



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **29TH DAY OF JANUARY, 2014** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz and Novick, 4.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council at 9:30 a.m.; Karla Moore-Love, Clerk of the Council at 10:05 a.m.; Ben Walters, Chief Deputy City Attorney; and Mike Cohen, Sergeant at Arms.

On a Y-4 roll call, the Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
89 Request of Derenda Schubert to address Council regarding development of Bridge Meadows in North Portland (Communication)	PLACED ON FILE
90 Request of Ross McKeen, Oregon Children’s Theatre to address Council regarding the value of school field trips (Communication)	PLACED ON FILE
91 Request of Stanley Moy to address Council regarding Asian Pacific American Network of Oregon (Communication)	PLACED ON FILE
92 Request of Marilou Carrera to address Council regarding Asian Pacific American Network of Oregon (Communication)	PLACED ON FILE
93 Request of Moses Ross to address Council regarding sale of the Freeman Water Tower (Communication)	PLACED ON FILE
TIMES CERTAIN	
94 TIME CERTAIN: 9:30 AM – Declare certain City-owned real property as surplus and authorize the transfer of the property to a qualified private developer to further the goals and objectives of the Portland Brownfield Program (Ordinance introduced by Commissioner Fish) 30 minutes requested	PASSED TO SECOND READING FEBRUARY 5, 2014 AT 9:30 AM

<p>95 TIME CERTAIN: 10:00 AM – Accept report from Portland Community College on the current work of Future Connect (Report introduced by Mayor Hales) 30 minutes requested</p> <p>Motion to accept the report: Moved by Fritz and seconded by Novick.</p> <p>(Y-4)</p>	<p>ACCEPTED</p>	
<p>96 TIME CERTAIN: 10:30 AM – Accept report from Oregon Labor Commissioner Brad Avakian on the recent increase in Oregon’s minimum wage (Report introduced by Mayor Hales) 20 minutes requested</p> <p>Motion to accept the report: Moved by Fish and seconded by Fritz.</p> <p>(Y-4)</p>	<p>ACCEPTED</p>	
<p>CONSENT AGENDA – NO DISCUSSION</p> <p>Mayor Charlie Hales</p> <p>97 Appoint Philip Wolfe to the Portland Commission on Disability for a term to expire December 31, 2016 (Report)</p> <p>(Y-4)</p>		<p>CONFIRMED</p>
<p>Office of Management and Finance</p> <p>98 Consent to transfer revocable permit from FSH Communications, LLC to WiMac Tel, Inc. for payphone facilities (Second Reading Agenda 74; transfer Ordinance No. 185650)</p> <p>(Y-4)</p>		<p>186432</p>
<p style="text-align: center;">Commissioner Nick Fish</p> <p style="text-align: center;">Position No. 2</p> <p style="text-align: center;">Bureau of Environmental Services</p> <p>99 Amend contract with Brown and Caldwell, Inc. for additional work and compensation for the Ankeny Pump Station Upgrade Project E07833 in the amount of \$93,657 (Second Reading Agenda 77; amend Contract No. 30000768)</p> <p>(Y-4)</p>		<p>186433</p>
<p>100 Authorize a contract and provide for payment for the construction of the Grant Park Sewer Rehabilitation Project No. E10346 for \$3,570,000 (Second Reading Agenda 78)</p> <p>(Y-4)</p>		<p>186434</p>
<p>Water Bureau</p> <p>101 Authorize the Portland Water Bureau to execute a Collaborative Agreement in the amount of \$38,328 with the U.S. Geological Survey and authorize similar agreements through FY 2016-17 with other government entities to monitor activities required in the Bull Run Water Supply Habitat Conservation Plan (Second Reading Agenda 79)</p> <p>(Y-4)</p>		<p>186435</p>

<p>102 Authorize a contract and provide payment for the construction of the Groundwater Electrical Supply Improvements Project at an estimated cost of \$1,810,000 (Second Reading Agenda 80)</p> <p>(Y-4)</p>	<p>186436</p>
<p>Commissioner Dan Saltzman</p> <p>Position No. 3</p> <p>Portland Housing Bureau</p>	
<p>*103 Amend the subrecipient contract with Proud Ground to add an amount up to \$680,000 in Neighborhood Stabilization Program–3 funds to increase permanently affordable housing options for low-income households (Ordinance; amend Contract No. 32000848)</p> <p>(Y-4)</p>	<p>186437</p>
<p>*104 Authorize application to Department of Housing and Urban Development for three Continuum of Care renewal grants in the total amount of \$694,896 and submission of the Consolidated Continuum of Care application on behalf of the Portland/Gresham/Multnomah County Continuum of Care (Ordinance)</p> <p>(Y-4)</p>	<p>186438</p>
<p>*105 Approve amended application under the Multiple-Unit Limited Tax Exemption Program for The Rose Apartments located at 9700 and 9850 NE Everett Court (Ordinance)</p> <p>(Y-4)</p>	<p>186439</p>
<p>Commissioner Steve Novick</p> <p>Position No. 4</p> <p>Bureau of Transportation</p>	
<p>*106 Accept a grant in the amount of \$85,000 from Oregon Department of Transportation to sustain the Safe Community Program and take a systematic approach to reduce severe and fatal crashes and improve safety for all road users in Portland (Ordinance)</p> <p>(Y-4)</p>	<p>186440</p>
<p>107 Amend an Intergovernmental Agreement with TriMet to correct error on Amendment Two for transfer of construction work between the SW Moody Ave Improvement Project, SW Harbor Dr / SW River Pkwy Project, and Portland-Milwaukie Light Rail Project (Ordinance; amend Contract No. 30002351)</p>	<p>PASSED TO SECOND READING FEBRUARY 5, 2014 AT 9:30 AM</p>
<p>REGULAR AGENDA</p>	
<p>108 Support HR 3636, the Update, Promote, and Develop America's Transportation Essentials Act of 2013, and other efforts to stabilize federal funding for transportation infrastructure (Resolution introduced by Mayor Hales and Commissioner Novick) 15 minutes requested</p> <p>(Y-4)</p>	<p>37055</p>

Mayor Charlie Hales

Office of Management and Finance

109 Authorize second issuance of general obligation bonds for fire vehicles and emergency response infrastructure (Second Reading Agenda 87)
(Y-4)

186441

At 12:02 p.m., Council recessed.

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS 29TH DAY OF JANUARY, 2014 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz and Novick, 4. Commissioner Fish arrived at 2:04 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ellen Osoinach, Deputy City Attorney; and John Paolazzi, Sergeant at Arms.

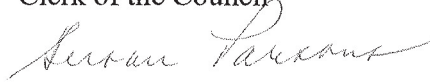
		Disposition:
110	TIME CERTAIN: 2:00 PM – Accept the report on the 2014 Federal Legislative Agenda (Report introduced by Mayor Hales) 45 minutes requested for items 110 and 111 (Y-4)	ACCEPTED
111	Accept the report on the 2014 State Legislative Agenda (Report introduced by Mayor Hales) Motion to add Health Care provision to support creation of new OHSU Cancer Research Center: Moved by Fritz and seconded by Fish. (Y-4)	ACCEPTED AS AMENDED

At 2:54 p.m., Council adjourned.

LAVONNE GRIFFIN-VALADE
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council



By Susan Parsons
Acting Clerk of the Council

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

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.

JANUARY 29, 2014 9:30 AM

Hales: Good morning, everyone. Welcome to the January 29 meeting of the Portland City Council. Commissioner Saltzman is sick, but the rest of us are here. Would you please call the roll, Sue.

Fritz: Here. **Fish:** Here. **Novick:** Here. **Hales:** Here.

Hales: Well, good morning, everyone. First, we want to welcome a group of students from China. Ni hao. Welcome, welcome. They are here in Portland. They are having a great visit so far, and they are going to be here briefly with us this morning to see how city government works here. It's a cultural exchange to build friendships and understanding between the young leaders of China and the city of Portland. They've been doing some interesting things. They went on a scavenger hunt around the Metropolitan Learning Center yesterday. They are going to tour City Hall, they are going to go to the Gerding Theater. So they are going to get a taste of Portland and we'll have more friends in China. We have a wonderful relationship with our city sister in China, Suzhou, and my wife and I were there representing the city. And of course, the council heard a report from our city association here recently. So, welcome to Portland. Happy New Year. [applause] All right, let's begin with the communications items, please.

Item 89.

Hales: Come on up, Derenda. And I believe you have someone with you?

Derenda Schubert: Yes, Mayor, I have Ms. Joy Corcoran with me. With your permission, may she join me?

Hales: Please, come on up together.

Schubert: Good morning, Mayor, Commissioners, and thank you for having us today. I am happy and delighted to provide you an update on how Bridge Meadows is going. In 2006, the commission and the city of Portland made an investment with the championship of Commissioner Saltzman -- and we're so sorry he's sick today, wish him well -- and the support of Commissioner Fish, and now, we thank you for the visits, Commissioners Novick and Fritz, that you have made to Bridge Meadows to see it, and we welcome you, Mayor, to see our beautiful community. Bridge Meadows, as you all know, is the first intergenerational community west of the Mississippi, in our pacific northwest, and we are seeing amazing results. The children are now living with their adopted families in forever homes, and these three generations are coming together to create positive outcomes in housing, health, and education. We have children achieving their academic stride now, where they were behind academically because they were in foster care and struggling, and they now are no longer languishing in foster care because they are in their forever families. And not only do they have their forever families, but they are surrounded by many elders who serve as grandparents and mentors assisting them with life and supporting the parents. So, through this intergenerational community, we have seen a wonderful solution to some challenging issues for children, families, and elders. And we are excited to talk about that -- the board of directors and the leadership group is seeing incredible results -- that we are expanding our footprint to other metropolitan areas around Portland, as well as expanding to help youth aging out of foster care. We are also honored to be a part of the NAYA generations project serving as consultants, and have been asked nationally to serve as consultants in Washington D.C. and a project in Seattle. It's wonderful for us to bring people to Portland to learn about our city's investment in our multiple citizens. But it's best -- I could

go on and talk about the statistics and tell you how wonderful it is, but it's really best to have one of our residents, Joy Corcoran. Joy has been living at Bridge Meadows for about over a year and a half now. Two years. And she is an artist and a story-teller and a very beloved member of our community.

Joy Corcoran: Well, it's been wonderful to live at Bridge Meadows. I say it's the first time that I've had the most friends under ten years old, which is kind of my intelligence level. What I have seen through being there for that long is little shy kids who have been in bad situations really flowering and coming out and learning how to play. And every time I do an art class, I am amazed at the amount of creativity and intelligence these children have. But on the other end of it, the very shy violets of the elder population have also started really participating and having a meaningful life, and you will not find one elder feeling isolated or bored in our community. It's a wonderful thing.

Schubert: Thank you for the investment.

Fish: Can I ask one question, when we talk about the elders living there, what's the age range?

Schubert: Our elders range in age from 55 to 90.

Fish: Wow.

Schubert: I am also proud to tell you that the Portsmouth neighborhood association now meets at Bridge Meadows.

Fish: Congratulations.

Schubert: Thank you for the investment.

Novick: I just wanted to say that when I did my tour, what stuck with me from it was you said that a lot of people found you from around the country, and you didn't know how, and you asked them and they said -- and I might get this wrong -- but it's something like they were reading the intentional communities blogs, and you did not know that there were such things as national intentional communities blogs.

Schubert: That's correct, Commissioner Novick. Suddenly, we were being found by the -- we belong to a group called the intentional intergenerational communities, and we had absolutely no idea that such existed.

Fritz: How does somebody find out about that?

Schubert: There is a movement about a people no longer wanting to live isolated, and wanting to live in community. And we see it here in Portland with our community, as well as co-housing, and that the boomer generation no longer wants to live isolated. They are vibrant and they have much to give.

Fish: By the way, the mayor is working with his counterpart at the county right now to figure out who pays for what shared services and things we both care about. But one of the most compelling arguments that I have heard for continued investments in senior recreation and some of those programs, is precisely this idea of isolation.

Schubert: Yes.

Fish: That if you don't give older adults a place to go, build community, exercise, the alternative is to be alone at home, and that often has tragic consequences. So --

Schubert: Yes.

Corcoran: The beauty of Bridge Meadows is that it's not just a program set up to entertain people. It's a -- we build meaningful relationships with children, and that gives us a sense of the future, and keeps us active, you know, we gotta chase them down. So, it's so much more than just a program to help out seniors. It's a program about life.

Hales: Wow. Thank you very much for checking in with us and for creating this really valid new model. I am glad that the rest of the country is starting to discover what you are doing, but, what you are doing is really important here. So, thank you.

Schubert: Thank you, Mayor.

Hales: Thank you so much. All right, that's great. Next one, please.

Item 90.

Hales: Good morning, welcome.

Ross McKeen: Thank you. Good morning. Thank you for giving me this opportunity. When I realized I only had three minutes instead of 30, I dismissed the interpretive dance troupe [laughter] and the choir that I was going to bring with me and focus on what I wanted to talk about. Part of that is, I know that you all understand the value of arts and arts education already, and you have demonstrated that support. So, what I really wanted to do today -- I also know it's outside of the budget cycle so I can't ask for \$100,000 to do more of what we're doing. But what I wanted to do was ask -- extend an invitation to you to come and see one of our school field trip performances any time during this season. And to help us welcome children to the theater. And in the past, when I have extended that invitation, it hasn't really gotten anywhere, and I think partially I understand it's because you have ethics rules about accepting tickets to things, but I have a loophole. And that is, that we routinely have volunteers help us greet students for school field trips, and as part of that volunteer opportunity, we invite people to stay for the show. We're just a couple of blocks from here at the Hatfield Hall, and our shows run just an hour. You're also invited to just watch the beginning of a show sometime if you don't have the time, just take ten minutes to listen to the excitement of children as the lights dim. Unlike adult theater, when the lights go down, everyone gets quiet -- in our theater, as the lights go down the excitement level rises. So, I will send further information, but if you wanted to tell your schedulers to watch for that and see if you could do that. It's a great opportunity. And for me, what it does is it reinvigorates our commitment to issues like access. We have a vision of having every family and child in Portland have an opportunity to experience the performing arts. And I realize that there is so many obstacles and barriers that we need to break down for families to be able to come to the theater on a weekend. And not just financial, but cultural and geographic and transportation. But, when I see the kids, especially Portland public school kids, get off those buses, I see all of the richness of our community. For me, it's an opportunity to say to them, welcome, this is for all of you. This is an opportunity for all of you to come and see and experience the arts. We don't care where you are from, we don't care what your background is, what your financial status is, you are welcome here. And the joy on their faces -- the single most common word that we hear when they walk into the rotunda of the Hatfield Hall is, awesome. And it's, actually, one of the few times that word is used appropriately. So, it's overused everywhere else. And I have kids say to me, do you live here? You're so lucky. And ask, is that a skyscraper, and they are just so excited to be there. I would love for you to be able to see that and witness that, because it reinvigorates that sense of importance for these children. With that, I thank you for your time.

Fish: There is one other loophole that I think that we should alert our honored friend to, which is that is if we are invited to be in the production [laughter]

McKeen: Oh, OK.

Fish: Commissioner Fritz and I often get invited to be, like, trees or other shrubs.

McKeen: We're doing a production of Charlotte's Web right now, so, if you can climb a spider's web and weave words into things.

Fish: That's a lot of talent.

McKeen: OK, I'll talk to our artistic director about that.

Hales: A couple formal drama kids up here.

Fritz: When I was a parent in Portland Public Schools, shepherding field trips was a duty but not necessarily a pleasant one. Going to the theater was wonderful. And my daughter was a theater major in college thanks to Oregon's Children Theater and other programs that help to provide those enrichment for her.

McKeen: And part of the job is welcoming schools is reassuring the parents and the chaperones and the teachers that, that we'll help as much as we can. Many have been on buses for a long time.

Fritz: Yes, but the nice thing about theatre is at least there is a spot for each child to sit. The zoo is the parent's ultimate challenge. You kind of work up to that. And I just wanted to ask you to tell folks at home how can they find out about Oregon Children's Theater and these opportunities?

McKeen: Our website is octc.org, and we have information about all of our programs, including our main stage productions and our community outreach programs and our acting academy program which is in northeast Portland on 20th and Sandy and offers classes for kids four to 18, and we do a lot of stuff in the community that I haven't even talked about. Octc.org has all the information.

Fritz: Thank you. And just one final question, do you get funding support from the arts tax?

McKeen: We are waiting for that to arrive at our doorstep. When it trickles through and builds up enough, we will. We get RACC funding, we --

Fish: You get RACC funding, you get --

McKeen: Oregon Arts Commission funding--

Fish: Oregon Arts Commission funding. And I believe you get, from time to time, Oregon Cultural Trust fund.

McKeen: Yes. We've received money from Oregon Cultural Trust and also the Multnomah County Cultural Coalition which is through the Cultural Trust, the county portion of that. We've had funding. I think it's largely because we do a broad range of arts education work. At the core of our mission, it's not ancillary to it, it's really what we do. We believe the value of arts in transforming lives. That's -- we use theater as the tool that we know best, and know the power of storytelling, so, we get lots of great support.

Fish: By the way, I have told my son to knock off the awesome, he's ten. And now he uses the word epic, instead of awesome.

McKeen: Epic, that's good. That's literally the best thing I've heard all day. [laughter]

Hales: Let's hope that catches on. Thank you so much. Good work.

McKeen: And I want to extend an invitation to the meadow people to do an intergenerational visit, too. I was inspired by hearing them.

Fish: Bridge Meadow. Perfect.

McKeen: Bridge Meadow. It popped into my head like, oh, I will contact them right now. Thank you.

Hales: That's a great connection. Thank you.

Item 91. Item 92.

Hales: Good morning, and welcome.

Stanley Moy: Good morning, Mayor Hales and city council members, my name is Stanley Moy with the Asian Pacific American Network of Oregon, also known as APANO. We are a grassroots nonprofit with a focus on civic engagement, advocacy, and social justice. We've been really involved in our communities. Currently, we're working with Portland Public Schools to increase the dual language program with our Mandarin speaking and native speaking children and also with our advocacy push towards the Vietnamese dual English programs. Also, I've been involved with APANO -- I started out in 2012, back in the Get Out the Vote campaign as a bilingual organizer. I speak Chinese dialect, with the Cantonese. And really to engage our Chinese community and also the Asian Pacific Islander community with voter registration and turnout. And for the election, with the efforts of over 30 volunteers and other diverse communities, we had a 6% increase in statewide voter registration and turnout. From then, I transitioned from my work in the Jade District community, which is the SE 82nd and Division NPI. And really organizing the community around business owners, residents, community stakeholders, to build a steering committee, also known as a governing board. The population there represents the diversity, especially of the API community. From there, we decided to create a vision process to prevent gentrification and displacement. And we have many events, a cleanup partnering with Harrison Park school K-8 that really does community gardening. And one of the benefits of a community garden is to provide accessible,

affordable food in our Jade District NPI. In our recent event -- Commissioner Novick attended -- was our Jade District holiday party, with over 50 participants from the community to really recognize our accomplishment, our office, and our work thus far. I want to recognize that APANO has really engaged our API community, especially in Portland but also in Beaverton. And one of our programs that we're trying to push for is our civic leadership engagement to get young Asian Americans and Pacific Islanders as myself to be involved in public service and leadership to really push forward. And I want to thank you for your service to the city of Portland. And APANO, we're all here to serve our communities and look forward to hearing more from APANO and hearing more from me. I want to wish you a happy lunar new year, and hopefully I will see Mayor Hales at the Saturday convention. Thank you.

Hales: Yes. Thank you. Yes. Year of the horse. Happy New Year. Welcome.

Marilou Carrera: Good morning, Mayor and Commissioners. My name Marilou Carrera, I am a Filipina and Japanese woman. I'm a nurse for a nonprofit in the Old Town neighborhood and I also volunteer quite regularly with APANO. Thank you for the opportunity to let me share my story of leadership with you today. As a registered nurse, I recognize the social and health disparities and their impacts on our communities and wished to do more to improve the quality of life for communities of color. I first became involved with APANO because of my values around equity, diversity, and empowerment. So, my first experience of leadership with APANO was as a volunteer for the APANO's state of cultural competency community forum at Portland Community College Southeast last year. I was inspired by the focus on making an impact on policies and systems, and insuring that our unique voice as the Asian and Pacific Islanders was fully engaged in the process. At that event, we had nearly 200 community members participating. APANO gave me an opportunity to gain leadership as a member of their health, equity, and reform team. Through this leadership development, I worked on issues of equitable data collection and cultural competency for health professionals in Oregon. APANO established strong partnerships around these issues and crafted legislation that was signed into law by Governor Kitzhaber last year. I have also recently had the opportunity to co-create and co-facilitate a new series of gender justice workshops in alignment with our policy agenda to better serve the needs better of women, LGBTQ, and families. And as a result, I have increased my level of community involvement and continue to outreach to the Asian and Pacific Islander community as an APANO volunteer and leader. Through this involvement and outreach, it is apparent to me that diversity in Portland is increasing. And it is very heartening to see the priority of equity and inclusion to address this growth. Asian and Pacific Islanders currently represent approximately 9% of the Portland demographic, and we are fast growing. This suggests to me a need for greater civic leadership development and engagement opportunities for our communities. The city of Portland is positioned to provide this opportunity by expanding culturally specific programs to more equitably include Asian and Pacific Islanders. We need your support for programs that create opportunities for civic engagement and remove barriers for members of my community. I feel very fortunate to have received so much support from APANO to learn, grow, and engage. And your support for civic leadership development programs would allow this opportunity to many more APIs in our community. Thank you again for letting me share my story with you today.

Hales: Thank you, great report.

Fish: One question. For the benefit of people who may be watching, tell us who falls within the umbrella of Asian Pacific. What, what are some of the different groups that are part -- make up the 9%?

Moy: Well, I work for communities that are Chinese, Vietnamese, Thai, Korean, Burmese.

Carrera: Filipino, Japanese, members of the Micronesian community.

Fish: And together those communities are almost 10% of our city's population?

Carrera: That's correct.

Fish: So that's a very hopeful sign.

Carrera: It is a very hopeful sign.

Hales: I really appreciate APANO's work and being a good partner with the city. I'm particularly interested in this issue of leadership development, not just in culturally specific programs but across the broad work of the city. So, I appreciate anything you can do with us to keep developing those new leaders and getting them engaged in the civic life of the city.

Carrera: Absolutely. We look forward to it.

Novick: I want to express my appreciation for your willingness to serve on the transportation needs and funding advisory committee.

Fritz: And yesterday we heard that the Portland utility review board needs engineers to participate, so if you know of any, and also some at-large positions. So if folks are interested in looking at water or sewer and solid waste, which is much more interesting than it might appear, please, invite them to go to the office of neighborhood involvement's website. There's a page for boards and commissions, and we're always looking for new folks.

Moy: OK. Thanks.

Carrera: Thank you.

Hales: Thank you both. Thanks a lot. OK. And we have one more communications item.

Item 93.

Hales: Good morning.

Moses Ross: Good morning. My name is Moses Ross. I am here in my role as a resident of our epic, if you will, city. And a proud resident and also chair of the Multnomah Neighborhood Association. I am here to speak about the Freeman water tower issue. The Freeman water tank property, located at 8711 southwest 42nd, is a valuable feature of the Multnomah neighborhood. It's a wildlife habitat, natural continuation of the Woods Memorial Park, which it abuts. It's worth preserving. So, when local folks came to me as their MNA chair to inform me about its pending sale by the City to developers, I was quite surprised. No one had been notified, not neighbors, not the association. Something is wrong here, and it was not right. So, my neighbors did what our unique city charter allows neighborhood residents to do. They came to the neighborhood association, seeking representation and a voice. I helped them organize and fundraise and brought them together as a coalition of concerned residents under the Multnomah Neighborhood Association umbrella. And here we are today. And in the true spirit of Portlanders, prepared to stand up in what we believe in. And we believe the City erred in how it handled this matter. Our efforts are endorsed by not only the Multnomah but the Maplewood, the Ashcreek, and Crestwood Neighborhood Associations. Oregon wild, the west Multnomah soil and water conservation district, and many other concerned citizens and groups because this is a matter of broad public interest, not just an immediate neighborhood concern. So we feel that the bigger question is, what is the best use of this public property? We believe that the answer is that it's a critically needed urban green space and a natural addition to the Woods Memorial Park natural area. So, the decisions made about this strategically situated public property -- property, they will have profound and lasting effects throughout Portland, both at the property itself, and at similar sites and neighborhoods for years to come. And these decisions will affect the livability of our neighborhoods, the values of our properties, and the attitudes of those folks that wish to live and thrive in the city of Portland. That's why we're proceeding with our opposition to this proposed sale of the public property. Thank you.

Hales: Thank you.

Fish: Mayor, may I just give an update? Because I think Mr. Ross reflects the best of our neighborhood tradition of petitioning government and engaging people in a respectful way, and I appreciate that he's here. And by the way, we're also joined by Steve Novick, who is one of the celebrity residents of your district.

Ross: I try not to bug him on a Saturday morning when he's at coffee.

Fish: Just so that you have an update, sir. As you know, the council has directed that the .6 of an acre property that has previously had a water tank on it, be sold. And that's because the Water Bureau is not technically in the business of maintaining natural areas, and we have surplus properties. We've been directed to sell it. When the Mayor gave me the assignment last year, the council had already voted to dispose of it, and I had inherited a binding contract to sell it. Recently, it occurred to me that there was a moment to hit the pause button, because I was threatened with two lawsuits that had incompatible outcomes. And on the one hand, the party to whom we were going to sell it was threatening to sue me if I did not transfer the property. And the neighborhood was threatening to sue me if I did transfer the property. So, I had a few options, including repatriating to another country. But I decided in lieu of that, I would try to do the adult thing, which is hit the pause button and suggest mediation. I am very appreciative, Mayor, that the neighborhood association accepted that invitation. But, it takes more than one party to mediate, and we were unsuccessful in getting the developer to come to the table without condition to have a mediation. So, I directed the bureau to put this on ice so we could find another resolution. And actually, even thought about bringing a declaratory judgment action to have a court rule on it. Fortunately, the neighborhood moved first, and they have proceeded to court to ask a judge to give us guidance on the legal issues that's been framed. And on Friday, there is going to be a hearing on that, and we are going to consent to have this put on ice by the court until we get a ruling. And that will be over the objection of the developer. Now, I think this is democracy in action. And I am in the middle of it, remember, I am the new guy, I inherited a contract which the city attorney says is binding, and yet the neighborhood has made some very compelling arguments. So, among other things, we have completely revamped our rules governing sale and disposition of properties owned by the Water Bureau, Bureau of Environmental Services. That is a direct outgrowth of the issues that you and others have raised. And this will be the most robust transparent processes in the city when we're finished. I thank you for that. That's another example of democracy in action. But I just also want to be very clear that if it turns out that a court says I can't sell it to the developer, then I am still under a mandate by the council to come back and do this over again. So, this is .6 of an acre surrounded by acres and acres and acres of natural area. In fact, it's one of the most heavily parked areas of the city. And I, frankly, if I didn't live in the Hollywood District, I might live in your neighborhood because it's beautiful. But, if we hit the reset button and we go back to square one, I don't want anyone to be misled because I am under a council mandate to put up another for-sale sign, and it may be that someone comes along and offers even more for the property. But I don't run natural areas. So, I will be selling the property. And the opportunity, if a court so rules, will be for you and other people of good will to find a way to buy it, if you want to maintain it as a natural area, and that's your prerogative. But I don't have that luxury. I am obliged by council direction to sell the surplus property because it no longer serves a function for the Water Bureau. So, I kind of wish that we could bring a constitution team in to watch this unfold because I think that all the systems are working just right. But it starts with a neighborhood association that has played a very constructive role in all of this, and I wanted to publicly thank you.

Ross: Thank you, Commissioner. Thank you very much.

Hales: I appreciate that explanation because I think -- and you framed this very well -- the community needs to understand that they are being heard, but we are also a place where the law rules. So we have to follow that law, and there are options within it, and we'll find out, as Commissioner Fish said, what the court says what the options are. But, I really appreciate your patient and articulate advocacy for your part of the city.

Ross: Thank you, Mayor.

Hales: Other questions or comments?

Fritz: I have a comment, that it's exemplary that Commissioner Fish went for the mediation first and then the lawsuit.

Fish: And I tell ya, my experience, Commissioner Fritz, is that often the people who do best in these kinds of disputes are the lawyers and not necessarily the clients. The beauty of mediation is the parties get to craft a solution which is theirs, rather than have the court impose one. So I believe that mediation is always preferred. And I was actually delighted that the neighborhood accepted with that condition.

Fritz: I agree, and thank you very much.

Novick: I need to take an exception to your view that mediation is always preferred. As a former litigator I think that in most cases you should fight everything out to the finish in the courtroom. I think that this happens to be an exception. [laughter]

Hales: From your celebrity resident of the Multnomah neighborhood.

Fritz: Give him time, give him time, he's only been on the council for a year.

Ross: I have no response but to say thank you.

Hales: Thanks very much. We appreciate it. OK, let's get ready to move into the rest of the agenda. I don't believe that there are any requests to withdraw items from the consent calendar. Is that right? So, if not, let's take a roll call on the consent calendar and then we'll move to time certain.

Roll call on consent calendar.

Fritz: Aye. **Fish:** Aye. **Novick:** Aye. **Hales:** Aye.

[gavel pounded]

Hales: Ok, time certain.

Item 94.

Hales: Commissioner Fish.

Fish: Thank you, Mayor. We have a wonderful presentation to share with you this morning about a brownfield in the St. Johns neighborhood. A robust community process, and ultimately, what we think is a happy ending. And we've got an all-star panel here to tell us the story this morning. Marveita Redding, who is the pollution prevention services group manager. Marveita, we've got to shorten that somehow. We'll just call you the manager. She's the boss. From the Bureau of Environmental Services. Jenn Bildersee, who coordinates the Portland brownfield program at BES. Michael Kohlhoff, who is on the St. Johns brownfield steering committee, and also in his free time, is the city attorney for the city of Wilsonville. So we'll be asking an opinion later on the Freeman tank dispute, sir. And Kevin Cavanaugh, who has a company called Guerrilla Development. I don't want to step on their toes in terms of the story, and as Commissioner Fritz knows, this has had some twists and turns getting here because there was another development plan that was once envisioned that fell through. But I think the part that is exciting today is this presentation reminds us that we are in the cutting edge as a city in strategies for taking brownfields and turning them into productive use. And when we do this, we strengthen neighborhoods, we create jobs, we take underused or degraded areas and turn them into something else. And we know how to do it. And Mayor, this is particularly important and timely because under goal nine, we're going to have to figure out ways to probably turbo-charge our program of brownfield remediation. And I think that there's some important lessons in this process about how you do this with the community to get an outcome that's good for the city. So, with that, I am going to turn it over to Marveita.

Marveita Redding, Bureau of Environmental Services: Good morning, Mayor and Commissioners. I am pleased to be here this morning. Marveita Redding, pollution prevention services manager, environmental services. The Portland brownfields program has been in existence since 1998. It was first housed in the transportation department. Then it moved to the housing bureau. And finally, it has been, for most of its life, with the bureau of environmental services. This has been a really important synergy because of -- it fulfills the mission of BES to protect the quality of stormwater and groundwater, and promote healthy eco-systems in our watersheds. As you know, contaminated sites do significantly affect the quality of stormwater and other waters in a community. Our program focus has been for providing resources for neighborhood brownfields with

goals of sustainable development, water quality, neighborhood revitalization, and environmental justice. As was mentioned, we spent a good deal of our time with those small properties, those neighborhood properties where many things were unknown about them and we often pass by them. They are fenced, they're abandoned, but they do have a very definite impact upon neighborhood livability. Our program provides technical assistance. Folks can call up and speak with Jenn about brownfield issues to learn more about how to handle them, what some of the regulatory processes, and also we provide financial assistance as well. This financial assistance is provided through EPA grants, which we have been very fortunate to receive over our programs, so we provide financial assistance for assessments of the brownfields in terms of finding out what the pollutants are. We've helped people, also, acquire brownfield dollars for cleanup, and that's one of the things that we'll be talking about this morning as well. One of the greatest barriers to brownfields, either large industrial areas or small sites and communities, is financial. It's always a financial issue. First of all, trying to find out what is there, and understand that, and then once you do know it, how do you get it cleaned up? To date, this program has leveraged federal funds of approximately \$4.7 million here in the Portland community. And we have been very fortunate to be able to do that. Our program is well-recognized across the United States for innovation and the work that we have done. We have spent time going to brownfield conventions and other activities and talking to people about some of the innovative things that have been done here in Portland. So, we're very proud of that. Our projects have taken such properties as gas stations, battery facilities, and transformed them to transit-oriented housing, nonprofit facilities, providing jobs, parks, and restoration projects. We were very fortunate to be able to help with the initiative with Portland Parks for providing more parks in the community and helping people assess and know what was there. So, we did a lot of that work in the community. First of all, I would like to give you a little of the history for those who may not know the history of St. Johns. We've been through it before, but I will briefly go through it. The slide that you see in front of you shows the property located there on Lombard Street at the intersection of North Richmond. That property, records indicate, various uses, as a residence, service station, vehicle repair shop. When we were doing the excavation on the property, we even found a lot of old bottles, like rexel bottles and things of that nature, the tinted ones where people probably did some kind of a drugstore activity there as well. And some of them, actually, are rather collectable. And we dug them up. This property was purchased by the Portland Development Commission in the 1970s, and went into their inventory. So, this property remained vacant for over 30 years. So, it's the only vacant piece of property in the heart of St. Johns. There are vacant buildings but there's no vacant land right there. This property also, as you could see from looking at the map there, also backs up to the property parks facility there. And at so many times, because that area was sort of cut off from that facility, was an area which could harbor criminal activity and other things that made that particular location undesirable. The PDC came to the Portland brownfield program and asked for assistance with getting this property cleaned up. So in 2004, we applied for and received a grant from the Environmental Protection Agency for that cleanup. That was very important to get something going there. We had some assessment of the property, so we were able to do that. The slide that you see before you is where the tanks were being taken out of the ground. There were seven tanks that we had to decommission there. Always very interesting. Those of you who are familiar with brownfield programs know that usually once you start, there's always something new to discover, and there was a discovery of tanks underneath the sidewalk in that particular area that made it even a little bit more complex. In that cleanup, it included the decommissioning of those underground storage tanks and excavation of over 800 tons of contaminated soil. So, there was petroleum, lead, and PCB soils that were found, and so those soils were disposed of. As we were working on the cleanup, we began talking with the Portland Development Commission about how the property would be used. It was currently it was in their residential inventory, and that area around there is zoned commercial. So, they'd held it for all this period of time. We began talking

about looking for some innovative ways of taking a brownfield from the cleanup to fruition while working with a neighborhood to realize neighborhood dreams. And that's how this project began. It began now ten years ago, in 2004, with our initial involvement with the project, and so here we are now ten years later. It's been a long time to get here, as the commissioner mentioned earlier, we had a selection of a contractor, and some of you were aware of that and were here at that time. That particular arrangement did not work out for financing and the times and so forth, and we really want to thank them for the effort that they did on that project. But at that point, then, we had an opportunity to be able to select another contractor. The activities that we did in working with the community were significant and very involved with that community and time-consuming for the residents Of St. Johns as well as the advisory committee. Jenn is going to talk about the community involvement aspects of our work here, and also followed by Michael Kohlhoff, member of the advisory committee, and then we will hear from Kevin Cavanaugh about the project itself.

Jenn Bildensee, Bureau of Environmental services: Thank you. So I'll pick up the story. The day after this slide, which seems to have disappeared. Once the property had the soil removed and the tanks removed, it was a clean site. There were a lot of questions from the neighbors, this is a very visible site right in the heart of St. Johns, so we organized a community meeting which became a series of three community meetings. Today, St. Johns is a very well-used Facebook page, but at this time it did not exist so there was a lot of door-to-door knocking. We put posters up in all of the neighboring businesses and spoke to the business owners in the community to get the word out that there would be these community meetings. They were very well attended. We had three meetings that each had between 80 and 100 participants held in St. Johns in the evenings. And what we heard very clearly was that the neighbors who had lived with this vacant contaminated site for decades wanted a say in what was going to happen next. There wasn't a consensus of exactly what that should look like, but there were certain strong themes that we heard over and over. In particular, the desire for a vibrant street front presence. Some commercial business on that site that interacted with the street front. Many of the businesses on that site are just walls to the street. And there was a repeated interest in something that would interact with the street, a place where people could gather, something that offered services and amenities to the residents of St. Johns, something that would be fun and a destination for people, that would bring some life to this very important place in the heart of the community. The result of these meetings was the formation of a 10-person steering committee. This was assembled with the assistance of BES and the mayor's office at the time. These are the ten initial members. As you could see, the ones in blue are with the asterisk are the six who still today, seven years in, are an active part of this process. This was not a committee that met occasionally to be informed of what was happening. This was a working steering committee that made the decisions about what was going to happen. And what that process involved was extensive research that Mike is going to talk a bit more about, what that looked like from inside the steering committee. And the conclusion was the request for qualifications for a developer, for a particular type of development that reflected the desires that were expressed by the community. The steering committee's commitment to this cannot be overstated. They literally spent years, hours of personal time, shaping this process. And it really is a testament to how involved the neighbors are and how committed they were to representing the interests of the community. As Marveita mentioned, as some of you remember, there was a proposal that came before the council in 2010. There was a two-year momentum of understanding with that initial project, and at the conclusion of that process, the development team withdrew their interest in the project because they weren't able to assemble the financing and the tenets for their proposal. At that point, the steering committee reconvened and they had a discussion about how, in the initial scoring, the top two contestants had really -- the top two proposals had scored very closely. There had been internal discussion about which was the right proposal to go with. So, we circled back around with the other development proposal, which was the two-thirds project. With sort of unanimous support of the steering committee, we circled back

around with Kevin Cavanaugh who submitted that two-thirds project proposal, and he was interested in moving forward with the design. He met with the steering committee last year and discussed what that would look like in 2013 and 2014, and it really was very similar to the project that initially was so well received. So, that's the point that we've been moving forward with now. These are some illustrations of that project that Kevin will speak to after Mike has had a chance to talk about the steering committee process. But overall what I would like to say is this is a very rare opportunity for a community who has endured the presence of a site that was a real neighborhood liability to have a meaningful say. As Commissioner Fish said, it was a robust community process that resulted in is a meaningful say in what that community was going to look like in the future, transforming an unfortunate property with a negative history into a real asset for the community. So I will turn it over to Michael.

Michael Kohlhoff: Thank you, Jenn. Mayor and Commissioners. I'm Mike Kohlhoff and I am very happy to be here representing the St. Johns brownfield advisory committee. On behalf of the committee, thank you for the opportunity to address you today. We would also like to thank staff for their help, assistance in keeping their sense of humor with our many questions that we pose. The committee is very pleased to support this development. It occupies a strategic place in the hub of St. Johns commercial activities. Kevin Cavanaugh and his team will bring energy and creativity to the location and to the St. Johns hub that it occupies. We found the development concept of the two-thirds project to be of human scale, to incorporate the vitality and vision in the St. Johns plan, and to be responsive to the community goals embodied in the RFP. The committee is very pleased that after six and a half years from its formation, its work is coming to fruition. Although we were there in 2010, but for the great recession. James Hayes, a member of the committee and owner of Proper Eats restaurant in the neighborhood, gave me the following advice for my presentation today, quote, let them know how looking forward we all are to this being such a great development for St. Johns, one that adheres to the RFP, and provides this neighborhood with some needed amenities. We worked hard for that \$1. So what did we do? We asked questions, we talked with and listened to neighbors, business owners, property owners, developers, community activists, neighborhood groups, business groups, experts in housing needs, green buildings and LEEDs, park and recreation and tennis facilities management, and financing of developments. And we deliberated, we argued, and we laughed. With staff's help we conducted a very informative community survey that guided us. We reviewed the St. Johns plan against development concepts. We reviewed the site's history and that of the adjoining tennis facility. We looked at property values and brownfield redevelopment activities. And we conducted four well-attended community meetings, visited various infill developments within the city, worked on two different RFPs, reviewed the proposals, and conducted interviews with finalists. By my count, we met approximately 20 times, including in the lounge of the tennis center, in meeting rooms of the wastewater facility, in rooms at the community center, and even at the writing dojo of one of the committee members. We also worked with staff to keep the site maintained and to have summer movies there. And by my account, there were six annual St. Johns parades in the interim, which also gave me the opportunity to watch the parade from the home of one of our members who incredibly keeps their own honeybee hives and is rumored to make a wonderful mead drink from the honey.

Hales: Only rumored.

Kohlhoff: Only rumored. So we bonded as well. Again, thank you from all of us on the committee for the opportunity to serve the St. Johns community and to help bring this development to life. We hope to see you all at the ground-breaking, and of course, the St. Johns parade May 10, 2014. Thank you.

Kevin Cavanaugh: Could we have that slide up there? Hi, thanks for your time. So real quickly, the two-thirds' project --

Fish: Introduce yourself.

Cavanaugh: Oh, I'm sorry, I'm Kevin Cavanaugh, the developer -- hopeful developer -- on the site. So the two-thirds project I coined for three reasons. A, there are a lot of greedy buildings going on in Portland right now. And I want to create a site that's dense in activity, not necessarily in square footage. So the project covers two-thirds of the footprint of the site. There's six private courtyards and there's two public alleyways that get any resident back to the rec center from Lombard through the property. It also will only use two-thirds of the baseline energy that code requires, so it'll be very green. And lastly, and I think most importantly for this site, it is the missing tooth in the smile of the St. Johns village. It will be activated two-thirds of every 24-hour cycle, so from 7:00 in the morning through 11:00 in the evening. That will be three restaurants, an eye care center, a wellness center, an office, and six small loft cottages, so it'll be very activated. And I think that's-- I am open to questions if you have any, but that's the gist of it.

Fish: Thank you very much, Kevin.

Hales: I have got, I guess, a question and a request. That is -- this is more of a rhetorical question, frankly, I think your presentation has answered it. But, the city through one agency or another owns a great deal of property around the city. Fortunately, most of those sites are not brownfields so that might not require some of the technical effort that's gone into this project. But some might argue we should simply put up a sign and sell those to the highest bidder strictly on a cash basis, as opposed to negotiating a particular set of outcomes. I think you have essentially done it by the way you presented this, but any particular thoughts about how to respond to that potential criticism of this project, as valid as it is?

Bildersee: In particular, with the brownfield site, the community has really endured something. A brownfield site presents unique challenges that often lead to vacancy for years and typically, as is the case in this site, decades. So, what we can do to support the very enthusiastic voice of the community in expressing what they want to see come of a site like that, I think, that's what distinguishes this site from all the other properties.

Redding: Additionally, the development agreement requires things of the developer that we would normally not ever do. We would just say here, take it, and go and do what you'd like. The developer has agreed to many terms and conditions as a result of the work of Mr. Kohlhoff and the advisory committee. And so there is a different type of commitment than we normally would get in a development and that, you know, follows what Jenn has just said. It is a unique situation. And during our process, when we were having our meetings from time to time, someone would say, why don't you just sell it, we need a parking lot. And most people, almost unanimously, would shout that down, but there were differing opinions during that point in time. But again, we were trying to steer toward the interest of the community, using that as our north star, if you will, in thinking about, about how a brownfield project can bring something to fruition. It's a demonstration project, in that way. We probably will never do this again because we do not keep properties in our inventory for that. So, it is a very unique set of circumstances that brings us here today.

Fish: Let me follow up on the mayor's excellent question. So, it's been vacant for 30 years. So, we often, in the urban renewal context, we say, but for some intervention it would remain vacant. And it wasn't just vacant property, it was a polluting property, it was a property adversely impacting the environmental health of the area. You've negotiated some benefits that go beyond just putting things on the tax rolls, which a lot of this property will go on the tax rolls, but you have negotiated other community benefits, which has value. But I think to close the loop on the Mayor's office question, what was the price that BES paid for this dirt?

Redding: We paid nothing for it. We disagreed with PDC for the transfer of it, so there were no BES dollars spent on it. Our time was spent on working on it, mostly it was after hours and evenings in working through this process.

Fish: And the bulk of the money spent on this brownfield remediation was the EPA grant?

Redding: Exactly. The EPA grant, the \$200,000 covered all of that remediation cost.

Fritz: If I might comment, Commissioner Fish, I think that this illustrates how the Bureau of Environmental Services is not just a sewer and storm water bureau, it's a public agency. And you have a responsibility, just like the rest of the bureaus do to the public and to the long-term public good. And so, given that it was purchased by PDC in '74, did you say?

Redding: In the '70s, yes.

Fritz: The rules must have been different then or something. I'd be interested in that history because currently the Portland Development Commission only buys properties within urban renewal districts.

Redding: And it wasn't that at the time.

Fritz: And it wasn't that, and isn't now, right?

Hales: It might be --

Fish: They might have extended the lines.

Bildersee: At the time when the property transferred to BES, it was not.

Fritz: Right. So this illustrates how we look at a property that did not cost the Bureau of Environmental Services anything, how then do we then create the kinds of development that we want to see? As the commissioner-in-charge of the Bureau of Development Services, I get emails every day about how dare you allow this in my neighborhood, and my answer is, because the rules allow it. And if you want to change the rules, participate in the comprehensive plan process because then the rules would be different. So, I commend you for what you have done. I also need to know that there is enough -- one of the parcels is owned and managed by Portland Parks and Recreation, so technically, I think they should have co-sponsored this so if a future neighborhood association comes in and says, you shouldn't have sold this property, it should be something else -- I want to make it very clear, I very much support this project, and I think that you have done an exemplary job with the public involvement of it. The Portland Parks and Recreation parcel was acquired through foreclosure in the Multnomah County's property tax program. That when a property is foreclosed upon, other government agencies get first opportunities to take it. Portland Parks and Recreation, with it being next to the rec center, though we might need it for something in the future, so we'll take ownership of it. My staff and I looked at it when you declared it's -- when this was coming several months ago, and looked at could there be a parks use for this sliver --

Cavanaugh: Three and a half feet wide.

Fritz: Well -- and I think what you've done is provided exactly what we would want, public walkways through an active space to allow people to get from the street to the racquet center. So it seems like this is one of the proverbial win, win, wins.

Cavanaugh: Well, and on top of that -- oh, I'm sorry—

Fritz: Go ahead.

Cavanaugh: On top of that, your agency did a great job of negotiating. I'm building a play structure on the racquet center's property in exchange for that land.

Fritz: Ooh, I did not know that, thank you. That's even better. You know, this is an example of when we set aside different bureaus or recognize that there are different bureaus, there is a community with business interests with residents' interest, and you do a good, public process to bring people together to get what we hope will be a really good outcome. Now the challenge is on you, Mr. Cavanaugh, to deliver on the promise. I think that we were hopeful in 2010 that that project was going to move forward. Development Services will certainly be as helpful as they always are to make sure that you know the permit process and such. And I am hoping -- absent testimony to the contrary as to we should not do this, I am very hopeful that this will work out. Thank you for your work, all of you.

Kohlhoff: I would also like to say that staff correctly caught the community's heart in this in the sense that we did the dollars and cents issue with the committee -- within the committee. We also brought it out at the community meetings. So, I think everyone recognizes that there's obviously a

place where dollars and cents are needed, but sometimes greater goals are achieved through this type of construct. So we really appreciate what's being offered here for the St. Johns community.

Hales: Great. Other questions for the panel?

Redding: In conclusion, I would like to express thanks to everyone in St. Johns who saw this project through, also to the advisory committee and many of the other folks in the community who have followed this for quite some time. One of our facilities that I manage is in this neighborhood. And so, I spent quite a bit of time in the St. Johns neighborhood, and people are constantly asking me, when is it going to be there? What's happening? And we have a number of our employees there that live in that neighborhood, so there's a great deal of community excitement about what's coming. And so, hopefully, we've been able to share that with you today. I would also like to, on the record, thank Clark Henry, who was Jenn Bildersee's predecessor and began this process. And he has moved on, and moved to North Carolina, but with his vision, as well, we got going on this project. Thank you.

Hales: Great. Is there anyone signed up to testify?

Moore-Love: Yes, we have one person, Mr. Lightning.

Hales: OK. Let me thank the panel and let him come up to testify.

Fish: This will go to a second reading. So we won't have a chance to make extended comments today, but thank you for an outstanding presentation.

Hales: Come on up. Good morning.

Lightning: Good morning. My company is Portland Lightning, a watchdog think tank. My name's Lightning. As stated by the speakers, a clean site. You have a proposed agreement of disposition to a developer of subject property at 8735 North Lombard Street. As stated, purchase price for the property is to be \$1. That's a great buy, \$1. Has there been a current appraisal on the property, due to the fact that the property has been given a no further action letter by DEQ? If the answer is no, is the \$1 value being determined because of the brownfield per se cloud over the property designation? In the current proposed disposition agreement, the title company stated they are prepared to issue to developer the owner's title policy selected by developer under section 2.6 covering the property in an amount not less than \$400,000. Now, that would lead you to believe a possible value of \$400,000 or greater has possibly been established. Again, if you declare a property surplus, should there not be an appraisal to establish current market value before a sale is consummated? That would just be standard procedure. Pertaining to the disposition agreement, section 8.2, environmental cleanup, as stated, the following environmental cleanup actions to remediate or abate as appropriate the recognized environmental conditions on the property, 8735 North Lombard, Street had been completed. 700 ground tanks removed as of this time, and also 1100 cubic yards of contaminated soil. DEQ issued a no further action letter with respect to the property. In fact, if you do have a current appraisal for the city property currently being declared surplus, which states an appraisal value of \$1, then my concern that this public city owned property is being sold too low, is not warranted.

Hales: Thank you. And well put. So, I think that the reason this discussion was so helpful is there needs to be -- and Lightning's testimony, I think, illustrates this -- a very clear public benefit when the City sells property at less than market value. And I think that there has to be a great deal of protection of the public interest, not just by us voting on actions like this in the light of day, but by having this kind of community process, you know, involving stakeholders -- in this case, the people that live and work there -- who have a lot to either gain or lose by how this property is developed. So, the fact that this project confers a lot of public benefits on the neighborhood, to me, satisfies the question of why don't we sell it at market value. But I'm glad that we got to ventilate that set the questions, and you testified on that point here today. I know that we're not going to vote today. We had a chance for more Comments. I mentioned a request. You know, sort of good and bad news, that this is a one-off for your program. It's not very often -- in fact, it might never happen again --

that BES owns a piece of property that's right on a main street as opposed to say on the river some place, that we also need to dispose of through a transaction. So, we're going to have this discussion today, we're going to vote next week, and, and then you are going to move on with the project. But I want a record for purposes of other transactions. So here's my request. One way or another, whether it's staff, whether it's a request to Portland State to come in through their urban planning program, but we need a case study of this project. It doesn't have to be long. But it needs to be what worked, what lessons learned. We need a case study for -- because this is not the last time. Obviously, we talked about two surplus property transactions in this council meeting, not to mention that the Portland Development Commission owns a piece of land here and there. So, I would love to have a case study for all of us and for other city bureaus about this particular transaction, how it worked and the process and the results.

Fish: That's a great idea. And as I was thinking about your suggestion, perhaps this would be an appropriate ask of the innovation committee. Perhaps we should put it to them, since what you are asking is for us to, in effect, quantify the community benefits of this process, figure out how you get from a to z with these kinds of outcomes, and use that to drive what's going to be a very ambitious brownfield remediation strategy going forward. Where we won't have 10 years to do these other projects that are in the pipeline for industrial use. So, perhaps we'll work something up and see if the innovation committee would be interested in finding that out.

Hales: That's a good idea. Yeah, one way or another. I like that suggestion. We really need to learn these lessons and institutionalize them about what worked here and what -- how it might set us up for success with those other brownfield projects, including ones where we don't own the property. So I think that there's two facets of that. What's the success story here in brownfields and that's what the success story here in terms of neighborhood scale redevelopment. We've had a cooperative venture with the developer. All that's useful info for us. Other comments? Great, thanks very much. This comes back for second reading next week. [gavel pounded]

Hales: OK. Our next item.

Item 95.

Hales: I believe we have a panel here, Mr. Wagner has folks queued up to come and speak to us. So, come on up. Karen and others. Welcome.

Kristin Watkins: Well thank you very much, Mr. Mayor and members of the city council. I'm Kirsten Watkins, associate vice president for college advancement at PCC, and the executive officer of the PCC foundation. You may have been expecting our president, Dr. Jeremy Brown, who was unable to come today. For those of you who have met Dr. Brown, you know that I am neither British nor am I a nuclear physicist. But I do share his passion and commitment to this really outstanding program that you are making happen in our city for our students. I am delighted today to give you an update on the program. First, I want to thank you for the city's support for this fantastic program. Your investment in Future Connect and your partnership with PCC, the PCC foundation, our students, our schools, and our business and philanthropic community. Now one of the things that I would also like to do is thank you personally because I know that many of you are personal contributors to the program and to the foundation. And without you, we couldn't make this happen. I would also like to acknowledge and recognize that we have a number of Future Connect students in the audience today, as well as a couple of our staff members. And if they could please stand so that the council members and the mayor can see you all, that would be fantastic.

Hales: Good morning.

Watkins: Thank you. Since its inception, in true partnership with the city of Portland, Future Connect and the PCC foundation has raised over \$1.1 million in private philanthropic support for this program. As you know, this is a unique funding model for the program where the city makes an investment, and we raise the match to support the program and the students. It all started a little more than three years ago with the shared vision that our regional economic strength and vitality

depend on educating and developing a talented pool of diverse and skilled workers. Future Connect, with its combination of scholarships, career counseling, academic advising, internships, and other opportunities, is a remarkable component of the economic development strategy. As you know, Future Connect does provide students with a scholarship, but perhaps even more important, from our perspective, is the minimum of two years of individualized academic advising and coaching that the students receive. And these are really key factors in ensuring the students' success. We know that Future Connect students in solid academic standing are retained at rates two or three times as high as similar students who do not receive these types of services. We're also serving students in helping them gain access to college who really have significant barriers to success. Our students, over half of them have family incomes below \$20,000 a year. These are high-need families. Over 80% are first generation students. That means that 80% of those students do not have a parent who has completed college. In addition, over half of our students are coming to college testing into developmental education or English as a second language. That means that they are not yet ready for college level work, yet is a testament to the program, that we have continued to serve them and help them gain access to college level courses. The other thing that I would mention too is that even despite these barriers, after one year, 70% of Future Connect students were retained compared to a 20% retention rate for students from similar backgrounds who don't receive these services. And a higher percentage of students in Future Connect are on track to complete a certificate or transfer as students from similar backgrounds who are not in the program. Thanks to the program, now over 40 scholarships have been made available at Portland State, Lewis & Clark, and we have students who are transferring there, as well as to Oregon State, Pacific and other institutions. Our Future Connect students have interned with the legislature, local businesses, they've been interns for city government here in Portland, they've studied abroad, they've become student government leaders. And they are on track for careers in education, medicine, business, and engineering. And -- and this is a really big "and" and something that is really significant about this program as you look at the students -- these students represent the youth of Portland, the diversity of Portland, and we are investing in their future. Finally, due to your leadership and vision, we are working together to establish a model for the region and the state. This past year, the cities of Hillsboro and Beaverton voted to invest \$200,000 each into the program, enabling us to expand our cohort to an additional 100 students from the cities of Beaverton and Hillsboro. In addition, we are working with our state legislative delegation, state representative Joe Gallegos and representative Julie Parrish, are sponsoring legislation which would provide over \$1 million in grant funding to the 17 community colleges across Oregon to build out programs like Future Connect. And I even have the house bill here. It's very exciting to see this move forward.

Fritz: What's the number of that? We have a legislative breakfast tomorrow.

Watkins: 4116. House bill HB-4116.

Fritz: Thank you.

Watkins: Together, we are breaking down the barriers to college access and success. And we could not do that without you. We hope that as you move into your budget process, that we can continue to count on your support for funding future cohorts of the program. And now, it's my pleasure to turn it over to my colleagues to hear from students and also some partners. I think we're going to go maybe a bit out of order because Jennie Cha, one of our transfer students at PSU, has to get to class in like 15 minutes. [laughter]

Jennie Cha: My name is Jennie Cha, and one year ago during my first year at PCC, I talked to the Capitol about my process, about Future Connect and what my plans were for college. And now three years later in my last year at PCC, I will graduate after spring 2014. My dream is still to become a social worker, so at PSU, I've applied for the PSU social work program. For six terms, I was on the PSU's president's list, and I am going to transfer with a 4.0 GPA. And I have Future connect to thank for that. They have helped me extraordinarily. They are really amazing people. I love the

coaches, and they have given me opportunities to give me resources to help me find out who I want to be, and who I will become. I am also a Future Connect mentor, which means that I help first year students for Future Connect, help them navigate around their first year in college. I am also a current Roosevelt advocacy mentor at Roosevelt, where I graduated. I work directly with a caseload of students, helping them with the progress in high school, and also give awareness to them about their resources so they can be successful in high school and go into college. Future Connect and the coaches have been a vital part of my college journey, they have given me one-on-one interactions, and I have a great cohorts who have given me a lot of motivation and courage to continue on. And I can't thank them enough, and I am forever indebted to them. And I thank the city for also continuing their support to fund for Future Connect, so thank you.

Hales: Thank you. Great.

Fritz: It's fine for you to leave now if you need to. [laughter]

Hales: Get to class. [laughter]

Fritz: Thank you for being here.

Karen Kervin: Good morning. I am Karen Kervin, I am the community relations manager at US Bank. And as a first generation college graduate myself, I feel a particular affinity for the Future Connect program. I applaud the city for its vision investment in this important initiative. And on behalf of US Bank, we are strong advocates and proponents of higher education and workforce development programs, such as Future Connect that serve many deserving young adults and students throughout our local community. We support that advocacy through US Bank foundation dollars. Your support and commitment to Future Connect is not only socially responsible, it's good for business. Recent research conducted by a local economist estimates that if we increase college degree attainment by just 1%, our region will see a \$1.6 billion increase in revenue dollars to the local economy. Individuals with a college education contribute more tax revenue and are less likely to rely on public assistance. College graduates are less likely to become unemployed during an economic downturn. Post-secondary education leads to broad civic, economic, and societal benefits that are critical to Oregon's advancement and prosperity in the changing world economy. Economically disadvantaged students and students of color face great barriers to higher education, often lagging behind their middle and upper class peers in high school completion and college enrollment and completion. This innovative community-wide partnership is an effective first step in building the workforce pipeline. It builds strong academic and communications skills, provides students with intensive advising and services that they need to be successful, and exposes students to career pathways in which they can earn certificates and degrees which ultimately lead to family wage jobs. US Bank is not alone in our support for the innovative program. Throughout the region, major corporations and foundations alike are investing in Future Connect to ensure the program's sustainability and growth. These funders include NW Natural, Hoffman construction, and Meyer Memorial Trust, and the renaissance foundation, and Louis and Virginia Clemente foundation, and Howard S. Wright Construction, the Gap, and many others. So on behalf of US Bank and all of our funder partners, I thank the council for its vision, for its ongoing support of this important community program. Because together, we are building a brighter future for our community. Thank you.

Hales: Good morning.

Solomon Barr: Hi, my name is Solomon Barr. I graduated from Roosevelt High School, class of 2012-2013. I did pretty good, I graduated with a 3.3, and during the high school summer I was able to work two summer work internships, one at Boeing and one at Portland Community Media, that's on MLK. And I received a Future Connect scholarship last spring. That just gave me -- that scholarship just gave me the chance to go to school. I didn't really have that money to actually go to school. I mean, PCC is not that expensive, but just that gave me the umph to say that I can go to school now. So, my first experience with Future Connect was spring, and I met one of the coaches,

his name is Josh. He's pretty amazing. And I took a placement test and I placed a bit -- not as well as I wanted to do, but I took a couple of tests, and I eventually got into the classes that I wanted to take. And right now I'm at Southeast with a group of people that are in my cohort. And they are students like me going through the same thing that I'm going through, but they're willing to learn. So, I just -- that just gave me the motivation to do what I'm doing right now. And my first term, my winter term, I finished with a 3.3 GPA, and that gave me more motivation to keep going forward. And my future goals are to own my own business, real estate, own my own housing and stuff like that. So, thank you.

Hales: That's great, thank you. Good morning.

Angela Nusome: Good morning, my name is Angela Nusome, and my official role at Roosevelt is facilitator of strategic partnerships for college and career readiness. Of which Future Connect, obviously, is the perfect partnership for a school like Roosevelt. As you know, moving first generation students to and through college really requires a fundamentally different approach to access and retention, one that has a much more holistic focus on understanding the students, their family, the community they come from, and their experiences K-12 so that you can respond to the needs that come in any of those areas. Future Connect directly addresses the gaps by providing real-time services that meet students where they are at and usher them forward. And they utilize the systems of both accountability and nurturing. Every Future Connect student feels deeply connected to their coach and also feels accountable to them, which is really important when it comes to sustaining energy in college. Future Connect also begins when the student applies and ends when the student has successfully navigated his or her pathway to a degree, and can assist someone else in that same pathway. The level of connection, again, that the coaches display starts before the kid is in Future Connect. When we do our application processes and have them come out to the high school and meet with the kids and energize the kids and meet with the counselors and nudge the kids and poke the ones who don't believe that they can go yet -- you know, there is a lot of that happens before the child is in future connect. So all these things produce what one student has referred to as the bumper bowling effect, which is the idea that if you are a kid who doesn't come with as many privileges or as connected of a family to the educational system, then as you are moving down the path to college, if you've got bumpers on either side, when you get off track someone is bumping you back. I really like that analogy because I feel like Future Connect lives that out. The other part about Future Connect from my perspective is that they are continuously building partnerships that expand programming and expand opportunities for students. They could stop by just providing services at Portland Community College and leave it there. But they go out and find scholarships at other schools, they encourage students to go into university and they have been really successful in doing that. So much so now that when I'm talking with partner colleges, I am saying so, what Future Connect scholarships are you offering? And the colleges that they are not offering are like, hmm what's that, right? So, Future Connect is able to build allies in that way. I don't work for Future Connect but when I'm talking with other colleges, I feel like I do, which is a huge testament, again, to the power of Future Connect's work. Last year, Roosevelt High School had the most Future Connect awardees of any high school, and this is a badge we wear very proudly and I brag about across the city. And it's also really a testament to the work of Becca, who is our coach. And the school counselors, when I ask them to share some of their thoughts with me so that I could share them with you, they said that they felt like Becca was, actually, a member of the counseling department at Roosevelt High School. Which I think, again, is a testament to what K-12 higher ed partnership could and should look like. Future Connect feels like I'm their staff, and we feel like Future Connect is our staff, and that's what true collaboration really looks like. So, those were the words of the counselors. When Becca came last year, well, every year that she comes, she meets with students to help with the application, she meets with the counselors to identify more students, she meets with teachers, she meets with anyone who can help prod more kids into the program. And

then once the students are selected, then it's about meeting with them to make sure that they are signing their award letters and making sure that they understand what the transition process is. All things that school counselors, who have a caseload of 400 students, can't do individually for every student. But if they get into the Future Connect then they already have a coach before they are even at the college. So, again, my observation is that expectations, accountability, and a loving push are really the hallmarks of the program, and that it begins from the application process to crossing the finish line. The last thing that I want to mention about our relationship, specifically, with Future Connect, is that this year we are launching a program in collaboration with them. We really believe that the key to transforming aspirations and the commitment of our students is the relationship between the youths, themselves -- and there's a lot of research that suggests that the peer influences is really high at this age level. And so, we believe that when given the opportunity and the leadership, students can inspire and motivate each other to push further and harder. So a program that we have at Roosevelt called the college advocacy project is partnering with Future Connect to establish work study and cooperative education opportunities for Future Connect students to come back into the high school as college advocate mentors, where they are really providing one-to-one, small group, and classroom-based support for students grades 9-12 in thinking about college and 9th grade and actually doing the college process in 12th grade and everywhere in between for the other grades. The focus of their work is also moving beyond the tasks of college, which again, if you come from a family that has gone to college, you might only need support with the task. But if you are a first generation, and you really had to build up your own internal sense of belief you can go, there's a lot more work to be done. A lot more work around examining your challenges and your attitudes and old belief systems and what you perceive others to think about you, and what your community says and what your peers say and working through all of these conundrums that students face. We believe, again, the peer-to-peer model for having those conversations to be the most effective. So, we also see this collaboration as really a simultaneous access and retention strategy as college students are trained, supported, and enabled to lead their younger peers into the college pathways, it solidifies their commitment to their own journey. And as a former student told me, it's a lot harder to drop out of college if you are spending time leading others into college. That same student two years later said, Angela, I took a psychology class, and that thing I said to you, that's cognitive dissonance. [laughter] I can't drop out of school if I'm telling others to go to school. So, I really appreciate Future Connect staff and students who are inspiring my students, and the city for your support of this program, and I think that it should be going nation-wide.

Hales: Thank you. That's a good goal. [laughter] Thank you very much. Questions for this great panel? Thank you.

Novick: This isn't a question but a comment. I talked to some of the students, they talked about the critical role of the coaches. And I just wanted to reflect on the fact that there is a bunch of research in a bunch of different fields now that shows the importance of coaches for anybody who is doing a new thing or trying to change an old habit or trying to improve even something that they are doing for a long time. They're finding in education, when you give teachers a four-hour in service day where they are told about a new method, they forget about it in two weeks unless there is a coach that's assigned to remind them of what they learned and try to put it into practice. In trying to improve people's health and reduce health care costs, we found that with people with chronic illnesses and high cost, one of the most effective interventions is if you have like a community service worker who basically acts as a coach and is going to that person and saying, hey, are you really taking your meds? Let's make sure that you are taking them every day. Are you taking a walk around the block every day? What are you eating? And that kind of nudge that actually improves people's health. And Atul Gawande, a health care writer from the New Yorker magazine, was writing a year or so ago about the concept of coaches. And he talked about, he's a tennis player, and he was playing at his local tennis place, and the pro said, you know, there's things you can do with

your game that I think could improve, even though you are 45 years old or whatever. So, he worked with him and his game improved. Many thought well, I'm still a practicing surgeon, and I thought I plateaued as a surgeon over the past 20 years, and maybe I could get better. So, he asked an old mentor of his to work with him for a while as his surgeon coach. And he discovered that after a couple of months, his ability as a surgeon, which were the same for 20 years, actually improved. So, what I'm hoping is that the next century will be -- the 21st century will come to be known as the century of the coach, and I think Future Connect is an example of why that should be.

Hales: Good point. Great. Other questions or comments for the panel?

Fish: I have one question, Mayor. In the handout -- can you tell us more about the housing support component?

Watkins: Would it be OK if I called up Josh Laurie, the program manager, to tell you a bit about the housing?

Hales: Please.

Josh Laurie: Good morning, Mayor. Good morning, Commissioners. The housing support component was actually an MOU that's been created through about five different people -- speaking specifically to the foster care housing. There is a couple of housing components.

Fish: Going off the handout you gave us.

Laurie: What we've done is we've recognized that some of the issues -- we don't just track students when they're staying with us, we track students when they exit as well. So what we find is that one of the main reasons why students were leaving college was life, and a lot of unstable housing situations. So we began to find partnerships with other partners we knew in the region. So, one of the components we worked on was with New Avenues for Youth, Home Forward, RAP, and developing an Oxford model house for foster care students who were struggling with housing, and Commissioner Saltzman's office as well. So right now we have an MOU and we're actually working on finalizing a purchase of a house that we're not purchasing, but Home Forward is purchasing, and then we'll be able to provide support specifically for foster students -- former foster care students in this house. It's in southeast Portland and we're excited about that. Another piece of the housing work that we're doing, is that we're working with college housing northwest. And we recognize that since PCC doesn't have a residential dorm, many students in our program, just based on economic background, do need a place to stay. So we developed a partnership with them where they will prioritize students who may be looking for housing at some of their centrally located facilities. We met with them and talked about the students we're serving and they showed us the space they had. We came up with a plan where students could more or less share information about one another, so if they were in Future Connect, we would help connect them to one another so they would then be building resources. So, one student wouldn't have to pay \$800 in rent for a place, but maybe if another student had a \$400 budget and another student had a \$400 budget, they could come together. And because they're in Future Connect, they have similar backgrounds and similar interest and skills in terms of college.

Fish: Does the city provide any support for this program, other than just sort of the -- Dan through his office providing structural leadership? Are we putting resources into the housing?

Laurie: Not currently. Besides Commissioner Saltzman's office has a representative there. We're basically just recognizing challenges that we see with students when they exit, and then trying to create resources for them. That is our program. We want to identify -- we can't be an advisor and advising a student on the track in classes to take is just one component of success in college. There's that other component which is life. We're just recognizing these other components and trying to build resources around them. Most of the coaches are MSW students, they have a master's degree in social work. This is a lot of the background talking about case management.

Fish: Do you anticipate -- I note we have a lot of internships with BES and the Water Bureau. Is there some annual event where we recognize students who have gone through this, in the bureaus, or is it done more informally?

Watkins: I don't think we have been doing anything specifically, with recognizing the students who have gone through internships. But we do have an annual regular event we hold for Future Connect to celebrate their progress. Josh, is there anything specifically?

Laurie: No we don't do any kind of awards ceremony --

Fish: Let's think about ways -- I mean, I think that to the extent each of us have leadership roles with bureaus where students have come through, you might want to think about how we can be intentional about connecting to the commissioner-in-charge, maybe doing exit interviews or some event to recognize their service and just institutionalize it. I'm sure it happens informally, but I would be interested in finding a way to shine a light on the folks that have signed up in my bureaus, for example, and learn a little bit more about what they've learned and also figure out are there real pathways, so that based on their experience and their interest, that they someday may get those entry-level jobs which become great careers.

Watkins: That's great. We look forward to exploring that.

Fritz: Your ceremony, where the graduating high school students who are in the Future Connect program come to council and we recognize them is one of my favorite of the year. It would be wonderful to have a graduating college student event to celebrate those who have fulfilled the promise -- when I talk at the high school graduation event, I always talk about, this is the taxpayers of Portland investing in you, investing in your future. And it would be lovely to have them come back and tell the community how they used our money wisely. I also note that I believe the Portland Parks and Recreation's GRUNT program, which provides summer jobs for high school students mostly in environmental education and trail building and such -- I believe those students in that program are automatically eligible for the Future Connect program. So that's something that I am committed to continuing to fund through the Portland Parks and Recreation. Because it takes a village. It takes all of us to get this done. Thank you very much for coming to share today.

Watkins: You're very welcome.

Hales: Thank you all. Great panel. Anyone else signed up to testify?

Moore-Love: Yes, two people.

Hales: Come on up, please.

Shedrick J. Wilkins: Hi, I'm Shedrick J. Wilkins and I'm a strong advocate of the community college system, whether it be Mt. Hood Community College, Portland Community College, or Clackamas Community College around here. I wish to say about the idea of high school and then going to the university. Commissioner Novick, I think Eugene high school closed or something. Is this a story I did and you just walked in at 15 and start taking classes --

Novick: It was the Cottage Grove school system actually.

Wilkins: You just went past the system and some professor said, start taking courses. This man is the youngest graduate of Harvard Law School, is that right?

Novick: I'm sure that there was somebody in the 1890s who graduated at 17 or something.

Wilkins: Well the community college allows -- some people in high schools have to work. There's drug problems or financial reasons. But this man has proved that, you know, not that I'm saying -- also, when you go to high school, you get something the second time when you go to the university, that is one of the purposes of the high school, is you can learn Spanish the first time and you get better grades when you -- OK. But what I wish to say in modern times, the computer, which allows people to draw information in from -- used to be if you wanted to talk to a scientist, you had to go to PSU and talk to a scientist. I emailed and got an answer from these people. That was unheard of in the early '80s when you started going to University of Oregon. So, I really see this -- I have a degree from PSU in electrical engineering. I only graduated because I went in the United States Army. My

father did not like the university system. But I can tell you right now, you can learn things from a college. And a lot of colleges originally, like when Linus Pauling, the scientist, went to Oregon State University -- used to be called Oregon State College -- PSU used to be called Portland State College. At the same time, a lot of space-age skills only required two years. There's a lot of hands on research. A lot of scientists, whether they're dealing with stem cells, making an integrated circuit, these are skills you learn in the first two years. And that's all I'm going to say. I'm a strong advocate of the community colleges. I wish I had graduated from Mount Hood Community College.

Hales: Thank you very much. Good morning, Charles.

Charles Johnson: Good morning, Mayor Hales, Commissioners. For the record, my name is Charles Johnson. And obviously this program is something I can't speak against. It's very important that we have as many programs as possible and back them as strongly as possible to break the cycles of poverty that still exist in Portland. I was up at the PCC Cascade Campus earlier this month when state senator Dembrow was having a panel with one of the PCC staff whose focus is on retention. And because of PCC deals with so many students who have backgrounds where their families don't have familiarity with college track and the requirements of college, the college is always under pressure from federal financial aid authorities to make sure that they have the proper retention levels and to deal with the crises that come up in everybody's life, not just students. Health care crisis, housing crisis. So I hope that, since you brought this measure forth, Mayor, one thing I will criticize, there is only four pages of PDF linked to this. It would be good if the public could get a chance to look at information that was distributed to council. I want to encourage council to take this measure seriously and find time to engage more and more with the PCC administration to find out, is this a program that is really only reaching 50%, 80% of the people that really could be serviced by the program. And if the economy is improving as much as some statistics suggest, to look maybe if there are ways that the city government can bottom line some involvement in this program. Thank you very much for your time counselors, and to everyone from PCC who came forth.

Hales: Thank you very much. So we're ready, I believe, for a motion to accept the report.

Fritz: So moved.

Novick: Second.

Hales: And any further discussion? Then roll call on accepting the report.

Item 95 Roll.

Fritz: I voted to support this program in the heart of the depths of the recession, and I consider it one of the best things the 2009 to 2012 council did in establishing this program, which was a risk. And as Commissioner Fish will remember, we got slammed. The city should not be investing in education, that is the school job, that's the state's job, that's the board of commissioners at community college job. And we recognized what our representative from the US Bank said today, that this is an economic issue. This is about business. This is about not only supporting our students and giving students whose parents never went to college the opportunity to do it, it's about creating an educated work force. And so we allocated precious general fund resources to it and we are continuing to do it. I'm very pleased to hear that the Portland Community College has raised \$1.1 million in private donations. A lot of it is from corporate donors who also recognize that this program is getting sharp young minds ready to serve the Portland community. And I thank you very much for taking the time. Thank you, Mayor Hales, for continuing to fund the program and everybody for coming in for the presentation today. I'm disappointed Dr. Jeremy Brown wasn't able to be here today. He is a doctor from England, and doctor [indistinguishable] from the University of Amsterdam. People question whether we have a world class education in Portland, and I would say we have a world class education at PCC, and at Mount Hood Community College, Clackamas Community College. What a great place where, as we heard, for a relatively small amount of money students can take classes and then go on to four year institutions or take technical classes and be ready to come to work for the city. So that's another piece I want to work with you on, is helping

graduates from the Future Connect programs know of job openings at the city so that they can take internships and work with us to have that path line into a satisfying public service career or private career, whichever they want. So again, thank you so much for all that you do. And you can count on me for being a strong supporter for as long as I'm on this council. Aye.

Fish: Looking at the material and listening to the presentation, I'm reminded that when I was a kid, I had an army of life coaches but I didn't actually know it at the time. So, I had two parents that were focused on my future. I had teachers, counselors, coaches. I had an army of relatives, and I guess I was of a generation where I wasn't allowed to call people by their first names so everyone was described as an aunt and uncle and it created confusion because I had this extended family that I didn't know that I had. You add up all of the people, my godfathers, my godmothers, my family friends, all of the people I grew up with -- I had an army of life coaches that helped me through every stage of my life. So I'm very fortunate. Not every young person has a ready-made army of life coaches and career coaches. And I think we're going to hear soon from the distinguished labor commissioner about one of the biggest challenges we have in our community, which is connecting people from their education -- last year of education, whether it is high school, community college, college -- to the work force. It's one of our biggest challenges. How do you make that connection? And that's what you are doing. And you're providing people with the help, resumes, coaching, someone in your corner. That might be the only adult in their life that actually gives a damn, maybe. So, it's an enormously important program, because if all we're doing is turning out young people with degrees but they don't find employment, there is a break in the system. And Future Connect is making a difference. And I love the fact that you're leveraging so much private money to complement the public money, which, because we have limited dollars to spend, is one of the real key things that we look at in terms of our investments: is there leverage? So, thank you for an inspiring presentation. I look forward to meeting more of the students that are in my two utility bureaus, and I'm very pleased to accept this report. Aye.

Novick: I actually was a skeptic of the city's investment in this program. Because what I remember reading the paper, was, well, the city is paying for a \$500 scholarship. And my reaction was, well, \$500 is not going to make that much of a difference in whether a kid is able to go to college, it sounds like a gimmick. But I was invited to a lunch on the program last year and heard people talk about the difference that it made, and heard kids talk about the value of the coaches, and also heard people talk about the value of the scholarship and that for one thing, to kids with no money, \$500 sounds like a lot. But also just the fact of getting a scholarship was a big deal for these young people. And it was part of what motivated them to follow through. So, I am a convert and I'm so impressed by the presentation today and I'm honored to vote aye.

Hales: Well thanks for a great report and it's great having you and the students here. We have a number of coincidences in this morning's council calendar, and this is another. Which is, I began my day today at 7:30 at a meeting of the group called Greater Portland Incorporated, which is a regional economic development effort. And they brought in a consultant to do a strategy for the metropolitan area, and that's great and I'm looking forward to that. But the consultant said this is not a cookbook process. We don't have a formula, but I can tell already you that one of your key issues will be work force. So that was how I started my day. You have re-enforced that. And this is a great and solid partnership. So, thank you so much and look forward to more. Aye. [gavel pounded]

Hales: Thank you. It's rude to keep an important state official waiting and we did that this morning, but I bet he doesn't mind because I suspect that our Labor Commissioner Brad Avakian, enjoyed that presentation as much as we did. But we're very pleased to have you here this morning, sir, and to talk about -- and also speaking of exquisite timing and coincidences, of course, the president talked at some length yesterday about the subject that you're going to address with us this morning, which is wages. So he queued you up nicely and we are happy to have you here this morning, Brad.

Moore-Love: Should I read the title first, Mayor?

Hales: Yes, please read the title.

Item 96.

Hales: Good morning and welcome.

Brad Avakian: Thank you Mayor Hales, Commissioners. My name is Brad Avakian and I serve as Oregon's Commissioner of Labor and Industries. And I wanna thank you for inviting me here today to discuss Oregon's minimum wage and how it benefited Oregon's workers, employers, and economy. And I must say, Mayor, it's very gracious of you for having apologize for having me wait, but you were entirely right, I was so pleased that I was here early enough to listen to the Future Connect students. Now the minimum wage is just the floor wage that we want to secure for our lowest wage earners. It helps protect them, it increases consumer purchasing power, but we always want to aspire to more for our families here. And providing these kind of students with the skills and the knowledge that they need to go out and compete for a living wage job that ensures that they don't end up struggling, or in poverty, and, frankly, that also then proves to employers around the globe that Oregon has got the most skilled and most ready workforce that you can find anywhere is a great benefit not just to those kids and their future families, but to our local economy as well. So I want to commend the students, PCC, and the council for the terrific work done with Future Connect. As you know, the bureau of labor and industries trains much of Oregon's workforce. We support our local businesses with technical assistance and we enforce civil rights and wage and hour laws, and do that not only to protect workers and tenants, but also to make sure that responsible employers have got a level playing field on which to compete. We also oversee Oregon's indexed minimum wage law. Passed in 2002 by a very diverse coalition of labor, senior, religious, and hunger security advocates. In 2002, our voter-passed initiative tied annual increases in the minimum wage to corresponding increases in the consumer price index. And in this way, our lowest wage earners in Oregon will always keep pace with the rising cost of goods and services. Likewise, the system also provides employers with greater certainty and predictability in the modest increases so that they can more easily plan their expenses for the upcoming year. Now, here's how it works. The bureau adjusts the minimum wage for inflation every September, rounding it to the nearest 5 cents. The adjustment accounts for inflation as measured by the consumer price index, a statistic published by the United States Bureau of Labor and Statistics, and it's based on the average change in prices over a time of a fixed market basket of goods and services. Our experience since 2002 is that we have seen no major spikes in wages year to year. I don't know if you have it or not, but I will just show you this bar graph here that shows the steady and predictable increase in wages since we passed our 2002 measure. In fact, the 15 cent increase that we saw just this last year, when we moved from \$8.95 to \$9.10 an hour as of January 1st, is a very typical type of an increase. And when the consumer price index declines, our minimum wage stays even, as an important protection for workers in tough economic times. At the heart of what Oregonians did in 2002, our principles of basic fairness for our lowest wage earners but also smart economics for our local businesses and our economy. There's no question that stronger businesses and a healthier economy are achieved when people have greater purchasing power. And as inflation causes the price of goods and services to rise, businesses need consumers who can keep pace. This is especially important when you're talking about minimum wage workers and their families. Because these workers are not socking away their paychecks in mutual funds and 401-Ks. Virtually every dime that goes into the pocket of a minimum wage worker is a dime that gets reinvested in local businesses as they buy gasoline, foods, school supplies for their kids. And the modest 15 cent increase that you saw this last year went to about 100,000 workers in Oregon. That equates to about \$20 million in additional consumer purchasing power that will be reinvested in local businesses. Now, we keep a very close eye on this at the bureau. We receive about 20,000 calls a year from Oregon businesses looking for help navigating their way through very complex local, state, and federal regulations. I frequently travel the state, meeting many business owners face-to-face and hearing their stories. I have to tell you,

they're not concerned about the minimum wage. What they're concerned about, across the boards, is where they're going to find their good, locally trained workers that have the exact skillsets that they need to produce the goods and services that they sell. In fact, I've talked with local business owners recently who are more concerned that as time goes by and as lower wage earners increase in numbers and middle class wage earners decrease in numbers, that there won't be enough people earning enough money to buy the goods that support their local businesses. It's also interesting to take a look at who today's minimum wage worker really is. The old stereotype that it's a teenager working a few hours after school in order to get a little bit of pocket change just is not the case. 88% of minimum wage workers are over the age of 20. The average age is 35 years old. 56% of them are women, and 28% of them have children. Today's minimum wage worker is in her 30s, she's working full-time, and she may have a family to support. And this is even more critical as we consider the demographics of the Portland workforce. Portland has 15% of Oregon's population, but it's got 24% of the state's jobs, and 28% of its payroll. And while wages are just slightly higher in Portland than the state average, it's percentage of workers who are women and people of color is higher than the state as a whole. It also notably has 26% of the state's hospitality industry, where many of the minimum wage jobs are found. So these demographics make the minimum wage an especially important factor in the standard of living for many Portland families. In comparison to the rest of the country, Oregon has a strong minimum wage, and I have to tell you after 12 years of Oregon's experience and indexing it to the consumer price index, it's proven to be a great benefit not only to Oregon's workforce, but to our businesses as well. And Mayor and Commissioners, I again thank you very much for inviting me to come and share a few thoughts today and would be pleased to take a few questions, if you have them.

Fish: I have a few. First of all, can we amend the ordinance to provide that this be an annual affair?

Hales: That would be a nice idea if the commissioner is willing.

Fish: I think it is a great public service to do this annually, to have this conversation. And we won't always get the commissioner, but I hope we can do this because I think it's an enormous amount of valuable information for the public. Mr. Commissioner, I have four quick questions. One is, the critics of the minimum wage sometimes argue that it has the effect of costing jobs, not adding jobs. And that's been -- we've heard those arguments at the federal level and local level. What's your view, based on the data, about whether a modest increase in the minimum wage ends up actually costing jobs?

Avakian: It just has not been Oregon's experience. In fact, since 2002, when we began to index to the consumer price index, we've seen the total number of businesses in Oregon increase. And even more notably, the total number of small businesses, that is with employees of less than 10, have also increased during that time period. Really, the more important factor is consumer purchasing power. Businesses depend on people's ability to come in and buy their goods and services. And you just cannot ignore \$20 million of additional consumer purchasing power going back into local economies.

Fish: The second thing you referred to in passing was the difference between a minimum and living wage. And I'm curious, what do we now consider the range of a living wage in Oregon, say, for a family of four?

Avakian: And that starts with an understanding of what the minimum wage really is. The minimum wage is a floor, it's not a ceiling. It provides the basic sustenance of life. And in every state in the country, and including at the federal level, that is a poverty wage. And I think it's very important that we aspire for more for our families and our communities than that. There are a lot of definitions of what a living wage is. I consider a living wage to be that that enables a family to pay their basic expenses of life, but then to also pay for health care, for education, and to save a little bit for retirement.

Fish: And finally, you know, we're reading stories nationally about big companies that are paying their workforce at or near the minimum wage. And their workforce is then eligible for a range of public assistance benefits. And in some instances, we're hearing that's part of the business model. What is your view of that approach to -- as an employment practice?

Avakian: We're very lucky in Oregon to have tremendous employers that will really go the extra mile for employees, pay a fair wage, not try to jimmy around wages and benefits because of some other external factor. But we have to recognize that there is a relationship here between the policies that state, local, and federal governments implement, the standards that they require in order to provide assistance when it's needed, and that that does have some interplay with the wages that people earn in communities. And it's why one reason I was pleased to see you a minute ago say we ought to do this every year. I think our open communication is very important to making sure that standards are set at the right level and at the same time constant communication with our business community on those same issues is equally important.

Fish: Thank you.

Hales: Other questions for Mr. Avakian?

Novick: This isn't really a question but I have to say that I feel a certain sense of ownership of this event and a feeling of irrational pride for two reasons. One, I happened to work for the senate Democrats in 1998, when Brad Avakian first ran for the legislature. And he didn't happen to win that year but a gallant effort and I was very pleased when he went on to be in the legislature and have his current position. So I'm very proud, Brad, of our 16 yearlong or maybe 17 yearlong association. Also, I'm very proud of the fact that I happen to write our current minimum wage law. Because it was passed by initiative when I was in the initiative writing business. It wasn't a very hard job. I think it was two sentences long. But, I wouldn't mind having that on my tombstone.

Fish: Now Steve, before Politifact swoops in, I want to be clear, you wrote it or you helped to write it? [laughter]

Novick: I believe I wrote it. [laughter]

Avakian: Well I must say, Commissioner Novick, I really appreciate you mentioning that great achievement of your own in the same breath as my first political loss. Thank you very much. [laughter]

Novick: Brad was taking on Tom Hartung, who was a giant in Washington County politics. It was a definite moral victory. I also can't let this event end without sharing my personal favorite quote about the minimum wage, which is from Franklin Roosevelt of June 24th, 1938. And I think it feeds into some of what Commissioner Fish said earlier, which is: do not let any calamity howling executive with an income of \$1000 a day who has been turning his employees over to the government relief roles in order to preserve his company's undistributed reserves tell you, using his stockholders' money to pay the postage of personal opinions, that a wage of \$11 a week is going to have a disastrous effect on all American industry. Fortunately, for business as a whole, and therefore for the nation, that type of executive is a rarity with whom most business executives most heartily disagree.

Hales: Wow.

Novick: That's the way presidents used to talk. [laughter]

Fish: That's the second rant we've heard from -- can I come back to one other thing you mentioned, Mr. Commissioner? The prior presentation about connecting young people to jobs. We have a big bike industry now here in Portland and they make bikes. It turns out there's a lot of welding jobs associated with that. If we could do one thing better from your point of view to match high school and community college graduates and college graduates with those kinds of blue collar jobs which over time are pretty good with benefits, what would you suggest we either work more on or do better?

Avakian: Well, let me tell you something that is already happening in its infancy, but which in time is going to be tremendous for this city and for the state. You know, one of the things that we have seen in our workforce almost across every industry sector is the rising age of it. You know, folks in the building trades are in their late 40s to early 50s. The average age of a PacifiCorp line worker in recent years has been 53 years old. The average age of a community college student has gone into the late 20s. If you go back about 15 years, the average age of an apprentice in Oregon was 19, the perfect age to get skilled up and ready for a living wage job. Today it is 28.2. So, we took it upon ourselves at the bureau a couple of years ago to study why that is happening in Oregon. It is happening everywhere in the country. It's worse here. Those ages began to spike like that at the exact time period that we began systematically eliminating shop class from our middle schools and our high schools. And so a very diverse group went down with me to Salem a couple of years ago in order to advocate for the return of those programs. A grant fund was created, the career and technical education revitalization grant fund, and it was funded. Last year, 21 middle schools and high schools around the state received fully-restored career education programs. This year, because of that great success, 140 schools across the state received grants and restored programs. 52 of those are the middle schools and high schools at the Portland Public School district, which are instituting a terrific program to teach young people the skills needed to write a resume, to do a job interview, what a strong work ethic means in order to compete with anybody on the globe for a job. All of these programs are going to build pathways up to community college, higher education, apprenticeship, or directly in to jobs. If I may take one more minute, Mayor Hales, you may be very interested in the kind of programs we're seeing. You'll see the return of traditional crafts, woodshop, metal shop, welding, things that are necessary in our state right now. Take the program out in Joseph, Oregon, way up in the northeast corner of the state, which I thought for sure would be a future farmers of America program. But in order to address the high unemployment rate of northeast Oregon, they wanted to attract manufacturing to that part of the state. So a couple of very sharp students got together with some local business folks and teachers and they built a new curriculum that teaches students how to write and use computer-aided design software, the very cutting technology worldwide that controls robotic machines and stamps out component parts for anything you want to build. If you were a manufacturer anywhere on the globe, you will not find a better locally trained workforce than Joseph, Oregon. The Beaverton School District next year will be starting up a program in biomedical engineering. So the reason I say I'm very optimistic about the path we're on now is we will be training a local workforce in the skillsets needed by Oregon industries and emerging industries nationwide. And after about eight more years of investment, when every middle school and high school has these programs connected in an upward, mobile way, I believe you will see Oregon having one of the best workforce development systems in the nation.

Hales: Great point. Well, thanks so much for being here. Sorry, go ahead.

Fritz: It's alright. First I want to affirm your statement that people making minimum wage put all of that money back into the community. I know for the seven years I lived below the poverty line, that was the case for me. In fact, sometimes putting a little more that was in my bank account to the community and then having to pay the bouncing fees. My daughter currently works at a downtown retailer and makes about 40 cents more than the minimum wage. And she does the things that 23-year-olds do, and it's all gone by the end of the month. Thank goodness, thanks to our president, she is covered under my husband and my health care because she wouldn't be able to afford even the coverage that is being offered under the Affordable Health Care Act. It would be very difficult for her, she would have to make some difficult choices. So, it's even what we have done in terms of minimum wage, it's not a living wage, as you have said. And we need to look at how can we support our president in increasing it. I mean, the state of the union address last night touched on so many things that you and I both care about, the minimum wage, paid sick leave. I certainly appreciate your and your staff's partnership in helping the City implement and educate folks about

our paid sick leave ordinance. That's wonderful. The president talked about so many things that as a nation, now is the time for us to do it. We're starting to recover. So I'm looking for your leadership as the labor commissioner, what can we do at a statewide level, what should we be doing or thinking about doing on the Portland City Council. You have done so much already as labor commissioner and I hope we can continue our partnership.

Avakian: We're always pleased to be of service to each of you. And thank you, Mayor, having me out, and commissioners as well.

Hales: Thank you for being here. Anyone else who wants to testify on this report?

Moore-Love: We have one person. Charles Johnson.

Hales: Come on up, Charles. Good morning.

Charles Johnson: Good morning, Commissioners. Again for the record, Charles Johnson. And we seem to be trending on a high note. I know you have a 2 o'clock agenda also. I hope that you will consider asking Commissioner Avakian to come back up. I'm surprised that the turnout here is so small and I think it may be symptomatic of one problem that we have with labor and workforce development in Oregon. We have not talked about the actual employment rate, the number of people who are not seeking work or not working. And I encourage you to actually right now ask -- even though this is primarily focused on minimum wage, I think some people in our community are skeptical that politicians, pardon the phrase, find statistics that look good for them. And there are, of course, people always in our community who no matter how good the statistics look, things aren't good. So if Mr. Avakian is willing and you can form the question, I think we should talk about how many people are not engaged with the workforce and are struggling because they have no employment. And I'm sure that we will engage constructively to improve that over the next year. Thank you.

Hales: Thank you. Good point.

Fish: I move to accept the report.

Hales: Is there a second?

Fritz: Second.

Item 96 Roll.

Fritz: Thank you, Commissioner Avakian, for your leadership on this and so many other things. Aye.

Fish: And those other things, just so we're clear, include helping us enforce our earned sick leave, being a fantastic partner on fair housing and enforcement of our fair housing laws, providing resources to our small businesses on a range of regulatory matters, and then being a champion for these connections between employment opportunities and the workforce. And I hope we can do this annually because I think this is an important conversation. Aye.

Novick: I think it would be great to do this annually. Thank you, Commissioner Avakian, for your energetic enforcement of the Oregon's minimum wage law and many other worker protections. Thanks to the voters of Oregon for approving one of the nation's highest minimum wages, and which is indexed to inflation, which is a wonderful thing. And thank you to the many minimum wage workers in Oregon doing tough jobs every day. And aye.

Hales: Thank you, again, Commissioner Avakian for being here and the invitation is hereby officially and by consensus extended to make this an annual event. So I hope you can come again next year and update us on this important piece of public policy. You know, in my new job, I've now had a year's experience of being Mayor, and part of what going with that is, you end up being the point person for economic development. I mentioned earlier, it has already been one of those meetings today. I spend more and more time with employers and prospective employers here in Portland. They have many concerns, workforce is of course one of them and a high level of concern. Quality of life, schools. And subjects that don't come up in those discussions are the cost of wages. That's not an issue. And sick leave. Those are assumed to be public benefits that are reasonable for a

responsible employer. So it's just interesting, the anecdotal report from the front. They care about our workforce, they care about our quality of life, they care about our infrastructure, and they care about our public services, they care about community like and the arts, and a lot of other things. But what's not stopping us is paying people a reasonable amount, providing them with sick leave and other planks in the floor of a reasonable quality of life for our workforce. So, I do appreciate this important piece of public policy. Commissioner Novick, especially, appreciate your piece of that history and look forward to more cooperation with your office. Thank you so much. Aye. [gavel pounded]

Hales: Alright. Let's move on to the regular agenda.

Item 108.

Hales: Commissioner Novick and I put this on the agenda because we have a legislative agenda to prepare for the city, and one of our members of congress -- Congressman Blumenauer has put this important piece of business in front of the congress, which is can we finally keep up with the need for federal funding for infrastructure by catching up on the gas tax? And so we wanted to get this item on the calendar so that the council could discuss it and we hope take a position in support of this leadership effort that Congressman Blumenauer is putting forth. Steve, anything else you want to add in introducing this?

Novick: Congressman Blumenauer -- I actually saw Congressman Blumenauer a couple of months ago when I went back east for my annual trip to celebrate Robert Kennedy's birthday, but I dropped in and saw the congressman, and he specifically asked for support on this matter. I commend the congressman's courage in being willing to take a political risk in acknowledging that we need to raise some more money at the federal level to invest in our crumbling infrastructure. A lot of people don't like the gas tax. I don't particularly like the gas tax because it's a sales tax, it's not a progressive tax on income. However, it is also a user fee, so to me, that somewhat ameliorates its rather regressive nature. But, there's other proposals in Congress to raise money for infrastructure other than Congressman Blumenauer's and I would probably support those too. But something needs to be done. Our infrastructure nationally and locally is crumbling. We depend on federal money for transportation in this state. We depend on it to keep the interstates passable, we depend on it for things like Portland-Milwaukie light rail, if we're going to get bus rapid transit or late rail on Powell or in the southwest corridor, we're going to need federal help. We get federal money for local projects, sidewalk and safety projects throughout the city including east Portland. We depend on federal money. And the federal transportation coffers are dwindling. The congressman has said something needs to be done. Much has been made of the fact that the congressman has proposed nearly a doubling of the federal gas tax. I think we need to be aware of how small the federal gas tax and how small gas taxes as a whole are in the context of what we spend as a society on transportation. I think a family in Oregon is -- in Portland is lucky if they spend \$100 a month on car insurance. If you have two cars with not particularly good gas mileage, this gas tax increase might cost you \$12 a month. That means if the geico gekko is correct and 15 minutes will save you 15% or more on car insurance, then that 15 minutes might save you as much as Congressman Blumenauer is asking you to spend. We spend hundreds of dollars a month on car payments. We spend again, if a family, that same family has two cars and is driving a normal amount, then they're spending about \$2700 a year just on gas, not including the gas taxes. It may be a near doubling of the federal gas tax, what Congressman Blumenauer is proposing, is I think -- and this is probably an exaggeration -- maybe a 2% increase in a family's transportation spending. It's going to sound like a lot for some people but as a fraction of overall transportation spending, it is tiny. If we're going to spend \$100 a month on car insurance, which is something that most of us hope never to use, then I think spending an extra \$12 a month to ensure our roads and bridges don't crumble does not seem that bad. On bridges, by the way, the federal government paid for a chunk of the Sellwood Bridge, which we're paying, the county's paying to rebuild. Some of that came out of federal gas taxes. I realize nobody

likes the gas tax. There's reasons that I don't particularly like it. But we need to realize that you are infrastructure is crumbling. We need to pay for it somehow. In this Congress, Congressman Blumenauer isn't going to get the Republican house to agree that we are going to pay through infrastructure by a massive tax increase on rich people. So Congress Blumenauer has gone for what he thinks is theoretically possible. And he has also acknowledged that the gas tax is ultimately a declining source of revenue because -- and this is a good thing in many ways -- people are driving less in more fuel efficient cars. He is proposing that we make plans to replace the gas tax with some other form of transportation revenue in the future, but for right now, Congressman Blumenauer has put something on the table which is important, and I think it is important for us to support him.

Fish: Steve, can I ask you two questions? The first is, I read somewhere or saw an interview where I think the congressman acknowledged that something like this has very little chance of getting through the Republican house for a number of reasons. But that he wanted to spark a debate and get on the table a range of options. Is that your sense, strategically?

Novick: That is my sense. However, I mean, I hope that the congressman is being unduly pessimistic. Because I think that even people in, you know, in a dark red republican districts drive cars and ride bicycles and walk. And I think that -- and the chamber of commerce, as well as organized labor, supports this proposal. I mean business people around the country in individual states and individual congressional districts will say to have an economy, we need infrastructure. The congressman might be right that taxes are verboten in the current house, but this is an issue where the traditional supporters of the Republican party are with Congressman Blumenauer.

Fish: The second thing I wanted to observe is that the mayor and I are working on superfund and we now have a superfund that has no fund. We have a transportation system that you described as crumbling with declining federal revenues. At some point, this is a question of economic development for the nation, at some point, this is about economic security. At some point this is actually a national security issue. And so the more I think we can focus on the need for federal support to fund infrastructure, which, after all, funds an interstate transportation system, which is the lubrication of our economy, the better. Whether it's putting dollars into superfund, rational regulations in other areas that don't bankrupt us, or innovative ways to get new funding for things that we need to do, I think we should always be on record supporting them, understanding that ultimately this may not be the outcome that Congress gets to, but we're drawing attention to a growing problem. And last question. Your share of the \$160 million of annual capital spending deficit is what? Transportation is what percentage -- when the auditor reports every year that we're falling \$160 million short --

Novick: Well, actually, if you look at just the pavement deficit, the auditor pointed out last year, it would take an extra \$75 million a year over 10 years in order to bring our streets up to the good, fair, poor, excellent standard that we want to achieve. Just for pavement, it is about \$75 million a year. And if you throw in our maintenance deficit on bridges, other structures, retaining walls, and our street signs, street lights, signals, you add more on to that.

Fish: And that's before you even get to the question of resilience.

Novick: That's before you get to the question of resilience and that is also before you get to the question of the many communities where you see arterials where kids are walking to school where you don't have sidewalks. Where you see streets are that are unpaved. Where you see dangerous intersections where we don't have flashing beacons or something else to help people across. That's before you get to all of that.

Fish: Thank you.

Hales: Good discussion. Anyone signed up to testify?

Moore-Love: Yes, one person, Terry Parker.

Hales: Come on up. Good morning. Yeah, it's still morning. Good morning.

Terry Parker: Good morning. My name is Terry Parker. I am a taxpayer in Portland here. The language in your resolution that states whereas federal gas tax revenues support both the highway trust fund and the mass transit account identifies an ongoing problem that won't be solved by HR 3636. While driving is subsidized pennies per passenger mile, less than a dime, public transit is taxpayer-subsidized at over 60 cents per passenger mile. User paid fares support only 25% of the operating costs. Two axle transit buses also do the heaviest damage to local streets and roads for which the riders do not pay for. On the same note, bicyclists whom also benefit from the highway trust fund pay directly zero into the fund, along with nothing locally to support the actual price tag for bicycle infrastructure. In addition to support from motorist paid fuel taxes, it is my understanding that due to automobiles becoming more fuel efficient and more people driving less and or using alternative transportation, over the past few years, general fund dollars have been injected into the federal highway trust fund at about the same dollar amount that is being siphoned off for alternative transport infrastructure. In other words, what motorists pay into the federal gas taxes is self-sustainable for roadways. It is the alternative modes that are the problem, draining the fund drive without the users making direct financial contributions. While adding to the national debt, this social engineering mindset is not working. History clearly demonstrates higher rates of personal mobility, such as driving, significantly contributes to greater economic productivity, which in turn generates more family wage and better paying jobs. That, in turn, is supportive of a vibrant economy. Likewise, due in part to the bias anti-car mindset that port metro and the city of Portland continually attempt to impose on the people. Wages and salaries associated with post-recession jobs in the region fall well below the national average, while the social engineering costs continue to soar. It should also be noted that in addition to making improvements faster than with transit vehicles, the modern fuel-efficient cars coming off the assembly lines use less energy per passenger mile as measured in BTUs, and produce less emission per passenger mile as measured in CO2, than riding transit. And that includes in Portland. Given all of the facts and without assessing some type of tax or user fees on the users of alternative transport modes, which in turn would help pay for the infrastructure being utilized, HR 3636, which solely shakes down more money from motorists, is a form of tax discrimination. Before passing any support resolution for an increase in the gas tax, or any other user fees assessed on driving, an equity clause or an amendment needs to be added that any support of the legislation must require the users of alternative transit modes to also make direct fee-based payments in the transportation fund accounts that will overtime increase with inflation. Thank you.

Hales: Thank you. Thanks. Anyone else? Roll call on the resolution, please.

Item 108 Roll.

Fritz: Thank you, Terry, for your ongoing vigilance in that area. We need a lot of money from the federal government to help address the huge amounts that we cannot raise in our community. It's estimated we have an unfunded mandate of \$83 billion annually nationwide and we need a minimum of \$500 billion, that's 500,000 million, to get our infrastructure in a condition where its benefits outweigh its costs. Because there is a cost to not having good roads, good sidewalks, good street lighting, and the cost we see here in Portland is in fatalities and crashes on Powell, and on Foster, and on Barbur, and places where the lighting isn't good and there's no sidewalks, no bikeways, and it's just not safe. I was looking into the federal funding for housing recently, and I think I'm remembering correctly that in the Reagan presidency, federal funding for housing went from \$83 billion to \$18 billion. So huge, huge cuts in housing and I'm sure that the same thing has happened to transportation funding over the years and in other things that we as a nation need to respect that we need to work together with the federal government to fund things that we care about. And I appreciate the mayor and Commissioner Novick putting this measure on our agenda before the discussion this afternoon to highlight its importance and to show our support for Congressman Blumenauer. Aye.

Fish: I forget those statistics on housing, I'm a little rusty, but I think currently, depending on what you add up, you get to about \$40 billion at HUD for all of the programs that address people that are priced out of the market, as compared to over \$100 billion in forgone revenue because of the mortgage interest deduction which goes to people who have second homes or have expensive homes.

Fritz: 100 billion, right?

Fish: 100 billion. Excuse me. So two and a half times is spent in forgone revenue in subsidizing mortgages which in relative terms not a means tested program. Although now I think there is now some cap, you can only do your second home, and it might be a million dollar mortgage cap or something. But it still is a very generous program, and I think \$40 billion or less for all of the programs which address people that the market is not serving. So, a pretty significant imbalance. It has been a good discussion. I'm pleased that Congressman Blumenauer has put an idea on the table and I would challenge others to come up with a better idea. Aye.

Novick: I really appreciate the Mayor putting this forward with me and I very much appreciate my colleagues' support. This is not an easy issue. A lot of people don't like the gas tax, but everybody uses the roads. I actually want to respond a bit to some of the points that Mr. Parker made. I am pleased that the federal government does put some money into mass transit and alternative modes of transportation, because for one thing, it gives people who have access to that an opportunity to avoid a lot of the expenses of having a car. I used to live in Washington, D.C. I did not own a car, I rode the subway. My transportation budget was a lot smaller. It was minimal. We want to give some people the opportunity to avoid a lot of the costs associated with having a car. I appreciate the fact that the federal government is willing to spend some money on pedestrian amenities. I also want to note that investments in mass transit and pedestrian amenities help to reduce health care costs, which have been eating away at our economy for the last 40 years. There was a study done in Charlotte, North Carolina a few years ago where some right research organization -- when a light rail line was approved but before it was put in, they called people along the proposed route and asked them among other things how much do you weigh? And then after the light rail line was put in, six months later they called and ask if they were using the light rail regularly. If they said yes, they would ask how much do you weigh now? And on average, people who started using light rail regularly had lost six pounds, just because they were walking to and from the stops and not just to and from a parking space. So I also appreciate the fact that the federal government, unlike the Oregon state government, is able to use some of their transportation revenue for mass transit. But I also appreciate the fact that they are able to keep i-5 and 84 operating and they're able occasionally to give us money for sidewalk and safety amenities. Again, I really, really appreciate my colleagues' willingness to support this. I appreciate Congressman Blumenauer for being willing to start conversations with other people aren't willing to start. Commissioner Fish talking about the superfunds. It used to be the superfund was paid for by tax and oil on chemical industries, and Newt Gingrich decided to put an end to that in 1995. And every year, Congressman Blumenauer says, why aren't the oil and chemical industries paying their fair share in superfund cleanups? So, very much appreciate my colleagues' support of this and congressman's effort. Pleased to vote aye.

Hales: Four scary words: pay as you go. That's the radical notion that Congressman Blumenauer is putting forward with this bill. And there are apparently some people in Congress that get the vapors over of the prospect of catching up on our gas tax a little bit. But get real on two counts. One, the gas price at the pump goes up and down 30 or 40 cents over the course of a year, if you pay attention to that. You know, over the course of the year, we will pay more or less than this by twice the amount that he is proposing. Secondly, maybe to make this a little more real, after a recent trip, I wanted to kidnap every member of Congress and take them with me on a return visit to our sister city of Suzhou. Because here is how you get there. You get off the plane in the airport in Shanghai and you take the maglev at 300 kilometers per hour for an eight minute trip to downtown Shanghai,

where you see forests of cranes, gleaming new towers, and incredible prosperity all around you. Then you get on the pokey little regional train that only goes 150 or 175 kilometers per hour -- oh, it's electric, of course -- that takes you every 15 minutes to the nearby medium-sized city of Suzhou. You get off the train there, and you take a trip to the new Suzhou industrial park where there are Fortune 500 companies from the United States building major facilities, and their brand new eight-lane arterials with beautiful landscaping all dressed up and ready for the development and shrink-wrapped subway stations. I am not making this up. They build subways on spec for their economic development efforts and shrink-wrap the stations until those Fortune 500 companies build the towers and the workers show up. That's what 10% of GDP going into infrastructure looks like. We are what 2% of GDP going into infrastructure looks like. If we want to be a first world country, we need to start catching up to a few other places like China that have figured that out. This is so basic, and so easy, and apparently for a few people in Congress it's still hard to contemplate. I appreciate Congressman Blumenauer's leadership and I'm happy that we're supporting it. Aye. [gavel pounded].

Hales: One more item on the regular calendar this morning.

Item 109.

Hales: Second reading, roll call.

Item 109 Roll.

Fish: Aye. **Fritz:** Aye. **Novick:** Aye. **Hales:** Aye.

[gavel pounded]

Hales: And we are recessed until 2:00.

At 12:02 p.m., Council recessed.

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.

JANUARY 29, 2014

2:00 PM

Hales: We'll resume the council meeting. And call the roll, please, Karla.

Fritz: Here. **Novick:** Here. **Hales:** Here.

Hales: We have two items this afternoon. Why don't you read them both together, please.

Item 110. Item 111.

Hales: So let me set the stage for this and then call up our team to present. As you all remember, we had a good session here in November to develop ideas for our legislative agenda. We then also got queued up by both by my recent participation in the U.S. Conference of mayors meeting and the President's State of the Union speech last night. In both cases, there was really an emphasis in our discussion with cabinet secretaries and in the president's speech about how this administration understands that cities are going to be the implementers of a lot of key changes in our country, and the U.S. federal government should be a good partner for us. We can't necessarily count on the U.S. Congress to move as quickly as we need them to in some cases, so where they can and where they have the authority, this administration is going to try to find ways and means to get things done with us sooner rather than later. Also, it was great to hear the secretary of labor specifically praise our sick leave ordinance. That was really fun. And we should all be proud of the fact that we're a model for the country once again in developing policy at the local level that perhaps should be federal policy but isn't yet. So today we have both these agendas in front of us as well as I want to add an additional item to the list, which is that there's going to be a major request from OHSU to the state legislature for really a game-changing investment in the economy and the city. Let me bring Martha and her team up to make the presentation and we can take it from there.

Martha Pellegrino, Director, Office of Government Relations: Thank you, Mayor, Commissioners. For the record, Martha Pellegrino, Director of the Office of Government Relations. Very pleased today to bring you both of the reports for the 2014 federal and state legislative agendas for the city. With me to present first the federal agenda is Nils Tillstrom, our senior associate of intergovernmental affairs. I would like to begin today with just a few brief comments on the process that got us to this point, applicable to both agendas. That process began in August when we began soliciting ideas from offices and bureaus. We also created opportunity for public comment and public input into the agenda in a little bit different way than we've done before. We had set up a comment line and an email address so any members of the public that had some ideas that they would like us to bring to Salem or Washington, D.C. could do so. Also, a couple weeks back, we hosted a successful Advocacy 101 session for about 60 community members to give them some tools and training about how to become good public advocates, and had great representation. Both of those things we did in conjunction with the Office of Neighborhood Involvement and also the mayor's office. So since council met in November, we have worked to refine these drafts and have also conducted some extensive outreach to legislative offices as well as community groups and business organizations to try to find potential alignment in some of our requests and their requests. I think you will find that in the version that's before you now. Turning first to the federal agenda, what you have in front of you very closely mirrors what was discussed in November. There's a few changes I will just quickly point out. Two items you asked to be elevated to the priority list were the support for federal education funding and federal education policy and also support for the

community parks revitalization act. You'll see those are now top line items now in the federal agenda. You had also asked for the reauthorization of the superfund tax be included as part of the top line superfund cleanup item, and also transportation reauthorization includes streamlining of the small starts program, inclusion of funding for urban circulator, funding for highways, and also acknowledgment of the health benefits for transit and active transportation. So all of those have been amended in this draft. Structurally, it remains the same as in prior years. The top seven items begins with the Portland harbor superfund cleanup and then organizes topics by other topic areas. In the policy positions section of the report, there are a few additions, again based on feedback we received during the work session, that would be the funding helping with the James Beard Public Market, the healthcare section -- there's a new issue indicating support for behavior therapy for autism as part of the Affordable Care Act, and then lastly, on the final page of the report there is support for the employee free choice act. So that is just a quick overview of the changes since the last time you visited this document. At that point I'll stop and take any questions or comments on the federal agenda.

Hales: Questions, comments, revisions, reactions on the federal side of the list?

Novick: This is just a comment. And I'm old and pragmatic, so I'm not going to offer an amendment to knock it out, but --

Fish: Steve, technically, you're the youngest member.

Hales: Yes, right.

Novick: My apologies for any inferences. [laughter] But the support for the EB-5 program, which basically means if you spend \$1 million in the right place, or \$500,000 in the really right place, you can get a visa -- it rather depresses me. I was looking at an old poem and the lady in the harbor says, give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore, send these, the homeless, tempest-tost to me. And she doesn't say anything about \$1 million for investments in one place or \$500,000 in another. And I've realized, I've been told that this is PDC's top priority, and I'm not going to raise too much of a ruckus but I will say for the record it depresses me to have this on our agenda.

Fritz: Thank you, Commissioner Novick. I had similar thoughts. I'm going to be deferring to the mayor on another item later, so like you, I'm deferring to PDC. I'm glad we have overall immigration reform as a top priority. I think probably most people in Portland would prefer to have immigration policies that are rational, make sense, and are enforceable rather than the mishmash of things that we have now, which are none of the above.

Hales: Yeah, I agree with those statements. And I think it's to say, yeah, case of realpolitik with bad policy rather than getting to where we would like to be as a country, which is a little more congruity with our values. But while the EB-5 program exists, it doesn't make sense for us to -- [indistinguishable]

Fritz: For the record, I did not comment on the EB-5 program. [laughter]

Novick: Were you tossed by any tempests on your way here?

Fritz: I came because at the time, they allowed nurses to be -- there was a sort of shortage of nursing, of nurses. So I got in because I was a nurse, not because I was married to an American. In fact if I had not been a nurse, I would have had to have stayed out of the country for ten years before coming back. Because I had had the misfortune to be a legal immigrant on a student visa falling in love with an American citizen, and that's not allowed in the current rules.

Hales: One more thing to argue about at the federal level. So let's move on to your presentation about the state agenda and then we'll take public comment if we have any here today.

Pellegrino: We're going to do a little switch out here of our experts. At this point I'll invite up the rest of the state team. To my left is Dan Eisenbeis, state government relations manager. And to my right Andy Smith, senior associate; and Elizabeth Edwards, associate. Not here but really worthy of recognition are the members of my team, Amy Julkowski, Lesley Kelley, and Hector Miramontes,

all of which have contributed substantially to get us to where we are right now. I want to say thank you to that. Turning to the state legislative agenda, again, these items are substantially the same to what we brought you in November with a couple of notable exceptions. We added a section on rural partnership, per the request of Commissioner Saltzman. That now has two bills. One is an effort led by the Oregon Food Bank to give local farmers a tax credit for food donations. The other is support for pilot programs through Business Oregon to support rural entrepreneurship. And taken together, those items are going to help address issues of food insecurity and economic recovery in parts of rural Oregon, but will have benefit for the whole state. We also removed the reference to sidewalk management in the preemptions area, partly because there will be no legislation in 2014, and partly I think there's some question about whether preemption this is the right way to characterize it. So it didn't seem that way, that it really belonged there. So other than that, a number of these are items you have seen before. They were things you all wanted to see get done in 2013 and are still on the list for 2014 and are gonna require some additional effort. Other than that, I think we can open it up for questions or comments.

Fish: With respect to rural partnership, is this something that Commissioner Saltzman has raised in his capacity as our representative to the league of cities or does this have another genesis?

Pellegrino: I think personally, yes, we have been incorporating issues really of primary importance to rural Oregon probably for the last seven or eight years now. I think Commissioner Saltzman believes that our foundation of being able to use the city's resources to lobby of things for primary importance for rural Oregon makes us better partners at the legislature. And so, I think there is some connection there, but also I think his own interest is seeing us take much more statewide view of lobbying.

Fish: And Martha, we're reading lots of different, sometimes conflicting accounts of what's likely to happen during this session. Based on what you're hearing and seeing, can you give us a primer on how you see this session unfolding?

Pellegrino: I can try, although the reason you're seeing different accounts is because nobody really knows. So I'll give you my best estimation, and that is, we're going into a 35-day short legislative session, which means there really is not a lot of time to introduce new policy or work through really big or complicated issues. I think a lot of what we'll be seeing are technical fixes from the 2013 legislative session. We will also be seeing, you know, you've been hearing about a couple big projects where they have been working over quite some time to get support for. We'll see a vetting of those things. But really the amount that can get done and the timelines we've set are things that have been pretty thoroughly vetted at this point. Then we will also be -- we've seen the first set of bills of the two big sets to be dropped pre-session, and it does look like we'll be playing some defense because do things move very quickly and there's always bills that propose to take away authority from cities, or change funding models. So we will be spending time defending cities' interest against those.

Fish: Based on what we have been reading about the CRC, what's your assessment about whether the CRC is going to survive this session?

Pellegrino: I think it's going to be a tough road, but that is something that -- you know, the governor just indicated and reiterated his support. And the speaker, who has been a staunch advocate. So with those leaders and with the project team, they are still trying to make their case. The main difficulty seems to be about the issue of it being a mainly Oregon effort. I think that's where there's some reluctance. So that dialogue and those issues will be playing out in the coming session.

Hales: I think Commissioner Novick may have comments on this as well. I think it's certainly worth our conversation with our legislative delegation making some mention of this. And that is, I think now at this juncture, regardless of the City of Portland's position on the project itself, I think we do want to urge the legislature to respond to the governor's call and decide this session because we do have a much -- an increasing interest in a 2015 legislative package on transportation funding.

For this now ten years of planning to continue any longer will really start to get in the way of that work. Then secondly, I think the credibility of government is at risk for a project that has spent as much as it has for as many years as it has to be carried on any longer. Whether you love the project or you hate it, I think this is a good time for them to decide. I want to encourage them as colleagues and friends that call the question and answer it, please.

Novick: Only comment I'll add to that is that the discussion of the CRC recently reminds me of the scene in *The Princess Bride* when they are asking Billy Crystal to revive the man in black, and he said, well we need to determine whether he's all dead or mostly dead. And Inigo Montoya I think asks, what does mostly dead mean? And Billy Crystal says, well if you're mostly dead maybe you can be revived. All dead, we go through your pockets for loose change. And it does strike me that if in fact the CRC is all dead, then we should go through its pockets for loose change. I met with a group of legislators a couple of weeks ago, and somebody asked me what I thought about the CRC. And I said, well, the CRC is above my pay grade, but I will say this: it seems to me that the legislature decided last year that it should spend \$450 million on transportation projects in the Portland area. [laughter] And I hope that if there is no CRC, they will still spend \$450 million on transportation projects in the Portland area.

Fritz: Love it.

Hales: We can hope. OK. Any other questions or comments for the team? So I want to make sure we have in front of us -- before we take testimony, I have suggested an additional item for the list. And that is that OHSU is going to make a request for \$200 million towards the big hill they have to climb to meet the Knight challenge. As we all know, the Knight challenge is a \$500 million charitable grant that is conditional on matching funds being raised by OHSU by one means or another -- public, private, philanthropic, whatever pockets they can go through for change. Big change. I'm persuaded that this is a really important decision and something that we ought to support on a couple of counts. One is the obvious economic development count. When we designed the plan for the south waterfront, we hoped it would become not only a home for OHSU's expansion but also a place of biomedical business growth in the city. Frankly, up to now that really hasn't happened. But if you look at what comes with the collaborative life sciences center, and if you do start talking with people that are in that sector -- we were visited yesterday by a national development firm that builds laboratory space in just this kind of setting who frankly didn't pay any attention to Portland before but now is paying attention. I think we're really about to turn that corner. And those are all valid economic arguments, I think, for why 200 million from the legislature plus 800 million from other sources is really going to pay dividends for Portland. But on a human level, I think it's a worthy investment for our state to support an institution that's done so much already and is poised to do a lot more for the deadliest disease in the country. We've all been touched by cancer in our families and OHSU has made a huge difference. I have friends that are alive today because of Gleevec. And I think if they are supported in this research work, it will be great for the economy of Portland, but a whole lot of people will live longer lives because of that work and that counts -- like the old mastercard commercial -- that part's priceless. The \$200 million is a lot of money. And it's going to be hopefully leveraged to produce a lot of benefit, but I think on a human level it's even more valuable.

Fish: Just one question, Mayor, on that front, because I support this amendment. But Martha, does this compete with any other priority council has put forth?

Pellegrino: You know, it does not. The ways and means request that is in the agenda is for emergency homelessness assistance and housing assistance. This request is for capital funding. So there's no immediate competition.

Fish: And is this any different from prior legislative action to do capital funding for things like the life sciences building or any other things we prioritize in our backyard?

Pellegrino: It isn't. I think a number of our higher education partners have come forward with different projects that the city has gotten behind, and part of a coalition to support, so I see this being one of those touch projects.

Hales: Except of course the other difference is the mechanical one of there are projects proffered to the legislature for funding this year, next year, next year, it happens all the time. In this case, there's a two-year opportunity for the leverage for the other \$500 million. Perhaps Phil Knight would extend that two years if they didn't quite make it to 500 million in that time, but who wants to take that chance? This is a limited duration opportunity because of the leverage with private philanthropic dollars.

Fish: Reminds me of the story I told you once, Mayor, about my son's vision issues. And not knowing anything, we started by going online and doing the research. We kept coming back to the fact that the top rated program and the top rated doctors were at Casey. It was a wonderful revelation that it's in our backyard. But if we as residents are learning that that's the best care facility in the country, and we continually build the brand around cancer treatment, cancer research, and OHSU's profile, that's great for people in this area but also great for the continuing growth and progress of I think our largest employer. Isn't OHSU our largest employer?

Hales: They are our largest employer. Exactly. I think it's hard for us sometimes in Portland to think of ourselves as a national or world class leader. We have always been pretty modest as a city. But this will be -- the overused term game-changer, I really think it is that. If you look at the facilities at the collaborative life sciences center and you look at this opportunity, I think it is a game-changer. As Joe Robertson, the president of OHSU, puts it, this gift, if the Knights make it, will be four times the size of the largest gift ever given to Harvard University. That's a different league than we're used to being in in Portland. And I think it's a fine thing for us to have to stretch to that new understanding of where we stand in things. So I would like to put that on the table, and with council's support, add that to the list. And if there are folks that want to speak about the agenda, let them react to that as well.

Fritz: Do you have to move it as an amendment?

Hales: Yes, could you please.

Fritz: I will move that as an amendment.

Fish: Second.

Hales: I think we have copies. Any further discussion on adding the amendment and having that on the table as well? Roll call on the amendment.

Roll on Health Care amendment.

Fritz: So Mayor, you speak very persuasively in favor of this. I'm a former OHSU employee and certainly I am a big fan of Uncle Phil and his philanthropic gifts to the University of Oregon and its football program. I'm somewhat reluctant to ask the state legislature to direct funding based on a philanthropic gift. It feels like person -- one entity is directing where the state should invest precious borrowing power. It does seem it will have a lot of construction jobs, which will help us continue to climb out of the recession. It has about 400 ongoing positions. But it will take away from something else. And so I'm willing to support it. I want to be alert to this being a single person pushing the state's agenda by this large gift. And just long as we're aware that that's happening, I think we're then able to make our decisions in the light of full disclosure. Aye.

Fish: In light of that, I will simply say I will not support a future amendment like this unless someone puts up the equivalent amount of money. [laughter] Philanthropic match. So we'll set the bar very high. Aye.

Novick: Well, I share Commissioner Fritz's concern, and it's also kind of counterintuitive to me to think of anything health care related as an economic development driver. Because I'm used to thinking of health care costs as an economic development drag. But it is a fact that if you're on the cutting edge -- I mean, for the most part, health care is not a traded sector industry. It's soaking up

local money for local expenses. But if you're on the cutting edge, if you're selling a new drug, if you're getting people coming in from the rest of the country for treatments, then it does act as a traded sector industry. It draws money in from the rest of the country. And Gleevec is a good example. I mean, Gleevec is being sold all over the place. This is only tangentially related, but one example of how health care can become a traded sector commodity is -- I heard the story a few months ago that Lowe's, the national home furnishing company, has enough employees all over the place that even a relatively rare medical procedure are things they see all the time. There's some sort of complicated heart procedure where they looked around the country and concluded that the best place to get it in terms of cost and quality was the Cleveland clinic. So if you need that procedure and you work for Lowe's, they fly you to Cleveland and give you and your significant other if any two tickets to the rock 'n' roll hall of fame. That's where you get the procedure done. So the city of Cleveland is getting economic development benefit from the fact that they're good, the Cleveland clinic is good at this type of procedure. So, I hope that if OHSU develops some sort of treatment for which people are flying in from the rest of the country, we figure out what they should get tickets to.

Hales: Good problem to have.

Fish: Is that an aye?

Novick: That's an aye. [laughter]

Hales: Thank you very much. Aye. [gavel pounded]

Hales: OK. Thanks, team. Then we'll see if we have --

Fritz: Wait, wait. I have another suggestion. So this morning we heard from Future Connect and they told us that there's house bill 4116 proposed that will add \$1 million statewide for programs like Future Connect. And I looked to where we could add something about this in the packet, and I noticed that we don't have an education piece in this priority list, presumably because most of the education funding will be done in the odd years. But to the extent -- I feel like -- I didn't notice before that we don't have anything on education or on mental health funding. You of course know these are priorities for the city. But particularly on education, where there are -- maybe we need a paragraph or introductory piece that says we support education funding ongoing, increased. Because although the legislature made a good start in turning around last year, by no means are there enough teachers being paid in Oregon. Specifically with respect to house bill 4116 but then in addition, what do you need from us to give you the oomph to carry that message to Salem?

Pellegrino: Great. Thank you, Commissioner Fritz. And we have also been in touch with the folks at PCC about the request. City council has a couple of options. One is just to give us direction to make sure that council supports that request. It doesn't necessarily have to be on a legislative agenda for that to happen. So if you would like us to do that, we can partner with them. Again, we'll see about 300 bills introduced, some of which we'll weigh in on and some requests. And/or, we can also prepare something for the report. But your point about signaling to the legislature about, great job in 2013, that needs to continue, I think is a great message to carry forward. And I don't think it's going to be the document that's as important as coming from you all. So I would encourage this council in every communication you're going to be having in the next few weeks with members to give them credit for the progress they have made, but to say this needs to be carried forward. And several of our members are actually in really good positions to do something about this. I think your advocacy is as important, if not more important, than what we put on paper in front of them. But I think there will be some opportunities to reinforce that message in coming weeks.

Hales: It might be good, though, to have us on record as supporting that bill. It's council consensus, I think, that that's something we definitely want to support. Good. Thank you. Appreciate that reminder. Thank you. Do we have people signed up to testify?

Moore-Love: We have two people. Please come on up.

Hales: Come on up. Good afternoon.

Michael Strickland: I would like to ask if there are only two people signed up to testify if I could have six minutes, please.

Hales: We'll give you a little extra time. If you have a written statement you might give it to us.

Strickland: If I could have a 30 second notice on when to wrap up. Thank you very much. I'm Michael Strickland. Good afternoon, Mr. Mayor, assembled council. I live in Milwaukie now but I lived in Portland for eight years. I still work in the city and may very well move back in the future. I come before you today to specifically address the public safety aspect in the state legislative agenda packet which calls for supporting the universal background checks on those who want to transfer a firearm to their neighbor or friend. First I would ask any proponent of the universal background bill to explain to the public how it would stop two criminals with malicious intent from making a firearms transaction in a dark alley somewhere. Or how it would stop a grandfather from passing down his old rifle to his grandson. How would anyone know that background checks were not being conducted on such deals? My second issue with this is the fact that city is complicit with the blatant violation of the already existing background checks laws. Last May, the mayor and several officers with PPB assisted cease-fire Oregon with their illegal gun show which consisted of more than 25 firearms being transferred without any background checks being conducted, a clear violation of ORS 166.432 and 438. You may remember, Mr. Hales, when I asked you about this on camera as you were leaving the event, you were very defensive and at a loss for words. You told me to talk to the police. I had already talked to the police and they told me to leave the property after I began to cite ORSs. As I understand it, as mayor, you are the police commissioner. So I would ask if you're willing to turn a blind eye to already existing laws, isn't it kind of a double standard to want more laws regarding the same topic? Thirdly, I would ask Miss Pellegrino to cite her source for her claim of 442 deaths in 2012 due to firearms sales in the state. According to the FBI website, there were 92 murders or manslaughters in the state in 2012. In fact, over the past 20 years, we have seen a decline across the nation in murders and violent crimes. Society in general is evolving, becoming more peaceful. This is despite the mass proliferation of firearms during this 20-year period. Furthermore, 2013 saw the fewest murders in Portland since 1971, despite the massive boom in firearms sales that took place at the end of 2012 and first few months of 2013. One has to ask themselves, with the drop in crime, is another law really necessary? Fourthly, there were just over 2000 people who failed their background check at gun stores in the state last year. As I understand it, it's illegal to even attempt to procure a firearm if you are a felon or if you know in some other way you would be disqualified. I would ask Miss Pellegrino or any other proponent of the bill to tell me how many of those 2000 plus or 1.8 million nationwide were prosecuted. If the current system isn't even capable of pursuing the current offenders, how will it handle a theoretical massive increase for failed background checks? In closing, after hearing the information I presented, if people still support the universal background checks, then one can only reach two conclusions about such people. Either you are willfully ignorant and close-minded, sticking your fingers in your ears going la-la-la I can't hear you, or, you just want to pass a feel-good resolution so you think you're going something good, so you think you're helping people. If that's your objective, then congratulations. But it isn't going to help anyone and it isn't going to stop anyone from being hurt or killed. Thank you very much.

Hales: Thank you.

Fish: Let me ask you a question, sir. I don't think we've met, and I'm a little confused. So is your view that it's not strong enough or it's not necessary?

Strickland: It is not necessary.

Fish: And do you have a view generally about background checks?

Strickland: I think the very notion of background checks, if someone supports it, then that means they presume people are guilty. Having a presumption of guilt about someone where they then have to prove their innocence sets a very dangerous precedent. For example, the DUI checkpoints that you hear about in the news every now and again that people set up. I haven't seen them much around

here, but I have seen it in other states. They are just randomly pulling people off to the side of the road, pulling them out of their cars, making them submit to these checks without any reasonable suspicion they have done anything wrong.

Fish: Do you have written testimony to share with us?

Strickland: I have the testimony here written down.

Fish: If you can leave it with the clerk. And are you here as an individual or representing an organization?

Strickland: I'm here as an individual.

Fish: Thank you.

Hales: Yes, if you could leave us a copy that would be helpful.

Fritz: Mr. Strickland, I think your numbers don't account for the number of accidental deaths and suicides.

Strickland: OK. Well, again, I'm asking Miss Pellegrino to cite her source in the legislative agenda package that says 442 deaths.

Hales: We'll find out the source but the point Commissioner Fritz has made is sound even if the numbers aren't exactly right. We had 16 murders in the city last year, and 43 suicides I think. Documented as such. So it's a huge factor. Firearms are one of the ways by which people commit suicide.

Strickland: With the background checks, if someone wanted to kill themselves, would a background check stop that?

Hales: Not in every case, certainly. But in some, perhaps.

Novick: Actually, New York state has one of the lowest suicide rates in the country and it also has one of the toughest sets of gun control laws, and researchers believe there is a correlation.

Strickland: I would like to see your sources on that.

Novick: I can send you that.

Strickland: OK.

Hales: Thank you very much. Good afternoon, welcome.

Daniel Sandini: Thank you, Mayor Hales. And let me start by thanking the distinguished members of the council. This is my first time being here today. You've got beautiful chambers here. I've never been here before.

Fish: Put your name on the record, if you would.

Sandini: OK, my name is Dan Sandini. I'm a video journalist, citizen journalist here in the city. And I'm a gun owner. Concealed carry person. And last year, I had the benefit of being down in the state house and catching Manny Martinez. And I don't know -- do any of you know who Manny is? He's a Cuban immigrant here in the United States who went through Communism -- the rise of Communism in Cuba. And Manny testified down there. It's the biggest video on my YouTube channel, his testimony, it's a quarter million views. I think I have the biggest political YouTube channel here in the city. And what Manny was describing, and I invite you to look at that, it's YouTube/daylightdisinfectant if you want to go look at that video. And what Manny had to say was that the first step is this gun registration. That's the first thing that they did. And you may say that they are not going to keep a record of this, and people inside city offices and state offices aren't going to use these records to intimidate us, but I can tell you that that does happen. And that's going to be the first step. And I guess my next point would be that this is the Constitution that we're talking about. This is, I'm not given that right by any government organization, I'm given that right by god. By god. And all of you should be ashamed for wanting to add additional legislation. I understand there are existing gun checks in place right now. And I understand the Supreme Court has ruled that cities and states can put reasonable checks on those things. But every additional law detracts from other resources. You are not gonna stop a criminal from getting a gun. Look at the city of Chicago. Look at the high murder rates that they have down here. One of the reasons why we

have such gun violence downtown, in Portland, is because we live in a state where it's easy for a citizen to go and get a gun and carry it as a concealed weapon. You can take a class in one day here in the state and do that. And that is my right given to me. That makes us unique individuals different from any other beasts on the planet. And the founding fathers knew and understand that. And governments should not get in the way of it. That's my point. I will say that I resent any further additional restrictions on doing that. I can go, and from a friend, Charlie, we're both good guys, we both know each other downtown, and just for \$100 buy his rifle from him without having any government agency put my name in a database, nothing. OK. I can ahead and do that. That's my right as a free man. A unique, very unique right given to us as individuals in the United States. I would say for someone who is a British Commonwealth citizen or from someone who comes from - - you know, I lived in Germany for eight years, I lived in Japan for a year. I have lived all over this world. And I know what people suffer through. I know that people inside Great Britain suffer with having to go to bed with baseball bats because the criminals still have guns. I would ask you to really think -- I know you're smirking and smiling, Steve Novick, what I will say to you --

Novick: How many gun deaths per capita are there in the United Kingdom?

Sandini: Could you let me finish? Could you let me finish before you interrupt me? Would you let me finish? I know I'm out of time but I'll take a few minutes. We're the only two people here today, OK? I would say before you do this, I would ask you to stop and think and consider that this is the last bastion of freedom on earth. And every one of these laws stands in the way of freedom loving citizens owning weapons and puts in place a mechanism for someone disarming the citizens like they did during Katrina. The legitimate citizens.

Novick: How many gun deaths per capita are there in the United Kingdom?

Sandini: I don't have those facts in front of me, sir.

Hales: OK. Thanks very much.

Strickland: Mr. Novick, I would propose that maybe you should move to the United Kingdom.

Hales: OK, we'll exchange facts later. Thanks for coming.

Sandini: I want to thank the council very much.

Hales: Anyone else that wants to testify?

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

Hales: So, we need to take action on these because we have a legislative session coming up next week and some communications tomorrow with our delegation. Let's take a roll call on the first one.

Item 110 Roll.

Fritz: Thank you to Martha Pellegrino and your team. Every year I become more impressed with the work that you do and the careful way that you do it. I greatly appreciate knowing that the citizens of Portland as well as the city council have such a great team. Whenever I have gone down to Salem as I do my duty every year to follow the instructions that you give me, I always hear how great you are. And I know also that Vicki and the team in Washington D.C. and those of my colleagues who like to go to D.C. do a wonderful job representing the city of Portland and the citizens of Portland. So thank you very much. Aye.

Fish: I also hear about what a great job you're doing, but it's not just from your parents. There's a larger group. You know, as I look at the federal agenda, Mayor, there are some items in here that have very benign headings and have very benign write-ups that have potentially catastrophic impacts on us. Things like changing the ground rules on municipal tax and driving up the cost of borrowing to do infrastructure. The levy recertification. I mean, there are two people who really fully understand the moving pieces on this but could have a significant impact on our community and on and on. On the one hand, there are some very tough issues here and huge consequences. On the other hand, I guess we should feel better knowing that one of our senators is now going to be the chairperson of arguably the most important senate committee and have a big say on how we work some of these issues out. I appreciate the way this agenda is put together. And I always look forward

to the opportunity that I get annually to come to Washington with the A-team and visit our delegation. I hear the same in D.C. that we hear in Salem which is we have a wonderful team of people. They brief us, get us prepped, get us to the decision makers, and we have a lot of credibility with our partners in D.C. And it's a function of a great team that we have. So thank you. Thanks for all the hard work that went into preparing our federal agenda. Aye.

Novick: I recently had occasion to be thoroughly annoyed by how hard our team works and how efficient they are. I was going on vacation to Washington D.C. I said, you know, I could set up a meeting or two that would be okay. I found myself in six meetings with most of the congressional delegations, so I had to get up earlier than I expected and dress up more than I expected while I was on vacation. But I have to say that it was worth it. Because for one thing, I had a chance to be with Senator Merkley two hours after he broke the filibuster. So that was pretty cool. But more importantly, I had a chance to be with Senator Wyden to talk about our critical energy infrastructure vulnerability. The fact that most -- the entire state's fuel supply is in a very earthquake vulnerable section of the Willamette River and to talk to Senator Wyden about whether he on the energy committee could talk to the oil companies about taking steps to ensure that we don't have a river of fire and no fuel supply when the earthquake hits, and he's been following up on that. That's just one example of the quality of your work and Vicki's work. And I very much appreciate the work you do in preparing these agendas today. Aye.

Fish: Steve, would you yield for one second? Could you just state again what you said about Merkley?

Novick: I had a chance to meet with the senator two hours after he broke the filibuster.

Fish: Alright, so this is the magic of our team. Because when I was in D.C., we met with Merkley almost exactly the time that the Supreme Court was issuing two historic rulings on equality, one having to do with the California proposition, the other on DOMA. And, it was followed by a tweet from the majority leader announcing that he was going to bring Jeff Merkley's legislation forward. It seems every time we go to Jeff Merkley's office, something great is happening. [laughter]

Hales: Well, I want to thank the team. There's some people who might look at the current low ebb of productivity in the U.S. Congress and say, what's the use? Why bother to adopt a federal program at all? Bruce Katz from the Brookings Institution was recently and is fond of saying -- and I'm fond of quoting him saying -- the federal government is devolving to being a health care company with an army. But actually I don't think that's necessarily a permanent condition. These things do go through cycles. And it may be the case that we will have action in Congress -- even if that seems like a little bit of an oxymoron sometimes right now -- on some of these critical issues. It's really important that we be present and that we have a limited focus but significant agenda at the federal level, even if it takes multiple sessions to get to some of these issues. I'm a believer that this is a worthwhile effort and that as long as we're clear about critical needs for the city and have a congressional delegation we can work with, and we do, then we have some influence. Doesn't mean the process is as effective as a lot of Americans would like it to be right now, but this is a good agenda. I'm very comfortable with what we're doing. And I think based on the meetings that we had last week, I think we have some cabinet secretaries in particular that appreciate what Portland is doing and will look for ways to help back our progress here rather by legislation or by administrative action. So thank you. Aye. [gavel pounded]

Hales: OK. Now let's move to the state program.

Item 111 Roll.

Fritz: Again, I appreciate the work and the list of projects and knowing that you will be advocating both for house bill 4116 and for the other high priority items on our ongoing agenda, namely education and mental health funding. Thank you for that. I'm a strong supporter of universal background checks. And I just looked it up on my handy device here, and in 2011 there were 564 murders in the United Kingdom. The United Kingdom is about the same size in acreage as Oregon.

There are 56 million people living there. There were 39 gun deaths, gun murders, in that year. And so, with our 4 million people, we have close to similar number of gun murders -- more gun-related deaths. In particular, the tragedy is that when people attempt suicide with guns they are far more successful than when they attempt suicide in other ways. So that's one way that background checks would be helpful in identifying folks with mental illnesses who need help rather than access to firearms. I'm appreciative of Representative Jessica Vega Pederson and Representative Lew Frederick who gave up their time to come to our lobbying 101 offering. Particularly Representative Frederick has done that year after year, and his comments always are very insightful. Not only does he share my aversion to the websites that allow with one click you send the same message that I've read 600 times before to me again -- please don't do that, that's not effective lobbying -- but also when he was asked this time what one thing would he do to change and improve the legislative process, his answer was bring back public campaign financing. I acknowledge that money in politics is a challenge for a lot of folks on all sides. And at some point, I hope we get to be doing public campaign financing both at the city level and the state level. Hopefully nationally, eventually. In the meantime, I appreciate your work since the last session on paid sick leave and we'll be talking with legislative leaders tomorrow about continuing that work. My understanding is that there won't be a bill in the short session but that we are working towards getting a paid sick leave for Oregon in the next session. And that will certainly be appreciated because the implementation here is going smoothly and people are appreciating it. As the president said that in his speech last night, a mother or a father should not have to worry about missing work to take care of a sick child or a sick parent. Thank you to the council for your work in that particular instance and for helping to set this very solid agenda. Aye.

Fish: Commissioner Fritz, I have been talking to some people recently who have raised this concern about different rules applying, depending on where they have employees. I think that will add some momentum towards a statewide standard so that the rules apply equally everywhere.

Fritz: We would be very grateful for that.

Fish: So, thank you for that. And the only other thing I would add to the state legislative agenda is Steve and the mayor and I had a little time with Speaker Kotek on Sunday and I'm reminded that in each year, she sets a couple priorities that are her leadership priorities. And we've learned that if the speaker wants to make it happen, then it's likely to happen. So I'm hoping, Martha, you can keep your ear to the ground and guide us on particularly what's the next housing-related opportunity where the speaker is going to make it her signature piece in the next biennium where we can start participating at the committee level or whatever. Because I think she showed this last session what it means to have a speaker behind a controversial housing bill and that instance was Section 8 discrimination. But I'm hoping she continues the momentum on something else housing related. Thank you. Aye.

Novick: First, Mr. Strickland, I wanted to tell you that the New York Times on February 24, 2012 reported that New York City suicide rate is about half the national average. About six deaths per 100,000 people compared to 11 in the rest of the country. The health commissioner, Dr. Thomas Farley, attributes much of the difference to the city's relatively strict gun laws. He noted that firearms are the chosen method and only 12% of suicides in New York compared to 51% nationwide in 2009. In the three states with the nation's highest suicide rates, Montana, Alaska and Wyoming, nearly two thirds of suicides were by firearm. New Jersey, the least suicidal state, has very strict gun laws. I wanted to add the thanks to the team. Thanks for all the work you do every day, and I look forward to working with you until the cows come home to close the 9-1-1 cell phone tax loophole. Aye.

Hales: Thanks, this is a good package. I appreciate the discussion here today. I guess I want to say on the gun issue, briefly, I agree in part with what we heard from a couple citizens here today. And frankly, as your police commissioner and somebody who gets to deal with the reality of these issues

every day, I'm happy that we are less and less concerned about people of sound mind whether they are criminals or homeowners having to -- or attempting to use guns. I am more and more concerned about people who are not of sound mind using guns. And here's the reality of those issues as it comes down to us in just four incidents. As police commissioner, I get the call in the middle of the night or I get the reports in the morning about what happened. Last year, our police officers opened fire on someone with guns twice. And killed them. In one case, it was a mentally disturbed man who forced his way out of Portland Adventist hospital by making a broken telephone receiver look like a handgun and racing towards the officers counting down at them. That was a terrible tragedy because of course he didn't have a gun, but they had every reason to believe he did have one, and they shot him and killed him. In another case, a man opened fire with a shotgun on the roof of the parking garage right across the river, firing at two of our officers who then shot him and killed him. Commissioner Novick knows this one well, unfortunately, we had a 15-year-old shoot himself on the Vista Bridge, fall to the ground. And then just last week happier news, a disturbed person with a handgun fired shots and was taken into custody with no further incident and taken for treatment by our police officers who are doing a better and better job of dealing with people suffering from mental illness. The more people who will fail a background check because they have serious mental illness means less incidents like the ones I just described. And that's every reason for us as a society to act. I want to particularly thank the council for your support of the OHSU proposal. We are partners with other big institutions, whether it's Portland Public Schools where we have an abiding interest in them getting to a contract soon and teaching our kids well and taking good care of our teachers where we work with Multnomah County every day and also with OHSU. And I think this is a good chance to show solidarity with them for their much increased role in the community for the years ahead. So, thank you very much. Very pleased to vote aye. [gavel pounded] Thank you. We're adjourned.

At 2:54 p.m., Council adjourned.