



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 7TH DAY OF MARCH, 2012 AT 9:30 A.M.

THOSE PRESENT WERE: Commissioner Fish, Presiding; Commissioners Fritz, Leonard and Saltzman; Mayor Adams teleconferenced for items 213-215; 5.

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

Council recessed at 11:56 a.m. and reconvened at 12:04 p.m.

Item No. 221 was pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

| COMMUNICATIONS | Disposition: |
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| 208 Request of David G. Gwyther to address Council regarding parking issues (Communication) | PLACED ON FILE |
| 209 Request of Jeff Olson to address Council regarding healthcare (Communication) | PLACED ON FILE |
| 210 Request of Roy Weedman to address Council regarding small business (Communication) | PLACED ON FILE |
| 211 Request of Mike O'Callaghan to address Council regarding shelter less (Communication) | PLACED ON FILE |
| TIMES CERTAIN | |
| 212 TIME CERTAIN: 9:30 AM – Accept the Portland Historic Landmarks Commission State of the City Preservation Report (Report introduced by Commissioner Saltzman) 45 minutes requested Motion to accept substitute report memo: Moved by Commissioner Saltzman and seconded by Commissioner Fritz. (Y-4; Adams absent) Motion to accept the report: Moved by Commissioner Saltzman and seconded by Commissioner Fritz. (Y-4; Adams absent) | ACCEPTED AS AMENDED |

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| <p>213 TIME CERTAIN: 10:15 AM – Authorize acquisition of property at 14912 NE Airport Way from D. Ross Enterprises LLC by the Bureau of Internal Business Services for a Training Center Complex for Portland Police Bureau (Ordinance introduced by Mayor Adams) 40 minutes requested for items 213-215</p> | <p>PASSED TO SECOND READING MARCH 14, 2012 AT 9:30 AM</p> |
| <p>214 Support the establishment of a Training Advisory Council and the reaffirmation of the mission of the Portland Police Bureau (Resolution introduced by Mayor Adams)</p> | <p>CONTINUED TO MARCH 14, 2012 AT 9:30 AM</p> |
| <p>215 Authorize revenue bonds for police training facility (Ordinance introduced by Mayor Adams)</p> | <p>PASSED TO SECOND READING MARCH 14, 2012 AT 9:30 AM</p> |
| <p>CONSENT AGENDA – NO DISCUSSION</p> | |
| <p>Mayor Sam Adams</p> | |
| <p>216 Appoint Suzanne Zuniga to the Adjustment Committee for a partial term to expire June 30, 2014 (Report) (Y-4; Adams absent)</p> | <p>CONFIRMED</p> |
| <p>217 Appoint Deanne Woodring to the Investment Advisory Committee for term to expire March 13, 2014 (Report) (Y-4; Adams absent)</p> | <p>CONFIRMED</p> |
| <p>*218 Authorize a grant agreement with the Police Activities League of Greater Portland to provide access to at risk and gang affected youth for recreational basketball during evening hours from March 26 through September 30, 2012 (Ordinance) (Y-4; Adams absent)</p> | <p>185176</p> |
| <p>Bureau of Planning & Sustainability</p> | |
| <p>*219 Authorize a contract with Merina & Company, LLP for a total not to exceed amount of \$150,000 to audit, analyze and report on Detail Cost Reports from franchised garbage and recycling companies (Ordinance; Contract No. 30002508) (Y-4; Adams absent)</p> | <p>185177</p> |
| <p>Bureau of Transportation</p> | |
| <p>*220 Authorize the naming of a segment of street located between SE 99th Ave and SE 100th Ave as SE Bush St (Ordinance) (Y-4; Adams absent)</p> | <p>185178</p> |
| <p>*221 Amend agreement with Portland Streetcar, Inc. for vehicle engineering services related to streetcar vehicles being procured from Oregon Iron Works for the Portland Streetcar Loop Project (Ordinance; amend Contract No. 30001193) (Y-4; Adams absent)</p> | <p>185191</p> |

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| <p>*222 Amend Intergovernmental Agreement with the Oregon Department of Transportation to change project completion milestone dates for the Going to the River project (Ordinance; amend Contract No. 30002220) (Y-4; Adams absent)</p> | <p>185179</p> |
| <p>*223 Authorize an Intergovernmental Agreement with Oregon Department of Transportation to retain the services of Portland Bureau of Transportation to perform traffic control and consultation for the US 30 Bypass; NE 122nd to M.P. 13.54 Project (Ordinance) (Y-4; Adams absent)</p> | <p>185180</p> |
| <p>224 Designate a parcel of City-owned property located along North Interstate Ave in the Rose Quarter area as public right-of-way and assign to the Bureau of Transportation (Ordinance)</p> | <p>PASSED TO SECOND READING MARCH 14, 2012 AT 9:30 AM</p> |
| <p>225 Waive requirement for cross collateralization of certain properties assessed in the NE 148th Ave Local Improvement District (Second Reading Agenda 188; C-10008) (Y-4; Adams absent)</p> | <p>185181</p> |
| <p>Office of Management and Finance</p> | |
| <p>*226 Pay claim of Powell's Books, Inc. involving Bureau of Environmental Services and Bureau of Transportation (Ordinance) (Y-4; Adams absent)</p> | <p>185182</p> |
| <p>Commissioner Nick Fish Position No. 2</p> | |
| <p>Portland Parks & Recreation</p> | |
| <p>*227 Accept and appropriate a grant in the amount of \$13,168 from the Oregon Department of Education to implement child wellness practices in afterschool programs (Ordinance) (Y-4; Adams absent)</p> | <p>185183</p> |
| <p>*228 Authorize a contract with Hoyt Arboretum Friends Foundation to define purposes, responsibilities and accountability as to Hoyt Arboretum (Ordinance) (Y-4; Adams absent)</p> | <p>185184</p> |
| <p>229 Extend Intergovernmental Agreement and Interim Management Agreement between Portland Parks & Recreation and the Portland Development Commission (Second Reading Agenda 195; amend Contract No. 30000179) (Y-4; Adams absent)</p> | <p>185185</p> |
| <p>Commissioner Dan Saltzman Position No. 3</p> | |
| <p>Bureau of Environmental Services</p> | |

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| <p>230 Authorize the Bureau of Environmental Services to acquire certain easements and other real property interests necessary for construction of the SE 62nd & Morrison Sewer Rehabilitation Project No. E09049 through the exercise of the City's Eminent Domain Authority (Ordinance)</p> | <p>PASSED TO SECOND READING MARCH 14, 2012 AT 9:30 AM</p> |
| <p>231 Authorize an Intergovernmental Agreement with the Oregon Department of Transportation related to construction of a stormwater inlet lead on US Highway 26 Project No. E10389 (Second Reading Agenda 196) (Y-4; Adams absent)</p> | <p>185186</p> |
| <p>232 Authorize contracts with Brown and Caldwell and Murray, Smith & Associates, Inc. for professional engineering services for the Sewer System Rehabilitation Final Design 2011 Project No. E10031 (Second Reading Agenda 197) (Y-4; Adams absent)</p> | <p>185187</p> |
| <p>Bureau of Fire and Police Disability and Retirement</p> | |
| <p>*233 Amend Intergovernmental Agreement with the Office of Administrative Hearings to increase compensation for hearings officer services for the Bureau of Fire and Police Disability and Retirement (Ordinance; amend Contract No. 30001419) (Y-4; Adams absent)</p> | <p>185188</p> |
| <p>REGULAR AGENDA</p> | |
| <p>234 Direct the Portland Bureau of Transportation, Bureau of Environmental Services, Portland Parks and Recreation and Portland Water Bureau to modify the System Development Charge Deferral program to spur new single family residential home development (Resolution introduced by Commissioners Fish and Saltzman) 20 minutes requested (Y-4; Adams absent)</p> | <p>36910</p> |
| <p>Mayor Sam Adams</p> | |
| <p>*235 Authorize an Intergovernmental Agreement with the Portland Development Commission for the joint management of a \$1,000,000 grant from the Economic Development Administration for the Portland Regional Clean Tech Advance Project (Ordinance) 10 minutes requested (Y-4; Adams absent)</p> | <p>185189</p> |
| <p>Bureau of Transportation</p> | |
| <p>236 Declare intent to terminate local improvement district formation proceedings to construct street, stormwater and sidewalk improvements from Glisan St to Couch St in the NE 157th Ave Local Improvement District (Resolution; C-10044) (Y-4; Adams absent)</p> | <p>36911</p> |

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| <p>237 Amend the Transportation System Plan, part of the Portland Comprehensive Plan, to include updated street segment classifications, project list descriptions and project alignments on transportation system improvement maps to implement the Land Use Final Order for the Portland-Milwaukie Light Rail Project (Ordinance) 30 minutes requested</p> | <p>PASSED TO SECOND READING MARCH 14, 2012 AT 9:30 AM</p> |
| <p>238 Create a local improvement district to construct street and stormwater improvements in the NE 112th Ave and Marx St Local Improvement District (Second Reading Agenda 202; C-10043) (Y-4; Adams absent)</p> | <p>185190 AS AMENDED</p> |

At 12:16 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 7TH DAY OF MARCH, 2012 AT 2:00 P.M.

THOSE PRESENT WERE: Commissioner Fish, Presiding; Commissioners Fritz, Leonard and Saltzman, 4.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Roland Iparraguirre, Deputy City Attorney; and Keith Moore, Sergeant at Arms.

| | Disposition: |
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| <p>239 TIME CERTAIN: 2:00 PM – Accept the Chief Administrative Officer Quarterly Report of the Technology Oversight Committee (Report introduced by Mayor Adams) 30 minutes requested</p> <p>Motion to accept the report: Moved by Commissioner Saltzman and seconded by Commissioner Fritz.</p> <p>(Y-4)</p> | <p>ACCEPTED</p> |

At 2:30 p.m., Council recessed.

March 8, 2012

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 8TH DAY OF MARCH, 2012 AT 3:00 P.M.

THOSE PRESENT WERE: Commissioner Fritz, Presiding; Commissioners Leonard and Saltzman, 3.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Kathryn Beaumont, Chief Deputy City Attorney; and Wayne Dykes, Sergeant at Arms.

| | Disposition: |
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| 240 TIME CERTAIN: 3:00 PM – Appeal of East Portland Land Use and Transportation Committee against Hearings Officer’s decision to approve with conditions the application of Rodelo and Vivian Asa for a conditional use and adjustment for a group living facility at 2027 SE 174 th Ave (Hearing LU 11-146609 CU AD) 90 minutes requested | POSTPONED TO APRIL 26, 2012 AT 2:00 PM TIME CERTAIN |

At 3:23 p.m., Council adjourned.

LAVONNE GRIFFIN-VALADE
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council

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

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

MARCH 7, 2012 9:30 AM

Fish: [gavel pounded] City council will come to order. Good morning everybody. I am not mayor Adams for some of the younger people who are here. Mayor Adams is in Washington, d.c. representing the city and so as the president of the council it's my honor to chair this meeting and before we begin our formal session, we have a proclamation to read and some very special people to acknowledge and I'd like to recognize commissioner Fritz.

Fritz: Thank you, president Fish. Good morning everybody and welcome to your city council. I am commissioner amanda Fritz and as you can see I used to be a girl guide which is the british equivalent of girl scouts and it's going to be my honor to read a proclamation but first I'd like you to have your say and welcome to city council. Please tell us your name and what you have to say.

Catherine: Hello, city council members. I am catherine and I am in third grade and I am a brownie girl scout. Juliette gordon low founded girl scouts to teach girls service, leadership and love for nature. 100 years later, girl scouting is still important to girls like me. Through girl scouting I have learned many things like camping, hiking, fire building, flag ceremonies, helping other people and how to ride the bus and light rail. Girl scouts teach us leadership, good values, skills, and encourage us to take action to make the world a better place. In honor of the 100th anniversary, my brownie troop's take action project is to make 100 personal kits for the homeless youth at outside inn. I hope you will declare march 12th, 2012, girl scout day in the city of Portland in honor of our 100th anniversary. Thank you.

Fritz: Thank you. Good job.

Fish: We don't normally allow for applause but I think today we're going to suspend the rules. Lets -- [applause] thank you for a wonderful testimony.

Fritz: Your turn.

Corinne: Hi. I'm Corinne. I am a junior girl scout. Girl scouts is important to a lot of people and they should have a day when it can be celebrated. Girl scouts has been going on for a long time and monday, march 12th, is our 100th anniversary. As a girl scout in Portland, I have helped other girls like the medically fragile Girl Scout troupe at providence hospital who can't do the same things we can. We raised money for haiti after the hurricane and on the 100th anniversary, we are going to help the make a wish foundation because we think it is a great thing to help people any day, but it is even better to help people on the 100th anniversary. When we were in first grade, we were brownies. We made a wish box and put all of our wishes into it. Our troop has been able to do mostly all of them but we haven't gone to disneyland yet. We wanted to go to the moon but our leaders are taking us to evergreen air space museum instead. Please declare march 12th girl scout day in Portland. [applause]

Fish: Yeah. Thank you very much. Welcome.

Taylor Lenzen: I am taylor lenzen. Every year I help my mom plan western willamette girl scout day camp. In 2000 a family of friends started this camp and about 20 people attended. 12 years later we now serve around 400 campers and adults from the Portland area. My mom took over the position of director in 2008 and I felt that I wanted to help in some way. I had grown up at this camp and I felt that the best way to give back to the camp that molded me was to step up and get involved in the planning. My position started out small. Attending core staff meetings and

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occasionally giving input but with confidence would increase in the following years. I started entering the registrations in the database and would help – and would place the campers into their units that they would be in for the camp week. This year I have the official title of program aide coordinator where I'll be the mentor to the eighth grade to 12th grade camp leaders throughout the week. I cannot say how much this camp and the girl scouts have changed the person who I am. I used to be the shy girl who would never leave her mother's side and now I am a senior at st. Mary's academy getting ready to take on her next stage in life. Currently I hold a high position on my school's news paper and I am the editor of the school year book. All these are feats that never envisioned I would achieve, and do not believe I would be here without the support of my camp and the girl scouts. [applause]

Karen Hill: I'm karen hill, ceo of girl scouts of Oregon and southwest Washington. Thank you for having us today. As you can see, girl scouts is alive and well and truly building leadership in girls. So on behalf of the 19,000-plus girls and 11,000 plus adults in our council, please declare march 12th, 2012, girl scout day in Portland. Thank you.

Fritz: Well, faced with those beautiful pleas, I think I'll just go ahead and do that. Whereas march 12, 2012 marks the 100th anniversary of girl scouts of the united states of america founded by Juliette Gordon Low in 1912 in savannah, georgia, and whereas throughout its distinguished history girl scouting has inspired millions of girls and women with its mission to build girls of courage, confidence, and character to make the world a better place and whereas through the girl scout leadership experiences girls develop the skills and lessons that will serve them throughout their lives so that they may contribute to their communities, and whereas girl scouts takes an active role in increasing girls' awareness of the opportunities in math, science, sports, technology, and many fields of interest that can expand their horizons, and whereas millions of girl scout members nationwide and thousands of girls in Portland will be celebrating this american tradition and welcome girls from every background to join, and whereas the city of Portland acknowledges and applauds the efforts of this fine organization both locally and globally, and whereas the girl scouts are celebrating the 100th year of providing leadership and making the future women of Portland confident and skilled, now therefore sam Adams, the mayor of the city of Portland, Oregon, the city of roses does hereby proclaim march 12, 2012, to be girl scout day in Portland and we encourage all residents to observe this day. Thank you so much for coming. [applause]

Fish: Let's get a picture with our honored guests.

Fritz: I'm putting my jacket on because girl scouts don't take much time sitting down and it's cold in here. My uniform is not warm enough for city hall.

Fish: Why did commissioner Leonard get the cookies? [laughter]

Hill: He's supposed to share.

Fish: I had to buy my box.

Leonard: I'm not a good sharer.

Fish: Ok. [gavel pounded] Council will come to order. Karla, how are you?

Moore-Love: I'm well. Thank you.

Fish: If you could please call the roll. [roll called]

Fish: A quorum is present. We have four council communications this morning. Karla, would you please call the first.

Item 208.

Fish: Welcome, mr. Gwyther.

David G. Gwyther: Thank you.

Fish: You have three minutes, sir.

Gwyther: Ok. First of all of, I want to commend the girl scouts. I am a former boy scout. Parking issues, actually, I have two other things going on but we will talk about parking first. As you probably know, their parking meters were replaced a few years ago with new meters that sometimes

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work and sometimes don't. One of the problems is that they forgot to put the help number so that if your meter malfunctions, there isn't a number to call that is permanently stuck on the meter. I complained about this and I assume other people did, too. And they put paper stickers there which are easily removed or fall off or wear out. So my suggestion is to put a plaque that's made out of plastic and glue it right to the parking meter so that if there's a problem, they can be dealt with because you are probably losing parking revenue just might by not having, you know, a 50 cent plaque on there rather than a 10 cent piece of paper. My second issue is parking tickets. Right now, they are processed through the circuit court, which takes up a fair amount of time. 99% of them are dealt with by the clerks in the county court. My suggestion is to run those through municipal court because you are spending I think 60% of the parking ticket revenue goes to the circuit court system. That could be going into the municipal court system and those employees who open the envelopes and take care of the checks that are mailed in could be transferred over to the city. I know that there's been, over the years, there's been changes between what the responsibilities are between the city and county and this is one area where I think the city and the public could benefit by that transfer. And also the county courts are pretty clogged up right now with a number of actual criminal cases that have nothing to do with parking. My second suggestion is with the traffic light cameras. As you may remember, a couple of years ago, the camera right out here in front of city hall was mis-calibrated so that it was giving people tickets. I think it was .2 of a second difference. So if you came up to a green light if you didn't hesitate you would still get a ticket even though it was green. I figured that out and along with an attorney, he was able to get the evidence and he won his case. I did not prevail because I couldn't bring reasonable. My suggestion is to take over the process. Right now you have a contractor that takes care of all the cameras in the town. And you also split revenue with the tickets. I think we'd have -- the public would be better served by having the city administer that program wholly. I am sure the technology needs to be upgraded from time to time and that can be done on a contractual basis. And I will be back next week with my or next month with my third item because it looks like i'm out of time.

Fish: Thank you very much, sir. Karla, would you please read the next item.

Item 209.

Fish: Welcome, mr. Olson. We just need your full name and you have three minutes.

Jeff Olson: My name is jeff olson. I'd like to thank the council for the opportunity. We are the only industrialized nation in the world that does not provide health care to nearly all of its citizens. The good news is that there are cities across the country that have taken the initiative and are beginning to change that. The bad news is that Portland is not one of them. For example, the medical community of grand junction, colorado, has united under this chief operating principle. The primary objective of the practice of medicine is to serve the people as well as possible. Not just some of the people who can afford it but all of the people. They are doing just that in grand junction. When asked how they accomplished this in an interview several physicians said this; it takes strong leadership that is immune to the allure of money and influence. There's something that Portland needs to learn from grand junction. It costs more to not insure all of its citizens than to ensure all of its citizens. In other words, it costs less to insure everyone. More importantly, to the council, is that people who are well cared for are happier which means Portland becomes a more desirable place to live and do business. Portland has a \$17 million general fund shortfall and so does tri-met. Tri-met's financial difficulties are expressly related to health care. Not just overly generous insurance plans for union workers. More than anything it is the inefficiencies within the health care system and money interests that are bleeding our bank accounts whether it's tri-met's bank account, Portlands businesses' bank accounts or the bank accounts of uninsured, underinsure or people crippled by high insurance rates. We spend \$550 billion a year as a nation on cancer, diabetes and heart disease alone. Portland's piece of this pie is about \$1 billion. Do you think there's some room for improvement? And this is only the monetary side of the issue. The most

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precious resource being drained here is not the money; it's the health of our people. How much is that Portland family going to be able to enjoy the wonderful things that Portland has to offer, like new sidewalks and bike lanes, if dad just had a debilitating stroke or mom has cancer and they can't afford the medical bills? So far, our leadership has not been willing to tackle the problem in ways that really work. We're too busy making a mess into more of a mess. We muddy the water with strategies that only complicate things further. Commissioner candidate Steve Novick said it well when he noted that when someone has health care problems today they call 9-1-1. The cost to health care and the emergency response system is tremendous. What are we going to include in our vision for Portland? A person must be alive and well to enjoy living here. Thank you very much for the opportunity.

Fish: Thank you, Mr. Olson.

Saltzman: Mr. Olson, what city was that?

Olson: Grand Junction, Colorado.

Saltzman: Thank you.

Olson: Thank you.

Fish: Karla, could you please read the next item.

Item 210.

Fish: Good morning, Mr. Weedman.

Roy Weedman: How you doing? I'm here to promote the small business development center. I learned a lesson last time from Sam Adams. You don't get a second bite of the apple so I wrote it down.

Fish: I just need your full name and you have three minutes sir.

Weedman: Okay. Roy Weedman. And I own Bud Construction and I'm here before you today to thank you for all your support and efforts for small businesses. And I want to encourage you to continue this great work. I want to share with you my business success story. In early spring 2009, I was considering closing my business, a trucking company, due to a lack of sales. I had been in the business since 1992, but was struggling. I attended a program about how to do business with the city of Portland in 2009, and was referred to the small business development center at that time. Since 2009, I have taken small business management class 2 and 3 as well as the ODOT small business management 1 program. I feel strong on that because of the education and advising I received from the small business development center program, I am in business today. For example, in 2008, my total sales were \$56,000. Today I am grossing more than a half million dollars a year. I have five full-time employees and two part-time employees. In 2008, I wouldn't have been able to tell you my sales because I didn't have financial reports or a CPA. Today, I have the information at my fingertips. The advising I received from Tammy Marquez Odom and Regina Gilbert, both with the small business development center, have helped me save money, build systems and create the infrastructure that I didn't have before. They have also increased my confidence in what I can do -- and what I can accomplish and as the result I have achieved more than any future goals I will set can be achieved. Finally, it's important for me to be able to give back. In the winter of 2010 one of my employees had his electricity cut off and had no heat. I paid his electrical bills for a couple months. I also purchased a pickup so he could continue to work. And although he's no longer an employee of mine, he has moved on to a different job, even better, as a mechanic and I was very pleased to be able to help him get back on his feet. Thank you again, Mayor and Commissioners, for all your work on supporting small business. I ask you to continue to fund strategic programs such as the small business development center, storefront grants and micro loans for start-up companies. Thank you.

Fish: Thank you very much Mr. Weedman.

Fritz: Thanks for taking the time to come in and tell us. That's very helpful.

Weedman: Thank you.

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Fish: Karla, could you please call the next item.

Item 211.

Fish: Good morning, mr. O'callaghan. We just need your full name and you have three minutes sir. **Michael O'Callaghan:** Michael o'callaghan and a pleasure to see you again. And were any of you boy scouts? I was a boy scout. You boy scouts at all?

Leonard: Sea scout.

O'Callaghan: Oh Really? Ok. Our youth, it forms our youth, huh? Anyway, I'm here not necessarily to make this announcement. I am going to make this announcement. I am leaving the board as secretary treasurer of right to dream two. At right to dream two we have developed a model down there which is duplicatable. We would look forward to being allowed to duplicate that model in a different way. I'm here to talk to you as I have many times about shelterlessness. As we all know there are far more on our streets, and I first came to talk to you, I said it'd double in a year. And it did. And now, in a year it's up probably about 25, 30%, something like that. I just saw a book which I think is appropriate in this situation as far as decision-makers go. It's called "the tyranny of indifference." Now, where do all these homeless people come from? Foreclosures Right? Pretty simple. Right? Yup. Foreclosures, more people are out of their houses, they're on the street. Pretty straight up. I, in addition to a number of other things, do legal research and I have been researching foreclosures now for about two years. I researched 25 foreclosures in Multnomah county and I have yet to find one that is in accordance with Oregon law. 25 out of 25 were illegal. State of California did a study just released a week ago. 85% of their foreclosures are illegal. Ok? All these foreclosures are illegal. So I would ask you to do a little research on this and you'll find out it's true, and ask the attorney general to stop all foreclosures. We are going to try and do this through legal process, okay? And another thing I would encourage you to do is to assess \$2,000 fines on any properties that sit vacant. Ok. These banks make money off of leaving abandoned properties in our community and they drive our community down. Florida one out of six is empty. Do we want that in Portland? We put \$1,000 fines on these properties, \$2,000 fines, they are going to start moving them. Ok. We have a self help group of 16 people that are in the process of filing litigation, some have been in litigation for a year, we're meeting on Saturday at 10:00 a.m. At seiu at 6401 s.e. Foster. If anybody is in foreclosure or you know anyone in foreclosure, invite them to the meeting and we'll see if their foreclosure was illegal, too. In all likelihood it was. Thank you.

Fish: Thank you, sir. Next we will take up the consent agenda. Does anyone want to pull anything from the consent agenda?

Saltzman: I would like to pull item 221.

Fish: Dan do you want that heard on the regular agenda today?

Saltzman: Yes.

Fish: Alright, so item number -- pardon me?

Moore-Love: Vicki is here.

Fish: Item 221 will be, I think our practice is it goes to the end of the agenda. It will be the last item heard today. Any other items? Does anyone in the public wish to pull any item? Karla, would you please call the roll.

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

Fish: Aye. [gavel pounded] We have a 9:30 time certain this morning. Karla, would you please read the title.

Item 212.

Fish: Commissioner dan Saltzman.

Saltzman: Thank you, mr. President. It's a pleasure to bring forward this morning the historic landmarks commissions state of the city preservation report. And the first item of business is to really thank the dedicated members who serve on this commission. This commission meets a minimum of twice a month and often for multiple hours as they review land use cases and provide

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advice. They are a hard working group that includes Carrie Richter who is up here as chair, Brian Emerick is vice chair, Carin Carlson, Harris Matarazzo, Paul Solimano, and Jessica Engeman. I don't know if we have any members in the audience. Please stand up so we can just recognize you. Thank you. Thank you. This report comes to the council at a critical time for historic preservation in Portland. Development is increasing and Portland's older neighborhoods and commercial corridors are under pressure. They deserve appropriate protection of the culturally significant resources that are part of the neighborhoods' identity. And there's no doubt that the commission is working doubly hard as the volume of their work is increasing in no small part due to the Irvington neighborhood's designation as an historic district which added more than 2800 properties to the fold. And we'll hear much more about Irvington and Buckman neighborhood, now these east side neighborhoods are grappling with the historic landmarks process, a process that everyone agrees needs adjustment and change. Specifically the commission and bureau staff need more effective tools to protect historic resources while allowing reasonable additions and alterations to homes. These changes would include updating the 1987 historic resource inventory, 1987. It's practically a historic document itself. We need simple regulations that are appropriate for the scale of a specific project, and a system that makes it easy and affordable for a property owner to do the right thing and doesn't create a disincentive to follow the rules. The good news is that we all recognize this need and folks are serious about getting something done this calendar year. The bureau of development services staff, as well as the bureau of planning and sustainability staff, are already scoping out potential solutions and we hope to have a draft work plan produced in the next month or so. The goal of this work will be to maintain and build public support for the historic preservation. And in order to do this, we need regulations and processes that are light on oversight and therefore affordable while still maintaining the historic community -- continuity of our great neighborhoods. I look forward to hearing more today from the commission members and interested public and I am committed to supporting the commission and all of its efforts. So I'll turn it over now to Director Paul Scarlett and then commission chair Carrie Richter will take the helm. Paul.

Paul Scarlett, Director, Bureau of Development Services: Thank you. And good morning, commission Saltzman, and President Fish, and Commissioner Leonard, commissioner Fritz. I'm Paul Scarlett, director of bureau development services. I am joined today by chair Carrie Richter, as you said, to my left and Brian Emerick, the vice chair of the landmarks commission. My memo that was included with the report dated March 7th covers a number of areas of concern, opportunities, challenges, that exist in historic preservation work that's been ongoing in the city for a number of years. Historic preservation for residential neighborhoods, individual properties, commercial corridors, I believe, are a vibrant and vital part and element of a city's unique livability, attractiveness, economic vitality, and to that end, I can't thank the commission members and their work and the work they have done enough. The report that's in front of you includes a number of concerns, some proposals for solutions, and I will, of course, leave the contents of the report to the chair and vice chair to highlight. My goal in partnering with the commission is to promote the preservation efforts that's underway in the city. I can tell you personally that I, in my earlier years of being a city planner, I was involved in preservation efforts at Woodlawn conservation district, is one of the earlier plans I worked on. And I recall the enthusiasm, the effort of all the residents in wanting to have their neighborhood preserved. Because of the uniqueness and the attractiveness and it's just a matter of pride having an area that's preserved as you all know, you have all traveled across the country and around the world. Promotional guides and, any kind of pamphlet usually highlights a historic district. And in Portland, we are a fairly young city, incorporated in 1859. But we do have buildings; areas that we are very proud of and want to make sure those areas are preserved. The guidelines and regulations in place, I do believe, create opportunities to preserve those areas. But at the same time we have identified that some of those very regulations create obstacles, obstacles and challenges in time it takes to conduct the review the costs it takes to do the

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review, the complexity involved in the review, and to some degree, the coordination between the various entities, for example, bureau of planning and sustainability that writes the zoning code and bureau of development services that administers zoning code, the state preservation office, and so those coordination's, all of which are highlighted in the report, are pretty instrumental in how we advance this preservation effort. I can't, again, be more proud, one, of our staff that's working closely with the commission, working with and, as you know, commissioner Saltzman, we have been working closely with mayor Adams's office and the bureau of sustainability, myself, have met with susan anderson, sharing some of these concerns of the regulations that are supposed to preserve but are yet creating a hardship, undue hardship in terms of cost and time and complexity. We have costs that are sort of one size fits all and we, of course, know that there's some solutions such as tailored and tiered costs that would be more proportionate to the type of changes. For example, changing out a window versus putting on an addition, same time frames, six to eight weeks. That's a long time to do a major or minor change. And so their recommendations, there are concerns about the fees. But I do believe that one solution of the fees would be to create exemptions for minor work and possibly exemptions that are not visible from the right of way. Those solutions will be discussed and as is consistent with city of Portland, will be pretty open, involve public process and hopefully get to solutions that are workable and reasonable. And, again, maintain and preserve and promote historic features of not just architectural features but social features. Tim Heron continues one of the staff that is instrumental in that work, works closely with the commission. And susan McKinney is the manager for that section. And I want to thank rebecca Esau who is the division manager who closely briefs myself and commissioner Saltzman's office on the various aspects of the opportunities and challenges related to historic preservation and historic design guidelines. So to not take too much time away from the commissioners, again, I want to thank you for the work you've done, I'm very happy to be involved. In fact, I met with you about six weeks ago and expressed my gratitude for the work you are doing and shared the concerns and want to work closely with collaborating on solutions. So thank you and I will turn it over to you.

Carrie Richter: Thank you. President Fish and commissioners, my name is carrie richter. I am the recently imbued chair of the Portland landmarks commission, taking over from art demuro who did a wonderful job and set the stage beautifully for brian and my assumption to the helm. We have presented this state of the city preservation report and made it available. We are going to sort of hit the highlights and then hopefully have a discussion with you, answer your questions and talk a little bit about what our objectives are for 2012. Portland is blessed with a rich and distinctive heritage. Public buildings and spaces are distinct and distinctive neighborhoods are the fabric which links our magnificent natural setting, cultural diversity and complex history together. These elements are foundational to keeping Portland unique and livable but maintaining these aspects of our city is a difficult task. The Portland city council has charged the historic landmarks commission with this responsibility. We are citizen volunteers appointed by the mayor to promote the protection and preservation of Portland's historic and architectural heritage and to provide leadership and expertise on maintaining and enhancing Portland's architectural and cultural resources. The commission identifies and protects buildings and other properties that have historic or cultural significance or special architectural merit. We provide advice on historic preservation matters, coordinate historic preservation programs in the city, and are actively involved in the development of design guidelines for historic districts. We take seriously our responsibilities and as part of that mission we submit this report as the third annual installment of direct accountability to the -- of the Portland historic landmarks commission to the Portland city council.

Brian Emerick: To summarize our activities last year the commission met 14 times during 2011. We conducted a retreat in january of 2011 and then again a few weeks ago. Additionally our commission chair meets quarterly with the design commission chair and the planning and sustainability chairs to coordinate and overlap where we have overlapping interests. We met three

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weeks ago on that. Last year, to commissioner Saltzman's point, we had 97 type 2 historic design reviews which are handled by staff. That's actually almost double the number of 2010. A lot of that's fueled by the irvington historic district that added 2800 properties. It's now the largest district in the state. So it's really added a lot of workload. In comparison to prerecession years, you know, the boom times, it's almost 80% of what staff was reviewing four or five years ago and yet they have about half as many staff members. So they are doing a great job of helping us with that workload but clearly there's a lot of strain on the system with that so --

Richter: For the record, this is brian emerick.

Emerick: Sorry, thank you, carrie.

Fish: Thank you.

Emerick: We had three type iii historic design reviews that come to the commission included the new blanchet house, the Globe hotel, the Olds Sportman and king department store. We also heard five different design advice request proposals. Two of those came to the commission twice. Finally we had six national register nominations which were reviewed and forwarded to the state for recommendation of approval. The commission received 11 briefings that addressed a broad spectrum of topics including the Portland plan update, centennial mills redevelopment update, travel Portland, Portland public schools, pdc update and cornerstone's project, Portland's african-american building heritage and others. In 2011 some of the success points for us were; there is renewed interest in the creation of historic districts, notably irvington and buckman which you're going to hear more about. The olds sportman and king department store for a city target in the Galleria building was successfully passed. The odd fellows building which is affordable senior housing downtown. We had some thoughtful engagement with the Portland plan, came to the commission several times. New blanchet house approval in the historic china town went through and is under construction right now. And we had the leadership succession and successfully filled Art Demuro's shoes as carrie noted.

Richter: I don't know if successfully. That's yet to be seen, right? One of the preservation priorities we've set for 2012 is to really engage with the planning efforts of the bureau of sustainability in their adoption of the Portland plan, the central city 2035 plan, the comprehensive plan that we see are upcoming. For many years, the commission has worked to expand the view that historic preservation must be one that focuses beyond esthetic benefits and looks at the critical role historic preservation plays in the sustainability agenda. Beginning with the Portland plan, the commission has framed this issue more clearly but emphasizing that preservation of the built historic fabric is critical to what makes Portland a vibrant and livable city. Many of these recommendations were incorporated into the draft Portland plan and we would like to knowledge the bureau of sustainability and the planning commission for incorporating those recommendations. And we ask that the city council when they take up the Portland plan keep historic preservation in mind when we talk about vibrant livable cities, for the following three reasons. First of all, social equity. All of Portland's older neighborhoods and commercial corridors deserve protection from demolition of irreplaceable historic resources and the construction of incompatible infill which is highly disruptive to their character and identity. Underserved areas with disadvantaged populations have often been overlooked when it comes to historical and cultural resource protection and the incentivizing of building rehabilitation. The recently completed Bosco milligan foundation report cornerstone project, Portland's african-american building history heritage, excuse me, suggests that the built history of african-americans remaining in areas of north Portland is being lost at an alarming rate. A reasonable way to respond to gentrification complaints would be to encourage the use of historic preservation and adaptive reuse incentives as critical ingredients of providing social equity when planning for growth. Engaging the community to address equity and the elevation of racial justice requires a concurrent commitment to the historic inventory, and preservation of the built environment that has been constructed to house and serve our diverse populations and that

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embodies the rich and varied histories. The second reason why preservation is important to these planning documents is the way they enhance the 20-minute neighborhood center. Notice I have replaced the hub with center. When discussing the ingredients for what contributes to a vibrant neighborhood center the preservation of Portland's exciting built environment should be at the top of the list. Vintage neighborhoods and districts with their tree-lined streets, inter connected blocks and varied texture of high quality building materials provide a sense of place and unique identity that is critical to each neighborhood's social and economic vitality. Additionally these older neighborhoods typically have smaller building footprints, human scaled streets and centralized commercial areas that provide some of the most walkable and transit accessible places within the city. The diverse identities of Portland's neighborhoods and districts are an undeniable and irreplaceable part of the city's appeal and livability and is this existing built environment that is a central component to their vibrancy. The third element is combating climate change. And we've talked about this before, and, you know, the data just keeps coming in that adaptive reuse is a real and important sustainability strategy. A stated objective in 2035, the 2035 plan, the Portland plan, and anticipated in other plans is to reduce transportation related carbon emissions in an effort to address climate change. Although transportation choices contribute 34% to green house gas emissions in Oregon, residential and commercial construction and operations contribute a very close 31%. Reducing carbon emissions is enhanced by embracing a goal of using what you have. In his recent presentation the greenest building, which we had a report on just last week at our landmarks commission meeting, Ralph Dinola, a consultant for preservation green lab noted that the retrofit and reuse of 1% of the buildings slated for demolition over the next 10 years would satisfy 15% of the county wide climate change carbon reduction goals. Adaptive reuse of our existing buildings reduces the amount of demolition and construction waste deposited in land fills, lessens unnecessary demand for energy and other natural resources and conserves embodied energy. Many historic and older buildings are remarkably energy efficient because of their site sensitivity, quality of construction, and use of passive heating and cooling. According to the u.s. Energy information administration, commercial buildings constructed prior to 1920 have an average energy consumption of 80,127-btus per square foot. For the more efficient buildings built since 2000 the number is not as significantly lower 79,703-btus. The importance of making planning and development choices that take in to account the overall embodied energy as well as the ongoing energy efficiency of buildings as compared against an existing building is essential. Older buildings are defining features in neighborhoods' identities and give the city a sense of place. These resources contribute to the neighborhood vibrancy. They stimulate economic development, and they support the cultural and social heritage of areas containing disadvantaged populations. We hope and ask that the council will support the commission's efforts in educating, incentivizing and regulating in a way that further these objectives.

Fish: Thank you very much. Council questions? Oh excuse me.

Emerick: I'm going to talk for a minute about the historic resource inventory, which commissioner Saltzman noted, dates to 1987 is nearly historic, we're not advocating protection of it, though. Recently the large city wide planning activities that have been initiated or scheduled to launch next year made the need for the updated historic resource inventory more important than ever. As part of updating the city's comprehensive plan and the central city 2035 plan, the city has or will soon have to upgrade back ground documents including buildable land, needed housing, industrial lands and natural resource inventories. Yet with the Portland plan identified goal of encouraging development and densifying these neighborhoods, centers and corridors, there are no plans to inventory the historic resources within these areas in advance of making development decisions which will be shaped by these plans. That's why it's so important. So for the past two years the historic landmarks commission has come to you asking for funds to dedicate to this historic resource inventory. While we haven't received the requested funds yet from council our belief in

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the importance of this effort remains undeterred. We were able to dedicate a small amount of residual status of our preservation office, certified local government grant money to commission a historic resource and inventory assessment and recommendations report last year. We've got a copy of that attached. This report identified existing deficiencies within the current historic resource inventory, highlighted some alternative approaches for conducting a city wide survey, identified potential collaborative opportunities and funding sources, outlined overall survey costs and provided recommendation for the next steps. For that work the landmarks commission has identified two objectives requiring a balance of, one, identifying a type of hri platform or structure that would allow for the greatest ease of data input given the collective and compilation efforts that will rely on volunteer labor base who are probably not trained in preservation in all cases. And, number two, given these limitations determining a baseline as to how much information we need to make the inventory useful and long term tool. As a means of gauging this balance, the landmarks commission worked with the bureau of planning and sustainability staff to submit a 2012 state historic preservation certified local government grant request to include further survey work on a number of neighborhood centers and corridors. The idea is we want to try to focus on some of these areas that we know where development is going to be coming based on the Portland plan that's in the works. And a lot of these structures are of historic resources are constructed from unreinforced masonry that hasn't been seismically upgraded, so they're at risk to damage from earth quakes. There's an overlap there between the neighborhood centers and these unreinforced masonry buildings so we see the survey as chance to create a starting point to compile a city wide historic resource index while providing and opportunity to join it with emergency management bureaus both local and national who would benefit from the opportunity to gauge the seismic risk. We're basically looking at this as like a small pilot to be able to determine, how can we enact this in other areas as we expand and more money becomes available? In terms of budget the grant will provide \$9,000 plus an equal match from the bureau of planning and sustainability's staff time. The Landmarks commission is committed to continually chipping away at the hri. It's something we feel so essential setting priorities for preservation and planning and making informed decisions about the future growth of the city. The landmarks commission would, of course, welcome greater commitment of funds from city council to continue this much needed effort.

Saltzman: Great. Oh, were you finished or?

Richter: No. We're not finished.

Saltzman: Oh, ok. [laughter]

Richter: Just stopping to see if you had a comment or a question or anything.

Fish: Let me just do some time management. Take your time. I know we have people here who are here for the police training matter, which is a time certain at 10:15. Given the number of people who have signed up to testify, I think we can safely say that will be pushed back at least a half an hour. We're going to take, we will finish this item before we get to that one.

Richter: Thank you. The third item on our agenda for your consideration this morning is -- relates to the discussion over design fees and the need to streamline the review process. One of the greatest preservation successes of the last few years has been the designation of the irvington national historic district. As the first new district created since 2001, the residents have struggled with a steep learning curve in terms of understanding the review requirements associated with obtaining building modifications. This is only been exacerbated by the lack of clear design guidelines. There are no design guidelines for irvington and the recent imposition of a new fee structure requiring that all development reviews pay for themselves. Most particularly in terms of fees the minimum fee for all permit-related work for bureau of development services is \$1,050. This is a fee for example, for removal of a non-original vinyl window and replacing it with a wood window, something that we should be encouraging. These fees place too large a burden on property owners seeking to make small modifications and are so high that they inadvertently encourage

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individuals to make repairs or modifications without going through review. The buckman neighborhood, which spent the last four to five years compiling a national register historic district proposal that it was ready to file in the next few months has had to put efforts on hold given the uproar over the fees assessed for minor reviews. It's important to remember that the commission does not set design fees. So we're sort of in the middle of a storm that we don't have a lot of control over but we are sensitive to issues outside of our purview when they discourage preservation efforts either in terms of individual building restoration efforts or the creation of historic districts, the education of the public on the benefits of preservation. The commission is also mindful of the city council's severely restricted budget that is likely to require even further bds cuts this coming budget cycle. Given these significant counterbalancing interests we support efforts by neighbors, our preservation partners, and bureau of development service with regard to the following four particular areas, and these are areas that both paul and commissioner Saltzman raised so we're all sort of in agreement of what the solution needs to be. First we need to revise the fee structure so that large projects can shoulder more of the overall preservation review budget while still remaining cost neutral. We need to make code amendments that would authorize certain minor development activities to be undertaken without review such as window repair or replacement with like kind materials and design. We propose dedicating a small amount of bds time to reorganizing updating the historic design review website presence by providing better instruction on design review triggers and application procedures. This would be coupled with a commitment by the commission to issue preservation best practices, memos or manuals on key design review issues such as window repair and replacement and by reducing demand on staff time, thereby reducing demand on staff time and education efforts. And we've got a subcommittee created right now that is going to start working on that immediately. Number four, adopt a secretary of interior standards for rehabilitation, which incorporate those into the code which would unify the way the state and the city deals with rehabilitation and would provide a clear preservation hierarchy. This would serve as a stop gap measure for those districts who do not yet have design guidelines or in cases of out dated guidelines which is currently the case for all of our historic districts. We understand that all parties are looking into the fee situation, but we provide, we implore the council to provide more, not less in the way of general fund monies to bds to help cover the costs to administer these important regulations. Make it a bureau of planning and sustainability's work plan and budget item to include funding for zoning code amendments to the historic design review regulations that will exempt truly minor projects from historic design review and simplify the regulations in an effort to reduce bds administrative costs. Both of these steps are essential to gain public support for historic preservation in Portland neighborhoods and not just for those already created, but for those who are considering it. Keep in mind that historic preservation efforts, especially when organized through historic districts, work to preserve and enhance property values which, in turn, increase property tax and generate legitimate revenue for the city.

Emerick: Fourth item on our agenda is to talk about our ongoing coordination and the importance of that with the Portland development commission. In April 2011, the landmarks commission had the opportunity to meet with representatives of pdc and the mayor's office to discuss a number of items that we had raised before council last year. The meeting was productive and from it pdc produced a list of real property it owns, an assessment of each of the properties, the level of historic significance as well as the pdc's most current plans of disposing it. If you'll remember most of this came out of the blanchet house case. In an effort to increase communication between landmarks commission and pdc, PDC has appointed an employee as a landmarks liaison who attended the landmarks commission meeting in november and briefed the commission on current pdc activities and challenges. All the parties agree that improved communication between the two commissions that results in the earliest possible discussion of potential conflict can only be beneficial to both the organizations. On that front we'd like to have another follow-up meeting with pdc this spring and

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we'll follow that up with the mayor and his staff to try to set that up again. Although this issue is brought up as part of the puc meetings the landmarks commission would like the city council's support of a policy that restricts the use of urban renewal money or any public money for the demolition of national register properties, either intentionally or by neglect. The council should consider including within the Portland plan an obligation to prioritize the investment of public dollars in projects that enhance stewardship of city owned resources and that encourage maintenance and rehabilitation of existing buildings over demolition to clear land for new construction. This plan policy would be consistent with the statutory mandate in ors which stipulates that cities must assure that historically significant properties within its control should not be demolished, substantially altered or allowed to deteriorate. The landmarks commission is sensitive to this issue given the development plans for the old blanchet house which is still standing while they move to the new building. And centennial mills is not yet been identified. The city that embraces sustainability preservation and stewardship must not expend public funds and efforts that so blatantly hamper these objectives.

Richter: Finally, we'd like to raise the issue of the adoption of the skidmore old town historic guidelines. It's now been three years since we forwarded to you our proposed design guidelines and cast iron resolution for skidmore old town for approval. The controversy blockading the adoption of the design guidelines and cast iron resolution is all centered around the proposed amendments to the zoning ordinance which calls for inappropriate height and scale in our only national landmark district. Last year, our esteemed chair art demuro met with the mayor's office offering a compromise that would have allowed additional height to go forward on approximately half of the properties identified to receive it. That offer was rejected. Again, we say it is regretful that this prior investment of public time and resources generated documents that all agree as a paradigm for historic district review guidelines in the city, and yet they sit on the shelf un-adopted. The landmarks commission is committed to reaching out and moving these forward whenever anyone in the city council is interested in talking further about this. But we understand that this may just get folded into the planning process that's moving forward right now and we will continue to push for their adoption. This time we have completed our report. I understand that a number of people have signed up to testify and I'm guessing that their testimony is going to relate primarily to design review fees. My suggestion would be that maybe we hear from the representatives of recognized historic entities, Bosco milligan – I know Milligan's here, the national trust representatives, we've got a couple of representatives from historic districts. Or however you all would like to move forward but we're willing to cede it any other time unless you want to have questions or discussion with us.

Fish: We have 11 people who have signed up and if it's ok with the council, what I would suggest is we call them up, let them testify, and then we'll have you back if there are questions.

Richter: Great.

Emerick: Great.

Saltzman: I did have just one question. You mention the adoption of the u.s. Interior department standards for rehabilitation. So I mean, is that a simple thing that we would simply -- or is it not simple?

Richter: It's very simple. There are 10, I think there are 10 standards. And they prioritize preservation as most important, and then identify rehabilitation strategies that are the least impactful to buildings. They are published by the secretary of interior. And we would adopt them wholesale into the zoning code to provide a framework when cases where we don't have specific design guidelines or where our design guidelines don't really apply.

Saltzman: Okay.

Emerick: And I think, you know, it'd give us basically two tools. One is -- a lot of these historic districts don't have a lot of information in the design guidelines so it would give us a base document

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but it also would help us to be more in line with the national trust on issues like the appeal to the commission last year on the Oregon college of oriental medicine was related to mechanical rooftop issue, which was in conflict with our standards. So it'd just allow us to be able to get those in line a little more.

Saltzman: Thank you very much.

Richter: Thank you.

Emerick: Thank you very much.

Fish: Karla, we have I believe 11 people signed up.

Moore-Love: Yes.

Fish: Let's invite four at a time and we'll ask everyone to try to keep their remarks to two minutes.

Fish: Good morning and welcome to city council. Who would like to go first?

Christine Yun: I would. Good morning, commissioners. My name is Christine Yun. As chair of the buckman historic association, my comments are on the buckman neighborhood proposed historic district. Buckman matters and deserves saving. It is the oldest surviving, intact area of Portland east of the willamette. The early story of Portland's development as a major city can be read from the pattern of building and the buildings themselves. Buckman tells the story of the middle and working classes, one as equally valid as the stories behind wealthier historic districts. In 2006-2007, at the height of the last building boom, buckman residents realized that regular citizens have no say in shaping the future of their own neighborhoods. At this time, historic homes were being torn down and replaced by boxy buildings which maximized allowable built volume and did not respect the scale or character of the neighborhood they landed in. With little support from the city on neighborhood development issues, our solution was to put our efforts behind a national register historic district nomination to protect neighborhood character, diversity and livability. The current design review fee structure and process is threatening this effort and we have elected to put the nomination on hold and work on the fee and process issues. Many residents of buckman would like to preserve its historic character. Mention to them, though, the high design review fees and the lengthy, uncertain review process for simple replacement of windows or doors, and immediately they no longer support the regulations of the historic district. It is hard to ask them to keep in mind a long-term view of preserving the neighborhood for the greater good when all they can see is that they are being penalized for owning and caring for a historic home. Portland's riches are its residential neighborhoods with their front porches and back yards. Four to five-story monolithic buildings occupying entire blocks are no substitute for the richness and patterning of a neighborhood built over decades by different builders and architects. The oldest homes in buckman and, excuse me, on the east side are in danger from development pressures and also neglect from the unintended consequences of a punitive design review process for homeowners. Not addressing this issue will mean no more historic districts in Portland. Many cities have lost or torn down their historic neighborhoods and have regretted it. Let's not do something we regret. Thank you.

Fish: Thank you very much. Welcome.

Barb Christopher: Good morning. Barb christopher, chair of the historic Irvington preservation committee. In november 2010, five years, thousands of hard fund raised dollars and hundreds of volunteer hours, culminated in the creation of the irvington historic district, the largest such national register district in the state and one of the largest in the nation. Unlike previous historic district nominations in Portland this effort was entirely led and funded by the citizens whose properties make up the district. The irvington district is a streetcar neighborhood, from the original era of streetcars. It's an organic, historically grown 20-minute neighborhood that was decades in the making. This historic resource is the envy of other cities. The irvington historic district brought more than 2800 individual properties under the city's historic design review umbrella with a remarkable 85% considered to be contributing resources. Unlike the current buckman situation, the

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Irvington nomination process, excuse me, faced almost no organized opposition. Now, however, the existence of the district is becoming a polarizing thing in the neighborhood as never before. The bureau of development services current historic design review fee structure and process are at the root of this new opposition. In 2007 and 2008, when Irvington volunteers were going door to door surveying, photographing and talking to neighbors, the minimum BDS fees for historic design review for a type II project stood at \$574. Additional fees from other bureaus came in at a minimum of \$238, bringing the total to \$812. Today a mere four years later the same project could face fees of over \$1,700 and go up from there. Staring down a potentially 100% higher fee, even the most preservation-minded citizens within the Irvington district are questioning the benefits of being historic district, while others are outright ignoring the design review process. This is not an answer for a place that likes to call itself the city that works. As with the district nomination project five years ago Irvington decided to take the bull by the horns and look for solutions. First we gathered historic design review fee data from more than 40 other American cities as large as Houston and as small as Portland, Maine. Next we looked at nearly 20 Oregon cities. Nationwide none even came close to the fees currently being applied in Portland historic districts. Many charged no design review fee at all. We have also gathered data on the fees collected during our first year as a historic district. Of the 100 or so such reviews conducted city wide, Irvington constituted about 1/3 of the total not surprising given the size of the district. What was surprising to us was the inequity we discovered in the fee structure. A small project involving only two basement egress windows faced BDS fees of over \$1,000. A large new infill project to build two complete attached houses only paid \$34.60. Even a solid research-based project designed to restore a lost historic porch racked up BDS fees of over \$1,000.

Fish: Ma'am your time is up, I gave you an extra minute, if you could just – if you could wrap up.

Christopher: If you're a property owner in a historic district there's simply no way to look at this and see fairness. If you're a city that believes historic preservation is a tool for sustainability, economic development and livable neighborhoods you have to find a better way. We'd like to work with council and BDS and BPS to help do that. Thank you.

Fish: Thank you very much. Cathy Welcome.

Cathy Galbraith: Good morning I'm Cathy Galbraith from the Bosco-Milligan foundation and as you've heard the issue of BDS fees for historic design review is on the critical list. We're the organization sponsor of the Buckman National Register Historic District and thousands of hours of professional and other volunteer time have been invested in that effort as the neighborhood has tried to put the tools in place to deal with the next wave of development that is undoubtedly coming. But instead we are stuck on the financial impacts on homeowners of the exorbitant fees charged for the lower end of projects. The difference between \$1,050, which is the minimum BDS fee and our proposed minimum of \$250 for the smaller projects, is an enormous amount of money for a homeowner but it's really an incidental difference for the city and the bigger picture. We know you've adopted a policy of covering the costs of actual reviews through your application fees and that's an important point. The smaller projects take the least amount of review and staff time. They should be processed as type I reviews and we also know that this will lighten the staff burden through the use of checklists for the simpler projects. We think we should stay with the flat 5% fee for the larger type III projects, the ones that really do take up the staff time and the unresolved is by eliminating that type III cap that's currently in place that our proposal is revenue neutral. If we're serious about the public goals related to equity, we should be making it easier and more affordable for homeowners and other property owners to spend their limited funds on actual preservation work and not on the fees paid to have it reviewed. One final point, landmarks commission report calls on our cornerstones work done by myself and our organization since 1994 related to African-American historic buildings throughout the city. Yes, we are losing those buildings at an alarming rate. If we are serious about our goals of equity, we do need to remove the public obstacles to preserving the

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identified heritage of all communities including the unprotected buildings of the african-american community. When a landmarks designation application fee is over \$3,000 coupled with the onerous design review fees there's really not much incentive for property owners to want to pay for the pleasure of being regulated. Historic preservation is a social justice issue and these resources stand throughout the city. Thank you.

Fish: Thank you Cathy. Welcome.

Denyse McGriff: Yes good morning. I'm denyse mcgriff and I have the pleasure of representing the state of Oregon on the national trust for historic preservations board of advisors. The trust is very active in Oregon through providing matching grants to communities from astoria to baker city but closer to home the trust is working with and providing funding to our local partner the bosco-milligan foundation and our statewide partner the historic preservation league of Oregon. The trust supports the recommendations that you heard today by the landmarks commissions board and staff.

When Portland's older buildings and neighborhoods are torn down, and allowed to deteriorate, a part of our past disappears forever. When that happens, we lose the history that helps us know who we are. And we lose opportunities to live and work in the kinds of interesting and attractive surroundings that older buildings can provide. Preservation is about investing in our older historic residential neighborhoods and our commercial corridors. We urge to you support the commission's efforts. And for our final point, remember that this place does matter. Thank you.

Fish: Thank you very much. Karla, could you please call the next four.

Fish: Good morning and welcome. Sir, would you like to start us off?

Greg Moulliet: Sure. My name is greg Moulliet. And I organized the opposition to the proposed buckman historic district. I collected over 80 notarized objections from property owners in the area in an afternoon. And I just would like to say as many people have said, unless there are dramatic changes to the historic design review process and fees, also making the process less subjective, I believe a majority of property owners within the district will not support a historic district. I do have a question for the city council. I have heard a number of Portland or, sorry, number of buckman residents express concerns that Portland tends to dramatically increase the zoning in residential buckman and turn buckman into the next pearl. I was hoping council could comment on that. Thank you.

Fish: Thank you, sir.

Jeffrey LaRochell: My name is jeff LaRochell. A little back ground is, I'm a new home owner in irvington. And while I certainly appreciate older buildings and the ambience they add I do have some concerns. I was, we bought our house with the goal of hopefully putting a porch on to our craftsman house, a craftsman style porch, of course, in character with the – and, you know, in the period. But I was told in the preliminary review by the staff over at the bds that because it wasn't an original part of the house it would not really be -- have any chance of being approved. And so I'd like to the council and the landmark commission, who are in the process of reforming this process to reflect on the motivation behind the policy and the ordinance that actually establishes the rules. Is the policy really for the character of the neighborhood and the benefit of those living in these neighborhoods or is it really for the benefit of those who may have a more puritanical view of historic preservation? I think most in the neighborhood that I've spoken with directly, do not have any idea of the strictness of the ordinance that is used to determine whether a project can go forward or not. And to the degree based on the goal of preserving the character of the neighborhood, to the extent that they participated in the process at all, of course, there was no direct vote of each property owner. I think the ordinance as it's worded can be seized on by those who potentially treat the neighborhood as a museum and act as a curator with the power of approval or denial based on their esthetic tastes. I think I would ask why the ordinance didn't just say no changes allowed to the front of the house which is, in fact, how it can be applied. And I think that would be because people wouldn't agree to those regulations or that strictness. I think the remedy

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would be from changing the language to that puts more of an emphasis on the character and not the -- of the neighborhood and not the historical purity of the structure itself. Also allow direct participation of neighborhoods who would be most affect by the project. To those who would say well if you don't like these rules, don't live in a historic neighborhood, I can say that the awareness of the strictness of the ordinance and the boundaries is not well understood by those who live in this area and also to those who say allow the participation of the neighbors might dilute the historical integrity, and I said, that's fairly elitist and undemocratic. We should all remember that a city is primarily its people and the buildings play a supporting role. And if I may quote albert camus, the philosopher and nobel prize winner, people shouldn't serve houses, houses should serve people. Thank you for the chance to talk.

Fish: Thank you, sir. Welcome.

Dany Daoust: Good morning, my name is dany Daoust. I also live in the irvington district. I'd like to thank the council for the time. I am happy to see that the historic landmark commission understands some of the difficulties that homeowners are facing. And in -- also thank them for the effort that they're putting in in our communities. We moved here in Portland four years ago, myself and my family, two small children. And we chose Portland specifically for the sense of community that we have in Portland. And the sense of community also that we find specifically in irvington. It's a beautiful community. There's beautiful trees, beautiful homes. And this is particularly why we chose this community. Now I find myself in the middle of a historic district that is much more restrictive than we were told it would be by the people that initiated the process. We were in a large community, now 2800 homes that are found to be in the historic district, and there is a lot of people up in arms against this process. Personally, I am trying to go through a remodel with the city, and we are trying to grow into our house with having dormers to the front of the house. Now we are being told that that is impossible through the rules that we find in the city code. Another point I wanted to bring, is the changes to the fees for small changes such as windows is great because a \$1,000 fee for changing your front window to me seems restrictive. But we have to also realize that even larger changes to, let's say, a dormer to the back of the house that is not even visible from the front is the city is applying fees that are multiples and when I say multiples up to 10 times more than anywhere else in the country. Finally, I'd like to detail why there was maybe no opposition initially in irvington. Nobody in irvington realized, and maybe even we were a bit misinformed, about how the city was applying these rules. Nobody in irvington would have voted for this or would have agreed to this if they knew that the fees were this high, and also that no changes were allowed to the front of our properties. Thank you.

Fish: Thank you, sir. Susan, welcome.

Susan Lindsay: Good morning. I'm susan lindsay, chair of the buckman community association. I don't have any prepared notes. I just wanted to say that I appreciate the intent of the current design review fees is to have a zero cost recovery system to have it pay for itself. What I would like to say is, being the chair of the association and looking at this problem of the process of trying to create a historic district within a segment of buckman that time and time again, the issues of the fees and the process around it, some questions about the ambiguity of the process, has been a concern of many of the residents. Buckman is not, as you know, it's not a wealthy neighborhood. It's the original seat of the town of east Portland, which is, if you think of it it's really Portland's first suburb. It's a historic suburb. And much of that, the original houses that were closest to the river, of course, are all gone, and in the industrial area. But there remains east of 12th avenue, some rich, historic resources in the structures. However, it's an area of working class people, and many of the properties are rentals, and inhabited by a lot of young people that have moved here to Portland. It's a very vibrant neighborhood. It's a great neighborhood. However, it suffered from a lot of the zoning changes that took place a number of years ago where a lot of -- many of the edges of Portland were up-zoned and allow sort of high density and there's been a very tough time during

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good times to preserve some of these beautiful houses. And during this process, I believe we've come together to say that we really, as a neighborhood, we want a consensus on this because we do want to be able to preserve these houses but we can't abide by, in terms of equity, this fee structure and this process. And I know that the city is committed to this process through the new Portland plan of looking at issues of equity and this really is an issue of equity. And I urge you to, and I know how dollars are and that what you are trying to do at bds was trying to get it to pay for itself but there must be a way to streamline it or to be able to subsidize it somehow so that we can preserve these important historic districts, not only in wealthy neighborhoods. Thank you.

Fish: Thank you very much.

Fritz: President Fish, [inaudible], I just wanted to comment here in answer to your question about -- so mayor Adams would be the one to be able to answer that since he's in charge of the bureau of planning and sustainability. Any zoning changes will follow on after the Portland plan and it will be a full public process. I don't know of anything in particular that's been envisioned for buckman or for any other neighborhood. There will be a full public process, so not coming down the pike next week.

Moulliet: When did you say that was?

Fritz: We're going to be adopting the Portland plan in a few months and then after that, the planning and sustainability commission will start working on follow-up to make sure that it gets implemented. Thank you.

Moulliet: Thank you.

Fish: Karla, would you call the final names, please.

Fish: Do Ben and Mary have last names? The stage is yours, linda.

Linda Nettekoven: Well, in the interest of time and moving things along I will be very brief. I am Linda Nettekoven. I'm vice chair of the hosford abernethy neighborhood association. Not speaking on behalf of anyone but myself this morning. Our neighborhood also includes an historic district, ladd's addition, which is perhaps about a quarter of our geographic area. I want to first commend the landmarks commission and the staff for all of the work they have already put into this complicated issue, and appreciate the direction in which they're going. Our neighborhood for a long time has been very concerned about the equity dimension of historic preservation. We're a funny mix of things. A neighborhood that's been feeling development pressures and gentrification, on the same time trying to be working very hard to keep it mixed income and not see it go, you know, all one direction, shall we say. We have, for example, over 200 houses the last time we looked, say 500 years ago that are century homes south of division, which means zoning and the r -- the r-1 and r-25 categories, a lovely fabric of workforce housing that we would like to maintain because it's the affordable housing in our neighborhood. It has no kind of protection or support or reinforcement of any kind from the sort of historic and sustainability realm. And then you have ladd's addition where people have been complaining for some time about the fees. I'd also like to stress I think we've hit a tipping point. I work with contractors who are very committed to historic preservation who report that people aren't going for permits. They aren't, you know, following the proper steps because things have gotten so expensive. And that's not the direction we want to head. Two issues that I'd just like to have folks consider in looking at solving these larger historic preservation questions. Old houses are notorious for surprises where you are in the middle of something and you find a tremendous crisis or opportunity. And how we can sort of turn on a dime and be able to figure out how the guidelines apply when something isn't what you expected once you tear into a house. And I don't know actually how that is handled but I hear neighbors telling stories that we just look the other way and covered it up and did it. The other issue is please don't lose track of cultural resources, the plant materials. Think of park blocks think of, you know, peninsula park, the parts of our neighborhood that are historic for other than just kind of architectural reasons. And it would be good if the forester could perhaps be involved in some of

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those conversations with bds and the planning -- bureau of planning and sustainability so that we are all on the same page in terms of those cultural resources. Thank you very much.

Fish: Thank you, linda. Any further council discussion? Do I entertain a motion to adopt the report?

Moore-Love: We have a substitute memo on this.

Fish: Ok. We'll first take up a motion to substitute the memo.

Saltzman: So moved.

Fritz: Second.

Fish: Please call the roll.

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

Fish: Aye. The substitute is adopted. Is there a motion to adopt the report?

Saltzman: So moved.

Fritz: Second.

Fish: It's been moved and seconded. Karla would you please call the roll?

Fritz: Well thank you, everyone, for all of your hard work on this, the commission, the staff, and citizens. It's really delightful to see the engagement and, yes, it's over some controversy. And it is important for us to make sure that there is the equity piece in historic preservation because I didn't hear anybody say that we don't want to preserve the character of our neighborhoods. We are talking about the fees and how to do that. It really highlights how the zoning code and how, what it says and how it's implemented and how we pay for implementing it really matters. So I am very committed to continuing this process. I'm glad to hear commissioner Saltzman committing to work on it also. And I believe we can get to a place that everybody will be satisfied with. Again, thank you, especially citizens who took the time to come down on a wednesday morning to highlight these issues and that the members of the commission who do it day in and day out practically. I know that you're in city hall often and also do a lot of good work in your commission meetings. So thank you. Aye.

Moore-Love: Saltzman?

Saltzman: Well I want to thank the historic landmarks commission and their staff for all the hard work you've done as you've outlined in your annual report. And as I said in my opening remarks we take very seriously the issues that are raised here about the affordability of complying with historic design guidelines. And the bureau of development services staff and the bureau of planning and sustainability staff are already scoping out potential solutions and we hope to have a draft work plan produced in the next month or so. As was noted by susan lindsay, you know, the bureau of development services is a fee-supported agency, almost entirely. I think we maybe get 2% of our budget from the general fund. And so the key to reducing the cost of getting permits is to reduce the amount of time our staff have to process them. And that's why we're looking at the changes mentioned about doors and windows, why do we, you know, do we exempt things that are in the back or do we exempt window changes altogether or make them type I reviews? Anyway, so we're looking at ways to simplify the process and therefore to also reduce the cost. I will not hold out much hope that the council is going to subsidize it with scarce general fund dollars, this review process, I wouldn't rule that out entirely, but this is not a good time to be asking for additional general fund money for the bureau of development services. So thank you all. Aye.

Leonard: I am -- want to bounce off commissioner Saltzman' remarks. I'm particularly interested in and if not intrigued by the issues facing irvington district that I was born and raised in. And I am as familiar as anybody in this room with the buildings within that district. I am deeply concerned about the issues raised by susan Lindsay and the others at buckman but I think it's important for the folks here to understand the dilemma that the council has found itself increasingly, over the last two decades, with respect to the revenue that we get to support city services that were traditionally less expensive than they are now. With the passage of measure 5 in 1990, the passage of measure 47,

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and then -- which became measure 50, in 1995 or six, the tax structure of the state of Oregon in general but in the case that we're dealing with here specifically, the city of Portland in particular, has changed dramatically. So I would be shocked if you called around the united states and talked to other development departments and found fees that were as expensive as Portland's because we have restricted the amount of general fund revenue to cities and schools in this state to the point that it's absurd. We have, in the neighborhood I grew up in, Irvington grade school, I still take my grandson there to play basketball, and at times I am embarrassed by the state of the school that I grew up in. Grant high school where I went to high school, similarly, I drive by Franklin every day. I am embarrassed at the condition of the high school my mother graduated from. I drive by Cleveland which used to be -- Susan, help me out. I know you know the name of Cleveland. Remember the name of Cleveland before it was Cleveland? Thank you, Commerce. My dad graduated from Commerce. I go down there and use the track regularly to run, beautiful track. The condition of the school is embarrassing. These are all the effects of the passage of measure 5, measure 47 and measure 50. So the upshot is that we are left with a bureau of development services that, at one time, was heavily subsidized here by the city, by the general fund so that fees that you would pay would not be as high as they were. But, you know, nothing is for free. The money that was used to pay the staff partially came from the general fund, which now finds itself shrunk to the place where we are debating possibly closing a community center, where we are debating not, whether or not we are going to close a fire station, or whether we are going to close one or four, whether we're debating laying off up to 50 police officers. And so we find our self at a place where at the bureau of development services, when I was in charge of that, because of the fee structure, and the virtual collapse of building activity in this community, after 2008, I had to, along with Paul Scarlett, meet with 150 people out of 300 and explain to them why we had to lay them off. Half of the people at the bureau of development services were laid off. Staggered over a period of months because we couldn't do it all at once. Devastating consequences. So we find our self here having this discussion where you're saying the fees are too high and commissioner Saltzman is precisely right when he says you cannot ask us to use general fund dollars that we use to fund parks and community centers and fire and police and other vital important services to subsidize building applications. What we can do is what commissioner Saltzman and I know Paul Scarlett is fully focused on is looking for ways to streamline and more quickly approve applications for minor projects, thus reducing the cost. I think that makes a lot of sense. I will say, that you know, to the one testifier from Irvington who said -- commented about wanting to remodel the porch. I don't know that I disagree with you, but the rules are what the rules are. And I can tell you that as a person now who finds myself entering the housing market looking back at the historic neighborhood I grew up in and looking in Buckman and other close in neighborhoods, that your housing prices are good for you bad for me, they are, believe me, higher than any of the outlying areas, and I can tell you this as recently as last night. I look at each new listing as they come up in the historic areas of the city. If it's any solace to you, whatever you do to your house, even if it costs more in terms of permits and there's more restrictions on the front of the house, it appears that you'll more than gain that when you sell your house from the listing prices that I have seen. I wished I'd lived in a neighborhood that enjoyed that phenomena. I live in a neighborhood that is enjoying the opposite phenomena, so there are some down sides to being in a historic neighborhood. There are some costs, but I believe particularly in the example of Buckman and Irvington, they can be viewed more as investments than they are outright expenses. Having said that, I will work very hard with commissioner Saltzman and director Scarlett to do what we can to streamline the process to keep the actual amount of hours staff focuses on these issues to a bare minimum. Maybe that way to get the cost down. Thank you. Aye.

Fish: I want to echo what my colleagues have said and thank the commission and the staff for their excellent report today. I think this is the third annual we've had, and we really appreciate it. In the

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interest of time, I would just put three issues on the record, and I can follow up with you. One is, I'm interested, from your report, why you believe that the 511 building and memorial coliseum are still on the threatened and endangered resource list.

Leonard: 'Cause i'm still on the council. [laughter]

Fish: So in light of the [laughter] in light of the – in light of the plans [gavel pounded] council will come to order. In light of the – Susan help me, please. This -- you deal with it and so do i. In light of the pacific northwest plan to renovate and use Brad Koffel to do the design for 511, i'm just curious why that still is listed as a threatened or an endangered resource and that's the building kitty corner from the Bud Clark commons and also why the memorial coliseum is listed since the majority of this council, i'm pleased to say, supported preserving that icon of american design. I'm curious as to that point. Second, I learned recently that a group called the halprin sequence – Halprin conservancy is interested in seeking national registry nomination for lawrence halprin's master work, which runs from in front of keller auditorium south. That's something that the parks bureau will support, so we look forward to working with the commission to see how we can facilitate that and fast track that. And, third, you know, one area that I don't think gets enough attention in terms of preserving historic structures is the success we've had preserving multifamily buildings downtown that are historic. And I at some point, I think traci manning, the new director of the Portland housing bureau, and I would be delighted to accept an invitation to come before the commission and talk about our 11 by 13 campaign. But – recently for example, we've been able, with community support to save the admiral, which is both an historic structure and is deeply affordable, and that's across from director park. So a wonderful statement about our community that we have that juxtaposition. Those are historic structures that we want to preserve and we'd like to engage the commission on that strategy. Congratulations for your good work and thank you for a very thought provoking presentation. And I always love commissioner Leonard's history lessons as someone who did not grow up here, it's a – it adds to the richness of our discussions. Aye. [gavel pounded] The report is accepted. Thank you all. Mayor Adams is going to be joining us by phone. Is he on the phone now? So I'm required to read a statement, and then we'll invite – we'll welcome the mayor, and then we'll take up the next item. And to those of you who are leaving, thank you for joining us this morning. And actually, we'll wait a minute and give you a chance to pack up and -- so I'm going to read a statement. The mayor is not physically present at city hall today as he is in Washington, d.c., attending to city business. His inability to participate in the next time certain on the police training center would jeopardize the public interest, health, safety or welfare. Therefore, unless there is an objection by any member of the council, mayor Adams will participate in this time certain hearing by teleconference. Hearing no objection, welcome, mayor Adams.

Moore-Love: Mayor, are you there? Is he there? Hold on a minute, we can't hear him. Hello, Mayor are you there?

Fish: We will work out the technical. Try him again?

Moore-Love: Hello, hello, are you there?

Fish: Oh, Karla why don't we – what's the -- we'll call in again. And -- while we're waiting to connect with him again – Mayor Adams? We're having just some technical difficulties, we'll a -- Karla, I have a thought. Lets introduce the matter, and then let's continue to work on the technical issue, if we could. And without objection, i'm going to ask that items 213, 214, and 215 be read together. Karla?

Items 213, 214, and 215.

Fish: Welcome, chief reese. The mayor's going to be joining us in a minute. But are you prepared to tee this up?

Chief Mike Reese, Portland Police Bureau: I am.

Fish: The mic is yours, sir.

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Reese: I want to begin by thanking council for the opportunity to present our findings today on the proposed training facility. Acquiring a training facility has been one of my top priorities as chief of police. The police bureau, as you know, does not currently own a training facility even though we are required by dpsst to provide training to all police officers to maintain our certification. Before I show you the facility that we are proposing to purchase, I wanted to show you the facilities we are currently using to train our officers and the lengthy process we undertook to arrive at the proposed location. And so you're looking at a beautiful building, a historic building in the neighborhood I grew up in in st johns, and it is where we had the north precinct until we consolidated precincts several years ago. It currently houses the administrative offices for the training division. Of course our current program is very fractured and inefficient, relying mainly on leased facilities throughout the metro area that change year to year based on availability. The st johns campus just holds the administrative offices and the captain due to it's limited size and configuration as a police precinct it's not really appropriate to do any training there. The place where we do firearms training is the tri-county gun club, and that is in sherwood, Oregon. It's about 18 miles away from the downtown core. We are not the owners of this facility, and we are not the sole users, and so our ability to secure range time is very limited. Our instructors and students work out of modular trailer classrooms. There is no sewer and water service at this site. All ranges are outdoors with no cover from the elements which proves problematic in Portland, Oregon, and the ranges are static, providing limited opportunities for scenario based trainings so basically we're focused on skills, can we shoot straight, but not necessarily can we make good decisions about using our firearms and putting officers in more realistic situations than just simply target practice. Camp withycombe is an army facility that we've used for many, many years, and we've leased space there. As you can see from the pictures, our tactical houses have been under water at various times. This location provides similar opportunities for scenario-based training, but it is less than ideal. And unfortunately this location is no longer available, the Oregon military department terminated our lease last month due to construction of a highway, and this venue will be going away due to the construction. This year, our in-service with the loss of camp withycombe, we are really using, again as we struggle to find facilities, we're using the wapato facility where we've entered into a lease with Multnomah county for the nonexclusive use of the jail for portions of this year's in-service. We also drive to tri-county gun club and east precinct in east Portland. This map that you're looking at illustrates the inefficiency of our program and the loss of training time caused by multiple training venues. So when the mayor directed us to put together a proposal to bring to council really about a year and a half ago, we looked at our minimum training needs. So what does our program require? We need administrative offices, we need classrooms, we need an indoor range, defensive tactics area, a place to drive so that we can run officers through our low-speed skills course, and scenario-based training. In order for our program to be successful, we really need to have these specific needs met. Without a dedicated facility in the future, we would probably continue to use our administrative offices to house our folks in st. Johns. For classroom space, we would probably continue to use east precinct and the traffic division. And while there's no specific cost for the facility use there, this limits their use for the community. For firearms training, we would continue to use tri-county gun club when it's available. Unfortunately we do not currently have a venue for defensive tactics, so that's one of our struggles. We would be looking for a place to lease. We do not currently have a place to drive cars. We, like most metropolitan police departments in the Portland area struggle to find five acres of pavement where we can practice driving skills, which is critically important for our officers. We have identified a location. However, they would lease it to us at \$19,000 per month. And, again, we are currently using wapato for scenario-based training. However, the site doesn't fit our needs as it's difficult to create real-world conditions inside a facility that was built as a jail. Using this current model, our projected facility costs would exceed \$310,000. So to give you a little bit of a history of where

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we've been, in 2007, we looked at a regional training facility in scappoose. The estimated cost of developing that facility was \$120 million. And although we came close to purchasing the land, there was never a financial plan in place to build a facility. When I became chief of police, the mayor -- Mayor Adams asked me to put together a proposal to meet our training needs that would also be fiscally responsible. We initially looked at city-owned property at pir, but after months of deliberation and work with the city attorney, the bureau of environmental services bureau, and the parks bureau, it was determined that there were too many issues to mitigate at that location. In addition when we had architects look at the ground up construction costs, they were estimated at \$28 million, which was above the budget that we set for ourselves. We also looked at property owned by the bureau of environmental services at the old st. Johns landfill, the property did not have enough space to meet our driving needs, and we would've had to lease space adjacent to that property and the property owner wanted \$264,000 a year to lease the parking lot. In addition, the ground-up construction costs at that location were estimated at \$25 million. So last summer we worked with omf to retain a broker who identified 46 commercially available properties. And we looked at many of those sites. Some of them, we determined, would not fit our needs. But we looked -- physically went out and looked at many of those sites. And after considering nearly 50 sites, the police bureau has selected an existing building and property located at 14912 northeast airport way. And as you can see from the schematic, this is a large building that's already existing. It's on 9.4 acres. It has pavement in place, so we wouldn't actually be paving any of the property. It's in excellent condition. It was built in 1998. In fact, if we were to plan a newly constructed site, it would be configured just like this building, which is amazing. Omf has completed due diligence on this site and they have provided you with their findings. Bob key is here with us to answer any questions about those findings. As you can see from the conceptual drawing, the property can be easily renovated to accommodate our program needs for the first time in a single location. And Captain parman is going to run you a short video that shows you the current condition of the building. It's about 60 seconds in length, so we'll let it load.

Fish: We're still having some technical difficulties, but I understand the mayor is listening via speakerphone.

Reese: Well as the -- I guess it's our day for technical difficulties so -- I'll just -- you're looking at an overhead view of the building. It is along the columbia slough, and a significant factor in our decision to bring this purchase to the council was that the building itself can be broken into wings for static training or we can consolidate it for scenario based training. So for example, a scenario could begin on the driving pad and then move into either the defensive tactics wing or the scenario village to simulate real life, what officers encounter on the street so that they can look at additional decision points and train around them. The value for us of scenario based training is that it provides a realistic and stressful environment where it is safe for officers to learn new techniques. Because we would control this facility, we could create an exact set of conditions so that the consistency of our training is improved. A combined training facility also improves our oversight of our programs and increases efficiency. With training in a single location, supervisors could visit multiple classrooms throughout their workday, and students of course would not waste valuable time commuting between venues. I realize this is a very difficult time to bring forward a proposal to actually purchase property, and I have the estimated costs on a screen for you. The purchase price for the building is \$6.4 million. To build it ground up would be over \$10 million. This is an opportune time to look at a strategic investment in public safety. In a few years, this property may not be available, certainly not at this price as the economy improves. The hard costs are those renovation costs, and again we talked to the council about a budget of \$15 million. We have strong confidence in the 14 million \$200,000 figure. Certainly we would scale back to meet the budget and meet the bond requirements.

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Saltzman: Excuse me chief, does that -- those little asterisks by that 14 million, it talks about contingency costs. Is that in the 14 million?

Reese: It is not. There's \$1.8 million in contingency costs. That's if there are things that once the contractors were to begin construction if something occurred that would cause additional money -- I think Bob can probably talk about the specifics of those --

Saltzman: That will be included, though, as part of the total project cost, and part of the financing?

Reese: It is. Yes, sir.

Saltzman: Okay, thanks.

Reese: But again we have high confidence in the \$14 million. We've met with architects and certainly have done due diligence in putting forward what our program needs are within this facility. Operating costs are estimated at \$395,000 for a fully operational facility which would not occur for about a year when the range is completed. During construction, we estimate those costs would be substantially lower than that because of reductions in janitorial service, maintenance. We have currently one fte assigned to the training division just to look for locations to train, so that position would no longer be needed as we would have our training consolidated in one location. So that's a \$90,000 savings. We expect that there would be revenue generated at this facility as well as other efficiencies in fuel savings, reductions in overtime, and other operating costs. I believe that this project is ideal for many reasons. This location is within the city, reducing commuting time for staff and students. It's allowing for better opportunities for community involvement, improving program oversight, and making our training more consistent. In addition, the police bureau will own and operate the only facility of this type in the metro area, allowing us to rent our facility when it is not being used by the police bureau. While it is difficult to accurately project revenue, we have contacted several agencies in the metropolitan area, and they have all expressed strong interest in using this facility when it is completed, leading us to conclude that cost recovery will be possible. Again every police department is mandated to provide training. We all struggle in this area to find facilities, and we've had strong support from our partners that they would like to rent and use this facility when it is built. Lastly, I want to stress the benefits of this project which include incorporating all of our disciplines into one location, increasing the use of scenario-based training, and creating efficiencies in our training operation. While I believe our current training and instruction is of the highest caliber, the role of police officers in our community continues to evolve. And to meet the expectations of the public and the courts, our program needs to provide officers with strong critical-thinking skills which are developed through scenario-based training. The move to a consolidated facility would be the culmination of years of planning and would allow our program to meet the needs and expectations of the community for years to come. As part of this proposal, we are moving forward with the formation of a training advisory council to provide community input to the captain of the training division. I also see additional benefits to the city as we have needs at the fire bureau and other bureaus for training. I think really we should look at this as a public safety training facility, not just a police training facility. As part of our conversations with the fire department -- the fire bureau and the fire chief, we have designed in the facility space office space for them so that we can co-locate instructors. This is a unique opportunity. And while it is at a critical time in terms of the economic forecast, it's also a strategic investment in public safety and in the future of our community. I am happy to answer any questions you might have. I also have captain Parman here with me, Bob Kieta from the office of management and finance, and Mike Kuykendall who oversees our training programs as well as our business operations.

Fish: Chief before we take some questions, Karla, how many people have signed up to testify today?

Moore-Love: Five.

Fish: Ok. Council questions?

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Leonard: I would just observe on the fire bureau piece that you didn't mention is that the fire bureau, although they have a training center, has no place to practice driving, so I think it's important for the council to understand that this actually provides an opportunity for the fire bureau to do what the police bureau needs to do, and that's to have firefighters actually have a place where they can drive fire apparatus to practice to be able to be certified to drive engines and trucks.

Reese: We've also had that same discussion with pbot. They have drivers driving big rigs and they need that space as well to train and the water bureau security would like to come out and use the facility for training.

Leonard: And we pay so much a year right now to lease space. I wish I could tell you right off the top of my head how much that is, but we lease space out in north Portland almost to rivergate to do that currently, so this is good.

Fish: Chief, actually piggybacking off of that comment, you've identified the opportunity to collect some revenue off this site by allowing sister organizations to train there –

Reese: Yes, sir.

Fish: -- both within the city and jurisdictional partners. And you've also identified potentially some savings within your own bureau budget that would occur with the one position, among other things. Is it your intention to take any of those revenues and savings and apply it to the debt servicing of this so that, if we do experience a big upside, it can reduce the general fund exposure on the debt service?

Reese: I think that is a financially responsible plan, and I would certainly entertain doing that. Our goal initially is to meet the operating revenue costs – or the operating costs and maintenance costs. But additionally, if we have revenue on top of that, I think it should go back to a debt service.

Fish: Do you have some projections on operating costs and what -- how that might -- and will there be some forthcoming apps during the process?

Reese: The current projection once the facility is fully operational, after the range is completed, would be -- operating and maintenance costs would be about \$395,000 per year.

Fish: And is that -- I assume that's not currently budgeted?

Reese: Again, we have lease costs that we're spending; we have personnel costs that we would eliminate as we move forward and use those funds, plus the revenue that we anticipate from sister agencies.

Fish: Commissioner Saltzman asked a question off of the pro forma you put in on -- for the budget, and I think it raises another interesting question, which is are we building and planning towards the 15 million that the council committed to or, in your view, can we build this for less?

Reese: I think that the current budget we've set out, 14.2, will be adequate to meet our needs. So that's -- well, we took a look at our program needs, met with architects, talked about what we're currently doing, and then initially we were looking at building a facility from the ground up, and so we had a conceptual idea of what those needs would be. And really this building is exactly what we would build if we were looking at a vacant piece of land. Of course, it would have cost – that's why the -- when we started looking at pir and the bes sites, why the costs were so much more than the \$15 million, because ground-up construction was more expensive than buying an existing facility.

Fish: So let me put it just slightly differently, if the council's will was that there'd be a hard cap of \$15 million for this project and in the course of your due diligence and the initial phases of construction you determine that you trigger a contingency, can you scale this project and live within the \$15 million ceiling if that was the council's will?

Reese: We will, yes.

Fish: And could someone just update the council on what's the current snapshot of the market right now for doing bonding? I mean, we've heard historically we're in unique times in terms of favorable interest rates, but could someone give us an update on that?

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*****: We have bonding coming up next we have jonas here.

Jonas Biery: I am Jonas Biery, the cities debt manager in the office of Management and Finance. The bond market right now is in fact favorable. We're looking at historically low rates, particularly inside 15 – 20 years, so 10-year financing. The current – a give me just a second, I can tell you the current estimated true interest cost is about 2.1% over 10 years if that gives you a sense of market conditions at this time.

Fish: Thank you. Commissioner Saltzman?

Saltzman: You made a statement about revenue from our sister bureaus.

Reese: Sister agencies, other law enforcement agencies.

Saltzman: Oh, law enforcement.

Reese: Yes.

Saltzman: I thought you – well -- so we're not expecting any money from the water bureau or the transportation bureau towards the cost of this construction and renovations?

Reese: No.

Saltzman: There's no expectations of any –

Reese: Again I --

Saltzman: -- fire bureau money or fire, well fire bureau or transportation?

Reese: Again I think this opportunity is, as commissioner Leonard pointed out, where other bureaus may save money because they're currently leasing or renting facilities for training, and we would incorporate them into our training schedule.

Saltzman: Sure. But none of those costs or none of those are cash contributions towards the construction and renovation –

Reese: They are not.

Saltzman: -- acquisition and renovation.

Reese: Correct.

Fish: Well and to be clear about my question, I might not have stated it as artfully as I should have, but I was just picking up on the point that, if we have a facility of this kind, I understand that other law enforcement -- sister law enforcement agencies might want to do training here, in which case we could generate some revenues which would go back into the project.

Reese: Yes.

Fish: Commissioner Fritz.

Fritz: Thank you for the presentation. My understanding is that you've checked this out with the bureau of development services. It's in the industrial zone, and that bds has determined that this is a industrial service use, more like a training facility rather -- it's not a public service as – a public safety facility?

Reese: Yes.

Fritz: So it will be allowed by right without a conditional use?

Reese: That is correct. That's my understanding.

Fritz: And I concur with that interpretation, I think it was well done. Have you heard from the neighborhood association or talked with them at all?

Reese: Again, it's in a industrial area. There's no residential property close to it. There's other commercial businesses similar to what was there before, truck manufacturing, truck parts. The property backs up to the slough, and I think one of the unique opportunities with this particular piece of property is it is isolated but with access. The parks bureau has an easement on the back side of the property to the slough. We can use our parking lot for public use, and then we've talked about maybe creating, through the regional arts council, 2% requirement for arts set aside, using that money to create an interpretive path that allows the public access to the back side of the property and the slough and access to the water way there.

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Fritz: That sounds like something the Columbia Slough Watershed Council will be very pleased with.

Reese: And it really is a unique opportunity with this piece of property.

Fritz: Thank you, and then my final question is on item 214, the training advisory council. I really appreciate the work that the police bureau has done with the human rights commission and the community and police relations committee, and I would like you to consider -- as you know but the audience may not, the community and police relations committee is a subcommittee of the human rights commission, and it has five police officers, five human rights commissioners, and five members of the public at large. And I would like you to consider having a police officer who serves on that committee, one of the human rights commissioners who sits on the committee and one of the civilians at large who have taken the community academy course to be part of the advisory team for this facility.

Reese: I think that's a great idea. I would not want it to be in a resolution because of the changing nature of community groups and things like that, but we have a strong relationship with the human rights commission, and I would really appreciate their participation on an advisory committee.

Fritz: Thank you. I think that group has done diligent work and has looked at a lot of training issues, and indeed that's one of the reasons I'm going to support this set of ordinances, because it's clear that the community wants the police training to be more coordinated and to have their input. So thank you for agreeing to do that.

Reese: Thank you.

Leonard: So I just, I want to make an observation about what it is that we're getting ready to vote on.

Fish: Next week.

Leonard: Well, what it is we're beginning to have testimony on then. This is really a remarkable conclusion to about a five- or six-year process, but I think it's important for not just the council, for those of you who weren't here then, but for people listening, to really appreciate what it is that we're doing today, beginning under the term of mayor potter. He and the then police chief began negotiations to purchase, it was over 100 acres, as I recall, of land in scappoose, and they had argued at that time that the only viable location for a police training facility would be that location. And chief reese said that the estimate was \$120 million dollars. I was told at the time it was \$120 to \$150 million dollars to develop -- to purchase the land and develop it. To say that I was mildly skeptical would be very conservative, and I found myself in a very odd position, having the reaction I did, as it was explained to me, because I more than most, but I certainly think that chief reese and others in the bureau agree that one of the best ways to avoid injuries, whether they're to firefighters or police officers, is to have them well-trained and to have ongoing training and to have it be consistent. So here I was listening to the mayor and then police chief make a presentation to me that just didn't make sense. And to compound the fact that the property was in scappoose and to compound the fact that it was up to \$150 million dollars, I asked what commissioner Fritz just asked. How is it zoned? And it was zoned farmland. And how in the world do you expect to take, you know -- let's just say we get past the \$150 million dollar goal and let's just say we can get our arms around having police officers drive every day out highway 30 to scappoose. How in the world do you plan to get it zoned from farmland to an appropriate designation for a police training facility? And they told me, well, we've talked to the state senator in the area and some of the other folks there, and they think that won't be a problem. Well I've been in the legislature and I've been here, and that was at a minimum an understatement of the process and the unpredictability of getting a zone change that would allow this facility to be built, not to mention that once again it was 150. Because when I'm told 120 to 150, I conservatively think that the 150 was probably the right figure. So because I was skeptical and because it was in the budget -- it was actually in the budget -- I actually told the mayor that I would oppose it in the budget and would work hard to have it

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removed from the budget. I was asked to have a briefing by the top command staff of the police bureau so I could fully understand, and this was in 2008, what it was that they were proposing to do. Because they were convinced, that if I understood it, I'd vote for it and I'd quit opposing it. So thinking that maybe I did have a blind spot on it, I called the then president of the Portland police association, Robert King, and said Robert – and explained what it was I was being asked to listen to and asked if he would come to my office, sit with me, and listen to the presentation and then I would appreciate any feedback. So I got the full-meal deal, a video show, slides, handouts. And when they were done and left, I asked Robert to stay, and I said, have I missed something here? He said, you have missed nothing. This is just – this is a black hole. Which was exactly what I thought. So until Chief Reese became the police chief and Mayor Adams became the commissioner in charge of the Police bureau, that was the plan for the Portland police bureau, was to move ahead with that facility. When Mike became police chief, this was one of the issues he understood that was going to be divisive for the council and it was going to be divisive ultimately for the police bureau, and he set about on this path which ultimately identified this piece of property which I would point out, fully completed, at most is 10% of what was originally proposed, is in the city of Portland, and can be used by multiple city agencies, notwithstanding the other agencies that are in the surrounding metropolitan area that can use it. So, Mike, it's no secret I think you're an outstanding police chief because of the leadership qualities you bring, but just -- you're just a good manager. You also are very, very good about looking at the details and making sure that the small stuff gets looked at as well, cross the t's, dot the i's, and I think it's really important to acknowledge that here, given the history of this project, and that it wouldn't have happened without your leadership and without Mayor Adams. And I greatly appreciate, first you getting me off the hook so I'm not in the position of voting against a police training facility, which I believe in deeply, but that you've really served the citizens so well by identifying this piece of property in this -- and with this budget to do what really should have been done years and years ago. So thank you very much.

Reese: I appreciate your kind remarks, but it was a team effort. And without the mayor's support, we wouldn't be here today.

Fish: Actually, technically that was a question, chief, so do you have a comment to the question?

Reese: No.

Fish: Let's move to testimony, if we could bring up the first panel.

Reese: Thank you.

Fish: Good morning, welcome, Suzanne do you want to kick us off?

Suzanne Hayden: Yes. Good morning, council. I have a little bit of a throat issue. My comments today -- Suzanne Hayden for the record. I'm the executive director of the Citizens Crime Commission. I'm also a long-time Portland resident. I'm going to limit my comments to the training advisory council portion, so I'd like to defer to Stan Sittser who's our chair of the Citizens Crime Commission to have him speak directly to the training facility, and then I'll -- my comments will be on the advisory council if that's ok with you.

Fish: Good. And we're taking this all up as a package, so we can sequence it, but you're welcome to testify on that item afterwards. Sir?

Stan Sittser: Good morning Mayor and commissioners. My name's Stan Sittser, and I serve as chair of the Citizens Crime Commission. I'm here today on behalf of the Citizens Crime Commission and the Portland Business Alliance in strong support of the Portland Police Bureau's purchase of a building that will house a dedicated officer-training facility. You know, if I could leave you with one thought today, it's this, it's about time. We have long been supportive of a police bureau training facility that will provide a more efficient and effective means to train the more than 900 sworn personnel on an annual basis. The Crime Commission has several board members who have gone through the Portland Police Citizens Academy -- one's right here next to me -- it was their firsthand experience to the actual training conditions that our officers experience that led us to host

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two executive briefings last spring to educate the business community about both the training requirements and the substandard facilities that the officers are using to fulfill those requirements. We feel the purchase of this building is necessary and should be a high priority for the city. Frankly, it's about time. The need for an adequate police training facility has been discussed for decades. However, no plan has come to fruition, because, some the costs were too high and others, the locations were inappropriate. But at last some good news. This plan is attractive for several reasons, first the facility price, including necessary upgrades is within the dedicated budget. The location on airport way is geographically convenient for all the precincts. The building is flexible and can accommodate all the necessary components of training except the high-speed driving which can be accommodated elsewhere. The building will house the administrative office, for the training division, that makes sense. The facility can be brought online in short order, and finally it has the potential for generating revenue by renting and leasing it to outside agencies. From a business perspective, we think that makes sense. I was just at a public event a couple weeks ago where there was a west linn police department sergeant, and I asked him if he'd heard about this facility. And he said, heard about it? We're watching excitedly, we're hoping that it's approved, and we would hope to use it to train our own officers. It's about time. The Portland police bureau is the largest police agency in the state, and yet it's not equipped with a single location where defensive tactics, driving, firearms, and scenario training can be conducted after officers have gone through the police academy. Realistic scenario based training exercises are shown to be effective training tools. This proposed building allows the bureau to maximize those training opportunities for the officers. The current training has officers driving to four separate locations to achieve the necessary hours of training and the various disciplines, none of which are where the trainers are located. It's kind of a crazy quilt solution. The current disjointed approach raises logistical and efficiency concerns and more importantly concerns that the training is not optimized. In addition having a set location provides potential opportunities for community participation and collaborative training with other public agencies. For all these reasons, the citizens crime commission and the Portland business alliance strongly support the purchase of the property on airport way and the necessary upgrades to achieve the goals of the training division. It's about time. Thank you for your leadership and for listening to our point of view today.

Fish: Thank you sir. Erin?

Erin Hubert: Thank you very much. I also serve on the citizens crime commission board, and I'm here speaking for the board as well as just a business person. My name is erin Hubert, excuse me. Unanimous support for this training facility. Commissioner Leonard, you really gave a good background on how we've gotten to where we are that makes it about time, and it's now the right time. Having gone through the community academy training as a citizen, it was completely shocking, unfathomable that our police officers have to train in the facilities that they do. They have no running water, no restrooms. I won't get into the detail of trying to use an outhouse with 30-plus pounds of equipment around your belt and what that produces, labeled too much information. But it's just amazing to experience what they go through and the inefficiencies. I was struck by any business operation, our teachers, anybody who would have to train in these kinds of conditions and the public outcry that there would be. So it's just hard to imagine we wouldn't consider today what's on the table, particularly at this given time. It has just really reached a perfect time, and everything come together. It makes all the pain, I think, of the last few years worth it, to be here at this point. So, unanimously support it and thank you for the chance to testify today.

Fish: Thanks for joining us, sir?

Thompson Morrison: Thompson morrison. I'm on the board of the software association, I also serve on the board of the bureau's Z-Man foundation and also the co-chair of the board for the rose ward initiative, which is a partnership between the bureau and the community for economic and public safety issues out in east Portland. So I was also involved as a business executive in one of

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the – in actually the first citizens academy that was held. And as erin, it was quite an eye opener for me. And not only was the transportation issues related but also just the conditions by which we expect our officers to be trained in. And that was quite a shock for me. And as a business person, I also recognized that the inefficiencies of that really directly affect the effectiveness of the training itself. We in the city have extremely high expectations for our police officers. We are perhaps the most demanding community in the entire country regarding our police officers. We expect them to always maintain safety but do that at the minimum of risk to human life at all times. So we place tremendous expectations upon our officers. We also need, in order to fulfill that -- have to also ensure that they have the adequate training to actually fulfill that great responsibility that we are investing in them. So, and having seen the long story, as commissioner Leonard relayed, and watched that over the last three and half years that i've been directly involved with the bureau and watching this issue, I was extremely pleased when I saw this proposal come together and recognized, as from a business community, how essential this is for us to put in place. We in this business community need to have the best police officers that any country – that any city has and that this training facility will allow us to be able to consolidate those -- that training in a way that will improve directly it's effectiveness. And for that reason, i'm fully supportive, and I wanted just to express that opinion today. Thank you.

Fish: Thank you very much. Suzanne?

Hayden: Thank you again, I'm Suzanne Hayden, I'm the executive director of the citizens crime commission. And I wanted to speak to the resolution regarding the training advisory council. We absolutely support the community involvement with our police officers and believe citizens who have gone through the Portland police bureau's citizens academy would be willing to serve in this capacity. My own experience, my own personal experience going through the academy was very humbling, and the scenarios that we participated in during the academy were very realistic, and we saw firsthand, when we went on a ride along after the academy was over, that those calls that we responded to were in fact very -- exactly on point with what the scenario-based training was surrounding. So it was extremely effective and extremely compelling. We had a scenario regarding someone who was in mental health crisis who was going to commit suicide with a weapon, and that night there was a call that came out regarding a young man who was suicidal on the bank of the willamette with a rifle. This is extremely important to have community understand the complexity of the calls that police are responding to. It requires a high level of – a high level of skills and tactics to respond to those calls. And we want to support them in any way we can. We see the training advisory council is a really beneficial way of community engagement with our first responders, whether it's police or fire bureau personnel. This is an ideal opportunity for community to be involved. But we also believe that it's important for the community to be really aware of the types of calls that police in particular are responding to so that they can be an effective advisory board for the police. Again, we support the creation of the citizens training and advisory council, and we would gladly serve. So thank you very much for the time. Thank you for your leadership in this, and thanks for the opportunity.

Fish: Thank you very much. Who else has signed up Karla?

Judith Hutchison: Good morning my name is Judy Hutchison.

Fish: Good morning.

Hutchison: Thank you for the opportunity to come and testify in support of the purchase and financing of the new facility as well as the formation of a training, or advisory council. As a native daughter and proud citizen of the city of Portland, I value our city's dedication to preserving our way of life. Paramount to maintaining our city's vibrancy, economy, and culture is public safety. I was fortunate to participate in the Portland police bureau's community academy this past May. It is a unique and diverse program that educates common citizens like me about what happens in the daily life of a Portland police officer. Among other activities, we heard officers discuss the

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emotional toll police work takes on them and their families, and we were able to roll play some of the real scenarios they face in the field. It was a day I will never forget and it increases my confidence in and respect for our Portland police officers. After our training concluded, I joined an officer for an eight-hour ride along. We went on at least eight calls that night, and the one that sticks with me the most is the domestic violence arrest we made. It played out almost exactly as it had in the training scenario I had acted out earlier that day. I know that the officers were prepared for the call because they had trained for it before. Training is critical. However the various facilities the bureau used that day were inadequate and geographically dispersed, which deletes the impacts such training could have. I could not more strongly urge the city to invest in a new training facility for the Portland police bureau. The proposed location is ideally situated. It would allow many aspects of the needed training to be consolidated and easier to access. Our police officers have made the most of the current training facilities, but imagine how much more effective they could be with improved facilities, more space and more time to train. Thank you.

Fish: Thank you very much. Chief reese, could you come forward again with your team? Yeah. And a -- is mayor Adams intending to say something Karla? Or is he just listening?

Moore-Love: There's a mic over here, I'm not sure. Mayor, can you hear us?

Fish: He's listening, so -- we only have one item we're voting on today, which is 214. 213 and 215 go to a second reading. Questions and comments from the council?

Saltzman: Yeah, I have a question. I asked you this earlier. I guess I want to ask you again, chief, for your commitment --

Adams: Hello? I can hear you, yeah.

Fish: Ok, fine.

Moore-Love: We can hear you now.

Adams: I can't hear you very well.

Fish: Ok. We'll speak up.

Saltzman: Ok. So I'm asking you, chief, for your commitment that you will not seek other general fund revenues or rate payer revenues, i.e. water and sewer, to construct -- to acquire, renovate, and operate this facility. I'm asking you for that commitment on the record.

Reese: Yes.

Saltzman: Ok. Thank you.

Fish: I misspoke. We're going to even -- we're going to put the resolution over to next week, too, so we can vote on the whole thing as a package. Other questions and comments?

Fritz: I don't understand the answer to the question, because it's my understanding that it does --

Adams: Commissioner Saltzman just pledged rate payer revenue to the project? [laughter] I object.

Saltzman: Ok, good. That's what I wanted to hear.

Fritz: But it's a revenue bond so it does --

Leonard: No, he's talking about water bureau funds.

Reese: Water bureau or bes.

Saltzman: Well, or if the project goes over budget, any additional general funds. So I got the answer I needed.

Reese: We will meet our obligation council.

Leonard: You control Environmental Services, I have charge of the water bureau, we're not paying any of that money.

Mike Kuykendall, Portland Police Bureau: Right, none of those will go towards the acquisition or construction of the project.

Saltzman: Or operation.

Reese: Yes.

Saltzman: Yes.

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Kuykendall: Yes.

Fish: Other questions and comments? So –

Leonard: Can they have lunch in the lunch room there on their lunch break? [laughter]

Fritz: I have a question.

Reese: The water bureau can use our facility.

Leonard: Thank you.

Fritz: So since the officers will not be driving all around the tri-county area, will there be more training time?

Reese: Yes. Currently, in this year's in-service, we have to take an extended break at lunch so that officers can actually commute 28 miles through the downtown core area from north Portland where wapato is located to the range in sherwood, so you can imagine the time that takes.

Fritz: So have you figured out if -- what's the annual in-service training time for the police officers now in terms of hours?

Reese: Yeah, we spend at least 40 hours at in-service every year.

Fritz: And do you have an estimate of how many hours it will be after this facility is up and running?

Reese: Well it would still be 40 hours, but there would be increased training time, because we have to build in commuting time currently into that 40-hour schedule. The -- it varies years to year.

We've been in canby, having to drive there for the range at one point. A, you know, we use facilities wherever we can find them in the metro area, so really it varies every single year.

Fritz: so currently we don't actually get 40 hours of training because some of that is travel time?

Reese: Correct.

Fritz: Thank you.

Fish: I think that concludes the discussion. Mayor Adams will be back next week when we take the vote, and we'll have -- all have a chance to make statements. Thanks to those of you who joined us today who may not be able to join us for next week. I don't think there's a lot of drama around this vote, but we appreciate now – but we appreciate you coming in, and we'll have the votes on these matters next week.

Reese: Thank you for your time.

Fish: We are now about to start our regular agenda. I'm going to ask that we take a three-minute recess, a compassion break. And then we'll take up our regular agenda.

Fritz: President Fish are we not going to vote on 214?

Fish: No. The mayor has asked that all three matters be put over until next week.

Fritz: Ok, thank you sir.

At 11:56 a.m., Council recessed.

At 12:04 p.m., Council reconvened.

Fish: Ok. [gavel pounded] Council will please come back to order. Karla, we're now moving to the regular agenda. Would you please read item 234.

Item 234.

Fish: Commissioner Dan Saltzman.

Saltzman: Well thank you Mr. President. It's a pleasure for me or for commissioner Fish and I to bring this resolution forward on behalf of the home builders association of metropolitan Portland. As we all know, our economic recovery is fragile and housing development is key to that recovery. We are seeing strong growth in development of multifamily housing, apartments, and some commercial, but this is not correlated to a strong uptick in the new single-family home construction, and, in fact, this industry still remains, as I would characterize it, decimated from the most recent statistics i've seen. The reasons for this are myriad, and anything this city council can do to help

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spur new single-family home building benefits all of us in the long run. To that end, this resolution directs the infrastructure bureaus to modify current system development charge deferral system, to accommodate more single-family home construction. System development charges or sdc's are incredibly important to the sustainability our city's infrastructure. Without them, our pipes, roads, and parks would be in much worse shape than they currently are. But it's also become apparent that, in this time of tight credit, banks and private investors are not funding soft costs such as design and architectural services or public fees and costs like system development charges. This modification of the sdc deferral system will provide the needed gap funding until the home can be sold and the developer recoups his or her cost. I urge council's support for this simple adjustment, and my policy manager, matt Grumm is here to answer any questions. And I will just conclude by saying we spent a lot of time talking about how we need to help small businesses. Nothing epitomizes small businesses to me more than contractors who do new single-family home development. Almost without exception, they are small businesses.

Fish: so we'll now turn it over to – well I'll give my opening statement as a closing statement, since we don't get Matt Grumm very often colleagues, I'm going to suspend the rules, you can ask him on any subject that you may have concern about. Commissioner Leonard why don't you tee up?

Leonard: Even the new restaurant that opened across the street? Have you found out about that yet Matt?

Matt Grumm, Commissioner Saltzman's Office: I have, I have commissioner. [laughter]

Leonard: I didn't see you there the other night.

Fish: Questions for matt? Karla, how many people have signed up to testify?

Moore-Love: Four people signed up.

Fish: Ok. Thanks Matt. We'll bring you back if anything comes up. And we'll go to testimony now. Good afternoon.

Justin Wood: Yeah, I guess I have to change that, it's not morning anymore.

Fish: Justin do you want to kick us off?

Wood: Yeah. Good morning – or good afternoon commissioners. I'm justin wood with the Portland home builders association. I want to thank all of you guys for helping us on this and specifically commissioner Saltzman's office and matt who helped me come up with a resolution on this and to try to find a way to kind of help spur single-family home development. As you already said, the soft costs are a large part of what we have to come up with to build a new house, and sdc's have grown to a point in a lot of starter homes where they approach 10% of the cost just to build the house. And so when you start calculating it, you know, how much of that has to be put out-of-pocket to build the house and you start adding up how many houses you can build, it only take's a couple before you have the capital available to you to build another house or two, and that translates pretty quickly in terms of jobs and economic development in the city. If you can just get several more houses going for each builder over the course of a year. And I think you know that most of us are all here to support it, and we have several other members here that showed up to support, but in the interest of time they're just going to let us talk for a little bit. One of the things that I want to just make sure to point out -- and I haven't mentioned this to commissioner Fish's office yet, but we want to make sure that we work with the housing bureau as well. Because a lot of us use the sdc waiver program for lower income families. Currently the waiver program doesn't work with the deferral program. You have to apply for waivers prior to building a house to determine. And if you defer -- you can't defer them if you've done – if you've already applied for the waivers. And so what happens is you basically have to prequalify the house, if you will, for waivers and then, at the end of the project, determine whether or not the buyer actually qualifies. So if we can get the housing bureau to work with this deferral program so, that you can actually -- if you defer the sdc's to the end of the project, then at that point, if you have a qualified buyer, you just apply for them and you don't have to go through, basically, the prequalification on that so –

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Fish: I appreciate you're raising that, and I think what we decided was we'd do this in a two-step basis. So today we'll take up this resolution, and we would be happy to work with you and commissioner Saltzman and both housing and bureau of development services to see if we can work that issue out too.

Wood: Great. So I – in closing, I just – yeah, we strongly -- the home builders association strongly supports this, and it's our hope that we can use Portland as a model to go to some of the other jurisdictions as a way to do this with the – to help the cost of the sdc's for the builders and developers in the region. Thank you.

Fish: Thanks very much. Ma'am?

Laurie Butler: Good morning. I'm Laurie Butler, and I thank you for taking this under advisement and hearing us today. I just want to say that, on behalf of the home builders association, of which I am a member, and someone who works with many, many of the in-fill builders here in the Portland area that I have seen what they have gone through in these economic times, and many of them have just struggled to keep their head above water. Many of them as you know; have not kept their heads above water. This will be a great help to these in-fill builders to be able to use that money in another arena and defer the payment of it for 18 months. So thank you again both on behalf of the hba and the in-fill builders.

Fish: Thanks for joining us today. Sir?

Scott Collins: I'm Scott Collins. Forgive me, I'm a little nervous. I'm not used to wearing clean clothes. [laughter] I'm a small, small builder, and I've only been in business since 2008, so I really haven't seen any good times. It's been a tremendous struggle just to keep my head above water. I think I paid myself \$8000 last year, so you know; this is not – this affects everybody in the community. I've been struggling incredibly, and one of the results has been a loss of my personal credit which I used to -- I would intend to use and I've worked with my bankers. They just can't seem to come up with financing, so I'm forced to go to private financiers, which you know, some people call them loan sharks. It's a very expensive way to do business. And I did some quick, simple math, and I figured that this resolution would save me an additional \$1,594 per home. And if I did eight homes a year, it would actually enable me to do another project. Which -- that amount of money would otherwise go to this financier or other private investors, and the money wouldn't be used to circulate throughout the local economy, so in other words, the money's got to go someplace. And instead of going into the pocket of investors, I would use that money to create more jobs and develop the city. So that's really my only point I had to say, was that.

Fish: Thanks very much. Jeff Fish, no relation?

Jeff Fish: No relation that we know of. Good afternoon, commissioners. Very good summary, commissioner Saltzman about where this interest rate is and has been. I was going over some numbers about two weeks ago from a duplex built in 1975 when the plan check fee was \$17 and the building permit fee was \$60 and we had no sdc's. Now the sdc's are a little over \$17,000. And for a single family, somewhere, depending on permits, \$8,000. For guys like Scott down here, it's really tough, as he mentioned, for those guys that come in to the business. It's tough for those of us who have been in the business for 40 years. In 2008, we had five lenders. Four of those went away. We have one and we're one of the few builders in town that have one. Most of the people or a lot of the people are getting, as Scott mentioned, hard money. We're not out of the tough times, we're a long ways from being out of the tough times, so this can really help in my opinion. I sit on drac. We reviewed this resolution at drac. There's been some minor word changing, I think, but for the most part drac was supportive of it, so I would appreciate your affirmative vote. Thank you.

Fish: Thanks very much. And since you mentioned there are other people here who are not testifying but are in support of this, could you raise your hand if you're here to support the measure? Thank you for your time. Anyone else who's signed up to testify?

Moore-Love: That's all who signed up.

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Collins: Thank you.

Fish: Further council discussion? It's a resolution. Karla, would you please call the roll?

Fritz: I'm very pleased to support this resolution and commend commissioner Saltzman. I think it's less than three months since Justin Wood of home builders and I had a conversation about this. And Matt Grumm has done really great work in getting it to the council in probably record time. Even going through the development review advisory committee too so that all of the i's have been dotted and t's have been crossed. We will be getting a further resolution coming back I believe, for the changes to implement it, but I appreciate your willingness to engage and look at the details of how we make this work better for everybody. I'm glad that we're going to be supporting small business and construction at these very difficult times. Aye.

Saltzman: Well I want to thank the home builders. I want to thank Scott in particular. You did a great job of articulating exactly how this deferral of SDC's can help spur hopefully your business to more projects. So thanks for dressing up for us and doing a good job of testifying. I also want to thank Matt Grumm in my office. As commissioner Fritz said, you know, it's often frustrating to have ideas and to sort of run into roadblocks. Matt did run through those roadblocks, and I also want to thank the bureau of development services for helping us to achieve this, and the development review advisory committee's support was essential, too. Pleased to vote aye.

Leonard: Good work. Thank you. Aye.

Fish: I'm happy to join my colleague, commissioner Saltzman, in co-sponsoring and supporting this resolution. Thankfully, as has been noted, we're beginning to see some signs of a recovery in our local economy but, as Jeff said, we have a long way to go. In the short-term, this change is – this change in how we collect SDC charges I believe is a reasonable and revenue neutral from the city's point of view step to encourage the development of more single-family homes. And if we can get more projects under way, then we are helping to create more family-wage construction jobs and expanding the dream of home ownership for more of our families. Those are great goals. I want to thank the home builders and Justin Wood for their good work on this issue, my colleague, Dan Saltzman, and Matt Grumm and my colleagues for their support. Aye. Resolution passes. [gavel pounded] Congratulations. [applause] Karla, could you please read item number 235. And is there someone here from the mayor's office to present on this?

Item 235.

Fish: Is there anyone here to present? I could set this over till next week or we could take it up.

Leonard: I mean I'm prepared to vote.

Fish: Alright, Karla would you -- this is an ordinance, so it goes to -- oh, it's an emergency. Karla, would you call the vote?

Moore-Love: And no one signed up to speak.

Fritz: So this is a \$1 million grant for the regional clean tech advance project, and it has two priorities, commercialization of technologies into new products in the region's high growth clean technology cluster and the integration of the region's traditional manufacturing industries into fast-growing clean-technology sectors. The ordinance authorizes an IGA with Portland Development Commission for joint management of the grants and the projects it's clearly in line with our economic development priorities and is being matched with another \$1 million from the Portland Development Commission. I appreciate the work -- the mayor's office's work on this. Aye.

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

Fish: Aye. The matter passes. [gavel pounded] Karla could you please read 236?

Item 236.

Fish: Do we have anyone from bureau of transportation? I think a -- let's pass on this.

Leonard: The cat's away, the mice do play? [laughter]

Moore-Love: He just got here.

Fish: Here we go. Andrew. You certainly know how to make an entrance.

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Leonard: Yeah.

Saltzman: Terminating an LID?

Fish: Andrew what would you like to tell us about this one?

Andrew Aebi, Bureau of Transportation: Andrew aebi, lid administrator. You have before you a resolution of intent to terminate lid formation proceedings. We had 2% petition support, 57% waiver support. So based on that low level of petitions for the recommendations -- excuse me. A little out of breath here -- the recommendation is not to move forward with the lid.

Fish: Questions or comments from the council?

Fritz: So is there anybody that's still anxious to do it?

Aebi: Well, it would be a good project if it had stronger support, but --

Fritz: Let me rephrase that, are there any neighbors who are anxious to do it?

Aebi: Just the 2% that signed up.

Fritz: Thank you.

Fish: This is a resolution -- Karla anyone signed up to testify on this?

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

Fish: Is there anyone here who wishes to testify on item number -- resolution 236? If you'll please call the roll?

Fritz: Andrew, as usual, I appreciate your diligence on this and the recognition that a project that costs \$1.6 million is a really significant impact for homeowners at these particularly difficult times. So although I also appreciate the work of the staff in putting together a good project, I hope it comes back in the future so that designing work hasn't been wasted. I do concur that it's not the best time to move forward. Aye.

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

Fish: Aye. [gavel pounded] The resolution is adopted. Thank you, Andrew. Karla, could you please read number 237?

Item 237.

Fish: Welcome to council ladies.

Courtney Duke, Bureau of Transportation: Thank you.

Theresa Boyle, Bureau of Transportation: Thank you.

Fish: What do you have for us?

Duke: So I'm Courtney Duke with the Bureau of Transportation in the Transportation Policy Section. And I have Theresa Boyle here from our Project Management Section. Art Pearce has been the project manager working with Trimet. Theresa has been as well, but on this particular part of the project and art, I believe, is with the Mayor in Washington, so Theresa is here to answer some questions if needed about some of the specifics related to the project. What we're here to do today is a very narrow-focused update of the transportation system plan which is a part of the city's comprehensive plan. We are trying to make sure that our policy document, which is the transportation system plan, is in alignment with the project as approved and as being constructed and being designed. There were a number of other projects that came to council in the past as resolutions related to new water avenue realignment, the Clinton to the River Multiuse Path, the North Macadam Transportation Development Strategy, and the South Waterfront District Street Plan. So we're basically combining all of those recommendations from the resolution into one package to actually amend the transportation system plan, so the document in the next couple weeks will reflect these street classification changes which are policy-related classification changes as well as alignments to the street since we're moving some streets, mainly Water Avenue, and then again some stuff related to the Master Street Plan. This is all to be able to implement the light rail, the light rail bridge as well as construction on both the east and west side of the river. All of these projects are supported in our city's existing transportation system plan in terms of projects. It's in our regional presentation plan. We were given federal funds, and then again this land use final order through the region to spend

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those funds and build the project as designed and as outlined in the lufo, as it's called, land use final order. We feel we've met the criteria of the local, state, and regional criteria in our ordinance. We went to planning commission and have a letter of support from planning commission. Our public involvement, there was extensive public involvement in the four projects that came before you in the past, so there were citizen advisory committees, public outreach, open houses as well as a vote here. And then for our little project we had an open house in september and then again we were at planning commission in December, is I think when we got bumped to December, yeah. And then just quickly, for anyone who's following anything related to the comprehensive plan or the Portland plan amendments, this is outside that comprehensive plan in what we call periodic review because it's a specific action to implement the federal order, so that's why it's a very narrow focus for these projects rather than opening it up to other projects. We are having an update of the cities comprehensive plan, and the transportation system plan. We're looking at a december, 2013 deadline for that so in case there are any questions about how this fits in. So again, we have some minor amendments to the maps and some classification changes and some project descriptions that will hopefully be reflected in the comp plan once you approve it. So I think that concludes my remarks.

Fish: That just won the award as the most succinct presentation on a complex matter in recent memory.

Duke: Thanks.

Fish: Questions from my colleagues?

Fritz: I also particularly appreciated the public involvement statement and the public process that you put together. Was there any controversy in this?

Duke: No. I would say the only questions really were why weren't we doing a larger update. There's a lot of projects out there related to bike plans some stuff in Portland, couldn't we add that? And we really had to have it be a narrow focus to this particular project, but we were able to get more input about those other projects and what people are interested in for when we do the update.

Fritz: Thank you.

Fish: Thank you very much. This is an ordinance. And it will go – excuse me, did anyone sign up to testify?

Moore-Love: No one signed up.

Fish: This matter goes to a second reading next week. Thank you both.

Duke: Okay, great. Thank you.

Fish: Karla, would you please call the vote on 238, second reading?

Moore-Love: Read the title?

Item 238.

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

Fish: Aye. We have one more matter. This is item 221 that was pulled. Would you please read that for the record?

Item 221.

Fish: Do we have someone here from --

Saltzman: Actually, president Fish, i've discussed this with Portland streetcar in the intervening council meeting we had earlier today, and I no longer have any concerns about this. So, I told them they could go.

Fish: This is an emergency ordinance. Karla please call the roll.

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

Fish: Aye. The matter passes, and we are in recess until 2:00 p.m.

At 12:26 p.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

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Fish: We're back from our recess. Karla, please read the roll.

[Roll]

Item 239.

Fish: We have a quorum. We'll invite our honored guest forward. Before we start with your presentation, I will invite opening remarks from any of our colleagues. Commissioner Saltzman?

Saltzman: Thank you, mr. President. It's great to finally have our first report from our newly created technology oversight committee or the toc as its become affectionately known. I know council will be impressed with the organization and diligence that have occurred in the past few months as the toc has got up and running, and we'll hear from staff about how they're organized. We'll hear how multiple projects have been progressing. Something else that has come about due to council's creation of the committee is the information technology coordination that is now happening with all the disparate and far-flung agencies that we oversee. I know that was an unintended but greatly appreciated benefit of creating this technology oversight committee. As all of us are keenly aware, the mentality that can overtake our bureaus and city government can exacerbate that dynamic if we're not careful. With creation of the technology oversight committee, no longer can technology remain unobserved. The staff now has a formal way to examine all the projects happening and to make sure appropriate oversight exists depending of course on the level of risk. I want to thank jack and mark and celia and dan for your great staff work on this and of course a huge thanks to our technology oversight committee members. These folks hit the ground running, and i'd argue it's one of our hardest-working citizen committees. Thank you for your service, and I look forward to hearing more.

Jack Graham, Chief Administrative Officer: Good afternoon. I'm jack graham, chief administrative officer for the city of Portland, and today I have with me mark greinke as the city's chief technology officer and celia heron who has the staff report for the committee along with three of the five citizens that actually serve on the technology oversight committee. It's ken neubauer, ben berry, and dave lister. I'm very pleased to submit the first quarterly report of the technology oversight committee to council. This committee was created as directed by council, including establishing the five-member committee supported by the office of management and finance, requiring quality assurance consultants on all major technology projects and also providing project management assistance. Also as directed by council, the technology oversight committee is preparing ongoing quarterly reports and will be coming back before you in the coming months with a work plan that will outline the work they're going to be accomplishing over the years. This first quarterly report actually does two things. The first thing is summarize the creation and development of the oversight committee, and it also provides an oversight of the technology project the committee is currently overseeing. My comments today will be very brief, because I think you will want to hear from the chief technology officer of how he's coordinating it, the citizens and the work that they're doing and the work that they feel is a positive, and also from the staff here, celia heron. Being a support person for this committee, she's provided a tremendous amount of coordination for this committee. With that, i'm going to turn it over to the chief technology officer,

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mark greinke, to elaborate a little more on what the committee is doing and what the organization is doing.

Marke Greinke, Chief Technology Officer: I am pleased to note now the city has in place much stronger controls and accountability for technology projects. The bureaus now need to identify their projects while still in the conceptual phase and more rigorously consider risk and impact in these technology decisions. Most of the reports are now presented to the committee to discuss project progress and any issues or concerns. An assigned quality assurance person now provides direct and unfiltered information back to the committee. The bureau staff is accountable to respond to these quality assurance reports as well as any of the committee's questions, concerns, and recommendations. As chief technology officer, I work closely with the committee members, my own staff, a staff for the project in city bureaus in order to ensure we're following best practices in the management of complex information technology initiatives. City bureaus have been very supportive of these changes and are also learning firsthand several key important lessons. Projects, time lines, expectations, budgets, they need to be realistic and allow for inevitable bumps that come along the way. Lastly, complex technology projects require very long executive leadership and sponsorship to make them successful. I also appreciate the staff support we've been provided by celia heron, abby coppock, and dan bauer, and more importantly I sincerely appreciate the active engagement and participation and thoughtful discussion we've had from our committee members. With that, i'd like to give them an opportunity to say a few words, thoughts, and feedback to our council.

Ben Berry: I'm ben berry. I'm a representative from dan Saltzman's organization. And we've been working as a team -- a collective team -- for about nine, 10 months now. The first part was the process development of how we were going to operate as a team and document that process. One of the members, myself, participated in the q. & a. Vendor selection process that we got down to six vendors that we brought in for q.a. Analysts. Primarily we've looked at projects from a budget standpoint, from a schedule standpoint, and also from a scope standpoint. Most of the time we talk about budget and schedule, we're talking about what was planned in terms of that project and where are we? What is the actual schedule and where have the actual dollars been spent? Then we get into conversations if it's on schedule, off schedule or there's some issues that the committee needs to take a look at. I tend to think we look at two areas of are we doing things right in i.t. Given the projects we're being presented with but also are we doing the right things with regard to the projects? With that, i'll turn that over to my colleagues.

Ken Neubauer: Ken neubauer. I'm commissioner Fish's representative. We all bring different strengths to the table and debate the different aspects of a technology project and where it's going and where it should be going. I think we've had a high degree of success. Seems like the projects we've dealt with so far have been on the right track, and I think they're moving forward in the right direction.

Dave Lister: I'm dave lister. I want to thank you first of all for forming this committee, and I want to thank commissioner Leonard for my appointment. I think ben has pretty well described how it's going, and it's going very well. I've been very pleased and privileged to be able to serve. It's been a little overwhelming for me. I've got mbas on my right and ph.d's on my left, and here I am the kid from cleveland high. I really would not thank the staff, mark and celia and dan and all the people i've worked with here. They're professional. They're dedicated. I've had the pleasure to go on two field trips in my capacity of serving on the toc. I saw the bureau of developmental services' permitting process systems, looking at their needs in that area. More recently, I toured the water bureau payment processing office to see how they handle all that stuff. And not only was I extremely impressed by the technology, but i'm more impressed by the people. Portland is blessed to have some really, really good people. They're dedicated. They're committed. They're professional. And they're really the ones that make the city that works work. You should be proud

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of all of these folks. We're trying to walk a fine line. It's hard for me. Between oversight and advisory. I have my own views about how things ought to be done, and that's not necessarily how things are to be done, but I think we're asking good questions. I think we're looking in the right areas, and we're all from such different backgrounds that you've got five folks that are looking at these things from a different perspective and narrowing in on the core issues. So I think it was a good thing to create this committee. And other than being terrifically underpaid, I think that it's a wonderful thing for us, and we appreciate it. Thank you.

Celia Heron, Office of Management and Finance: My name is celia heron. I'm with the office of management and finance. A couple things i'd like to talk about, and then i'm going to shift from the oversight structure we've created at your direction to the actual projects. I was here for the conversation back in february when you had the resolution. As jack and mark have talked about, we have some systems in place where we're catching being notified about projects that previously we might not v and I believe, commissioner Fritz, it was your suggestion that all the projects that we know about that the stu is considering as technology processes get funneled through a process where there's an evaluation by the bureau director and then reviewed by mark and occasionally jack as a tiebreaker as to whether that project warrants toc oversight. So it wasn't just staff saying these are important. Look at these and don't look at these. It was that transparency you asked for so we have a process where analysis is being done at the bureau director level saying, yes, this warrants because of the risk or because of the public profile or because of the criteria. I just wanted you to know that was in place as part of the process. I also want to mention the two members who are not here. Doretta schorek who I believe, amanda, was your appointee. She's recovering from knee surgery, so she's better off at home. And the mayor's appointee, Wilfred pinfold, also couldn't be present, but thanks for their appointments, and they've been active as well. And so, with that, I will talk a little bit -- and in the report you have a very high-level summary of the three projects that, as of december last year, which is the end of the period we're reporting on, the toc had overseen. We have staff in background here in case you want to talk about -- pull them up and get into the details. For the itac project, we have richard and kim from the Portland housing bureau's project, allison and antoinette. And then from the storage area network project and bts, end will you and carol. So they are here in case you have questions, but I will take a stab at the high-level summary. So the first project that came before the technology oversight committee was the itac project. The information technology advancement project which got forward very early on. And true to the request of the council, this was an example of getting involved very early? The stages where there is essentially a reset of the projects, and the toc citizens were able to work with the city staff and actually look at the draft rfp and have input on that request for a proposal. So their input as well as the quality assurance consultant's input went into that early-stage process. And while the rfp has actually hit the streets, back in december it hadn't. It was a plan. But we are going forward, and we expect, I think, early april responses to that. I think this again is an opportunity where toc was able to weigh in on an extremely large project, raise good questions about the risks and offer ideas. Again, the balance these guys are challenged with is the advisory and project management versus the oversight, but they're able to raise really good questions, and staff have been very responsive in getting that information. I think that's all I want to talk about on the itac. The next one is the affordable housing software project from the housing bureau. That's a shift from an old system to a new one. At this point, a vendor has been selected, so they've already gone through the rfp process, and they have already got a q.a. Consultant onboard. Part of the requirements of the city's technology project oversight is getting that external expert there as another voice to keep the project on track, to advise the staff, and as well to advise the toc. So there are concerns at this point, the concerns that have been raised and I believe shared somewhat with the staff as well, is that particular project, much of that contract is billed on a time and materials basis, and the nature of time and materials projects like that is you have an inherent risk of budget overruns, so it depends

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on how well they've calculated how long it's going to take to do a particular task. Portland housing bureau is aware of this and, in response to mitigate bad risk, they're planning on minimizing any kind of customization. They know where the risk is. They're doing what they can. We're all hoping for the best, but they're taking appropriate action, and I think the toc has been advised the same on that. Another risk to the budget relates to the cost of converting old data again in those time and materials issue. If you're taking old data, it takes a lot longer to convert it than you thought it was going to be, you're running a risk to the project, potential delays. PHB is taking on the conversion through their staff rather than through their vendor contract, so they're being responsive. They're looking ahead to what the potential problems are, and they're coming up with solutions that are viable. At this point, we see no major problems with the project going forward. And the final project is one of bts's own and on behalf of the city, the storage area network project. It was sort of back in 2005 bts took this on basically to look at more capacity for the electronic data storage. And guess what. It keeps going up and up and up, so at this point we have to look at more capacity as well as maybe a new way of structuring it. I'm not a technology person, so i'm not going to say it right, but they need a better structure, and hopefully lower operating maintenance costs. So, again, there's a project manager assigned. The contract is almost complete as of back in december. But there is also, because of a timing issue, a task order issued for urgent data capacity. It's kind of like we have a longer term solution, but we also see there's a problem right here, so there's a short-term fix we're taking care of as well as a longer term structural effect.

Saltzman: Is there independent quality assurance?

Heron: As of december, no, but we are proceeding with that, yes. Efforts have been made. I think we're at the stage of --

Greinke: We've selected a vendor.

Heron: This will be the first one that has drawn from the pool of quality assurance contractors that we have on hand, so we've made it even easier for the bureaus to come forward if they don't have a q.a. Consultant on hand. We've got six available contractors. Ironically, perhaps the biggest challenge that we faced with the storage area network project has to do with mother nature in that it seems like quite a few of the world's production of hard disks was in thailand where they were hit with serious flooding. And when you have all your eggs in one basket, suddenly the factories are gone, and we have got serious delays about when they'll be back up and what does that mean to the cost. So not much we can do about that other than to watch and monitor, but there are things that we cannot control. Any project questions of me who knows this much or those guys who know a lot, I would open it for you.

Fish: I'll start. First, I want to just publicly acknowledge and thank ken for the interaction with my office. We're kind of finding our way through how this process works, and i've been delighted -- first of all, I have a secret I need to disclose. We only choose people from the standard insurance for this assignment, because jim blackwood, who's here, used to be the head of the i.t. Department at the standard. There was a small group of people we considered for this great appointment. What I really appreciate is the fact that my appointee has come briefed me and given me regular updates independent of what we get from your good work, and that's above and beyond, and really I thank you for that. Second, I just want to say that, in my regular check-s in with my bureau director, i've been getting reports on this process. I'm not really that conversant in technology issues. We're going through a pretty significant change right now, bringing data over from the Portland development commission to the new housing bureau. It involves a technology change and some new software. It makes everyone a little nervous. And the fact that we have this oversight process in place where you're flagging the tough issues and engaging alissa and her team in problem solving is very reassuring. And I know from some of the feedback i've gotten that you're very much involved in the details of making sure this works, and that's what we need to be successful. Tough love, asking the tough questions, making sure we get answers back. And when I saw the color-

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coded chart that shows sort of where we are and then I looked at your report, I was encouraged that we are heading in the right direction, but it's a successful collaboration. We have a high degree of confidence with alissa's team and not just jack, because she came from the fire bureau. [laughter] but also because of the interaction with you folks and what you're doing. So we're not at the finish line yet, and so we have to stay at it. But assuming, as I do, that this ends up being a successful conversion process where we successfully implement this new software, I can say without any equivocation that your role has been and will continue to be critical in making sure that this goes well. I just want to say "thank you" from the leadership team at the Portland housing bureau and from my point of view. We really appreciate what you're doing, and it is already obviously bearing fruit from our point of view. So thank you.

Saltzman: Well, I just wanted to also thank you, and we will be doing this quarterly now, so you'll be coming back each quarter to talk about projects, and I think that's part of the intent of the resolution is to keep the full council informed and engaged. I think your debut has been fairly painless. [laughter] hopefully you won't dread the next one, too. If there are things we need to know about, we expect full candor on everybody's part. I do think the fact that we have developed a roster of independent quality assurance consultants that we can draw from or prequalified is a good thing, should make it less painless for each bureau that needs to have an independent quality assurance expert. I just want to say "thank you" and keep up the good work, and I really appreciate all the time everybody's put into it.

Fish: Do we have people who signed up today?

Moore-Love: No one else signed up.

Leonard: I'm just trying to get dave lister to write something nice about the city in the "oregonian."

Saltzman: He can't confuse his rolls.

Fish: Before you came, he said he was grateful for all the story ideas you've given him. [laughter] I think the remaining formality is for us to accept the report. Is there a motion to accept the report?

Saltzman: So moved.

Fritz: Seconded.

Fritz: Thank you very much for your service. Something that my office is starting to work on is a 3-1-1 computer system which I expect you'll be very much involved in even before the conceptual stage. I will want your input. We're not proposing to move forward with it in the current budget climate, but we think now is the time to start thinking about that, so that is something i'll want each of your advice and guidance on. I appreciate having your volunteer work. You're right, dave, that this is expert work that, if we had the money, we'd like to be paying for. But it's now volunteer work. Thank you for being willing to serve. Aye.

Saltzman: Again, thank you all for your service, and we appreciate it very much. Aye.

Leonard: Thank you. Aye.

Fish: Again, thank you to the committee. Ken, thank you for your service. Alissa mahar and antoinette pietka, thank you for your good work. Jim blackwood, thank you, and we look forward to continuing to see this process evolve, and we're again grateful for the oversight you're giving us during our affordable housing software conversion. Aye. Council is adjourned.

At 2:30 p.m., Council adjourned.

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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.

MARCH 8, 2012 3:00 PM

Fritz: This is the 3:00 Time Certain for the Portland City Council. Mayor Adams is on city business in Washington DC and commissioner Fish has an excused absence, so I, as the immediate past president will be presiding today. Karla please call the roll. [roll]

Fritz: Please read the title for item 240.

Item 240.

Fritz: This is a quasi-judicial hearing and so the city attorney will tell us the procedure for today.

Kathryn Beaumont, Chief Deputy City Attorney: Good afternoon. I have several announcements I'm required to make by state law concerning the type of hearing we're having today, order of testimony and guidelines for presenting testimony. First, this is an evidentiary hearing. This means you may submit new evidence to the Council in support of your arguments. Second, in terms of the order of testimony today, we'll begin with the staff report by bureau of development services staff for approximately 10 minutes. Following the staff report, the city council will hear from interested persons in the following order. The appellant will go first and will have 10 minutes to present the appellant's case. Following the appellant, persons who support the appeal will go next. Each person will have three minutes. The principal opponent, in this case the applicant, will have 15 minutes to address the city council and rebut the appellant's presentation. After the principal opponent or the appellant the council will hear from people who oppose the appeal—that is people who support the appellant. Again, each person will have three minutes. I'm sorry, let me be clear. After we hear from the supporters of the appellant, we'll hear from the applicant, then supporters of the applicant. Each supporter of the applicant will have three minutes and then finally the appellant will have five minutes for rebuttal. The council may then close the hearing, deliberate and take a vote on the appeal. If the vote is a tentative vote, the council will set a future date for the adoption of findings, and a final vote on the appeal. If the council takes a final vote today, that will conclude the matter before the council. Finally just some reminders and guidelines for those people presenting testimony today. First any letters or documents you wish to become part of the record should be given to the council clerk before you testify. Similarly the original or copy of any slides, photographs, drawings, maps, videos or other items you show to the council during your testimony including power point presentations should be given to the council clerk to make sure they become part of the record. Second any testimony, arguments or evidence you present must be directed toward the applicable approval criteria for this land use review or any other criteria in the city comprehensive plan or zoning code that you believe apply to the decision. BDS staff will identify the applicable approval criteria as part of their staff report to the council. You must raise any issue clearly enough to give the council and the parties the opportunity to respond to the issue. If you don't you'll be precluded from appealing to the land use board of appeals based on that issue. Finally, if the applicant fails to raise constitutional or other issues relating to proposed conditions of approval with enough specificity to allow the council to respond, the applicant will be precluded from bringing an action for damages in circuit court to challenge the conditions of approval. One note I want to make today is we have three members of council present, rather than five. In order for the council to take any action today, it requires three affirmative votes. So any motion that is made, requires three votes in order to pass. A 2 to 1 vote

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on a motion simply means the motion fails. The alternatives available to council at that point are to propose another motion that may garner three votes, or if the council is unable to resolve this appeal today, to continue it to a future date when there are more members of council present who can participate after reviewing the record of this hearing. That's all I have.

Fritz: Thank you. I notice that we don't have Portland community media on. They were here earlier. Is that a problem in terms of the record? We do have audio as well, so we can proceed? Great. Thank you, Kathryn. So now we have our staff report.

Beaumont: Commissioner Fritz, before we do the staff report, I think we need to inquire about conflicts of interest and ex parte contact.

Fritz: Thank you for reminding me. Does any member of the council have a conflict of interest to declare? Does any member of council wish to declare any ex parte contacts? I will say that my staff has spoken with members of the public, but I have not. Does any member of the audience wish to question the council on ex parte contacts or conflicts of interest? Thank you. Now we're ready for the staff report.

Sylvia Cate, Bureau of Development Services: Good afternoon. I'm Sylvia Cate, the assigned planner for this review. Before I get started, the applicants have come to me and requested a consideration of postponing this hearing to a time certain when there is a full council available and present. I wanted to put that out to you immediately for your consideration.

Fritz: I think given that everybody's taken the time to come to city council today, as the city attorney suggested, the other members of the council could review the record unless either of my colleagues would prefer to postpone.

Saltzman: I'm more than happy to postpone it.

Leonard: If either of the parties feel they want the whole council here, I don't object to that.

Fritz: It seems that people took the day off to come down here today. Another option we could do is continue the hearing, if it doesn't appear we have consensus.

Beaumont: At the outset, your options are either to postpone the hearing in it's entirety and set it over to a later date, as currently the applicant has requested. The other option is to conduct the hearing today, hear testimony today and continue the hearing for decision making to a future date.

Fritz: This appeal is by the appellant, so I'm wondering what the appellant's feelings are about if we hear it today or not.

Beaumont: Right. You might want to hear from the appellants before you make a decision.

Fritz: Would the principal appellant come forward please?

Bonny McKnight: Commissioners, my name is bonny mcknight, I'm representing the east Portland neighborhood association's land use and transportation committee who is the appellant in this case. I don't know. It's a hard thing to say, I know it takes an enormous amount of citizen time to even get this far. I think we made a good faith effort, believing it would be scheduled at a time when all the council was present. That's not the case, but it's through no fault of ours and most of us have personal lives that get in the way of a subsequent date, and we may even have volunteer efforts that will get in the way of that as well. It's whatever the sense of this group is, it would be an imposition on me, personally, I know that on behalf of the land use committee. Secondly it's an imposition on the people who need a resolution on this. And that's not just the applicants, but it's the people living in the neighborhood who are uncertain right now what's going to happen. And, Tom Lewis is chair of centennial, he's partisan to this, but not the person talking.

Tom Lewis: I'm tom lewis, chair of centennial community association, within the boundaries where the development will fall in the centennial neighborhood, and as far as the facts outlined in the centennial neighborhood plan that was adopted by council january 31, 1996, will speak for themselves, for, for evidence in this case, and so, I don't believe that things will change.

Beaumont: Your comments need to be confined to whether you want to postpone the hearings. Not to the substantive merits of the case.

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Lewis: I wanted to -- the effect of another trip in and some scheduling and things, such as that, matter, it is short of hardship. I think it's important enough that I will come to testify another time in necessary, and that's ok with me.

Fritz: Had you heard about the request for postponement before you got here?

Lewis: I had not, just a few minutes ago.

McKnight: The other question is, as to continuing anything, it's important if we're going to go for the entire council to be present, that the entire council hear it from beginning to end.

Fritz: Thank you. We'll have a discussion so you can return to your seats. Thank you. Colleagues?

Leonard: With three of us here, and the request, which was, I think, a legitimate request that, if we don't agree today, that the next council will hear this all over again, i'm a little reluctant to sit through this twice.

Saltzman: I would agree. I could see if we hear the evidence today and put off the vote until all five of us are here and the others would review the record, but, I think it's inconsistent with what the request is of the appellant. So, I think that that would mean we should err on the side of deferring this to a date when the full council is here.

Fritz: Karla, when is the next date that the full council scheduled to be here.

Moore-Love: For 90 minutes. We're looking at april 19. Because of the work sessions the first two weeks.

Fritz: Right.

Moore-Love: 2:00 p.m. on the 19th.

Fritz: Am I here on the 19th?

Moore-Love: Yes. I don't have any absences. That's a thursday.

Fritz: Yes, I know. I know there is one thursday I am scheduled to be out.

McKnight: Commissioner, if there is a conflict can we, as the appellant ask for a change of venue? I mean the problem here is these dates are locked in by the Council and then we may have other kinds of obligations that are in the way so it's really [inaudible]

Leonard: I don't have any objection to coordinating that.

McKnight: So all I want if flexibility. If this is a conflict I have no clue what my schedule is.

Saltzman: How about if we choose two dates, and can you decide among those two?

McKnight: That would be great.

Beaumont: Although if we are going to postpone this, we need to postpone to one date at one time, not two alternate dates.

Fritz: I'm wondering if we should at least hear the staff report, which our colleagues could hear, watch on video. Or do you just want to --

Leonard: If we are going to postpone it, we should just postpone it.

Fritz: Are you the applicant?

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

Fritz: Would you like to come forward? Could you state your name for the record?

Thomas Cutler: Thomas cutler, 5000 southwest meadows, suite 400, in lake oswego. Yeah, I guess my only concern asking for the postponement, it has to do with closing of the record for evidence, and oftentimes, maybe it won't happen, but oftentimes the council has a give and take. They have questions that he want to ask, and more input that they want from the applicant, or opponents, and it just seems for efficiency, that it would be best to postpone. We were hoping that it wouldn't be so far out as april 19. I don't know if there is another alternative date that's a bit closer. I do understand that there is a procedural question in terms of you cannot postpone it out for two alternative dates. But, I suppose that we could postpone it to the next closest date and if that is a problem, leave it open for a motion, you know, a written request or something from the, from the opponents for a different date. I know that I am, I will make myself available, and everyone from

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the applicant's group will make themselves available for the 19th if that's the earliest. But if there is any other special, you know, special sessions or special time that could be set for earlier hearing, we would, we would welcome that. Since that is more than a month, more than a month out. But, council knows the schedule.

Fritz: Actually, i'm not here for that 2:00 on the 19th.

Leonard: If your only purpose in asking for a postponement is that we might keep the record open, I don't know that's been generally been our practice. And --

Cutler: I guess, I guess, my thought was, it would be nice to have the full panel here, hear all of it, and if any one of you have questions or, you know, there is any give and take or exchange that needs to happen, just reviewing it later, you know, council members, only review the transcripts or the records, and the audio later, are handicapped in that process, and I would -- this is an important enough application for my client that we really would like the full benefit of, of everyone hearing it, and weighing in on it. And, and I guess that would be our position. We really would want to have it postponed to a time that everyone could hear it, and, and, and ask questions and respond to the evidence before it closes.

Fritz: I apologize for not filing the absence for the 19th of april. It seems far enough away.

Moore-Love: If the council wanted to bump one of the budget work sessions? On the 4th and 5th are the first days I show everybody in, the rest of march I have an absence on every Wednesday and Thursday.

Fritz: The budget can't get off schedule.

Moore-Love: I don't know if they would move to thursday morning, the 5th?

Leonard: We have bureaus that plan on the schedule.

McKnight: I just wanted to comment, a kind of undefined date leaving this room today when this might happen again.

Fritz: We won't do that.

McKnight: Thank you. But the other thing is, that, that, that -- it's inconvenient for the applicant, but this, in our view, this appeal is for a much broader issue that will be for many, many applicants if it is not heard correctly. So, if the 19th is, is the day, or isn't the day because you are shaking your head.

Fritz: I can't be here on april 19.

McKnight: Whatever day is the day, we'll do that day.

Saltzman: April 26?

McKnight: 26 is my son's birthday so that's a good omen, right.

Fritz: Is that ok with council? Continuing? Postponing? We have not started, continuing or postponing, kathyn?

Beaumont: I'm not sure since you have not heard any evidence, it matters which terminology you use. We are continuing/postponing it to april 26 at 2:00 p.m.

Fritz: And we'll need to hear all the legal advice again at that point anyway.

Beaumont: I apologize.

Fritz: So ordered, we are going to postpone/continue until april 26 at 2:00 p.m. Thank you, everybody, for coming down here today. I appreciate you working through this.

At 3:23 p.m., Council adjourned.