoosh in -- in the very top of it. And the t and a and d, all have what are known as chamfered ends. And while I'm speaking to the broader deal point, I'm going to play an image that shows what the sign will look like when it's operational. We'll put it on repeat so you can watch it perpetually. There you have it. Sort of the broader background for why we got here has been well explained by the Mayor and Commissioner Leonard, the how is what I'm going to give a general overview. This donation agreement and the various elements that help us achieve this deal contain many components so I'm going to do my best to briefly go through the general pieces. One of the big pieces is a piece of right-of-way that the city owns that is underneath and adjacent to the Burnside bridge between First and Naito. We've owned it for any number of years and over a number of years in our efforts to improve the old town area, it's been noted as a big challenge because it has drawn illicit activity and accumulation of garbage and camping and a variety of issues that over the years, the police have had to deal with, social service agencies have had to deal with, the neighborhood itself has had to deal with and as we've seen a renewal of the old town, Chinatown neighborhood, partially anchored by the addition of the University of Oregon down there, it's become sort of a remaining element that the city is looking forward to having helped resolve by this deal. Because what will happen is that space will become a parking area that will serve the new businesses that are in the surrounding region there.

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And it will be operated by white stag block master subtenant llc, which is operated by art demuro who you will hear from later and it will activate the space providing security and you'll have people parking there 24 hours a day and the activity is a wonderful and renowned deterrent for illicit activity and things that might otherwise go on. That's one piece. Another piece is the retail space that exists under the burnside bridge that pdc developed some time ago and has had challenges identifying a tenant to activate it. Which is another element of activating that area that the city has pursued. As part of this deal, art's firm will accept the parking lot and the retail space and activate all of them which is generally a really good thing for both of neighborhood and the city generally. In return, they will pay us for the first 10 years, \$34,150 per year for that and for that amount they pay us, we'll in addition to these benefits i've articulated up to now, be getting a free rooftop lease for the sign to sit on on top of -- actually \$1 per year, I apologize. For the first seven years and then an easement that goes on perpetually. So we get that. And get the sign donated by ramsay sign and darryl paulson which will reflect the new message of Portland, Oregon that you see right here, including the sign change. And with the proceeds we receive from the lease payments on the lot, we will cover the maintenance costs of the sign, we will cover the electricity costs of the sign and begin building a maintenance reserve for the sign should any major changes need to be made over the course of its life and one of the things we felt was quite important was to have that reserve in place, because, you know, when we're all not here and an eventual challenge with the sign, we want to make sure it's allowed to continue in perpetuity. There's a lot of details within the giant stack of papers that makes up this agreement, but that's a broad overview and the three of us are here to accept any questions you might have.

**Fritz:** A question on the last point, building the reserve. There's actually more money -- a fair amount of additional revenue eventually that's going to be generated. I'm assuming it's going to the bureau of transportation. How much is going to the reserve and how much will be available for general transportation uses?

**Kovatch:** The piece you're talking about would begin in year 11 and I would assume a future council would decide the exact distribution of those resources because they'll be extra, at least in theory, we can't --

**Fritz:** I think there's still a little bit of extra resources in the first seven years and i'm wondering how much of that goes to the reserve.

**Kovatch:** The first 10 years, the extra resources goes to the maintenance reserve.

**Fish:** And after that?

**Kovatch:** And after this, the maintenance agreement we currently have only lasts the first 10 years, so that's a variable we can't predict. But any balance above the 1%, that is reserved for the maintenance reserve which is \$5,350 a year minus the electrical costs and maintenance, will go to pdot -- pbot, changed the name.

**Adams:** Other discussion from council?

**Leonard:** Now we have --

**Adams:** Thanks you all. Thanks for your work. The complexity of this simple transaction has been -- I don't know. Profound.

**Amy Ruiz, Mayor Adam's Office:** It broke our photocopier when we tried to make copies of all the agreements that comes with it.

**Leonard:** I've had a number of people say how can it take so long to have someone give you something? One understands, for instance, darryl had a strong interest that I shared and you shared, mayor Adams, and I presume the council shared, that we would not want the future councils to sell the naming rights on the sign, as we did at civic stadium. Those are the kind of details that exemplify the complexity of the agreement and art, from his perspective, had similar issues that needed to be addressed and it's a very complicated process, but nonetheless, one we got through because of our outstanding partner, so if you guys want to come forward, now. Thank you for

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coming, and while art is within walking distance, I know that darryl is residing in anacortes, Washington, because I went up there to meet with him and got a chance to see why you moved up there. What a great place to live. Darryl has retired. From ramsay signs and enjoying the kind of retirement life many of us aspire to and that you took the time to talk about this is greatly appreciated by me. If you recall, he also out of the blue, after seeing the proposal for the old mccall's restaurant on the waterfront, and the idea of having a -- a rose on top of it, called -- and I had never met darryl before and said he and his company would like to donate that to the city, so you're not physically living here, you're an outstanding member of our community and I greatly appreciate your generosity. As I do with art. It can't be overstated that there would be nowhere for the sign to be if it weren't for art, the sign sits on his building and part of this process has been art's agreement to allow the sign to stay and provide an easement to the city. And so welcome both of you, my deep thanks to both of you and lead off as you choose.

**Darryl Paulsen:** Well, first, i'd like to say that it has been a profound project to get this to the point that it is today. And it was about a year and a half ago that articulated me, I was on the east coast of the united states and he threw out this idea we should donate the sign rather than sell it or find an advertiser for it. After a couple weeks of thinking about it, and the legacy that we would have here in Portland, ramsay signs has been part of the Portland skyline since 1911. And it's a tremendous legacy for our company and over the years, I think the key to our success in the community, we've always been a part of it and always gave something back and this will continue that legacy. So we're proud to be able to do it, and art was the real instigator in creating the idea and it took a while for me to come around and you know, it made sense once we thought about it and I think it's the right thing to do. So we're ready and with the council's blessing, we'd move forward it with.

**Leonard:** Thank you, darryl, and thanks for coming down. Art?

**Art DeMuro:** If the council approves this, no one will do a more vigorous jig than me, because ever since we purchased and redevelops the white stag block, the sign was just a small amen related to the deal and ended up becoming the elephant in the room. I could not speak at different events without people -- I could be speaking about the -- the weirdest thing and at the end, people would ask: What about the sign. And my children have gotten badgered, what is your dad going to do about the sign? And we'll breathe a sigh of relief to have a nice resolution and I want to compliment everyone involved because it has the potential to be confrontational and conflictive and it really was not at all. There were a lot of disparate interests, but it all came together. I know darryl and i, we first started talking about the sign --

**Paulsen:** Over two years ago.

**DeMuro:** I think your memory is failing, I think it's two or three, our three or four years ago. Anyway, it just working out I think well for all parties and we're pleased.

**Leonard:** Thanks to both of you.

**Adams:** I want to underscore my thanks for helping us acquire the sign in the manner that will make sure it's maintained in perpetuity and can stay in the location it is. And that it reflects the city and helps to -- help the city in which it is located. And do is right, as commissioner Leonard mentioned, required us to do it in a great amount of detail with a great amount of research in addition in part because of the historic nature of it and I want you to know how grateful I am. Symbols are important to a city and how grateful I am and others are to both of you. Thank you. And it couldn't have happened, and commissioner Leonard and I first -- in terms of what the sign says, commissioner Leonard and I stumbled upon years ago, a t-shirt maker making that outline of the state of Oregon, with the internal saying Portland, Oregon. So many ways the grassroots led the effort, Portlanders led the effort in telling us what would be the most appropriate message for this wonderful symbol, and thank you. Anyone else who wishes to testify on this matter? Is there any additional comments council wants to make? All right. This moves to a vote next week. [gavel pounded]

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**Leonard:** Next week.

**Adams:** When?

**Leonard:** Two weeks.

**Adams:** That's why I asked if you had comments. Its a non-emergency, right.

**Leonard:** Right.

**Adams:** When does it move to a vote.

**Leonard:** We don't have council next week.

**Parsons:** We have non-emergency ordinances and the regular agenda next week.

**Adams:** So I think --

**Fish:** We kick this over two weeks.

**Leonard:** The message I got --

**Adams:** My mistake. We will, before I -- I will un-gavel and allow comments to be made and unless there's objections, we'll move to for council vote in two weeks.

**Fritz:** I'd like to see the jig, and you may not come back for the actual vote. I was not expecting to be able to support this ordinance, I have stated concerns about the use of the revenue in such tough times when we know we have so many other urgent transportation and safety needs. I'm going to be able to support it because I think you've done a splendid job of protecting the taxpayers and crafting a set of ordinances or set of contracts which I think are fair to everybody, and that the -- one of the most significant things to me is the copyrighting of the sign as a logo for the city of Portland, which I believe was mr. demuro's suggestion. We don't know the expected revenue but it could be extremely significant and that's a sweetener that is going to go on and on and on. It prevents others from utilizing the sign in way that could detract from the city. And one of the -- several of the details were compelling to me that -- there was previously a offer to buy the sign for over half a million dollars and that's clearly a indication that others would be pleased to have this most significant element of our skyline to do other advertising, so it's fitting it advertises the city of Portland, Oregon and that art is going to be the principle steward of the sign and has been one of the key factors in revitalizing the area. The white stag building is beautiful, and greatly enhances your work in old town is outstanding and thank you very much for that. I'll be supporting it in part because the value for tourism and civic proud and i'd like to add a rider that it means we never move i-5 on the east side because people driving through, when you're driving a long distance, you're not sure which town you're going through than beautiful vista is going to be forever enhanced. Thank you.

**Leonard:** I appreciate your comment, commissioner Fritz. Thank you.

**Adams:** Thank you, commissioner Fritz, that's great. We'll move on, thank you, you're welcome to stay, but we will for the find it rude if you want to move on to other aspects of your life. Thank you very much. That gets us to the items pulled. Please read --

**Adams:** They're both going back to my office. Our respective offices. It takes a whole village sometimes. All right. Can you please read the title for emergency ordinance 1265.

**Item 1265.**

**Adams:** In june, the city council authorized the establishment of clean energy works Oregon, incorporated to build on our local pilot, clean energy works, and standard efficiency retrofits in Portland and across the state of Oregon. This ordinance would provide the remaining funds for clean energy works, Oregon. \$17,807,000 to meet the objectives of the eecbg grant between the city and the u.s. Department of energy. The total amount is \$18 million. With these funds, the initial agreement was approved on june 30th, for 193 thousand. The organization -- \$193,000. The organization will receive the remainder with this action. And develop consumer demand for -- develop consumer demand for retrofits across the state and build a capacity among contractors for the work and pleased to report at the beginning of the pilot, clean energy works Portland, we had zero minority contractors to do this work and at our meeting last week, we had a report we have 13.

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Quality control, integrate work standards and community benefits and then work for secondary market buyers as well. Our goal is to deliver 1300 jobs, 6,000 home energy retrofits and 3.5 million square feet of commercial retrofits and energy savings of more than 300 million btus carbon dioxide 300 metric tons. Who is speaking? Oh, you are. Any questions or comments regarding the council action before us? Anyone wish to testify on this matter? Sue, please read -- we'll wait until someone comes back and put it on hold and please read the title for lid district hearing ordinance 1266.

Andrew, welcome back.

**Item 1266.**

**Andrew Aebi, Local Improvement District Administrator:** Good morning, mayor Adams andrew aebi, local improvement district administrator. We received no remonstrance against the lid formation.

**Adams:** Any comment from the city council? It moves to -- it's non-emergency and moves to next week's calendar. [gavel pounded] please read the title for -- I believe's understand number 1267.

**Item 1267.**

**Adams:** All right. Is rob birchfield here? Who is here to discuss this?

\*\*\*\*\*: [inaudible] was supposed to be here.

**Adams:** We're running ahead of schedule. Please read the title for 1268.

**Item 1268 and 1269.**

**Adams:** And also read item number 1269. John come forward, or whoever is going to speak to it.

**John Hunt, Manager, City Fleet:** Hi, good morning, mayor and council, the items before you are to move forward to buy replacement vehicles well beyond their economic life cycle. In the case of the police patrol sedan, we've already deferred to save as much money as we believe we can but we need to buy them now because ford will no longer manufacture these specific cars after march of next year so in the interest of taking parts moving them from a similar car to the new car and saving us a considerable amount of money, we want to continue on with the replacement recycle.

**Adams:** What are police agencies across the nation going do when these cars are discontinued? They've been a stalwart car.

**Hunt:** They have been, they're rear wheel drive and police departments rely on them. There are three options that will be available. One will be a new redesigned ford pursuit vehicle, front wheel drive or all-wheel drive but time will tell how that works within the city of Portland. Also, there's a dodge charger out there. We have found that it costs a bit more to up-fit those vehicles so we've chose to go back to the ford. Also, chevrolet, the caprice, will be coming out but it will be built in australian as a holden caring.

**Adams:** Any discussion from council? Anyone wish to testify on item 1268 or 1269.

**Fish:** We can do 1269, or does that go to second?

**Adams:** Unless there's objections, anyone wish to testify on 1269? Oh, good. Moves to the second reading next week. Let's go back to the top. Please call the vote on emergency ordinance number 1265.

**Item 1265 vote.**

**Leonard:** Aye.

**Fritz:** That's a good statistic to know we have 13 certified minority businesses for this work. Aye.

**Fish:** Aye.

**Adams:** I did not -- I had an opportunity to thank publicly, lisa libby, the director of planning and sustainability in the mayor's office who has led a team to deliver a national model of best practices.

Thank you, lisa. Aye. [gavel pounded] please call the vote on item number 126 -- oh, here we are. Rob birchfield. Please come up and speak to item 1267.

**Item 1267.**

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**Rob Birchfield, City Traffic Engineer, Portland Office of Transportation:** Mayor Adams, members of council, i'm rob birchfield. City traffic engineer for the Portland office of transportation. I'm catching my breath. I sprinted to city hall. Sorry, I was late.

**Fish:** If you rode your bike to work every morning, you'd be in better shape.

**Birchfield:** I did ride my bike. [laughter] thank you.

**Adams:** You're very generous, rob.

**Birchfield:** What i'd like to talk about is a contract for a bike lane redevelopment work we're anxious to move forward with. I'll give you a little background and tell you go about the projects included and the contract that we would like to award and specific comments on the public involvement process. And then after your questions, and hopefully, your approval of this project. The bicycle plan for 2030 set as I new direction for bike redesign and network completion. The bicycle plan places an emphasis on creating conditions to make bicycling more attractive and driving for -- than driving for short trips and completing a bikeway network. The plane envisions a new generation of bike redesigns to make -- bikeway designs to make cyclists feel safer. The projects we've identified are project development with this contract are segments of the bikeway network that have high levels of cyclists use and some barriers or capacity limitations. The contract includes project development for five specific segments, all of which will include public involvement. These potential projects are: North williams bikeway improvements. Three lloyd district area projects that will be developed together. They include a sport segment of north vancouver bicycle -- allowing bicycle access to the rose quarter and holladay street bikeway improvements to allow two-way bike use on northeast holloway street and 12th avenue, banfield overpass to allow easier access to cross that barrier, which is the banfield, i-84678 the final are improvements for the bikeways along north willamette boulevard. The contract also includes what we refer to as technical feasibility analysis. These are segments that we want to study n in advance of doing public involvement to ensure that they're technically feasible. So before we engage the public in a process, we'll find out from a technical perspective and traffic engineering perspective if they're possible. Those three projects are urban corridor up to 20 brocks long to be determined in the central city. Probably one of our one-way streets through the cbd. Northeast glisan between 22nd and 28th avenue. Access to and from our downtown across i405 to the south. These projects are all included in pbots's cip for the current year and have future funding identified as well as a need. And finally, it is our intent and practice to meet the needs of all street users, when we consider these types of projects in development. It's not cyclist needs considered when we're undertaking the project development, but the needs of pedestrians and transit users and motorists and local business appearance residents are considered carefully in the process. While we've identified these projects as -- and the locations as being ones that have distinguishes that need to be -- deficiencies, the process includes the needs of all users. The contract itself is intended to supplement city staff efforts. This is still a city-run and city-owned sort of process. The city staff will be the basis of the project and all of public outreach and involvement. The -- the selection of the team was based on a competitive request for proposals and the contract is consist the with the city's goal for esb participation. Finally some comments on public involvement. We'll be respectful of the needs and constraints of the neighborhood associations that will be working with and their volunteers we rely on for public input in this process. And attempt to coordinate with other ongoing planning processes that are going on in these neighborhoods to make sure we don't double up, have meetings where folks basically are overwhelmed by too much going on. We'll try and make sure we plan this so we can have effective public input from the -- from our local stakeholders. We're sensitive to the history and the content of the affected corridors. Some of these locations have a long history of we need to be sensitive to and make sure the outcomes recognize that. As I said previously, pbots staff will lead the public involvement process and be the face of the project and pbots's public information officer will coordinate all of the media related to these

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projects and happy to answer questions council may have and ask you for your support in approving the contract. Thank you.

**Adams:** Questions from council? Does anyone wish to testify on this matter? Item 1267? Sue, please call the vote. Thank you.

**Leonard:** Aye.

**Fritz:** I asked for this to be pulled last week so that I could get more information interest staff and also because I wanted it to be on the regular agenda to explain the project and start publicizing the public involvement so that people know it's happening and as rob said, it does involve north williams from weidler to killingsworth and three lloyd district projects that involve different neighborhood association areas and areas that have had a lot of issues with traffic so I wanted to make sure that neighborhoods know there's an opportunity for involvement. I was initially concerned about the lack of detail on the public involvement piece and frankly what caught my eye at first, was the female who is doing public involvement is being paid less than the male who is doing public involvement and I realized that's a factor of the entire bid but I think we would want it look at that in the future procurement and contracting that people get paid similar for similar work. That's an aside and clearly the bid was what the bid was and I understand that the bidding process did -- how that was done and it was done properly. So I was also concerned about the choice of bicycle advocates to do the public outreach. As rob just said, the process and the project has design benefits all users and allen who is a -- done fundamental public involvement is going to be the project manager and that gives me confidence it's done with full public involvement. There's an issue in the elliot neighborhood, which is where many of those projects are -- that neighbor has a lot of different public involvement projects going right now and I would like to work with the public involvement advisory committee and with the various bureaus and the Portland development commission to try and find ways we can make things easier for the neighbors who are asked to participate on so many different levels because we want them to have the information. And finally, I would like to thank rob birchfield and dan -- remind me of his last name.

**Birchfield:** Laden.

**Fritz:** Who was helpful in coming to my office and giving me more information. Aye.

**Fish:** Aye.

**Adams:** Thank you. Appreciate it. Aye. [gavel pounded] so approved.

**Leonard:** Mayor Adams.

**Adams:** Yes.

**Leonard:** I'd like to return to item 1248.

**Item 1248 (revisited).**

**Adams:** What's your motion?

**Leonard:** Sue, do you have to read it again.

**Parsons:** I can do that. I'm not sure. We'll do it.

**Leonard:** Ben, is that the proper protocol to have to read again?

**Ben Walters, Chief Deputy City Attorney:** Yes.

**Leonard:** Mayor Adams, I move to add an emergency clause.

**Adams:** Is there a second.

**Fritz:** Second.

**Adams:** It's moved and seconded to add an emergency clause to this item.

**Leonard:** And I want to speak to explain. I was pleasantly surprised this morning at commissioner Fritz's willingness to support this. And as a result, if we pass this today, we can actually have the sign constructed and completed just before the day after thanksgiving, which will allow us to turn on the sign and have the red nose so commissioner Fritz, the honor of turning the sign on this year, will be yours.

**Fritz:** Oh.

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**Leonard:** And I was informed in the hall if we can get it signed today, they can get to work, literally today and have it done by the day after thanksgiving.

**Adams:** Great. It's moved and seconded to apply the emergency clause. Anyone who wishes to speak to this matter? Sue, please call the vote on this motion.

**Parsons:** Ben, do we need a motion to reconsider.

**Leonard:** We didn't vote on it so we don't have to reconsider.

**Walters:** I'm working on putting language together for the emergency clause. So which could be along the lines of given your statement of the benefits that the public would obtain by no delay in construction proceeding. In order for the improvements to occur before the holiday season. The language could read along the lines of the council declares a emergency exists because of the public benefit to be achieved by immediately proceeding with work.

**Leonard:** Would it be appropriate to have the name rudolph and red nose?

**Walters:** That would be up the council. [laughter]

**Adams:** Using that explanation, please call the vote on adding the emergency.

**Leonard:** Aye.

**Fritz:** Thank you for the explanation, commissioner, when you asked me if we could make it a he an emergency, I was wondering if you were concerned I might change my mind.

**Fritz:** Clearly, you've done yeoman's work on this. I wanted to -- .

**Leonard:** At this point, we'll vote on the emergency and then vote again on the ordinance.

**Fritz:** I was in [inaudible] -- aye.

**Fish:** Aye.

**Adams:** Aye. Anyone in the room who wishes to testify on what is now an emergency ordinance?

**Leonard:** Takes effect immediately.

**Fritz:** The regular one takes 30 days to go into effect.

**Adams:** Are you here to testify on this matter?

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

**Adams:** Sure. Sue, please call the vote on the now emergency ordinance.

**Leonard:** Well, I -- I need to thank darryl paulson and art dimuro who came up with this proposal and whose public spirit allowed this ordinance to occur. I certainly want to thank my colleagues and in particular, mayor Adams and commissioner Fish, who have both steadfastly helped guide this process with their focus on making sure this icons that part of Portland be retained. I would also be remiss if I didn't thank amy ruiz and ty kovatch to make happen. Aye.

**Fritz:** I appreciate the work that's gone into this and particularly want to explain to citizens that we're not spending half a million dollars on this sign. In fact, we're not spending that much altogether. The reason this is a good deal for citizens is that mr. Demuro is paying \$200,000 now to change the sign and is going to be supporting it over the first few years. So essentially, we're paying it back, \$2,000 a month, which while still significant, \$24,000 a year didn't buy all that much in transportation improvements and so the long-term deal with the parking spaces and the retail space will bring revenue to the city and allows us to preserve the sign at a time when we have no additional money available in the general fund to do so, and still maintains the responsibility over the long haul. Thank you again. Aye.

**Fish:** Aye.

**Adams:** Thank you, commissioner Leonard, and thank you, commissioner Fritz, and Fish, for your work on this, especially commissioner Leonard, and my planning and sustainability staff. Portland requires it say Portland, Oregon, using higher parking lot fees for an off-street lot under the burnside bridge, a good day. Aye. [gavel pounded] so approved. Quite an odyssey. All right. Can you please call the vote for item 1268.

**Item 1268 vote.**

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

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**Adams:** Aye. [gavel pounded] and we are in recess until 6:00 p.m. [gavel pounded]

At 10:43, Council recessed.

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

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

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

**SEPTEMBER 15, 2010      6:00 PM**

[Gavel pounded]

**Adams:** Portland city council will come to order. It is wednesday, september 15th, 2010. It is 6:00 p.m. Sue, would you please call the roll.

[calling roll] [gavel pounded]

**Adams:** Quorum is present. We would proceed. We have one item on the agenda this evening. It's a time certain. It is a resolution. Item no.1270 and can you please read the title.

**Adams:** I apologize in advance. Some of us have to eat our dinner in front of you. It's again a long day.

**Leonard:** Much better temper if we eat.

**Item 1270.**

**Adams:** We want commissioner Leonard to eat, believe me. With that I will turn it over to commissioner amanda Fritz.

**Fritz:** Thank you for being out on this rainy night to talk about this very important issue. The Oregon liquor control commission has provided a tool for jurisdictions with population of at least 300,000 and I wonder how many of those there are in Oregon. Just us. To address serious alcohol-related issues in a given area by applying uniform limitations and requirements that specify how alcohol may be sold in the area. This tool is known as the alcohol impact area, which you may hear reference tonight as aia but I will try to use the full term. It is initiated by a petition from the city of Portland to the Oregon liquor control commission. Based on reports from the Portland police bureau, over a half of drinking in public citations are in the downtown area. And drinking in public is illegal in the city of Portland. This problem -- outside of designated areas, that is. This problem prompted the office of neighborhood involvement, along with the Portland police bureau, to initiate a petition to the olcc for an alcohol impact area in the downtown core. There has been a tremendous amount of staff time and public outreach that occurred to carry out the requirements established in state law for establishing an impact area. I especially thank you amy archer, the office of neighborhood involvement, teresa, the Oregon liquor control licensing specialist, speaker knee reynolds, charles harris in the Portland police bureau, drugs and vice liquor licensing investigator frank silver, oni crime prevention, officer hillary scott in the Portland police bureau neighborhood response team, jenny, Portland police bureau crime analyst, officer joe, from the neighborhood response team and also sergeant mark friedman, mike boyer from the oni crime prevention coordinator and richard kepler, Portland police bureau crime analyst and people in my office. As you can see there's been a lot of staff time put into this so far we have had over 65 community meetings with community neighborhood and stakeholder groups. One of the prerequisites for attempting to establish an alcohol impact area is attempting to establish voluntary compliance. Staff will cover what that entailed, the results of that effort and why it has led us here today. Essentially due to the lack of stores willing to volunteer, the city of Portland is petitioning to the Oregon liquor control commission to create an alcohol impact area in the downtown Portland. In order to decrease street drinking and crimes related to public intoxication, to improve the livability and safety of Portland. This resolution is a required step in the process of getting a petition to olcc for their consideration and approval. I am asking the council to approve the petition

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for the aia so we can then move it Portland to the olcc. It's important to note the Oregon liquor control commission makes the final decision, not the city council so there will be further opportunities to amend the proposal should it be passed by council tonight. There may be some amendments contemplated tonight in response to testimony, and what I would like to, the order I would like to do this in is to have a staff presentation, and then clarifying questions from my colleagues, but not discussion so that we can move right as quickly as possible to citizen testimony. We will then get staff response to citizen testimony and then have council further questions and discussion and hopefully move to a vote tonight. Another approach in addition -- as well as amendments that we could consider tonight would be to have a separate memorandum approved as to the content of the petition by council which could then be forwarded to the olcc. And now I invite commander central precinct commander, officer mark friedman and teresa marchetti to come Portland to discuss the details of this resolution and petition. Thank you all for your work on this. \*\*\*\*\*: Thank you.

**Commander Vince Jarmer, Portland Police Bureau:** Mr. Mayor, council members, thank you for this opportunity to be here on behalf of chief mike reese. The Portland police bureau has worked extensively with oni, the office of neighborhood involvement, and on the livability and public safety issues related to street drinking. And as you have mentioned we have dedicated many resource hours to informal meetings and problem solving, including being a resource for good neighbor agreements, actively engaging the community in the vibrant effort which was as you may recall was a voluntary effort that you mentioned. And by responding to numerous calls for service that are associated with the abuse of alcohol on downtown streets. The Portland police bureau supports moving forward to the olcc with the petition for rule making allowing the state agency with the regulatory authority to further analyze these issues. The bureau would ask for the support of the council in this effort as a way to do a couple of things. One is to reduce our police calls for service. Another is to better manage downtown livability issues. And a third would be to better manage our own police resources. We understand that this will be an extensive process and it could be some time before this area wide strategy would be in effect if accepted tonight. We will continue to work with the tools that we do have to address these ongoing issues in the meantime. However, given the current resource issues facing all city bureaus, we are continuously striving to innovative and better utilize the resources we do have in an efficient and effective manner. The bureau also understands that many issues are intertwined with the specific issue of drinking on the street, with homelessness, drug abuse and the like. We also acknowledge that this resolution will not fix all the problems. It is, however, a giant step toward a better downtown. The resolution before you today will ask olcc to consider the banning of products in certain sizes that have been demonstrated to contribute substantially to the problem of street drinking. There is a significant amount of past and present resources which I will ask acting sergeant friedman to I will illuminate that are spent on the issue of street drinking that could potentially dedicated to immediate, more immediate public safety issues. This is an untried tool and one that has a potential to help us maintain the high standards of responsiveness to the Portland community, and I would recommend approval of this resolution so that all citizens of the city and visitors to the city can enjoy a cleaner, safer and more enjoyable downtown. Thank you, mr. Mayor and council, and I would like to turn this over to officer friedman, sergeant friedman.

**Mark Friedman, Portland Police Bureau:** Thank you. Good evening, mr. Mayor, city commissioners. My name is mark friedman and I served as the neighborhood response team officer in the downtown old town chinatown neighborhoods for the last three and a half years. Part of my job as a neighborhood response team officer is to work very closely with citizens, residents, businesses and neighborhood associations to problem solve chronic criminal behavior and liveability issues which are chronic in nature in the neighborhoods that I am asked to work with. The majority of the chronic complaints that I dealt with in my experience working in the

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neighborhood response team in the downtown old town chinatown neighborhood specifically were lower level order maintenance type complaints that I got from the folks that I have already talked, citizens, residents, business owners, business associations, neighborhood association. Many of those incidents and types of calls involve trespassing, many times, and result of people who are too inebriated to care for themselves passed out in door ways, hostile and belligerent behavior by people who are intoxicated. I would like to call those antisocial behavior us because many times we try to give them other names when, in fact, sometimes the behavior displayed by these individuals who are inebriated and intoxicated don't fall into the, don't fall to the point where they are considered criminal offenses. However, they do concern people and make them fearful for their safety when they are displayed. The other issues that we are directly related to intoxication, inebriation or trash litter, defecation and urination and those came to me daily by people I was asked to help solve problems w I have been a police officers for 12 years, 10 and a half of those years have been in the downtown neighborhood, three and a half years as the neighborhood response team and during that entire experience, I think it's fair to say that many of these incidents involve intoxication and inebriation. Substantial amount of limited police resources is dedicated to individuals engaged in criminal and/or antisocial behaviors which are aggravated by intoxication and inebriation. In 2009 we had over 1,000 incidents. That represents 53% of all the calls for the entire city for that type of criminal behavior. 1650 civil detox holds were placed on people in that same area in 2009 and that represents 31% of the city's sobering holds that we prayed on people. I brought with me -- I just had this put together. This is a 30-day, this stack of paper represents a 30-day period of police reports that central precinct police officers put time into to prepare for drinking in public, people drinking in parks in the areas that were define by the alcohol impact area. So substantial amount of police resources and time that gets put into preparing this, not to mention the criminal justice system having to process this and officers needing to show up and testify in court ultimately to put these to rest. It does not include public inebriation that results in a detox hold and that takes more time when we take folks to detox, it requires custody, requires time to transport people over to hooper detox and time to admit them into the system and that does take a considerable amount of time away from officers being able to do other things during their shift. Inebriation it's a substantial problem and. Another big thing we talk about in the police bureau is not only actual crime but the fear of crime. And public's perception of crime and in my experience, working in the neighborhoods response team I heard from a lot of business owners, a lot of visitors to the city, a lot of residents about their fear of coming into the downtown area because of antisocial behavior displayed by people who are intoxicated or inebriated on the street. It's a serious problem and if we can turn that around, I think we make downtown a much more livable place, a much better place for people to visit, to spend their money, to enjoy themselves. So the goal of this alcohol impact area is to recuse street drinking and if we reduce street drinking we have more time for police officers to direct their police patrols, give them the substantial reduction in time that they have to spend dealing with street inebriates and their resulting behavior. There's less trash, less litter and finally increased public perception of safety in the downtown area. I thank you for your time and I am certainly welcome any questions that you have.

**Adams:** If I could, before you two go too far is to thank you for your work in this area and especially three years as the officer in ordinarily town chinatown is a great part of town but I can only imagine what your daily work life is like. So I just want to underscore my thanks to both of you. In terms of the public drinking and question that I have been asked, how is it that the availability, in your mind, actually cuts down on the prevailing or the prevalence of public drunkenness? Won't they just go -- I have been asked questions -- won't they just go somewhere else? Won't they just go somewhere else? I just want your professional opinion.

**Friedman:** I think there's, it's fair to say that there will be some dispersion of folks that will take time to travel out of the area to obtain beverages that meet their needs. However, I think that there

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are so readily available in the downtown core at the package stores that in some regards I think we actually draw folks in from other parts of the city to downtown because the products are available where it's not available in other places in the city just because there is no demand for it. So you have a demand situation downtown where there's a strong demand for the product line so that has contributed, I think, in some respects to the issue of people obtaining these products. If they are no longer available, I think that other stores, in the vicinity of the downtown core, the stores, with the density of stores outside of the downtown core we are able to address those stores. I think a little more individual basis than we are downtown.

**Adams:** Thank you.

**Fish:** Mayor, if I could ask a couple of questions, too. This would be the first alcohol impact area in Oregon. And you are looking at this from a law enforcement point of view and trying to predict how this might affect behavior. Have you checked with other jurisdictions outside of Oregon to find out how their alcohol impact areas have worked? And gotten some intelligence from them?

**Friedman:** We have, teresa will speak about that a little more in depth. However, Washington state, I believe there are 13 impact areas in Washington state area, and tacoma, we looked at specifically, we also looked at seattle and what seattle did and how effective it was. And in some regards, where their shortfalls were in trying, they have since corrected those but rather than making the same mistakes they have made, we are kind of learning from their mistakes and have tweaked our agreements so that it mirrors some of their experience with their alcohol impact area as well.

**Theresa Marchetti, Office of Neighborhood Involvement:** Mayor Adams and commissioners, thank you guys very much for being here tonight. I do appreciate it. I am theresa marchetti. I am with the office of neighborhood involvement, liquor licensing. I have worked extensively with officer mark friedman and the rest of the members of the alcohol impact area to try to get at the root issues of what may be contributing to the problem with street drinking that we see in the downtown area. And actually, if I can, I am going to go ahead and pass this out to you. Probably one, we are here to ask approval to take a petition for rule making to the olcc, essentially starting the process of implementing an alcohol impact area. The reason that this is necessary is because, first of all, it is the only tool that's available that is enforceable and that is state sanctioned to address systemic alcohol problems that are related to the sale of alcohol and that are also aggravated by the sale of alcohol. In this case, off premise license locations which means places that sell alcohol to go in package containers. The other reason that it is so appropriate for this area is because this is a unique situation that we face where there is a strong saturation of both problems and licensees within this area. Our bureau philosophy, as the office of neighborhood involvement, is to try to problem solve things at the lowest possible level and we have done that in these areas. There have been small area concentrated good neighbor agreements. There have been individual problem solving. We have also attempted to address some of them through the time, place and manner ordinance which is our local tool. Those have not been effective in this area. Most recent is the vibrant pdx effort. Vibrant-pdx effort was a larger effort to address the alcohol related issues specific to street drinking. It's also a prerequisite for petition for the time from august of last year until june of this year, we worked very hard to engage community stakeholders, licensees, any kind of stakeholder groups that would potentially have interests or feedback for us. We attend 67 public meetings, attended and held. Personally visited each licensee. We made every effort to respond to do issues that were raised to us, including, and finally, shortening the initial voluntary participation to three months. In the end what we had was nine stores that willingly signed a voluntary agreement. What I heard most often was, I will be the last signature. And the reason for that is understandable. There's such a density of stores here that if their next door neighbor did not sign on or signed on and didn't agree, first of all, we couldn't enforce that because it's a voluntary effort. And secondarily, it doesn't make any changes but it does adversely impact the people who are

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trying to act in good faith. So I could understand where they were coming from. Additionally was financially the financial impact involved. And I do understand that there is a potential for some financial impact. Our research and what we have seen in the alcohol impact areas in Washington have shown no significant financial impact. And you may hear some of that tonight. But I also want to reiterate that there's been a huge burden on the businesses in the community within downtown Portland for two decades. One decade that we have gone back in statistics to show you tonight that the drinking in public has remained between 49 and 58% city wide since the year 2000.

Despite our best efforts. However, despite the overall failure of vibrant and it was, the feedback and the changes that we made through that process have provided some guidance for us for this alcohol impact area and for the recommendations that are here. First of all, the boundaries of the proposed alcohol impact area have changed or changed throughout the vibrant agreement. The initial boundary that we proposed encompassed under the 405 but because of the feedback that we got from licensees and because it actually made most sense, we expanded it to also include the fact that there was a concentration of both licensees and problems going up the burnside corridor. In fact, council recognizes the alcohol impact area on burnside corridor in our own city code. Unfortunately, that doesn't come with any restrictions at the state. So after the initial three public meetings that we held, we did expand the boundaries and with good cause. In 2009 alone, this particular area which only makes up 1.2% of the total city land mass, has 58% of drinking in public, 30% of police initiate detox and also is 60% of, 60% of the admitees at the hooper detox center are taken from this area. The boundaries are included in the power point for you to look over and they are also visually represented here for council and over here for the public. Essentially, they encompass the downtown neighborhood association, the old town chinatown neighborhood association, parts of the pearl, the goose, and the goose hollow neighborhood association, and also the northwest neighborhood association. There have been concerns that the boundaries are still too small. In fact, there was some feedback from licensees that they would only support the voluntary initiative or an alcohol impact area if it was city wide or statewide. There's just no mechanism to allow us to do that. What we have here is a unique situation with concentration and that's what we are trying to get at. There will always be additional licensees on the other side of the boundary. What we are hoping for here, and what we can see, is that by addressing the density, when we get to the areas that are not part of the alcohol impact area, we will be better able to address them on an individual level. For the purpose of the alcohol impact area is not only to reduce the alcohol related crimes and the lift ability and public safety issues, but also to recognize that we have a pervasive problem of street drinking in this area. Ultimately, what it will do is require that off premise liquor license locations limit products that are favored for consumption on the street. Part of the requirement of this rule as well is that the language is backed up by documentation of the problem. And in order to do that, we partnered with Portland patrol incorporated which is a security company in the downtown area. We wanted to get a really good understanding of what drinking in public looks like in this area. We already know it's a problem but what does it look like? Those security officer were able to contact people who were drinking in public. These reports were not always associated with the citation if an officer was not available. But they were able to document what they were drinking. In most cases where they had bought their alcohol, and from that information, we were able to deduce you say a few things. First of all, the 87% of incidents are associated with malt beverages, 11% with wine, and 2% with distilled spirits. There are, the licensees that are covered by the requirements of the alcohol impact area, there are 43 offpremise license location that is also have a market, convenience or market grocery operation. Through our partnership with pii or Portland patrol incorporated, we were able to find the most prolific places that people who choose to drink on the street were purchasing their alcohol. The licensees that are not covered by the requirements of the alcohol impact area are the 237 licensed locations with any other type of liquor license. Restaurants, hotels that operate with full on premise, a full bar license, a limit on

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premise which is a beer and wine, and a number of other ones as well. There are 40 offpremise license locations that are also not associated. These ones also either hold a full on premise or limited premise, hotels and restaurants that hold an offpremise license for the allowance for wine to be sold to be taken home. That be operate as an internal gift shop with no direct street entrance. Again, these places were not shown to be contributors to the problem. And, c, wine or specialty wine stores that where 50% of their overall inventory is, 50% or more their overall inventory is wine. There are nine of these stores in this area. And again this was because through our research, these particular operations did not contribute to the problem. Essentially what we found was 95% of incidents are associated with market operations and that means market convenience or market grocery. It's important to note that olcc has standard restrictions that they do place on offpremises locations and areas where there is evidence of problems with street drinking. Those are no sale of singles containers, no sale of malt beverages over 6%, no sale of wine over 13.8% volume and oftentimes an operation is closed like 10:00 p.m. We are deviated in our recommendations in order to best address the issues that are here in this area. Although some of the stores that are in this area, it's important to note, already have restrictions on them because there is an opportunity because the olcc recognizes certain areas as problem areas. If a new licensee comes in that we will ask for a restrictions, and those are typically the ones that will be placed. Now we are getting into really the nuts and bolts of what we will be recommending be forwarded to do olcc to initiate the process. The first is that the licensee will not sell single containers of malt beverages with an exception, not including beverages in 22 to 24-ounce glass bottles brewed by brewers as fall under the definition of a small brewery for tax purposes under section 505-a2. The licensee will not sell malt beverages over 5.75% volume with the same exceptions. The licensee will not sell packages of multiple malt beverages that are larger than 12 ounces per container or packaged in less than four per package. Again, we use the Portland patrol incorporated reports and the information we were able to gather. There's 462 reports, to inform our recommendations. 87% of all of the incidents of street drinking were associated with large containers. That's 16 ounces and above 37 microbrews, however, in 12 to 22 ounce containers, some have asked why are we doing that exclusion? Because they were only evidenced to be part or contributing to the problem in 2% of the incidents. And the, we had a lot of conversations with california brewers association and the Oregon brewers association about the fact that 22 ounce containers in particular are break through items for very small brewers. So we stood to disproportionately affect that particular industry for very little gain.

**Leonard:** Could I ask you on that point, is it also true that those particular types of malt beverages are more expensive than the typical --

**Marchetti:** That is true.

**Leonard:** So that has a contributing factor as well.

**Marchetti:** Most likely.

**Fritz:** The microbrew sell in 22 rather than 24 ounce containers?

**Marchetti:** Most of them are. Not all. But a lot of them.

**Fritz:** Thank you.

**Marchetti:** Additionally, the reason that we deviated and went with 5.75 rather than 6% alcohol by volume as the olcc uses standard because 25.4% of the incidents were between 5.75 and 6%, which is a substantial amount.

**Leonard:** What's an example of that kind of beverage?

**Marchetti:** Milwaukee's best, natural ice, those kinds. Container sizes of products associated with the consumption on the street that were under 5.75, we wanted to, we really wanted to take a look at that as well. We are looking, of course, at the best recommendation possible for the most effective program, especially given the amount of resources that have already gone into this problem and also into this process. We found that 47.7% of incidents of street drinking that involved alcohol that's under 5.75 were in 16 ounce containers. That's pretty substantial. We have also been asked on

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several occasions why not ban specific products? The reason is, we originally started to look at this.

But first of all, the city council of seattle received their update on the effectiveness of their alcohol impact area and manufacturers were simply rebranding the same products and restocking them.

With the amount of resources that we are dealing with here, and the types of -- and also that they are, they are now looking to move more towards types of beverages as we are trying to do here by alcohol content and also container size. In addition, there's also new products that are coming on to be in the market all the time. For instance, in march, late march, early april, there was a new product that was released by mark's hard lemonade which is harder lemonade and comes in a 24 ounce can. Previously, that would not have been on our list and I can guarantee you that they are not on any of Washington's lists. Also again --

**Leonard:** For sure anyone watching this is simply lemonade. In a small container as well.

**Marchetti:** Now, although wine is only represented in 11% of the incidents within the ppi reports, it's an important component of this, the the alcohol impact area. The reason for that is that although -- by not addressing the wine issues, and the high alcohol contents products and the container types that are favored, we attempt -- we will be in a position to completely undercut our ability to address the problem. As it will be a very easy substitution product. So we of course did our analysis of the wine incidents. First of all, I will start with the recommendations. We are recommending that the licensees not sell wine over 14% alcohol by volume. They not sell wine packaged in removable bladders or flexible soft packages and that they not sell wine in quantities greater than two liters per package. In our analysis what we found was that 69% of the incidents involving wine also involved flexible bladders and I am not sure if you know exactly what I am talking about when I am saying that but basically it's boxed wine without the box. You just simply remove the three to five liter bag of wine, it's called a space bag. I think. And then it's very flexible, very mobile and very easy to hide and it normally serves more than one individual. Of the remaining 31% of the incidents, most of those incidents involved wine over 14% alcohol by volume. The reason that we set it at 14% rather than 13.8 is because we heard from licensees there were quite a few wins between the 13.8 and 14% that weren't evidenced to be part of the problem. And we wanted to allow, we didn't want to unintentionally grandfather those in. At the same sometime, getting at 14% alcohol or at the products that are above 14% alcohol allows us to address the fortified wine category, which is a big problem within, within the statistics for street drinking.

**Fish:** Can I just ask a question to make sure I am following the math?

**Marchetti:** Absolutely.

**Fish:** I believe you said earlier 11% of the problem involves wine.

**Marchetti:** Yes, sir.

**Fish:** So under this chart, of the 11%, 70% of the 11% involves wine with a flexible bladder?

**Marchetti:** Yes, sir.

**Fish:** So if you took that out, what you are left with is about -- I need your help with the math -- about 3 to 4% of the overall problem relates to wine that's sold in a bottle over 14%.

**Marchetti:** Yes, sir.

**Fish:** Thank you.

**Leonard:** And of that, it's fortified wine as distinguished from naturally fermented wine?

**Marchetti:** Absolutely.

**Fish:** That's helpful. Thank you.

**Marchetti:** Thank you. Additionally through our conversations with licensees, what we heard from a lot in talking with managers, talking with employees was that there is an intimidation factor here. That they are not always aware of how to say no to someone who is intoxicated, who is attempting to purchase alcohol. Different from service permit es in restaurants or bar that is serve alcohol there is no mandatory component for education of clerks. So we are also requesting that

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mandatory training on the responsible service of alcohol be taken by all clerks employed in establishments in this particular area.

**Fish:** Forgive my ignorance on this but maybe this is for our police team, if someone in a regulated store sells alcohol to someone who is obviously inebriated that even my six-year-old could tell, is that a crime?

**Friedman:** It is.

**Fish:** You can't sell to someone who is inebriated?

**Friedman:** Correct.

**Marchetti:** I wanted to talk a little more about the alcohol impact area results in Washington. They did see some positive results in Seattle. A 35% decrease in emergency medical service incidents involving alcohol. In Tacoma, their rate of increase in emergency medical calls was significantly less than in other parts of the city, although the entire city did experience an increase. There was little evidence of dispersion effects in either area. There was also a 21% decrease in admissions to the local detoxification center in Seattle. There were fewer problems associated with public inebriates, public urination, public defecation, those types of issues. There was also less trash and litter and in both areas, community residents felt safer and they had greater livability. And I want to stress that this really is the first step in this process in a mandatory process. If accepted at the Olcc, if they accept a petition from the city of Portland for rule making, there will be a full public process in which individual licensees have the opportunity to ask for exemptions, be part of advisory committees in which the Olcc convenes advisory committees and allows stakeholders to provide input on the recommended language. There's also an automatic review after one year. If you consider we have been dealing with this problem for 10 years and been engaged in this process for at least a year and a half, an automatic review after one year is pretty good to make sure that any unintended consequences or if anything comes up that we have not fully vetted out will be addressed at that time. And also not only would the automatic review after one year but any interested party can request a review at any time. I think that we have an obligation to put the best recommendation forward to the Olcc as possible. In all likelihood the Olcc won't become more restrictive than the stipulations that we are asking for. We are known as one of the most liveable cities in the United States and a lot of the reasons for that is because we pay attention to issues like this and we implement strategies that are innovative. And think of it as an untried tool. This is something that we can use to try to address this issue. And I think that we should. And I can answer any questions that you have.

**Adams:** First, Theresa, I want to thank you for an outstanding power point.

**Marchetti:** Thank you.

**Fish:** Best powerpoint we've seen -- I am going to show it to my bureaus. It is extremely helpful and the nice part of it is you have laid out a case. I have a couple questions I want to ask for clarification. The first is a process question. In our normal way of doing business if we have a matter before us and we want to amend it we would take an amendment and see if there's the majority support and that would be passed on. Is there anything in the Olcc rule making that limits our ability to amend the proposals before us tonight?

**Marchetti:** As far as tonight, there are some procedural considerations. It appears that anything that comes up tonight and therefore there's an amendment that comes up as part of a discussion that happens, related to the language, this is still a public meeting. There's still an opportunity to provide input. However, if we were to change the boundaries, it would require a full redo of the voluntary effort, which would take a substantial amount of time and would probably be about to --

**Fish:** Other than a question of boundaries we would technically be free to offer amendments on the substantive proposal?

**Marchetti:** I would check with the city attorney, Ben I believe was here.

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**Fish:** I see someone nodding. Not ben. You're not ben: I got a lawyer posing as someone who -- this is ben. Maybe that was something in that glass.

**Ben Walters, Chief Deputy City Attorney:** You want me to come up? After the panels?

**Adams:** Any other discussion for these panelists?

**Fish:** I do. I will come back.

**Adams:** Why don't we finish your grilling or I mean questioning of this panel. Then we will bring up more fodder.

**Fish:** Been a long day, I guess. My questions to the bureau is, goes back to the question of disbursement which you alluded to in your testimony. I don't think I was on the council when we had the really hot discussions about drug and prostitution free zones. But I note council has taken a pretty clear position that they tend to disburse the illegal conduct and move to it some other neighborhood, and therefore there's been a preference for targeted law enforcement rather than the zone. And that's an instance where we're seeking to regulate otherwise unlawful behavior of a certain kind. My question is, on this approach, why doesn't this just disburse the problem? If, for example, if I can't buy my malt liquor at the downtown Safeway, and I had a drinking problem, why won't I get on the bus and go to 12th and Broadway and buy it there? What evidence do we have that that wouldn't happen?

**Marchetti:** I don't know that we really know the full extent -- it's difficult for us to answer how great the disbursement effect may or may not be. A lot of the individuals who are chronic inebriates in my experience tend to stay in a fairly tight geographic area. They don't tend to have motivation to walk great distances to obtain the alcohol they prefer to drink. There is nothing in theory to stop them from jumping on transportation although they would have to purchase a bus ticket to get where they need to go. They could ride Max or what have you to obtain other alcohol. Our big, I think our big advantage if we start to see that is that we are able to manage that a little bit better because we don't, again, have the density of stores in other parts of the city outside of this alcohol impact area. We've got such a density of package stores that it's very difficult for us to identify one store as an offender that is greater than the store next door. As opposed to we get disbursement into northwest Portland we get much fewer package stores that choose to sell this product. I think we are able to identify who those offending stores are in a much more efficient manner and we are able to use our time, place, manner ordinance to address those stores in a fairly efficient way. We have done that with a couple of stores in the zone but other than the two stores that we addressed directly, it was very difficult for us to discern who was selling these problems to street drinkers. I think we have that as an advantage if we start to see some dispersion to other areas of the city, I think we are better equipped to identify which stores are most problematic and address them quickly through time, place, and manner. We don't have that advantage in the downtown area.

**Fish:** Fair enough. And in page four of the slide that compares malt beverages, wine and distilled spirits, part of what we are doing here is proposing to regulate the problem by, to a market base approach. We are going to restrict the supply of something in hopes that that cures, curbs an unlawful conduct. I am just curious, in relative terms, what's the different price point like per whatever gallon you consume as between malt beverages, wine and distilled spirits?

**Marchetti:** That is actually not something that we have looked into. Typically malt beverages are among the more inexpensive. Wine can also be fairly inexpensive. I mean, in any category, I guess ounce per ounce you probably spend more for distilled spirits. I think that depending on what product you're looking at and what container size would probably determine what the price point is for both malt beverage and wine.

**Fish:** I guess the last question I have and I am very eager to hear the testimony tonight, is Vancouver, Washington, do they have one of these zones?

**Marchetti:** They do.

**Fish:** Is it different in any way from what you are proposing?

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**Marchetti:** Yes, it is. They still have -- they implemented theirs in I believe 2006 or 2007. And they still have a more product-based alcohol impact area, although they have incorporated some container size. But they still have a product-based line which we do not. We are going for a more objective criteria that has to do with alcohol by volume and container size.

**Fish:** Thank you very much.

**Marchetti:** Thank you.

**Adams:** Thank you all.

**Fish:** If ben could give us the guidance of what we can and can't do, that would be helpful.

**Walters:** Ben walters with the city attorney's office. As was identified previously, what the council is engaging in tonight is authorizing the filing of a petition with the olcc to trigger a rule making by the commission under an existing rule developed by the olcc, particularly for alcohol impact areas. It's not a rule that the olcc to the ability -- to our ability to identify as ever exercised up to this point. And so, in part, we are reading between the lines to trying to figure out how the olcc might apply this. There are prerequisite question sits to filing the petition as identified within the rule. One of those is that the city must undertake to hold a public hearing and obtain information regarding what is being proposed in terms of the regulations, and that the petition must have information that supports the proposed restrictions. And so -- staff would need to be able to identify for any amendments whether or not there was information contained in the record, either developed previously or developed here tonight in going forward to the olcc support for any proposed amendments.

**Fish:** Just to put that I guess in simpler terms, if we were to add a further enhancement of a restriction, then we would have to have a finding for that? But sounds like we have more latitude if, for example, a majority of the council believes the prohibition of selling wine over 14% abb is too broadly cast and needs to be more narrowly cast we would have the right to do that? Right?

**Walters:** It sounds like from the --

**Fish:** Understanding on a restrictions it's modifying the other way. Right?

**Walters:** I think that it could be fairly described as a determination by the council that the restrictions should focus on another aspect of the problem rather than that element of it. Given the information gathered and then the council's evaluation of that information.

**Adams:** Thank you.

**Adams:** Good evening.

**Wendy Rahm:** My name is wendy rahm, mr. Mayor and council members. Thank you for letting us speak and good evening. I have come with neighbors from several of the residential buildings in the downtown south park blocks area who are here to stand up in support of the alcohol impact proposal. Many of us here tonight came a couple of weeks ago to support then speaker shirley rackner. Shirley spoke eloquently of the noticeable down turn in livability in the downtown south park blocks area. We are becoming a passionate group of voters as we find ourselves aggressively approached by increasing numbers of drunken people in our neighborhood, many of whom are also littering and performing other offensive acts. We would like you to make the quality of life in our downtown area a higher priority. Speaking with the police officer one day, it became apparent to me that he was as bothered by this situation as we were. However, it was also clear to me that his hands were tied. Although this proposal will not solve all those problems, it is a step in the right direction. I am sure you've seen the rash of articles in the press recently so you are aware that Portland's reputation as a great tourist destination is taking a fast nose dive. You, our council members, must begin addressing these problems more effectively if this nasty descent is to be reversed. We understand that you will face pressures from some small businesses on this issue. But the economic impact of taking Portland off the list of great places to visit could have an even more serious impact on these same businesses as well as on many others. So we urge you all to vote for this proposal. Thank you.

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

**Alvin Rackner:** I am alvin rackner. I am a neighbor of wendy's and a neighbor of the people waiting here who may or may not stand. And I have lived downtown in Portland for five years. We moved here from the west hills because we wanted partly because of age and retirement, and we wanted to participate in the cultural life of the downtown. The shops, the restaurants, the social diversity. And in the main we love it. However, as wendy has mentioned, we, too, experience a serious deterioration in the quality of life downtown. We have called the police at times when we have seen people in serious distress. They seem to be drunk. Sometimes the police respond, sometimes they don't. We have called the Portland patrol. We have called the ichiros, sometimes -- chiers. Sometimes we get an answer from a telephone machine saying we will get a call back. We don't get a call back. That's been repair frustrating. Oftentimes because I like to shop at nordstrom's and various places I and my wife will walk throughout park blocks and we have stopped walking between main and salmon because it's a terrible situation there of people who, drunk, on some kind of product, littering the area, and very often obscene and -- obscene and unpleasant, broken bottles, cans, trashed food around on the ground. Food wrappers, people passed out in door ways beyond that. We all know that scene. I would like to add one other dimension. We have a granddaughter living in our building with us. She is a 15-year-old. She was excited to move downtown. Something happens with her that doesn't happen with me. I guess I am not so pretty. She gets obscene comments from drunken people on the street and she will no longer go into the park blocks. It's terribly offensive and frightening to her. I am an old occur mulch general. I don't get frightened quite that easy but I find it very unpleasant and I am disturbed I have a granddaughter who is afraid to go out on the street in Portland. And I have got to go almost through that unpleasant area to get to director's park which is a beautiful and wonderful place to be. It seems to me that one of the basic functions of government is to provide safety and security for its citizenry and it seems to me that we are losing the battle and it often seems like anarchy downtown to me and I certainly hope this city council will take whatever steps are necessary to support this movement.

**Adams:** We have big issues. We have massive cuts from salem of social service programs that shows up on Portland streets. And inclined to support this because I think it will be a useful response. But I also don't want anyone to be left with the illusion that things aren't potentially going to get tougher before they get better. The cuts that we are looking at for social service programs from the state are significant. And I know you have compassion in addition to concern about these issues and the city council last year had a group of, a room full of people that were saying very difficult things about our streets and sidewalks. So we do try to strike the balance. And I think that with your help, we can get there. But we got some serious cuts staring us in the face, and I just want to make sure that we have that at top of mind as well. Sir.

**Mike O'Callaghan:** Yeah, michael o'callahan. Thank you for the opportunity to address you again. I want to speak as for alcoholics. Ok? Subgroup probably isn't represented here. You guys think you're going to stop me from drinking? Wow, how absurd. Thank you. Now, something I would like to say, in addition here, is there is a problem. We all know there's a problem. I have traveled probably 32 different countries, and I have never seen anything like this anywhere. Ok? There's a problem. And the fundamental problem is people have nowhere to go. Ok? Now, I wanted to thank you, mayor. You can see the latest mercury here for consistently enforcing our laws against the homeless and doing a sweep of our camp. Ok. And throwing 15 people who were shelterless, that had built shelter out in the street without any citation, only warnings, nobody was cited for any law violation at all, just more harassment and intimidation and I would hold each one of you council members responsible also. This is a bulk package here. Everybody's responsible. Ok? And I take issue, commissioner Fish, with rejected large scale encampments. I don't know what you mean by large scale. There were 15 people that were here. One was in a wheelchair.

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One was had a hard attack and another had just gotten out of the hospital with a gallstone operation. Ok. Now, these people are on the street. Ok? And small encampments like what you are talking about, we are not safe there. We need a place that's secure. Ok? Small encampments scattered around, we are not secure. And I appreciate your opinion. However, the police have a very different opinion than yours and we are subjected to it. Without lawful authority. Ok? People need a place to go. Very simple. Everybody wants to drink at home just like we all do. Ok? Come on let them go home and drink. Thank you.

**Adams:** Thank you, sir. Next three.

**Adams:** Welcome to the city council chambers. Glad you're here. Go ahead.

**Doug Peterson:** My name is doug peterson. I own three convenience stores in downtown Portland and we did sign the vibrant agreement. It was after multiple public hearings where we had a chance to testify. At first they wanted not have allowed 12 or anything over 12 ounces in size so we couldn't carry the 16 ounce size budweiser, coors, miller. That represents about 16 ounce size represents about 30% of the market. Very mainstream products such as like I say budweiser, miller, coors. The original one would not allow us to carry any of the or many of the microbrews and they adjusted it so we could sell the 16 ounce size, we could sell the microbrews and we could sell the 22 ounce sizes of import beers such as st. Pauli girl, heineken and products that nature. And our markets, we are targeting downtown business people, downtown workers and we have never carried to start with any of the problem alcohol, the reserve, the 32 ounce containers, the really mean stuff we have never carried. We have never carried fortified wine. So after the public hearings, the vibrant agreement looked ok for me to sign. I signed it. And I was signed for three out of the nine stores that signed it. And I think as the last agreement that works for me. A concern I have I think we could be able to sell mainstream beer and 16 ounce containers because that's where a lot of the market is. I brought in some wine here. This is a duck pond chardonnay, 15% alcohol. And then this is a duck pond merlo, and it's 14.5%. These would both be banned under this rule. Now, in this case, the alcohol content is quite readable on the bottle. Many times you have to go down and really look in the fine print to find alcohol content. And, frankly, the distributors do not really track that and so when you are talking to the salesman about ordering wine, he doesn't know what the percentage is on some of these. And it changes from year to year based on the vintage. And so you can get caught up and have this on your shelf and no intention of violating the law. So what I am saying is, take that vibrant agreement of last one that was there, and establish that as the norm and I don't think there would be as much controversy. Thank you very much.

**Leonard:** Let me ask you specifically about that.

**Peterson:** Sure.

**Leonard:** Was there something in the vibrant agreement that definition that prevented fortified wines but allowed wines above 14%?

**Peterson:** No. But I think there should be, fortified wines is really what they are targeting.

**Leonard:** Right.

**Peterson:** I have no problem with the restriction on that. These are locally produced in Oregon.

**Leonard:** And are the price points on those generally above --

**Peterson:** Above \$10.

**Fritz:** Are they both naturally fermented? Or are they fortified?

**Peterson:** I am not an expert.

**Leonard:** You this we are naturally?

**Peterson:** Yes.

**Pauline Gustafson:** My turn. Mr. Mayor and council members, thank you for listening. I am pauline gustafson. I own a small store in downtown. We have been there since 1969. You are being asked to petition for a ban of some alcohol to help change some bad habits of people. The petition from theresa marchetti was formulated and decided upon and then presented to the stores.

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We did not have any store input. She states that she had 67 meetings about this presentation. But we were only notified about six or seven meetings. We could have been asked by the neighborhood involvement or neighborhood association to help come up with ideas such as a policy for clerks, perhaps naming some brands, et cetera but we weren't. Online there was a reference of 462 or so reports by the business alliance's Portland patrol. But no store owners had access to these reports, and we have asked at every meeting to have the reports there to read but there were none. Also ask the Portland police representative to bring the arrest or citation reports, but he said it would be too costly and we would go and get them our, we should go and get them ourselves. Although he brought them today, which is if he printed them back in february, he would have already had them and we would have all been able to check them out. So we store owners stand accused of creating problems but no facts to back it up. 15 years ago there were police reports of 1200 citations. And I was given them. And I read through every sick gull one of them, every single name, where the sigh station was issued, et cetera. 80 or 90% of those was hard liquor. Today a pint of vodka can be bought for \$3.95. And a fifth of vodka for \$7. I called the roads city liquor store and asked them. Many street people go and get their pints when they have money, and you can see them walking with the familiar twist on the sack that they are carrying. The 1700 citations that the officer has stated breaks down to maybe five or six citations a day. And the 600 sober holds is probably two of them per day. In all of the 40 or 60 stores in downtown -- oh, gosh. I got two more pages to read. All meetings were in the evening, and a lot of store owners couldn't come because they would work. Instead we had theresa marchetti come to the stores and ask us to sign the alcohol impact area ban. Her visit was intimidating to many store owners because they did not understand exactly what it meant. The first rendition of price fixing, which I believe is illegal, it took us two or three meetings for them to realize it was illegal. And they dropped it. I would think that they would have known this from the very start. Washington state university did an analysis of the alcohol impact areas in Washington and they concluded that there was no real effect on chronic public inebriation, and I have the website, little stickers I can give you, and we have seen on occasion people walking away with the glass in their hand or to go to the next --

**Adams:** I need -- I would let you go over 50 seconds. I need to you wrap up.

**Leonard:** I might be able to help you because I want you to get to your points and you are losing us quite frankly. Is your point that if we can somehow distinguish between what have been identified as these problem beverages which are malt liquor, fortified wines and distilled spirits and we're more precise in our definitions that would alleviated some of the concerns you have?

**Gustafson:** In Washington state, they actually named the brands.

**Leonard:** I understand we are not going to do that. I am trying to help you here. Listen to my question. I am trying to help you. If we are able to define and distinguish between wine that has content, for example, of alcohol above 14% that occurs naturally and, for instance, thunderbird which is fortified to achieve an alcohol content above 14%, does that resolve the issues that you are concerned about?

**Gustafson:** Partly.

**Leonard:** Partly.

**Gustafson:** Partly.

**Leonard:** What --

**Gustafson:** You should name the brands. And theresa said they would bring in new brands but olcc has the right to say, no, we don't want that in Oregon, no, we don't want that in a populated area in Portland. They have the access to say, no, we are not going to let that in Portland.

**Leonard:** I guess what I am trying to figure out --

**Gustafson:** That would be better for all the stores.

**Leonard:** But if we are able to define it in a way that didn't require us to name the brand but capture it by definition so if a new brand came on the market, doesn't that address your concern?

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**Gustafson:** No. Because that --

**Leonard:** What do you sell.

**Gustafson:** That would be like huge. We sell fine wines.

**Leonard:** Let me finish the question.

**Gustafson:** Oh, sorry.

**Leonard:** What do you sell that you are concerned about that, if we define in the way i'm suggesting that we might, that might be prohibited?

**Gustafson:** Fine wines.

**Leonard:** Then I need to you hear what i'm saying.

**Gustafson:** Ok. That's what I am trying, please.

**Leonard:** This wine here, for example, is naturally fermented to the extent that it has an alcohol content above 14%, the way the rule is currently written they would prohibit that. If we came up with a definition that would say that would be ok but distilled wine which is thunderbird or mad dog 20 would not be. There is a distinction between those two. Wouldn't that solve your problem?

**Gustafson:** Ok. I'm going to have to answer it in a way probably you don't want to hear is -- the containers and the alcohol content of let's say some microbrews and some fine wines are included in this package.

**Leonard:** They wouldn't be if we --

**Gustafson:** If you amend it it's very hard to do. Because it even includes 16 ounce six packs of budweiser. I mean, the most mainstream, the most selling beverage in all of Oregon.

**Leonard:** I guess I am focused on the wine part. I'm asking about the wine.

**Gustafson:** There's a lot of beers also that are -- fine beers.

**Leonard:** Would it solve the wine part?

**Gustafson:** If there's a way to do it, sure. But like you said, one of these is 15%. I mean, what are you going to do? And the varieties, they all change. I want it to be fair. If it's to be fair all across the board, to store owners who we really try hard. We don't sell to street drinkers. We ask them questions. I said 20 years ago, train the clerks and nobody listened. And i'm telling you, if you would train -- have these clerks have a license and train them, you would see half the problem.

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

**Gustafson:** Sorry.

**Fritz:** Thank you. That was helpful.

**Adams:** Sir.

**Rob Wheaton:** Hello. Rob wheaton, Oregon afscme, local 88. I represent a number of social service agencies in this town as a union representative including hooper detox and sobering chiers as well as transition projects incorporate. I would like to thank the city council for recognizing this problem on our streets. We are not here to come take a stand for or against this measure. However, we would like to take this opportunity to remind the council and the community that alcoholism, well, street drinkers suffer from usually suffer from two things. Alcoholism, physical addiction to alcohol, and homelessness. As you are aware, there's been an annual funding standoff with who is responsible for actually funding chiers and sobering between yourselves and the county. It's been going on for some years. Last, over the last couple years the hospitals kick in an additional \$300,000 which expired this year. Currently the sobering facility and chiers program is operating at \$150,000 below their budget and despite the increasing problem over the last few years of alcoholism, their funding has remained flat. Therefore, what we are seeing is the employees of the hooper facility doing more with less. Meanwhile with the new detoxification facility we have seen the increase of people waiting in the lob from 50 to 70 people seeking to get help from their problem and having to be turned away waiting for up to 10, seven to 10 days is what I have been told by the employees there. I guess what our point is that a meaningful solution, this may help

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address some of the inconveniences of alcoholism but a meaningful solution is going to require some commitment to treatment and care. We are concerned that this under a best case scenario this may disburse the alcoholics to other areas of the town where they are not going to be as likely to run into police and chiers as they are not going to be as likely be referred to help like the hooper detox facility. And it's not really going to do anything to address the underlying social concern. Our city. Under a worst case scenario instead of having people drunk on the streets we will have them detoxing in front of these buildings and businesses, and we will rather see them detoxing in a clinical facility. So our pointer is to say keep in mind that everyone keep in mind that this is a serious problem that we face. It's not going to be addressed by prohibition.

**Fritz:** Thank you, rob, for bringing us back to the big picture. It is important to note this is one measure that we believe can be a piece of the puzzle. It's by no means the only piece and it includes both social services and also work at the legislature and indeed with the olcc to address a number of different issues and a number of different ways. Thank you very much for all of you for coming down here and mr. Peterson, thank you very much for participating in the vibrant effort. That was very helpful.

**Adams:** Next three.

**Adams:** Good evening.

**Elvyss Argueta:** Mayor, council, I am a member of local 88, afscme. I am also work at transition projects. I work on the line. I am here personally against this measure. I think we don't realize that a lot of the clients that are homeless at the end of the month it's social security time. You might ban malt liquor but if they have the money at the end of the month, you are going to see it rise up and down, up and down. And I understand what the police officers was saying, 116 or 161, that's cool but I think also that if a police officer hears on the radio there's a robbery, I would suggest the police officer stop with the drinking and head over to the other emergency. I know that creates a lot of paperwork but it's illegal and we understand that they have to take care of that. As far as Portland police or Portland patrol I see them all the time as well as clean and safe. They do a great job, allow them, direct them to social services. That's it. If the, if what you are trying to slow down is having people drinking in streets, why not attack alcoholism? As rob mentioned before, it will probably disburse to a place they are less like low to get help because you see someone walking down the street, o. They will continue walking down the street. In this situation, I mean, it's going to be a hard call. I just don't agree with putting one rule here in the city, and not putting any other part. The other thing we didn't think about is, we didn't delineate in the graphs versus day time calls of alcoholism and nighttime calls because downtown Portland, old town, chinatown, is full of clubs. And they get ruckus, walk out and do the same thing. Also it's very important that we realize that it isn't just the burnside area. Northwest 23rd, the only reason we don't get more calls there because they probably have security at those bars. If they get out of hand, security takes over it. As far as neighborhood involvement, I wasn't involved. I get more tweets from the mayor than I do from the office of neighborhood involvement. I mean, that's just it.

**Fritz:** I don't tweet. Sorry.

**Argueta:** That's fine.

**Adams:** I am going to take that as a compliment.

**Argueta:** It is a compliment. That's what i'm saying.

**Leonard:** The quote of the week will be "i don't tweet."

**Argueta:** Putting duct tape on something that's a much bigger problem is not the solution. I think it's more of an underlying current. It will just move somewhere else and not help what's underlying. I am a line person. I see them every day. You might select the malt liquor or what have you but as soon they come into other cash, o. I'm getting the small brewery, i'm getting widmer today and you will see that there.

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

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**Fritz:** I missed your name?

**Argueta:** Elvyss.

**Leonard:** You only have to say that once.

**Adams:** Go ahead.

**Marvin Mitchell:** I'm marvin mitchell. Thank you for this opportunity, mayor Adams and council members. I am one of the directors at julia west house, a community center for low-income and homeless residents of downtown Portland. We are at 13th and alder. We are on the street. We open at 6:30 each morning monday through saturday. We see 200 to 300 guests each day. We work hard to provide a civil, safe and supportive place offering hospitality and opportunity for positive change. We have expectations of our guests. We support policies that focus on our guests and their potentials rather than policies that exploit them based on their addictions or circumstances.

There are many reasons we support this alcohol impact area petition. Here are just three of them. Many of our guests are under recovery. They are fragile and exposure to others under the influence can sabotage their success. Observation of drunkenness, associated with intoxicated people, seen passing by and easy access to alcohol, beverages all negatively impact people trying to make a positive change in their life. Public drunkenness is a problem partly because of easy access to high alcohol content beverages and single can sales. We work hard at being good neighbors. Our guests understand we must be good neighbors so we can continue to be here for them. We get blamed for unsavory act perpetrated in our part of town because we provide a community for homeless low-income people, a place to be refuge from the street of the but anything that goes on they say it's those bums from jewel I couldn't west. That's not 42. Very seldom is its one of our guest. We note people causing probably and they have usually been denied services because of their intoxication or abusive behavior. Low-income residents should be able to buy a fort ounce bottle each day to take back to their room. Right? What's wrong with that? Social and physical isolation is a major problem for many of our downtown residents whether they are housed or homeless. Do we really want to promote a policy that encourages and enables our most vulnerable residents to withdraw and deepen their alienation? Or do we want to promote policies of engage them in a way that provide a richer life experience and help them stay stably housed? We often witness the results of people who maintain a pattern of drinking. We notice a deterioration of appearance and self respect in those individuals. From month to month. Many of these stories involve multiple ambulance calls, emergency room deaths and a lonely death. That's expensive. It's very costly us to. We rejoice and one of our friends work to kick themselves free from addiction. Allowing sale of high alcohol content beverage drinks with more kick for the buck compounds the problems that exist with chronic drinking. If not freedom of choice or protection of individual liberties, it's what we call dangerous compassion. That's enabling or encouraging people to maintain unhealthy life styles because we don't want to get involved or don't want to set boundaries. Thank you.

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

**Barry Joe Stull:** Hi there. I was going to be a start by saying, are you out of your mind? But instead I am going to start by saying, are you drunk? One of the things when we say somebody is intoxicated is, we are recognizing that they are not right. They are simply not right. That's why we have laws against driving while intoxicated. I am a do gooder and we are doing the free coffee service at the rest off on i-5. Baldock rest area south of Portland. We were doing that to draw attention to the fact we know as a society that people have to have rest as part of the human condition. And I wanted to just address one of the comments about the behavior of some of these people in the park. I wrote this down and quote, utilizing a safety rest area allows drivers to return to the high, rested and more alert. The effects of driving without adequate rest can impair a driver's judgment and reactions much like driving while intoxicated and the results of drowsy driving can be just as deadly. Yes, we do have a problem with housing in this city. I am one of the 4,000 people sleeping outside. I am sorry I missed my 71st -- september 1st appearance. I was arrested as the

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protected party, person who violated the restraining order that I had against them. Was let go. So I have a notice of tort claim against the city and when you give me some money I will probably set up a 13.7% alcohol distribution system right in your alcohol impact zone, which is really a playground for the rich impact area. We know sidewalk cafes serve alcohol. They are street drinkers. But they are rich. And they can go in the hotel and they can throw up in the maid will clean it up and then you won't have a problem. It's a homeless american that makes the mess and I agree with the Portland police that we do need to have a cleaner, safer and more enjoyable city. And I would like to address the chronic criminal behavior that landlords get away with as a matter of routine. Police commissioner, I really would like you to enforce the criminal misconduct that I have brought to your attention through your office, the judges down here art Multnomah county circuit court, a very famous drunk was one that I overturned with a stall versus hoak, my supreme court case giving rise to the joke what do you say to a lawyer when he shows up in court first thing in the monk drunk? Good morning, your honor. When I came to Portland, you could drink in the parks legally. The last time I served alcohol wasn't in a Portland park and that was a fundraiser for the bicycle transportation alliance. We are just talking about responsible behavior. And I think when you start to hold the rich people, like the indigo doesn't pay for their board permit. That's \$100. Christy gates from the volunteers of america was responding to my inquiries about the elliot neighborhood association, I found three camps there, the one the gentleman spoke about being closed. And she said that homelessness leads to alcoholism and drug addiction. It's a housing crisis.

**Adams:** Thanks, barry. Could you call the next three?

**Adams:** Hi. Welcome to the city council. Glad you're here. Who would like to begin?

**Katie Jacoy:** I'll start. If that's ok. Good evening. My name is katie and I am western counsel for the california wine institute. Mr. Mayor, commissioners, thank you for the time tonight to speak to your proposal on the aia. The wine institute represents 914 california wineries. And we are here in opposition to this proposal because it bans such large corporations of wine. Banning these products that many have not been shown to have any correlation to the problem, and so a lot of, you have talked a lot about Washington this evening, and I am actually from tacoma, Washington. I am based up there. So I have been working with the liquor control board up there through the start of the aia process in tacoma. First with the Washington wine institute and then with the california group. And what we have seen, the important part I think is missing tonight so far is that what Washington focused on, it was product specific bans because they wanted to show that there was a correlation between the product and the problem. And what happens when you decide to ban whole categories of products is that you have a lot of unintended consequences in that. And what we have seen with this proposal, with the Oregon wine association, we have looked at the local safeway that's within your aia and there's 160 wine products, that's the minimum, that would be banned under the category of above 14% alcohol. And I made a stop today because I got down a little bit early, and there's 44 box wines that would also be banned under this proposal. And these are products that, in our mind, from what the staff has put together as a presentation, there isn't documentation to prove that all of those 200-plus products have any impact on the problems that you are seeing in your downtown core. So we would suggest that you take a look again. I know that the product by product specific ban in Washington, it may take more work to get there. But what they have seen is, in all of their six mandatory aia's and only eight wine products altogether have been banned in the state of Washington. So in comparison to the almost 200 that you would be looking at under this proposal, there's only eight and all of those products are wine products that were fortified with spirits. There is two aia's in tack marks three in seattle and one in spokane that all have been recognized by the liquor control board up in Washington. Spokane found no wine problems to be a problem so they didn't ban any. Seattle has a list of eight that are banned and in all three and tacoma that is a list of five. So we would encourage you to go back and take a look and

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really think about the fact that these are legal alcohol beverage products that are being sold in the state. And it's a big and serious step to be banning legal products. And so we think there should be a correlation shown between the product and the problem. And I just wanted to make a couple comments. We talked about the vancouver aia which is eventually a voluntary effort. It was not an aia that's been recognized by the liquor control board. It's 100% compliance with the retailers and again it's a product by product restriction.

**Fish:** Is it jacoy?

**Fish:** You heard a discussion that commissioner Leonard and I had with prior people testifying. If we didn't go the route that you are proposing and instead we tried to draw another distinction, to cover the 160 wines that you identified, would that distinction between naturally fermenting and fortified get at most of the concerns that you have?

**Jacoy:** No, not -- no. Because fortified wines, fortified wines include spirits and sheries, madeira, vermouth, a lot of products made both in california wineries and products that aren't being consumed on the streets. And that's the problem. Any time even if you carve it out and you make a little bit smaller category, you still end up affecting legal products that have no impact on the problem that you are seeing in your area. And you are also with the bag in the box wines, even though I think the staff presentation said that there was most of the problems with bag in the box were between 13.5 and 14% alcohol volume, my very informal visit to safeway today, half of the bag in the box products are lower than 13%. So again, you have got a large category where you are talking about, wine is 10 to 11% of the problem, and you are looking at banning a significant number of products under this.

**Leonard:** Can I follow up on that? I heard you testify that there were eight wine products that were banned in Washington and you made the point that those eight wines were all fortified with spirits.

**Jacoy:** Correct.

**Leonard:** I heard that right. So when commissioner Fish asks you if we could draw a distinction between fortified wines and naturally fermented wines, you said no because that also includes products such as port, sherry, madiera and vermouth. If we were to identify -- I am trying help you here. Please let me finish. I am really trying to help you. I am having a hard time helping people tonight. I wanted you to really listen to what I am saying because I am trying to address the concern you are articulating. If we were able to draw a distinction that included those eight wines that you described in Washington which I assume are products like mad dog 2020, thunderbird, what we think of as the cheap fortified wines, if we were able to identify those eight by definition, by identifying them as fortified wines but exclude the fortified wines that your concern would be to all encompassing, including port, sherry, madiera and vermouth, does that address your concern?

**Jacoy:** Not completely but thank you. Any time you are going to narrow that category further you are going to cut down on the unintended products. Washington identified those eight because they were the problems, they were the products that were being consumed by the chronic inebriants. You don't need to take the products from Washington. They may be some. Products in your district as well. But you need to be identifying the products that are being drunk by the chronic inebriates and are causing the legal activity. That might be specific to your district in Portland and that will be different than what's seen in Washington. Because if you took spokane all on its own they don't, they didn't identify any wine products.

**Leonard:** You would soon us not adopt the amendment I am suggesting at all?

**Jacoy:** I would encourage you are not to adopt the proposal in this form at all. I think you need to go to a product by product look. And identify those products that really right problem here.

**Adams:** There's no clapping in this chamber.

**Leonard:** We will leave it just the way it is? And you would be --

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**Jacoy:** I would hope not, no. I wouldn't encourage you to leave it the way it is. But by then putting another category on, it's not -- it's the methodology that I think is the issue here. And so --

**Adams:** Sometimes half a loaf is better than no loaf.

**Jacoy:** I understand that, mr. Mayor.

**Adams:** We have heard your response. I'm going to move the meeting along. Hi.

**Lisa Stevens:** Good evening, mayor Adams and commissioners. I have a prop. May I use that at some point?

**Fish:** As long as you don't throw it at anyone.

**Adams:** Or it doesn't explode.

**Stevens:** I won't drink it in public. My name is lisa stevens. I am here on behalf of the Oregon wine growers association and the Oregon wine industry. While we regretted that we were not part of the process leading up to this development of the proposal, we appreciate tonight's opportunity to comment. The Oregon wine industry is comprised of more than 400 wineries allocated throughout the state that produce a wide range of high quality wines including pinot noir, chardonnay, pinot gris to name a few and the majority of our wines are sold right here in Oregon. While we support the objectives of the proposed aia we have serious concerns that the proposal before you this evening is too far leaching and will have the effect of preventing citizens from accessing quality wines. Our greatest concern is with the ban of sale of wine with over 14% of alcohol by volume. The city staff property of pope dated july 20 states very few wines are over 14% unless they are fortified wines and this is simply not too. As katie mentioned we did a survey last week at safeway on southwest jefferson and revealed more than 160 labels and at least eight elevator tall, many from Oregon, several from california and international locations and they all had more than 14% abv. In Oregon the majority of soon to be released 2009 pinot noirs will have abv over 14% because of a very warm harvest year. Right now if I were a resident of the lovely new museum place located across the street from the safeway and I wanted to enjoy this bottle of pinot noir I purchased at safeway last night if the ban were in place I would not be able to get it because it's 14.5% abv. The safeway serves as a valuable resource to downtown residents and workers who prefer to shop close to where they live and where they work. It does so in the same way fred meyer located on west burnside which is also in the proposed aia serves as an anchor store for residents of northwest Portland and the west hills. As the city seeks to establish an aia we urge you to establish parameters that target the problem of chronic public inebriation without casting a wide net over products that are not the root cause of the problem. I believe it's in the oni report that says 90% of the incidents do not involve wine. It would be short sighted to import this to other municipalities and its consumers with little or no return on the objective. We would suggest you consider one of two alternative proposals. First and foremost exclude wine from the Portland aia ban. Second, consider a targeted aia regime that's similar to ones adopted in Washington state that bans products that have been clearly identified as source of the problem. I will attach, provide written testimony and attach a list of those products from seattle and tacoma. We are interested in working with the city towards a reasonable solution. One that does no harm to an industry, the Oregon wine industry, that is a valuable contributor to the economy, and whose products are enjoyed legally and safely by residents throughout the city. I thank you for tonight's opportunity to comment.

**Fritz:** May I ask a question that commissioner Leonard would ask if he hadn't stepped out. Would exempting naturally fermented wines --

**Stevens:** I note some of this process has been an education about wine and working with the staff over the last week. Fortified wines which are produced in Oregon, some port-style wines and some vermouths are produced here. We would not be happy with a broad ban on those wines. There's also, we are also talking about those very nice high quality, sherry, madiera that he would be caught

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up in that kind of ban. One of the problems with using the term fortified is that the federal government doesn't allow to you actually identify wine.

**Fritz:** I wasn't proposing -- what about naturally fermented. That's a problem?

**Stevens:** I don't know that -- I know we are not allowed to use the word "fortified ." I don't know that naturally fermented appears on labels that would make it easy to identify that on a product.

**Fritz:** Thank you. I do want -- I learned more about alcohol in the last six months than I ever thought possible. Thank you.

**Adams:** Thank you very much. Sir?

**Chris Girard:** Good evening, mayor Adams, commissioners. My name is chris gerard and I am president and ceo of plaid pantries inc. You receive might written testimony in advance so I won't take up time on that but I would liked to summarize a couple of key points. I have actually been involved with trying, helping whatever to find solutions for Portland street drinking problems for over 20 years now. We tried a patch work of city, alcohol impact areas, good neighbor plans, some older community policing agreements that we still abide by, by the way. We also have a hodgepodge of inconsistent restrictions placed at various times by olcc on some licensees but not others in the same area. And I am not being critical of olcc, just pointing out the result of not having a comprehensive uniform policy for all licensees. Most of these efforts work to some regular for -- degree for some period ever time and for some of the areas. I believe we do need a more comprehensive solution and we support getting rid of cheap, high alcohol content beverages which should be the test in the downtown Portland area. Unfortunately, the current proposal will not do the job. The impact area isn't large enough. By staff's own analysis it's obvious we need to take in the full northwest area of the inner downtown, we need to pick up licensees just south of the i-5 -- i-405 and we need to go across the river connecting to the stull city designated areas that are over there. I am not sure but they were designated as aia's. We need a full eastern one right across the burnside bridge and at least a southern portion of that big northern aia. There's a much higher probability that a voluntary program will work if all licensees what uniform restrictions without any licensee having a competitive advantage over another, which is what the problem was with the vibrant-pdx proposal. Now we have moved that boundary, the licensees have changed but the same issues come up. Unless we grab that really small number percentagewise of the remaining licensees. The seattle aia is frequently cited as an example of what works. We have stores in seattle. We are also voluntary participant in the vancouver aia as well. So I agree that it works. But what's proposed here is not the seattle aia. We do need to have products specific restrictions, not broad package size restrictions that capture products not preferred by street drinkers and not documented as required by the rule as contributing to street drinking. Current proposal bans a large portion of the beverage category that's popular among our nonoffending customers. Finally I was going to testify there appears to be some misunderstanding about the rule but it looks like the rule has been researched. And I just don't think it's time to turn its over to the olcc to decide where the boundaries are and what the restrictions are. I think we can still work on this. If it doesn't work, another voluntary expanded and have a voluntary attempt, then let's go get an aia and put it together properly and make it bigger and I think you will go to the commission with a larger consensus of licensees saying, ok, it's time to do it.

**Adams:** Thank you, sir. Thank you all. Appreciate it. Sue, how many more do we have?

**Parsons:** We have four more. And that would be david owens, richard, dan last name begins with l, and then we will damos.

**Adams:** Who would like to start?

**Dan Lenzer:** I'm dan whose name starts with l. I am a principal property ownership management company. Concept entertainment. Also an owner of seven on premise liquor licenses, all in the Portland area, different than what we are talking about with the package stores. As an on premise liquor licensee, we employ approximately about 200 people within this proposed area, and

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approximately we have approximately about 40,000 square feet of retail space, most of it in old town. We are sensitive to the decision issues that it's attempted to affect at this aia is attempting to address issues now specific to an on premise liquor license, we as licensees oppose the formation of the aia. We are concerned this impact area, if put into place will affect potential for business. Aias are they're receipts cal in Oregon as there are none in place with the Oregon liquor control commission. Once put into place, this could be a convenient vehicle to expand enforcement in a blanket method to a geographical area that is static and could be in place for many years. What that could mean to our business world is that this aia, if it were to be expanded beyond this well intentioned general could affect operators and anyone else who is likely to have a business in this aia. For this reason we recommend city staff in Portland police continue looking for other methods to resolve the incidence and issues this proposed aia intends to address.

**Adams:** Thank you for your testimony. Appreciate it. Go ahead.

**Richard Kosesan:** Thank you. Mayor Adams and council members, my name is richard. And I am here on behalf of the Oregon neighborhood store association, which primarily represents the interests of small independently owned convenience stores throughout the state. For your information, and I hope you had a chance to review, we submitted formal written comments early this afternoon. I was instructed by one council member that might be a little bit late but that was the timing. Thank you, mr. Leonard. In our previous comments, I think we centered on a couple of concepts. One, the uniformity and uniformity of limitations established through alcohol impact area. The petition speaks to I think some swayings that do not provide that uniformity. And in accordance with the current administrative rules, the Oregon liquor control commission, I think has but one function and that is to, if they affirmatively accept a petition, to set uniform limitations in the given setting. So I would encourage a further review of those limitations and whether they meet the uniformity requirements contained in the current administrative rules. The primary example we talk about found in the petition could be viewed as the restriction on malt beverages. We primarily select out those small brewers which are identified as small breweries under the federal tax act and I think you have a very strong dichotomy between one and two there. Again, conflicting with the uniformity requirements. Further I think the bottom line is, in lighted of potential problems with the petition we would strongly encourage the council to take a look at the petition, take a look at the current administrative rules, to see if they are in compliance with such rules, and again, center on the uniformity standards that are required by the rule. Thank you.

**Adams:** Thank you.

**David Owens:** Thank you. Mr. Mayor, city council, my name is david owens. I am a resident of old town and I am -- just for starters as a Portlander, I am philosophically owe possessed to a state run aia because with all due respect we pay the five of you to administrator our laws, abdicating that duty to some representative from klamath falls at the state level for oversight is just abandonment of your duty. As far at beverages in question, sparks malt beverage is three times as expensive as potters vodka. The state run liquor stores are not part of this plan. So very simply, banning the stuff could just shift to it other products rather easily. If we actually do manage to write it definition that excludes the products favored by street drinkers, two cans of sparks beverage about the same cost as one dose of heroin and trust me, I live in old town and there's a lot of it. If it goes from alcohol it goes to another drug. For me this doesn't really apply to me. I am not exactly rich but I can afford to take a taxi and shop in the area outside the aia. I can afford to drink at a table at a street side cafe rather than drinking sitting on the sidewalk 10 feet away in illegal fashion. And I don't like budweiser. It tastes like crap. This plan I believe is ill formed and as a general concept, sending it to the state level is wrong. Singling out specific beverages is wrong and this is clearly class based. I am in a socioeconomic class that would not feel effect of this law at all, middle class. People one step below me will be the ones impacted by this. They won't be able to go to convenience store, buy a bottle and take it home and I realize many of these people have problems.

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But they are not, that's their problems. We can't force people to change their behavior. Society has been trying for a long time. They have never succeeded. And that's my basic point.

**Adams:** So what should we be doing that we're not?

**Owens:** Targeted law enforcement really is the best option for most of these kinds of issues. And I realize that means money.

**Adams:** Law enforcement says they need this.

**Owens:** I was a cop for six and a half years and I can tell you that they are probably right in a lot of ways but in general police should not be writing the laws. It was their job to -- probably totally misstated that. I don't really think this will have much of an effect. And I believe that the statistics are simply the before picture and after picture would be drastically different and everyone would still be, you know, shooting up on the streets or smoking method on the streets. We have massive widespread problems with that. I don't think banning 16 ounce budweiser tall boys is really going to change that.

**Adams:** Appreciate your testimony. Thank you very much. Thank you all. Is that it?

Parsons: Now we have two more. Damos and joe.

**Adams:** It can be anyone but joe gilliam. Oh, dear god he waits until the very end. Hi. Welcome back to city council.

\*\*\*\*\*: Hopefully you are not related to vick gilliam because that he would send us over --

**Damos Abadon:** Damos, resident of lower southeast Portland. Thank you for having me here today and hearing me out. On what grounds do members of the council Portland police bureau, the Portland business alliance and some downtown residents think that banning sales of alcohol above a certain content and in downtown will lead to less public drinking, drunkenness? I state for example it's been known for a long time now that smokers who smoke low nicotine cigarettes tend to drag on the cigarettes more intensely, thus smoking more cigarettes and absorbing more nicotine and thus worsening their addiction. Wouldn't the prohibition on hard content alcohol simply result in people with drinking problems in particular relying more heavily on regular booze a lot more of it? Also wouldn't the so-called street drunks, the council and others have are so concerned about, simply hop on the max, which, yes, does cost money but except for some people are concerned it's free. And otherwise would head over to the nearest corner stores just on the other side of the willamette, and buy whatever they want there? They would either stay in that area and then, which would mean not solving but rather shoving the problem outside of downtown or they could return here which would mean that such a ban would be proven to be ineffective. Also why does this ban not do anything to address the intoxicated crowds pouring out of bars and night clubs on the weekends? I have no studies or evidence to prove this, of course. This is just my own observation as an occasionally downtown reveler as well but I do suspect most alcohol related crime can be traced back to this source, not with homeless people who might drink periodically throughout the day. So if this issue really is about public drunkenness, then, why not start by curtailing drunken bar hoppers and club goers? Lastly I suspect that the vast majority of sales of high content alcohol in downtown are from residents and sometimes students who go to school in downtown. This i'm guessing to be due to the fact that people who live downtown typically have more of a disposable income than people who are homeless. Also the officer earlier and my apologies for not remembering his name, suggested that downtown's high density of stores that sell such alcohol actually draws people in from other parts of the city. Where they might, from other areas where they might not otherwise be available. I contend that high alcohol beer and wine indeed easily, may be easily available in many stores all over the city including just in inner southeast and in many stores including many grocery stores, safeways, plaid pantry, fred meyers and current including. Easily accessible by the max.

**Adams:** I need to you wrap up.

**Abadon:** Just for the record one last thing mike's hard lemonade is 8.1. I should know. I happen to be quite a fan of mike's hard.

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**Adams:** Let the record be corrected. Mr. Gilliam, it is indeed an honor to have you in our chambers.

**Joe Gilliam:** Mr. Mayor, members of the council, my name is Joe Gilliam. I represent the Northwest Grocery Association. I am also the very much younger brother and representative of Representative Gilliam.

**Fish:** And better looking.

**Gilliam:** Thank you for that comment. Hope my mom is listening. I don't envy your situation. You have a full docket and an expense of people who have illustrated the problems. From prohibition not having an effect to you got to do something to clean up the streets and solve this problem. So I envy you. I think the only issue you have omitted and have not heard tonight that if you do ban the bladder in a box wine you will put half the dudes on match.com off the business and I think you will hear from them shortly.

**Adams:** Half the dudes? [laughter]

**Gilliam:** In all seriousness, I am here to tell you that for the grocers in the aia, and you are always going to have the problem who is across the street. From Fred Meyer and Safeway that I represent that are in here, if they could live with the definition of unfortified wine if there was a caveat, put in there to talk about distilled spirits, the fortified and leave the fermented wines alone. And then take the route instead of brand name which there have been problems in the past with that and go through a definition of the things that really aren't the problem more by type. Things like port, sherry, which have been mentioned a couple times if that language was in there we would support it. We realize it's not going to solve all the problems. There's too many problems to solve. But we think it would be a step in the right direction if council is inclined to go ahead with an aia. The only thing I would ask in a couple of years or over time if you find the aia is not having any impact, is also come back to say, ok, we tried this. Let's repeal it, let's try something else. I don't think there's any silver bullet here. But we want to get on board with those caveats and if you take that suggestion, we would be able to support it.

**Leonard:** Can I ask you about the fortified wine? The previous testifier I just came in at the tail end of, said that there was some prohibition against using the word "fortified wine"? Are you familiar with that?

**Gilliam:** I stepped out. I am not familiar with any federal law that says that so we would have to ask counsel. I haven't heard that before.

**Adams:** I think the conversation was around labeling and that if it's not required federally labeling it would be hard for anybody to figure out what's what. Is that accurate?

**Leonard:** If we said something to the effect that we would not allow the sale of fortified wine over 14% abv and then carved in an exception for port, sherry, madiera, vermouth?

**Gilliam:** We could live with that. In our product mix. Those are things that aren't associated with a problem. Those aren't things that people are buying to drink on the street and would be very unpleasant for drinking on their own. We do sell them in the stores inside the aia and in our popular item particularly at the Safeway store at Tenth and Alder.

**Leonard:** To be clear a number of the Oregon vineyards sell wine as we saw demonstrated here tonight that ferments naturally above 14%.

**Gilliam:** Commissioner Leonard, yes. And I think the distinction there, too, it's a very good point, one of the ladies over here has a convenience store, on the fermented wine, it could change year company to year. Where the fortified is a formula. It's a distilled and mixed drink. So --

**Leonard:** They achieve the fortified wine by addition as I understand it distilled spirits. So it isn't something that occurs naturally.

**Gilliam:** Within the parameters of the olcc but there's a certain amount of that that's aloud in there for flavoring or anything else. That's more of a controlled, you are mixing a distilled spirit with something so you can control versus nature taking its course and fermenting in the bottle.

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**Fritz:** If we exempted naturally fermented wine, period, and those specific types of port, sherry, whatever, would that get to it?

**Gilliam:** As commissioner Leonard stated --

**Leonard:** Commissioner Fritz is suggesting saying it a different way. Instead of saying.

**Fritz:** Fortified.

**Leonard:** We just use the term naturally fermented. Would that by definition exclude fortified wines?

**Gilliam:** Honestly I don't know if it would. I think the fortified definition as you stated would be more to the point for us. And I just don't -- I don't know if the other way would work. I would have to go and really ask them, some. Our wine buyers.

**Leonard:** In any effect what we are recommending to olcc gets them our intent of what we want to have. It isn't the precise rule as it would be promulgated by them ultimately. Correct? They would word smith it.

**Gilliam:** If it was equivalent to that we wouldn't have a problem with that.

**Fish:** I'm not familiar with the olcc process, if we have a recommendation to the olcc, rule making, they would have a public hearing and give people a chance to weigh in on that at their level, wouldn't they?

**Gilliam:** Commissioner Fish, I believe they would have to do that at any process at the olcc. I don't know because we have never really been through a full aia process, I really don't know what their lat tie telluride is in amending it at the olcc level.

**Adams:** I think that --

**Gilliam:** The commission has the overall power whatever they want. But I am not an expert.

**Fish:** Does the process permitted anyone who thinks our definition is overbroad or ambiguous or whatever, less than clear in terms of what's covered, does it give someone a chance to participate in that process and sharpen our language?

**Gilliam:** I believe it does. I believe they have the authority to amend and sharpen anything they want to because of their authority.

**Adams:** We will as part of our legislative intent, legislative actions we will be sending commissioner Fritz and her team with our recommendations so that our, so that we can make sure we are clear in our legislative intent since it's brand-new.

**Gilliam:** It is brand-new. You are cutting new ground here.

**Adams:** Thank you. Bring staff up or vote?

**Leonard:** I'm ready to move. I don't need staff. I don't know if commissioner Fish.

**Adams:** Do you need grill anyone?

**Fish:** No. But there's potentially two ways to get at the amended and I would first like to hear commissioner Leonard's version and have a discussion about alternatives.

**Leonard:** I was simply going to recommend, understanding that the olcc ultimately would make sure that this is crafted in a way that was the best language possible, I would suggest on page 8 of exhibit 2, where it says currently licensee will not sell wine over 14% abv that between the words "sell" and wine" we insert the word "fortified" so that it would read licensee will not sell fortified wine over 14% abv and the end of abv add the word "accept" and then insert the words "port, sherry, maderia, which is m-a-d-e-i-r-a, marcela, and vermouth." so that it would read licensee will not sell fortified wine over 14% abv except port, sherry, maderia, mercury sell what and vermouth."

**Fish:** I second that.

**Adams:** In the course of going here, I assume you are ok if another product is presented that falls in the vermouth category that our legislative intent would be to exempt that?

**Leonard:** Vermouth is the description of, it's not a name brand.

**Adams:** Correct. If somebody finds something that we haven't thought of, a product category.

**Leonard:** Yeah.

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**Fish:** Second for purpose of discussion so could I pose a question my colleagues on this point? So there's two option that appear to me before us. One is to do the carve out commissioner Leonard's amendment is proposing. The second would be to strike the entire phrase, reference to wine over 14% abv. And I just want to offer perspective on that approach. According to the testimony, there is no aia currently in effect in vancouver but they have had some success. In spokane, there is one aia but no wine products are restricted. It appears that in seattle, which has three aia's up to eight wine products are restricted. So at least the experience from Washington is that they have not put much stock in regulating wine and in two example the they don't regulate wine. Our data says that 11% is, 11% of the problem is attributed to wine but after hearing tonight, being educated tonight on the different kinds of products that qualify here, sherry, vermouth, and on and on that we have heard people talk about, as I sit here right now I don't know what is the driver as the problem or not. Maybe it's the fortified wine that people are referring to. But I am not sure what percentage of the overall problem that is. So the question I have is, I think commissioner Leonard's amendment is a thoughtful way to slice this based on the testimony. But I would also say that frankly because i'm finding this less and less clear, chi thought was the whole intents of the approach of this resolution, to be clear rather than less clear about what's in and what isn't that an alternative approach would be simply to take out the prohibition about wine which doesn't seem to be driving the problem anyway and not get caught up in deciding what's in and what's out. I would just like 11%.

**Fritz:** All wine? All wine? Because we have the evidence that 69% of the incidents involve flexible bladders.

**Leonard:** Of the 11%.

**Fish:** Thank you.

**Fritz:** I'm --

**Fish:** I'm talking about 31% of the 11%. And simply limit our prohibition to the box wine with the bladder and stay the rest out which seems to me to be a minor part of the problem. That doesn't get us into having to figure out what qualifies or what doesn't. I am very confident that commissioner Fritz can have that discussion with the olcc. I am not suggesting a lack of confidence you can negotiated this but we may spend a lot of time figuring this out.

**Fritz:** If somebody did testify there are folks from klamath falls and else where on the olcc so I wouldn't put too much stock in my ability to craft something there. I want to be as clear as we can. Theresa, would you please comment on the wine issue.

**Marchetti:** Absolutely. It is true that only appears to represent 11% of the problem as it is currently. But fortified wine is well established in the I am peer cal research to be a big problem in street drinking in general across the board. Another thing that you have in vancouver are licensees that were willing to be voluntarily compliant. We don't have that unfortunately in the downtown area. Not at this time. The, if we do not include some restriction against the fortified wines that we are talking about, I have not -- the vermouth, the port, the sherry and those kinds of things, I think commissioner Leonard's amended is a good one. I think it takes out those ones for the one or two stores, fred meyer and safeway, that would be, that would not be able to sell those items that currently do. And I do want to also remind the commission that the wine stores have been exempted as well because they are in the documentation as not being contributing to the problem. So these wines are not cut out from this market. But I think that if we totally eliminate wines that will undercut the effectiveness of this program quite a bit.

**Adams:** And I am worried about what these other changes that it will people will graph state to that as a choice.

**Leonard:** And to be clear fortified wine, to be really clear, is produced for two purposes. So it can be cheap and it can get people drunk quick. There is no argument that there's some refinement to be found in drinking a bottle of ripple.

**Marchetti:** Absolutely.

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**Leonard:** So my concern would be just what the mayor suggested here a moment ago is that even if it's only 11% of the problem today, if we ban malt liquor and we ban these other products, then this would be the natural place that a person with severe addictions to alcohol will go in my view. That these sales would probably start to see themselves increase dramatically.

**Adams:** And I actually think that's a persuasive points.

**Fish:** Theresa, my understanding in seattle that the wines, fortified wines that are covered by their aia are boones, boones farm, jean know's premise brand, night train express. Richard's wild irish rose and thunderbird. Are those the products we are talking about?

**Marchetti:** Those right kinds.

**Fish:** For the purpose of legislative intent when commissioner Leonard's amendment seeks to exempt the other things he identified we are clear these right kinds of products we are trying to get at. Not the others.

**Marchetti:** Yes, absolutely.

**Fish:** Ok.

**Fritz:** If is there a definition of fortified wine?

**Marchetti:** Unfortunately not that I have been able to find that differentiates between your port, sherry, vermouth and products like mad dog 2020 and thunderbird and night train. Really the biggest difference between the two products is how they are consumed.

**Leonard:** But fortified wine has a definition.

**Marchetti:** Yes, i'm sorry. A fortified wine is one that has the distilled spirits added to it interrupting its fermentation.

**Fish:** Theresa, if they say we don't know what fortified wine is and we can't off of this particular guidance be clear enough, they could come back to us, correct, and say, we would prefer that you just identify the products you want excluded? To do what the state of Washington has done? Which I think in some ways frankly by identifying I understand the argument that it allows people to repackage these things and there's a lot of enterprising people out there. But there is something to be said for just saying, these are the products you are not going to sell. We know what they are. They are mass marketed products and we are saying these as opposed to creating confusion about what is unintended to be covered.

**Marchetti:** Right. If at the olcc they decide that the fortified wine is too ambiguous of a term, more than likely they are going to address that through their rule making process, in which they engage stakeholders and through their staff and amendments for the language that are done through staff. So we will be included as part of the stakeholders.

**Fish:** I think what's in the record and both the language and the intent of commissioners Leonard many amendment gives commissioner Fritz the tools she needs to have that conversation. I'm comfortable with the amendment.

**Adams:** Sue, unless there's further discussion, sue, would you please caught vote on the amendment.

**Leonard:** Aye.

**Fritz:** Thank you all for this very helpful discussion. I think there's one more point to be made about the issue of naming things and that is the Oregon constitution is different from the Washington constitution and we don't want to get into the issue of freedom of speech and in this particular issue. I like our the way we have crafted this is in part due to that because it's clear and objective. Aye.

**Fish:** Aye.

**Adams:** Freedom of expression clause as well applies here. Aye. Amendment is approved. Are we ready to vote on the underlying resolution? Sue, would you please call the vote on the resolution.

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**Leonard:** I want to emphasize my appreciation having done this kind of work before for the tremendous amount of effort that commissioner Fritz has undertaken in the past to get to this point. It is not an easy process. And what appears to be a somewhat very coordinated and professional group of staff from the police bureau and oni have spent hours and hours and hours and countless encounters with people in the street to get to the place where they are today to bring this very do comprehensive report and set of recommendations which are cutting edge. So I wanted to acknowledge commissioner Fritz's leadership in bringing this forward. It's a very important tool and I am very pleased to support it. Aye.

**Fritz:** I am so proud of my team at office of neighborhood involvement. Theresa marchetti has done outstanding work. Thank you. Our partnership with the police, this is an example of collaboration between citizens and different parts of government, and I think the citizen input has greatly improved this process, this product throughout the process so we got to hear, there is another step to the process. I appreciate the discussion of my colleagues today doing the business of government right out in the open here trying to figure out what's the best way to move forward. Thank you for the input from the industry folks and the commercial folks who are helping and sincerely wanting to address this problem. And as I stated earlier it's not the only mechanism we are using to look at the problems related to alcohol consumption in Portland and indeed throughout the state. So that will be a discussion for another day as far as our legislative agenda and the things that we can do at statewide level. I am very pleased with this. Aye.

**Fish:** I am going to support the resolution because of the time that commissioner Fritz and her team have spent addressing concerns that I had and base on the testimony that we received tonight, which I listened to very carefully and the fact we have an amended that I think addresses a specific problem in the original draft. And I am also going to support it because I have confidence that commissioner Fritz, base on the testimony tonight, will take into account a number of the concerns that were raised in her negotiations with olcv and I would also acknowledge the really leadership she has shown on this issue. Aye.

**Adams:** I want to thank as well commissioner Fritz and her team for helping or for leading the efforts to put this together. I want to thank the men and women of the Portland police bureau who have made significant contributions to this policy formulation and who every day are out there trying to prevent crime and keep the peace. And that's a hard job to do in certain parts of town. So I wanted to thank them. And I am supporting this as well, knowing that it's a first ever for the state and that committed to getting that balance right and if we need to come back and continue to tweak it, we will. Based on the purpose of this policy which I think is absolutely important for this part of town. Aye. [gavel pounded] we stand adjourned.

At 8:15 pm, Council adjourned.