



CITY OF  
**PORTLAND, OREGON**

OFFICIAL  
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 30<sup>TH</sup> DAY OF JULY, 2014 AT 9:30 A.M.

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

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

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

<b>COMMUNICATIONS</b>	<b>Disposition:</b>
788 Request of Bob Naito to address Council regarding the Halprin Landscape Conservancy (Communication)	<b>PLACED ON FILE</b>
789 Request of Randy Gragg to address Council regarding Halprin Landscape Conservancy efforts to restore the Portland Open Space Sequence (Communication)	<b>PLACED ON FILE</b>
790 Request of Larry Munson to address Council regarding transients and street people, their impact on his business and the City's response (Communication)	<b>PLACED ON FILE</b>
791 Request of Xiaoyang Wang to address Council regarding stop forced live organ harvesting in China (Communication)	<b>PLACED ON FILE</b>
792 Request of Donna Daniel to address Council regarding the superfund site on the Willamette River and the disposal of toxic waste (Communication)	<b>PLACED ON FILE</b>
<b>TIMES CERTAIN</b>	
793 <b>TIME CERTAIN: 9:30 AM</b> – Travel Portland 2014 presentation (Presentation introduced by Commissioner Saltzman) 15 minutes requested	<b>PLACED ON FILE</b>
<b>CONSENT AGENDA – NO DISCUSSION</b>	

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<b>Mayor Charlie Hales</b>		
<b>794</b>	Reappoint John McCamish, Ed Wallace, Eugene Lathan and Linda Barnes to the Fire Code Board of Appeals with terms set to expire June 30, 2017 (Report) (Y-4)	<b>CONFIRMED</b>
<b>*795</b>	Authorize a grant to the New City Initiative in the amount of \$25,000 in support of its Village Support Network housing program (Ordinance) (Y-4)	<b>186732</b>
<b>Bureau of Planning &amp; Sustainability</b>		
<b>*796</b>	Accept and appropriate a grant in the amount of \$12,000 from the Oregon State Historic Preservation Office, acting by and through Oregon Parks and Recreation Department, to support the City's historic resources program (Ordinance) (Y-4)	<b>186733</b>
<b>Office of Management and Finance</b>		
<b>*797</b>	Ratify a Letter of Agreement that amends Article 19 – Wages, Section 7(a) of the collective bargaining agreement between the City and the City of Portland Professional Employees Association effective July 1, 2013 to June 30, 2017 (Ordinance) (Y-4)	<b>186734</b>
<b>798</b>	Create a new entry level, represented classification of Water Meter Technician I and establish an interim compensation rate for the new classification (Ordinance)	<b>PASSED TO SECOND READING AUGUST 6, 2014 9:30 AM</b>
<b>Commissioner Amanda Fritz</b> <b>Position No. 1</b> <b>Bureau of Development Services</b>		
<b>*799</b>	Amend contract with CSDC Systems, Inc. to extend the term for three years and provide two additional option years, for a possible five years total of software maintenance and support (Ordinance; amend Contract No. 31000013) (Y-4)	<b>186735</b>
<b>REGULAR AGENDA</b>		
<b>Mayor Charlie Hales</b>		
<b>800</b>	Authorize a grant to Portland Business Alliance for Downtown Marketing Initiative Holiday promotions for \$170,000 (Ordinance) 15 minutes requested <b>Motion to remove emergency clause:</b> Moved by Fritz and seconded by Novick. (Y-4)	<b>PASSED TO SECOND READING AS AMENDED AUGUST 6, 2014 9:30 AM</b>
<b>Bureau of Planning &amp; Sustainability</b>		

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<b>S-801</b> Improve land use regulations related to accessory short-term rentals through the Regulatory Improvement Code Amendment Package 6 (Second Reading Agenda S-779; amend Code Title 3, Title 6 and Title 33)  (Y-4)	<b>SUBSTITUTE 186736</b>
<b>Bureau of Police</b>  <b>*802</b> Authorize a grant agreement with Janus Youth Programs, Inc. for \$297,000 to provide shelter beds, treatment and case management for juvenile human trafficking victims (Ordinance)  (Y-4)	<b>186737</b>
<b>Office of Management and Finance</b>  <b>*803</b> Pay claim of Daniel Collins in the sum of \$110,000 involving the Police Bureau (Ordinance) 15 minutes requested  (Y-4)	<b>186738</b>
<b>Commissioner Steve Novick</b> <b>Position No. 4</b> <b>Bureau of Transportation</b>  <b>804</b> Vacate a portion of SE Grand Ave subject to certain conditions and reservation (Hearing; Ordinance; VAC-10090)	<b>PASSED TO SECOND READING AUGUST 6, 2014 9:30 AM</b>

At 11:44 a.m., Council recessed.

**WEDNESDAY, 2:00 PM, JULY 30, 2014**

**DUE TO LACK OF AN AGENDA  
THERE WAS NO MEETING**

July 31, 2014

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 31<sup>ST</sup> DAY OF JULY, 2014 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Frit and Novick, 3.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Kathryn Beaumont, Chief Deputy City Attorney; Ian Leitheiser, Deputy City Attorney at 3:50 p.m.; and Wayne Dykes, Sergeant at Arms.

The meeting recessed at 4:52 p.m. and reconvened at 4:55 p.m.

		<b>Disposition:</b>
<b>805</b>	<b>TIME CERTAIN: 2:00 PM</b> – Accept the Portland Historic Landmarks Commission State of the City Preservation Report (Report introduced by Commissioner Fritz) 45 minutes requested <b>Motion to accept report:</b> Moved by Novick and seconded by Fritz. (Y-3)	<b>ACCEPTED</b>
<b>806</b>	<b>TIME CERTAIN: 2:45 PM</b> – Accept the Portland Design Commission State of the City Design Report (Report introduced by Commissioner Fritz) 45 minutes requested <b>Motion to accept report:</b> Moved by Fritz and seconded by Novick. (Y-3)	<b>ACCEPTED</b>

At 5:23 p.m., Council adjourned.

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



By Karla Moore-Love  
Clerk of the Council

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

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

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

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

**JULY 30, 2014 9:30 AM**

**Hales:** Good morning, everyone. Welcome to the July 30th meeting of the Portland City Council. Karla, would you please call the roll?

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

**Hales:** Welcome, everyone. We have the calendar in front of us, here's how it works. We have communications items, where people sign up to come speak on any subject, and we have a few of those up front. Then we'll start the council deliberation on the substantive items that we have to decide on today. If you're here to speak on one of those items, we generally give people three minutes. Please identify yourself. You need give us only your name, there's no need for an address. If you're a lobbyist representing an organization, let us know about that. We ask people to maintain rules of decorum in here. If you agree with someone, feel free to give them a thumbs up or wave your hand. But we ask we keep vocal demonstrations outside, because everyone ought to have a chance to have their say, regardless of whether the people agree with them or not. That's the deal and that's how it works here. Welcome. We'll start with our communication items. I believe the first two would like to come up together, Karla.

**Item 788.**

**Item 789.**

**Hales:** Good morning, gentlemen. Welcome.

**Randy Gragg:** Thank you. I'm going to go first. Randy Gragg. I was thinking back to the last time I addressed council. It was in the early stages of a project we called City Dance of Lawrence and Anna Halprin, and that came off in June of 2008. Here's a few pictures from it. That was seeded with about \$12,000 of city money -- 5000 from Parks, 5000 from Water Bureau, 2000 from arts -- and it leveraged about \$125,000 to put on the performance. We had 70 artist and musicians, and we were able to fund a monograph, and it leveraged everything from National Endowment for the Arts money to contributions from the Schnitzers to the Graham Foundation in Chicago. So, that really kind of got -- the conservancy had been a fledging organization before that, and it got things going. Just a quick review. The plazas are located in south Portland, and comprise about eight blocks. There's four fountain plazas and then some surrounding landscape. And these are really the most internationally celebrated works of design in Portland. They've been hugely influential in landscape architecture and on the local development of public space. We added them to the National Register of Historic Places in 2013, and we currently have congressional support for a National Historic Landmarks designation. Meantime -- just to give you a sense of where they're at for those of you who don't know. Keller Fountain was declared one of the most important spaces since the renaissance at the time of its opening. We were a fledgling organization, started in 2001, and are devoted to restoration of the plazas. A 2012 condition assessment that we did found about \$2.5 million in unfunded restoration work. We're confirming that number as we speak. And so there's some dire need for repair, and we're trying to create a really innovative public-private funding model. And the reason for doing this now, the sort of impetus -- apart from the fact that they've been sort of a bit neglected and a little lonely these days -- is that the 50th anniversary of the opening of the first one, Lovejoy, is coming up in 2016. So in order to do this, we've expanded the conservancy quite a bit since the last time I was here. We developed a board with great expertise in law and finance, and landscape professionals. We've got a number of the property owners there,

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including Mr. Naito to my left. And we've also got residents, some of whom are here -- at least one of whom is here -- so we have a really great commitment on the board. We incorporated as an official 501c3. We published the monograph where the revolution began, we signed an agreement with city council on -- with City of Portland in terms of the dealing with labor issues so that we could operate while not fearing taking away any jobs. We commissioned our condition assessment report to identify the capital improvements. Oh, did I run out of time?

**Hales:** You have a little more.

**Gragg:** OK. We've gotten on the register. We've done some tree trimming, and we created an adopt the block program with Pettygrove Park that we hope to expand, the sidewalk -- we've done a number of sidewalk repairs, we did a lighting project with PBOT, and we also, with the help of -- with Parks pulling a major part of this but with us coming up with money, too -- a public, private partnership on the Lovejoy Fountain canopy improvements.

**Hales:** Is the canopy, by the way -- is it part of the landmark designation?

**Gragg:** Yes.

**Hales:** The structure as well as the -- ?

**Gragg:** Uh-huh, very much so. And just quickly to finish up my part of this. We're in the process of organizing a \$2.1 million voluntary LID, we're in the process of the landmarks nomination, and we've initiated a private, public campaign for annual funding of our budget. And we've got a full slate of stuff for the next two years to do ongoing maintenance and to complete our restoration all in time for June 2016, where we hope to be able to launch a really fully-fledged program of activating the plazas.

**Hales:** Great. Thank you.

**Bob Naito:** So Randy gets to talk about the cool stuff, and I get to talk about the money, which is kind of always the way it works out when you're the treasurer. Coming over here, I was thinking that what we did is kind of a microcosm of the street fee, if you will, because we had to figure out how to take this park work and figure out who among the property owners would pay for it. And more interesting was how much each would pay. And so we formed a committee of property owners, a task force, and kind of went through multiple iterations, and finally decided that there was no logical way to do this, but there was a fair way. So we divided up that \$2.1 million into shares based on properties -- fair market value and their assessed value on the tax rolls, because both were so goofy in Multnomah County that if you averaged them together, you got something that seemed more right than one or the other. And everybody signed off on it. And so far, as we have gone through our sales effort on just participation with the LID, we have gotten so far -- knock on wood -- 100% participation from the property owners that we've talked to. Now, there's a slide in here that Randy just passed, which is we divided up the district into zones, and basically everybody that is adjacent to a park pays 100%, and the people that are a block away pay 50% of the rate, and then the people that are three blocks away pay a third. So, no particular magic to anything, except that everybody thinks it's fair. The next slide is sort of how we're doing, and we started with the zone one, the people closest to the park, because they're the ones that would have the most impact on their properties. We're basically about two-thirds of the way to getting everybody signed up, because the people closest pay the most. I think the other kind of interesting thing that we have discovered -- the idea that there are 800 condominium owners, and there are half a dozen apartment projects in this district. And the apartment projects are easy because there's one owner, so they can participate easily in the LID. The thought of Randy and I going to 800 individual condominiums and getting each one of them to sign up for a relatively small assessment was mind-boggling, so we went to them and basically said, we'll come with some different method. And the other thing is that some of this work is repair work, so it doesn't qualify for an LID under state law. So there's a chunk of money that we couldn't put in the LID anyway, because it's landscaping and repair and maintenance kind of work. So we have a \$350-400,000 amount that we're going to have to raise through

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foundations and volunteers, and just regular fundraising. But the traditional -- you know, you have the pyramid, and you raise -- you get the big gifts at the top and you work your way down. I think we're well on our way, like two-thirds of the way to getting all of the money.

**Hales:** That's great. A great report. You are at 69% of property owners signed up?

**Naito:** No, dollar amount.

**Hales:** So you're already over the legal threshold, but you're not going to stop there?

**Naito:** I should say this. This is probably unique in that I think that there are very few other examples. This is a voluntary LID, so you don't have to sign up. And if you don't sign up, you don't pay. And one reason we're here is to kind of lead into -- we will be back when we have 100% participation of the volunteers. And that's the point that you'll be asked to actually form the LID. So our job is to sign everybody up and get the plans done, and get it ready to bid, and we'll do that.

**Hales:** Great. Other questions?

**Gragg:** I can tell you one parting story, really quickly. We had a kind of dramatic meeting with the master condo association for the original SOM towers, and we were asking them for essentially a \$75,000 commitment that would come from the master condo association of fees. And we followed -- the first up on the agenda was plan to replace the pipes in one of the buildings, it going to cost \$4 million. That's what we had to follow. And we were just like, oh, no. A number of residents showed up and testified very passionately for our effort, and ultimately, we walked away with the \$75,000. So we've got incredible support from the condo association.

**Hales:** That's great.

**Fritz:** On behalf of Portland Parks and Recreation, thank you very much for your partnership. Of course, now that the fountains as well as the park are under Portland Parks and Recreation's governance, we're very appreciative of this fundraising effort and glad that we put in our \$200,000 to help with the structural repair. So that's done, check. But there's obviously a lot more to do. We thank you very much.

**Gragg:** OK, thank you.

**Naito:** Mr. Mayor, may I introduce two people? Grant Higginson, in the audience and on our board and a resident of Harrison towers; and Karen Whitman is our executive director, and that's the reason we have gotten as far as we have gotten.

**Hales:** Good work. Appreciate very much this progress report and the progress itself. Thank you. Karla, take the next one, please.

**Item 790.**

**Moore-Love:** He's not able to make it and will be rescheduling.

**Hales:** OK.

**Item 791.**

**Hales:** Ms. Wang? Karla, there's a feedback in the system. Can we talk to our technician upstairs? OK. One more reason to get rid of the sound system.

**Saltzman:** It's not just me, then.

**Hales:** No, you're not hearing noises, it's real noise. Good morning.

**Xiaoyang Wang:** Good morning. My name is Xiaoyang Wang. I am a practitioner of Falun Gong here in Portland. So today, I'm here to bring your attention to an important issue, the forced organ harvesting of Falun Gong practitioners in China, and to urge the city of Portland to condemn this crime against humanity. Falun Gong is an Asian practice for mind and body based on the universal principles of truthfulness, compassion, and tolerance. After the destruction of traditional Chinese culture under the Communist rule since 1949, Falun Gong has brought back the traditional lifestyle of cultivation practice to Chinese society and force for good. However, the Communist party saw this renaissance of traditional values as a threat to its control and started a brutal persecution against practitioners in 1999. Since then, thousands of people were confirmed to be killed. Millions have been detained in prisons and put in forced labor camps. In 2006, evidence has emerged of a horrific

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crime. First, organ harvesting from prisoners of conscience. Since then, much analysis and investigation has led to the conclusion that tens of thousands of jailed Falun Gong practitioners have been systemically killed on demand to fill China's lucrative transplant industry. This atrocity has been referred to as a new form of evil on the planet. Given how much international interaction China's transplant business has -- from doctors training, to accepting patients, to collaborative research -- the impacts of this abuse is not limited to China. In the battle between good and evil, there are no bystanders. In 2011, the Department of State's human rights report cited the allegation of organ harvesting from practitioners and other prisoners of conscience. The U.S. Congress has held two hearings about this issue. Last December, the European parliament passed a resolution condemning China's organ harvesting from prisoners of conscience. In June of 2013, bipartisan U.S. house resolution 281 was introduced, calling on China to immediately stop the practice of organ harvesting from its prisoners, particularly from Falun Gong prisoners of conscience. The resolution is co-sponsored by over 180 congress people and is being marked up by the house foreign affairs committee this morning. In May this year, the Medical Society of Virginia passed a resolution to condemn the systemic state-sanctioned organ harvesting in China. Locally, in Oregon, the city of Beaverton has passed a resolution supporting the house resolution 281 last December. Just as the international attention contributed to the closure of China's labor camps, this resolution and the voices can make big changes. It is important for the city of Portland to join the international effort for justice, not only for the direct victims in China, but also for the sake of our own conscience and the living environment. Every voice counts in putting an end to this crime against humanity. Here with me today are two Falun Gong practitioners from China. Both of them were detained or put in labor camps and suffered persecution in prison. We are happy to answer any questions that you may have. Thank you very much.

**Hales:** Thank you for bringing there to our attention. Questions? Thank you so much.

**Wang:** Thank you very much.

**Hales:** OK. I think we're complete on communication items -- is that right, Karla? And we're ready to move to our time certain item?

**Moore-Love:** Yes. The consent agenda.

**Hales:** Oh, sorry. See, I go away for a week and look what happens. We have no requests, I believe, to remove items from the consent calendar. Is that correct?

**Moore-Love:** Correct. I didn't have any.

**Hales:** And none here this morning? OK, then we'll vote on the consent calendar as printed.

**Roll on consent calendar.**

**Saltzman:** Aye. **Novick:** Aye. **Fritz:** Aye. **Hales:** Aye.

**Item 793.**

**Hales:** Good morning and welcome, Mr. Miller.

**Jeff Miller:** Good morning. Let me see if I can get the presentation up. Good morning, Mayor Hales and Commissioners. First, let me introduce Tim Ackman from Alaska Airlines, who is our current board chair -- and many of the board and staff members are here. We wanted to have them here to be at the presentation. Today's presentation is a lot about vision. Led by our board directors in 2011, we knew that the tourism industry was facing some uphill challenges. Coming out of the recession, jobs had been lost, and we knew that we had to take charge. Over the course of that year, with Commissioner Saltzman's leadership, we formed the tourism improvement district, which is a 2% fee on hotel rooms with 50 rooms or more. It was signed in July of 2012, and the collections began in October of that year. And this wasn't the first time the industry had stepped forward. The Visitor Development Initiative was formed by the rental car companies and hoteliers to expand the Convention Center, do the civic stadium upgrades, and some work to Portland's theaters. And this agreement was just renegotiated with great leadership from this council, the county commission, and metro council. The moneys realized from the renovation -- or the refinance of the OCC bonds going



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to the visitors development fund -- which Commissioners Saltzman and Fritz sit on -- really allowed us to be more flexible and think bigger about adding more conventions to our calendar. You're going to hear some of those results today and how we deployed those funds, but also how we look to the future and how this industry will bring more economic impact and jobs to Portland. As you know, the lodging tax collections over the past three years have been in double digits. So, with great leadership from Metro Council President Hughes, this council and the county commission, we will soon have a new Hyatt Regency across from the Convention Center, which we're very excited about. And no matter the opposition's assertions, this hotel will drive more conventions, bigger conventions coming to Portland and fill all hotels. Our board has adopted the mantra, how will we act like a tier one city? How does San Francisco market? How does Las Vegas market? Not that we want to be those cities, but how do we think big like that, and how do we do more and better.

**Hales:** Before you go on, let me give Commissioner Saltzman a chance to make some opening comments as well.

**Saltzman:** Well, I think it's fine. Jeff, you're doing a great job. I just had the pleasure of representing the city on the Travel Portland Board of Directors, and as Jeff was saying, indeed it has been a good couple of years. Part of the discussion today will also involve Susan Hartnett of the Office of Management and Finance and Jeff to talk about the developing of better metrics to measure the impacts of the travel and tourism industry on our city. So Susan, I don't know if you want to come up now or wait? OK. Great.

**Hales:** Great. Thanks, Dan.

**Miller:** Perfect. I wanted to start -- this will not be a presentation of big numbers and lots of charts and graphs, but I did want to start with sort of the landscape of the three county impacts of tourism. 4.26 billion, which is a 4.2% increase; jobs of 2.6%; and an increase in the tax collections of 5.9%. So, we're very proud of how big the industry is and how it affects everyone. Over the last three years, lodging taxes up 11.6, 10.3, and 12%. And you know that from your 5% collections. We've never seen three years of this kind of increase in the history of what we've been able to do.

**Hales:** That's year over year?

**Miller:** Year over year. So that, indeed, does compound. And I want to thank the council for being very forward-thinking with Airbnb, and working to collect their taxes. I was just at a conference with them talking, and Portland is front and center again on being innovative in thinking about that, and we're excited to have our 1% of that so we can work more closely with them. We think there's a big opportunity with Airbnb. And there's a lot on this slide, but really this tells you that over the course of the last three years, every part of this city indeed did benefit from the growth and lodging taxes. The pink is TID hotels, there's city of Portland hotels. And you can see each part of the city did very, very, very well.

**Hales:** So TID is everybody, right?

**Miller:** Right. And then each part of the city from that. We do know that this will taper off in the future. At this conference also, Smith travel is looking at the addition of new lodging properties, and we think that this will taper off. So 6% is what we have in our budget for this fiscal year in terms of the growth. And one of the most important places that we invest our funds are in the media relations. We know we have to get a lot of buzz from earned media. And we do this in a lot of very many different ways. We invested in a New York PR firm this year and in a focused manner, and have a PR manager managing that. And talking to those big national publications. We have a strategy always, and these are our key themes. Culinary is at the base of everything that we do, but also, the city of makers is something -- a story that's very well told, This is a video that Wieden and Kennedy did for us for the winter campaign. I'll show that now.

[video playing] [music] [singing]

**Miller:** It was really fun to have Wieden and Kennedy do this. The train ran from Vancouver, B.C. to Eugene from November through March. And with this video online, you can hover over each of

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the things in the video and see where to buy it in Portland. It was a huge press coup, and we did the kick-off in Seattle, Sunset Magazine, many others were there. So it was pretty amazing. Again, some statistics on the value of the media work we've been doing. And I think the most important number here really is 998 placements. Those are large and small placements, but each one of them is very, very important. For every dollar that we spend at Travel Portland on media, 879 people had the opportunity to see a positive media coverage about Portland. At the front, you've got an Alaska Airlines magazine that has an article on Portland. There's one there for you to pass around. The value was over \$43,000, and \$107,000 in circulation. The cover of Seattle Met during our winter campaign. Obviously, very, very important for us at that time period. Food and Wine, July of 2014. Having this kind of coverage in one of the most important culinary magazines in the country is just phenomenal. Over \$600,000 in print and online value, and over 5.9 million people had the opportunity to see this. And what's important also about this is that there's a regional message -- it's not Portland, but what you can do in and around Portland. And we find working with our partners very, very important. Travel and Leisure -- probably the most important travel -- it is the most important travel magazine. Our Definitive Guide to Portland. Very cool. Over a million dollars in ad value and 12 million circulation, and each of you have one of those. There's a couple of Hemisphere magazines up there, which is United Airlines' inflight magazine. A value of over \$450,000 and 646,000 circulation. So, you can see this earned media is very, very valuable as we build the brand of Portland around the country -- and certainly, around the world. Meetings and Convention magazine. You know, part of our job is to make sure that we keep the buzz up on our Convention Center and why this is a great place to hold your meeting. And this is sort of an example of that. When I talk about each department's program of work, we really try and coordinate our messaging throughout. So when the international team is in Europe doing what they do, and the PR team -- when we have a convention that has international delegates that may come to Portland, having that buzz in those countries gets that delegate really excited about coming here, and they're more apt to make that decision which really just spreads the brand of Portland. Which moves us into the convention sales and services program of work. We currently have 102 conventions on the books, with 334,000 room nights committed -- those are on the books into 2022. And that's \$200 million worth of economic impact to businesses in the city -- that's not just hotels but to all businesses. We're pretty excited about what this looks like now and what it will look like for the future. Certainly, we have a plan for the convention hotel marketing. We've lost over 300 pieces of business because of the hotel package or lack of convention center hotel, so we have a plan in place and ready to go. The first time the shovel hits the ground, our team will be deployed out into those markets and those pieces of lost business, and we'll work very hard to be sure that we fill up not only the Hyatt but all other hotels downtown. Legos. Who doesn't like Legos? And at the front, you have a box -- I think it's at Commissioner Saltzman's desk -- of Legos. This is a MAX train in front of the OCC. Inside comes with instructions, and these were sent to over 700 meeting planner and clients, and there will be five different mailings to keep Portland top of mind. This is the first time a destination has done this, and we're really excited. Next is the food carts, you'll see on the screen in front of you. We have wine country, the Chinese garden, and a beer pub. You've got to have a beer pub. You'll also see -- at your desk, it shows the directions for making the MAX train. But if you look inside, really, the messaging is about Portland and meetings in Portland. So we really are tying this directly to our work on the convention side. And the initial reaction to this has been nothing short of phenomenal -- on social media, we've gotten calls, texts, and people are so incredibly excited that we did something innovative and top of mind. And we've even got a picture of a man's grandkids, which he gave it to, and they're at the coffee table making their MAX trains. So this has a lot of legs to it, and over the course of several months, as I said, there'll be five of these out there. We're pretty proud of this, and Grady Britton, our local firm, helped us with this.

**Saltzman:** And you send those to meeting planners?

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**Miller:** 700 meeting planners are on our list, and they'll get a steady drumbeat of these, with follow-up certainly from our team talking about their next meeting and how we get that meeting to Portland. We thought it was pretty innovative.

**Fritz:** Commissioner Fish is the one of us who has a child that might enjoy this, I'm going to put it in his spot.

**Miller:** There you go.

**Hales:** Better give him the instructions. The child wouldn't need the instructions, but we would.

[laughter]

**Miller:** We'll try and give to some of the others, too. As you know we hosted SGMP, the Society of Government Meeting Planners, and it was the first opportunity that we had had to host a meeting of meeting planners. They were here in May of this year. This is their national magazine, you'll see Portland was prominently featured on the front, the welcome from Mayor Hales in the magazine. And Commissioner Saltzman came with me to do the welcome with that group and did a terrific job. These groups are really very, very excited to have the participation of the elected officials there, and it does mean a lot to them, especially a group like the Society of Government Meeting Planners. And the next I will play a short video which we put together for SGMP, but we were able to customize it to any convention coming to Portland. But this was played at their convention the year before to get excited about Portland. And it's embedded on the websites and sent out as an email.

[video playing] [music]

**Miller:** We usually play that at twice the sound so it really gets people buzzed up and going.

**Hales:** That's great.

**Miller:** Collaborate with another meeting of meeting planners that we were able to host, and we had the kick-off at OMSI. Commissioner Fritz was there. Mayor Hales, you did the welcome, and they were very impressed with that and with Portland. And we could not have done either of these meetings without the additional funding into the visitors development fund. That is such a key opportunity for us for the future to really seed this meeting business, and we're working very, very hard to do that. I think one of the things that I'm most excited about is our plan to attract more multicultural business. Three years ago, we did a meeting planner survey of multicultural meeting planners. The last year, we hired back Tamera Kennedy-Hill as our director of community relations, because we needed someone on the team who was dedicated to developing a strategy and implementing our efforts across the agency. The entire strategy here is really to bring more minority and multicultural business to Portland, and to make sure that we have more local, minority businesses that can provide goods and services to these and to all conventions. And that's a really key thing for us. At the end of the day, our job is to make sure that economic impact happens in businesses large and small, and we have a very focused effort on the minority community, both at those meetings that we want and how it will affect business here in Portland. We think it's a key pillar of our strategy is this year. You will see here the metrics we're using, bookings and leads and lost business, and you can see that we have had some success there. But these are not the only metrics that we're looking at. We'll have baseline activities that we'll look at and sort of what we do there, but also the barometers of what are the other program work activities, stakeholder engagement with community leaders, minority partner tracking and involvement, and marketing projects. So, we have a very robust program here that we'll continue report back on. Here's some of the trade shows that we do. This year, again, we'll take the Reverend Harding and Commissioner Smith and many others back to meet with meeting planners, and we throw a big event there. And lots of other events that we go to, network of Latino meeting planners and many others. The local programs. We really started our efforts to engage the local community with targeted trainings on how to partner with Travel Portland, and also brown bag discussions to bring more people to the table. Our key goals here are really to expand awareness of the travel industry, and how they can plug into that economic engine. And we're here to help them do that, and make sure that we do a

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good job of that. We also have some other goals, which are future workforce opportunity and youth awareness programs by partnering with groups like REAP. So it's a multi-prong approach. We partnered with Su Público over the last three years to improve the multicultural content on the website, and they do that through all of the different community newspapers so we have the most relevant, up-to-date information from each of those communities. And our job really is to help people come to Portland and find their community, whatever that may be. Su Público is also working in conjunction with the multicultural advisory committee of ours, which is local leaders like Roy Jay, Ray Leary, Gale Castillo, Jaime Lim and many others. They're creating some video assets and printed proportional pieces that we'll use in the market to attract more of that business. They've also developed a hashtag, that's myPDX, to be used in a better job of reaching people when they come here. We are co-sponsoring the fall mega-mixer with the 20 chambers and business associations, along with the Asian Pacific chambers. And we think that that's very important so that we can find those local vendors and bring them into the fold at Travel Portland to be a part of our solution for meeting planners. We see that as our mandate. These are some of the minority bookings that we have. This represents over 2900 room nights and \$857,000 worth of economic impact. So we are making headway there. On the international front, we have Billie Moser who was with Travel Oregon for 20 years, and she is our new vice president of tourism sales. And that team is doing a terrific job. These are the markets that we are in and focusing on, and you'll see that we have a pretty broad range of places that we want to make sure that we are attracting the visitors from, and really telling the Portland story and selling the Portland brand. I won't go through all the numbers, but as you can see, in each of those markets we have a robust program with a lot of fam tours, a lot of companies that are represented, and certainly, itineraries. Most of the world uses tour operators much more than Americans do, but having 480 opportunities for folks around the world to find a trip through Portland, either individual travel or group travel, is really key to us. And each of these markets -- Oceania, in particular -- has come on very strong. So New Zealand, Australia has really embraced the Portland story.

**Fritz:** Jeff, could you explain what a fam tour is?

**Miller:** When we bring in the tour operators, we call a familiarization tour for operators or meeting planners, and we show them the breadth of Portland in dinners, we take them on wine country tours, we really show them the hotel packages, the businesses they can partner with, and make those business connections. So it's a great opportunity for people to see how it can work for them in Portland. This is the cover of Elle Japan, which had a 97-page insert on Portland. It went to 90,000 subscribers in Japan, which is a very key demographic for us. When this showed up on Travel Oregon's Facebook page and we put it out there, it had over 4700 hits the first week -- the most that Travel Oregon has ever had. And we partner with them very closely there. Having a 97-page insert out there is a pretty big deal. Also at the front, I think Commissioner Saltzman has the True Portland Guidebook. This came a couple weeks later, and it is subtitled the unofficial guide for creative people. It was commissioned by us with MEDIA SURF Japan, and in addition to the financial support, we help them on the ground with their legion of staff, local hires for field work, and later editing the book and its companion mini insert guide. Through pre-orders on Amazon.jp, it was the number one selling guidebook in Japan for two weeks, and still continues to be a big seller. 10,000 copies were initially printed, and there's a second printing that's getting ready to happen. And you'll see Gregory Gourdet from Departure. We took him with us to Tokyo, and he did cooking demonstrations and books, and they were really embraced -- not only the food, but also the guidebook. We're pretty proud of that. And the PDC is working with us and using this guidebook in some of their work. So we really tried to extend our economic development opportunities there. A couple of examples of New Zealand and tour guides, and you can see the Jupiter, Hilton, Benson Hotel all benefited from this. And that's what we look like in those. We worked very hard with them. And not only have we invested in convention meeting planners with SGMP, but also in the

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international and domestic tour development. The national tourist association is hosting contact, an educational meeting here in Portland. It's tour operators from North America. And this year, a very large contingent from China -- which we see as a growth for us. This is the first time that we've had the opportunity to host these kind of meeting planners, and along with Travel Oregon, we'll host them around the city and around the state, and there's about 100 of them. They're very influential, and may not have had the opportunity to be in Portland before. So we know that this is huge for us. The opening event will be at Ponzi vineyards, and the closing will be at the Jupiter Hotel. So again, we're showing those international tour operators a little flavor of what we do.

**Fritz:** Glad you're teaching them the Oregon Ducks' sign.

**Miller:** [laughs] Absolutely. And you can see in the last slide, we have a food cart in our trade show booth that we take with us. So we're pretty excited about that. Winter campaign with Wieden and Kennedy. Beer, obviously, is one of the pillars, along with shopping -- tax-free, of course -- and the culinary message. This chart really shows why we chose November through March as our target time period. The hotels need the help, and frankly, other businesses in Portland need the help, too. And you will see that this is the demand or rooms sold during each of the months, and you'll notice that during the November through March time period, we are well ahead of where we were last year, so we felt like we made some inroads with that campaign. The winter campaigns. The winter campaign, the center of it was an anthem created by Wieden and Kennedy, and it was then turned into 30-second TV spots and one-minute spots that played in cinemas, and up in Seattle and Vancouver other places. It's online, and the person who is singing who sang before, her name is Luz Elena Mendoza. She was with the band Y La Bamba, and the Tiburones. She became one of the many faces of Portland that we put out there to tell our story. And here's the anthem. [music] We got all their pillars in there, and they wrote this song specifically for us. One funny tidbit is the bicyclists were going to be the naked bike riders, but the laws in Canada are much different than ours, they would not allow the back sides in Canada. So we dressed them up.

**Fritz:** Good choice.

**Miller:** Here's how some of this lived out of home on the bus sides. Ferry terminals, the light rail stations in Seattle. Here's the outside of a train as we did the press. Hotel demand is certainly a good barometer of our success, but we need to look deeper. Many businesses benefit from those dollars, not just hotels. So we're working with Longwoods International to look at our advertising and understand the incremental visitation that we drove by being in the market. And with MMGY, to look at how we changed traveler sentiment. We worked with Smith travel and said, what will happen in this time period if we don't do any advertising based on our convention calendar and other factors? And they said, you'll have a 3.4% increase in the market during that time period. Well you can see we had a 7.2% increase, so we really feel like we hit it out of the park. We wanted to be sure that all parts of the city indeed benefit from our work. You can see the central city had the lowest, and that was partly because we were off in a convention room nights year to year, so that was also a big success. When we looked at those -- how do we get more heads in beds March through November? We know that advertising has a residual impact. And how do we change the hearts and minds? In March of 2014, 26% of the residents in the west said they were extremely likely or very likely to visit Portland for a leisure trip during the next two years. And this is up from 19% in March of 2013. The percentage of western residents who say they are not likely to visit dropped from 63% to 55%. So we feel that we're making really good headway there. Last year, we had a \$1.1 million campaign that focused on Seattle and Vancouver in January through March. You can see the incremental spending that Longwood said happened in that time period -- that wouldn't have happened without the program -- was 28 million. When the residual effect of that was summer travel -- because of that advertising -- we went up to 45.2 million. We know that this year's investment was \$4 million in those markets, but it included print, cinema, out of home advertising, Amtrak, we partnered with Portlandia and IFC to do some adds for us, and we lengthened the

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campaign for five months. We also went deeper into those two major markets, but we went to Yakima, tri-cities, Eugene, and Bend. The promotion also included an opportunity for wintertime hotel guests to enjoy discounts at more than 65 local businesses, and we have free gifts from Portland businesses like Salt and Straw, Danner, and Breakside and Laurelwood breweries. This resulted so far in \$64.7 million in incremental spending that would not have happened if we weren't in the market. We're pretty proud of that. We'll get the fall reports for the rest of the summer. This is an ad from the downtown marketing initiative, and I wanted to show it because we did that program of work last year and felt it was very successful. They're very, very different programs from what Travel Portland does. This is one of the local ads. And at the same time this was running in Portland, we were running a tax-free shopping message in Seattle and Vancouver, B.C. to leverage off of this. This ad also ran in Seattle Met, so you have two Portland messages going on at the same time. And we wouldn't have created these funds, this local campaign with lodging dollars, because our charge is to get those people to come from there to here and stay in a hotel. But we're able to leverage this messaging using TID and other dollars that come from us and amplify this message while we're out in the market. So we felt it was really important. And who forgets the ugly sweater campaign?

**Hales:** You gotta watch being photographed in stuff like that.

**Miller:** Exactly. I think these were two of my favorite little sweaters out there. I think RACC did a really nice job on for us on that, and it really gave a buzz to downtown, so we were excited about that program. This is the local ad for dining month, which we moved from June to March so that we could then leverage using those TID funds for out of market at the same time and really reinforce that culinary message. Again, this is a program that we would not have created locally with our funding, but we were able to do that and leverage in a very big way to those out of market. The ad that we did for out of market featured Gregory again -- he's been a great partner of ours -- and this ran in the other markets for us. And I will show that for us now.

[video playing]

\*\*\*\*\*: Here in Portland, we really know how to treat our food. March is Portland dining month. That means more than 100 restaurants are serving our most lovingly prepared three-course meals for \$29. Every day of the week, all over town. [music]

[end of video]

**Miller:** The restaurants tell us it was a fantastic March for them. There was just a huge increase in the business that they did. So we felt like it was not only from locals -- which enjoy it for that \$29 price point -- but our out of town visitors, too.

**Saltzman:** I think this is a good point to bring up Susan to talk about the metrics.

**Miller:** And I am done.

**Hales:** Great report, Jeff. Thank you. Good morning.

**Susan Hartnett, Office of Management and Finance:** Good morning, Susan Hartnett, spectator facilities and development manager, Office of Management and Finance. I'm just here to let you know that Jeff and I have started working a bit on making some changes to the exhibit -- to the current contract -- to incorporate some of these new metrics that he's been sharing with you today. Jeff introduced us to them probably six months or so ago, and he felt -- and we concurred with him -- that they were really sharpening the pencil in terms of understanding how Travel Portland's efforts benefit the city and how the city's dollars support that effort. So it made sense to perhaps look at making some amendments to the contract to reflect those new approaches to measuring effectiveness. It will require an amendment to the contract, and I'm here to let you know if you're interested in doing that -- incorporating these into the existing contract -- OMF is prepared to work with Jeff to finalize that language and get it in front of you. We would suggest some minor amendments to the underlying contract as well, to provide a bit of clarity around the ongoing administration of the contract. You may recall that I was here a month ago concerning other portions

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of Travel Portland's work that we had to bring to council in order to accomplish a relatively minor contractual amendment. So, we would propose just some cleanup on that, so it's a little bit clearer for everyone how to move these things forward efficiently rather than taking more of Jeff's time or of staff's time and more of council's time. I'm here to say we're willing to help if you are interested.

**Saltzman:** I think we are interested.

**Hales:** I think we are, yeah. That's the feedback that we need to get to be able to make the case this is working, which obviously it is. Other questions or concerns to raise with either Jeff or Susan? I have one, which is I think it was just last week we welcomed the international amateur athletic foundation's track and field event that was in Eugene. In 2016, we're having the world indoor championship here. I've been a little bit concerned that our international way-finding and signage -- that we're not as language-friendly to the rest of the world as we could be, whether it's at the airport or elsewhere -- not just at the airport. So, I just want to raise the concern. I raised it with Bill Wyatt, who actually went down to the opening night dinner in Eugene with the team from Portland to welcome the chair and the whole delegation that was here to kick off that athletic event. But it's been just a nagging concern of mine that we're not quite the global city that we are perceived to be once someone arrives here whose native language is not English. So, both because we are a more multicultural city than we were 20 years ago and because we have a different relationship with the rest of the world than 20 years ago, I think that we need to up our game. So I don't have any particular recommendation, I just wanted to raise the issue and maybe continue that dialogue with you, the port, PBOT, anyone else who is in the signing and way-finding business. Do we have our local app developers developing the Chinese app, the Japanese app, the Spanish language app the visitor can with their mobile device find their way around Portland perfectly and find all the great things that you are marketing? I don't know the answers to all those questions and don't need to know them now, but I want to raise those questions and make sure that we're thinking that through. Because it's an intergovernmental issue, as well as a marketing point for you, and for each of us involved in that one way or another.

**Miller:** It's a good point. I'll have those conversations.

**Hales:** Good.

**Saltzman:** Thank you. Thank you both.

**Hales:** Great report, thanks very much. Dan, is there anyone else that is going to speak on this?

**Saltzman:** No, I think that was it.

**Hartnett:** I'll plan to bring a contract amendment in the next couple months.

**Hales:** Please. Thank you both.

**Novick:** May I ask one question? Jeff, as a subscriber to the New York Times, a paper I can actually get delivered seven days a week, I'm stunned by the times that Portland is referenced in the paper -- either in the travel section or somewhere else. Do we have any way of knowing how much of an impact that specifically has? Does the New York Times matter or do these travel magazines matter more?

**Miller:** It matters a lot. Because the New York Times is so widely read outside of New York, it matters a lot. And what's interesting is that there are a lot of freelance writers who write for the New York Times that live in Portland. We get the opportunity sometimes to work with them, and often, the New York Times has their own sort of agenda, but we certainly know who those local writers are and we engage them as often as we can. The national and international publications certainly are in Portland and important, but the New York Times is at the top of that list.

**Novick:** It's good to know.

**Hales:** Thanks very much. We look forward to hearing more and we'll go onto the regular agenda.

**Item 800.**

**Hales:** As our panel comes up -- just a bit of context. Remember we had a severe budget shortfall -- I don't have to remind the council how painful that was -- and this budget did not allow us to add

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back everything that we would have once liked to have done and we might like to do again at the proper level. So, there were some priorities that the council focused on in making our budget decisions, and they were good ones. And now, perhaps, we have a little bit of room to add back some of the things and functions and positions we were forced to scrimp on during those more difficult budget times. So, we're trying to be prudent about this. It's no time to go crazy and spend a great deal of money on new programs and functions, but we are in a slightly better place than we were, and we have heard an earnest plea to restore a portion of what we have done to market our downtown. Very congruent, Commissioner Saltzman, with the report that you and Travel Portland just gave. So that's why this item is on the calendar this morning and why we're proposing to add back a fraction -- but an important fraction -- of what was once in the downtown marketing initiative. So Lisa, do you want to take it from there?

**Lisa Frisch:** Good morning, Mayor Hales and Commissioners. My name is Lisa Frisch, I'm the director of retail programs for downtown at the Portland Business Alliance. I'm pleased to be here to speak about the downtown holiday promotion. With the funding you may authorize today, we will be able to have a scaled-back holiday campaign that will highlight everything special that occurs downtown during the holidays. Our hope is next year for full DMI funding to be restored so we can continue our great success in making downtown a vibrant place to shop, work, live, and visit. I want to thank our partners at Travel Portland for helping with this promotion; Courtney Ries, who is the marketing manager at Travel Portland who is out on maternity leave right now. I will go through a quick presentation, and then I will have Jake France, the co-owner of Boys Fort, testify with me. What we're planning on doing this holiday season is, like I said, a scaled-back campaign that is very similar to what we produced last year. We will not reinvent the wheel. We're going to use the assets that we created last year and the years before, and reuse them, save on budgeted allocation. So the theme for the holiday is downtown Portland, the gateway of holiday possibilities. We support the creative message of have yourself a downtown holiday that captures the magic you will find in downtown Portland. So top line campaign details. This year's budget is about half of last year's spending, and due to the smaller allocation, TV advertising, and post-holiday campaign research will be eliminated. Expenses will be reduced by utilizing those existing creative that was developed for the last year's campaign. And the successful ugly sweater theme will continue and be supported through local media and public relations. So 90,000 on advertising, social media advertising, cross-promotion will continue. Public relations and the holiday kick-off event will continue. We will work closely with Travel Portland on their TID campaign in Vancouver and Seattle to emphasize the tax-free shopping. That's a huge driver during the holiday season. We'll continue with the ugly sweater. The campaign will provide opportunities for social media and PR chatter, while also providing connections to retail sales in downtown experiences. Here is that overview of the budget, you can see the comparison between actual last year and proposed with notes. Right here, we'll concentrate on the cuts. So again, cutting all television and most print ads, and we'll maintain a large presence on social media, pay per click, online, and radio. We will continue with ugly sweater, but we will cut the decorating event. This line item also cuts television and print licensing of ads. Again, cutting online contest for ugly sweaters but not the actual sweater promotion that we do. We will need a PR specialist. We will cut research and cut stylists altogether. And the PBA will waive our administration fee. So, again, this is a one-time budget. We do not feel this budget can be replicated in future years. It's very scaled back, very bare bones, and we would like to return with full funding if the DMI is re-upped. So again, yarn bombing. I'm using some of same images you saw Mr. Miller use. The yarn bombing was huge for us downtown, and it was just a great way to highlight all things Portland. We worked with local fiber artists to highlight some really cool statues that we have downtown. Again, Regional Arts and Culture Council was a partner with us on this. This was meant to be a temporary art installation, and that encouraged people to come downtown and give them a sense of urgency. Come downtown today because the installation



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might not last through the season. We were strategic in our installation, where we did several statues each week. We did have a replacement strategy, as we knew these would be temporary and people could not resist taking them home with them. Again, ugly sweater is really what we're hanging our hats on this holiday season. It encouraged a lot of interactive communication with our fan base on Facebook and social media. Downtown Portland has over 100,000 fans on social media, on Facebook. About 30,000 on Twitter. We also have Instagram, Pinterest -- we're out there. So, we're encouraging the public to come downtown, wear their ugly sweaters, take pictures, and then post on social media. Here are some more images of social media. We will need to hire a contractor to manage the social media content, and post at least once per day on each of these social media streams. Due to the budget constraint, active management of comment and user-generated content will be difficult. And those comment features will need to be turned off. It leads to a less active social media channel and less engagement of our targeted customer base. So we will be putting communications out there, but will not necessarily be receiving communications back. And that's the way we feel it's best to manage social media streams with our limited budget and resources. We will continue the holiday kick-off event. There's that picture again of the mayor and his nifty sweater. We host an annual kickoff event, and we have hosted this for about 10 years. It used to be a kick-off of the construction moratorium, as construction downtown often keeps people away. We've turned this into a different message in the past five years, where it's a downtown that's open for business message. We kick off the holidays, holiday lighting, mention all the new stores open downtown, we announce the holiday construction moratorium, and we talk about parking options, ways to get downtown, and things to do when you're here. It is a great event, it is covered by all the local television networks and other media in town. And we will continue with that. We work closely with our partners at the Bureau of Transportation and Smart Park. Every year, we offer a limited parking promotion to get those last remaining people downtown who have objections to paying for parking. So this year we worked with Smart Park. We are anticipating running a limited promotion on those three Sundays in December where we will offer vouchers to the first few hundred visitors of Smart Park garages on those days, therefore paying for their parking. Again, this is an item that Smart Park and PBOT budgets for every year. We alter the program to be sure that we have the best impact and outreach, and I feel like we have a good program going into this year. We'll announce more details later. Our charitable partnership. We understand the holidays are all about giving, not just giving gifts but giving to local charities. Last year, we partnered with Transition Projects and helped them with their annual clothing drive. Again, we're talking about fun, ugly sweaters. We have sweaters decorating statues in downtown Portland, but we also want people to give warm clothing to charities in town. So, Transition Projects was a great partner, we had over 15 locations where we collected clothing for Transition Projects in downtown. We collected about 250 pounds of clothing and other items during the holidays. So this will continue. And then post-season measurements. We realize measurement is very important. We are eliminating some of our venues of measurement in the budget, so we will not have that pre and post-holiday campaign. But we feel that we have other venues to measure how well we did. So, we'll continue with the retailer post-holiday survey, we take that in January; pedestrian counts, we take that in mid-December and we take that every year. And we do have comparables to prior years. We will measure press stories and PR equivalency. We feel we can continue that. Again, we don't necessarily want to compare it to last year, as last year was a full campaign, but we feel that we can measure how well we did this year. And again, working with our partners at Smart Park to measure occupancy rate revenue and promotional redemptions.

**Hales:** Questions for Lisa? Alright. Thank you.

**Frisch:** Very good. I will pass it over to Jake.

**Jake France:** Hello and good morning, Mayor Hales and Commissioners. My name is Jake France, and I am co-owner of Boys Fort located at 902 SW Morrison in a retail space in a city-owned Smart

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Park garage. I'm a small business owner, and Boys Fort is made up of 100 local makers and craftspeople. We specialize in gifts for guys and those who love them, so everything from furniture to bags and accessories. I'm here today to thank you for allocating a small portion of replacement funding for downtown marketing this holiday season. My business was established in 2011 when my business partner and I applied to be a part of the PDX pop-up shop program, a program developed as a component of the downtown regional strategy in partnership with organizations including Travel Portland, and the Downtown Marketing Initiative, Portland Development Commission, Portland Business Alliance, and Downtown Clean and Safe. The retail strategy was developed to revitalize the retail landscape in downtown during the recession. Other parts of the program included a year-round marketing program, new landscaping on Yamhill and Morrison, and targeted retail recruitment efforts. The pop-up show program was created to help emerging retail businesses test out their concept in downtown Portland during the busy holiday season. The program was designed to attract new local businesses to downtown, setting them up with retail spaces for two months, providing business advice, expertise, promotional assistance, including signage, marketing, social media, and public relations. Boys Fort was selected to be part of the pop-up shop program, and after a two-month stint we decided to pursue locating in a permanent space in downtown Portland. The search took longer than we expected, and we participated in the shop program again in 2012. I'm proud to say that in 2013 in the spring, we found a spot and opened for business our permanent store. We are a small company, it's just my business partner and I running the store on a daily basis. And with everything that we have to do day-to-day, we simply do not have the time or the resources to market ourselves with a strong presence. Web presence or other media outlets that I'm sure exist that I am unaware of. Downtown Portland has hundreds of retail businesses that share customers with us. We don't want to market ourselves alone, and it makes more sense marketing the entirety of downtown and encourage people to park once and visit the hundreds stores, restaurants, and other cultural attractions -- all within a few blocks. It sounds like something a large shopping mall would do, right? Well, that's because they do. And it makes sense that we do it as well. We need to market downtown as a destination, because no matter how great we think that we are, potential customers need to be reminded that we are here and overcome complaints that parking is too expensive, parking is hard to find, or they don't want to come down because of the aggressive panhandlers around. We hear these messages all the time, and we are not unlike other cities. We need to create positive messaging to help folks overcome the negative perceptions. Thank you again for your support of downtown Portland, and for the small replacement funding for the downtown marketing and programs this holiday season. Your support of hundreds of small local businesses is notable, and we encourage you to look for ways to reinstate the initiative as a permanent program going forward. Thank you for your consideration. I would love to stay, but I have to open my store.

**Fritz:** Just tell us, if you want to buy gifts for guys or those who love them -- where is your store located, and what is it called?

**France:** It's called Boys Fort, and it's on the corner of 9th and Morrison in the base of the Smart Park garage, just a block from Nordstrom's on the MAX tracks right near the new City Target.

**Fritz:** Thank you.

**Hales:** Thanks you.

**Saltzman:** Thank you.

**Hales:** Are there others that want to speak on this?

**Moore-Love:** I did not have a signup sheet for this one.

**Hales:** Anyone here want to speak? So, it's an emergency ordinance, and we'll take a roll call.

**Fritz:** Mayor, I can't support this, so I move to remove the emergency clause.

**Hales:** Is there a second? Hearing no second, then we'll proceed. We have an emergency clause, and that means this will fail, so.

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**Novick:** The question is, if we take the emergency off, will the money still get there in time to make a difference?

**Fritz:** I'm not able to support it, so.

**Novick:** Right. So in that case, second.

**Fritz:** Thank you.

**Hales:** OK, roll call to remove the emergency clause.

**Roll on motion to remove emergency clause.**

**Saltzman:** Aye.

**Novick:** Aye.

**Fritz:** I really support the Downtown Marketing Initiative, I think it's a wonderful program. We made a decision in the budget that we were not going to fund it with general fund money, that we have many other priorities. And I think there is other money -- which is what we expected -- in the budget, that other money would be found to support this program. If I was going to vote to spend \$170,000 today, I would vote for a crossing improvement in east Portland, which is another one of those projects that we determined we couldn't find in the budget. So yes, the economy is expanding, and I want us to be careful about what we spend our money on -- what we spend the taxpayers' money on -- because we don't have enough to pay for everything that we need in parks and housing and transportation, and allocating this money from the contingency outside of a budget process to me just isn't the right way to go. So I appreciate removing the emergency clause. Aye.

**Hales:** Well, I understand the concerns and appreciate them. But our budgetary situation is continuing to evolve, in part because now there's more flowing to contingency than we originally allocated. So that's why it's a contingency fund, it's for the situations you can't foresee. Sometimes they're negative, that's why it's there, but in this case, it's positive. So I think it's prudent for us to add back a portion of these funds. Aye. So this will return for second reading next week?

**Fritz:** Yeah.

**Hales:** So we'll take second reading vote next week on this item. Thank you. Thanks very much.

**Item 801.**

**Hales:** So this is the continuation of our hearings on this item. We voted on the amendments, and today we have a substitute ordinance in front of us. So, I think that we -- did we adopt the substitute last week?

**Saltzman:** I think we did.

**Moore-Love:** Yes, we did.

**Hales:** So we don't need to readopt it, right? We're taking a roll call on this substitute ordinance that we substituted a week ago.

**Moore-Love:** Correct.

**Hales:** Does that all conform to your understanding? OK, then roll call, please, on the second meeting on the substitute ordinance.

**Item 801 Roll.**

**Saltzman:** I want to thank the Mayor, the Bureau of Planning and Sustainability, and the Bureau of Development Services for their hard work to bring forward a common sense package of regulations that really recognize the sharing economy as sort of epitomized by Airbnb, although it's much larger than just Airbnb. And this provides a way to legalize short-term rentals in single family houses in our city, and as we heard a lot of testimony, this having a great effect on people. It's allowing people in many cases to have socialization opportunities to show off Portland to people visiting, but also as important to make money to pay their property tax bills. So we heard very important testimony about that. So, I think it's a great program, and Airbnb has been a great corporate citizen. Everything I've learned about them since they've been here -- their opening of an office in Portland, just yesterday, their announcement of working with the Portland Bureau of Emergency Management to provide housing to either first responders or to people affected by disasters. It seems like they're

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never coming up short of great ideas and ways of being innovative. So, this is really a welcomed scheme. And also, we're going to be collecting a lodging tax. As you know next week, I will be bringing forward a proposal to dedicate that lodging tax to the housing investment funds so that we can produce more rental housing, because that is one of the sort of the double edged effect of this, is it is going to allow people to rent out their rooms on a short-term basis, and I do believe that will affect the ability of people to rent rooms historically on a longer term basis, and that will diminish the supply of affordable housing. But, more on that next week. Again, thanks for all your hard work on this. I'm pleased to vote aye.

**Novick:** This is a fairly complex issue, and I don't think that this is an easy discussion. I have concerns about having unregulated, untaxed competitors of regulated and taxed industry operating in the city -- which is what has been happening -- and it has been clear that we don't have the capacity to crack down and eliminate this piece of the, quote, sharing economy. And it's not clear that that's what we should do if we had the capacity. So it's a combination of the stories about the positive impact of the operation of Airbnb and the fact that currently, we're allowing an illegal industry to flourish in unfair competition with legal industries that has led to the conclusion that we should accept the recommendation. I am concerned about the speculation -- and I think it is mostly speculation, I haven't seen any hard data that the existence of rentals has an impact on the affordability of housing. I think that we need to watch the research that develops on that over the next year or so and see what data -- if there ultimately is any -- shows us. And we are going to be taking up the issue of short-term rentals in multi-family housing, which raises some additional issues. And that's a discussion I think we proceed with very carefully. So, I mean, I'm probably just an old-fashioned stodgy guy, but I find this whole development of short-term rentals somewhat nervous-making, but I appreciate the hard work that the bureau put into this, and the fact that at least one of the operators stepped forward and said, we are willing to collect the taxes on this, so I cautiously vote aye.

**Fritz:** I'm very grateful to everybody who's participated in this process, and to Directors Paul Scarlett in Development Services and Susan Anderson in Planning and Sustainability for shepherding it. Also, the members of the planning and sustainability commission for all of their time and effort in looking at a good, inclusive, and transparent process. And to the hundreds of folks who have e-mailed and written and called the council on this issue. All of this input has made improvements throughout the process, including the report that will come back in September of 2016, which will include an analysis of whether there has been an impact on affordable housing. I appreciate that because Airbnb, the one company had indicated they were going to be collecting the taxes, 500,000 in those taxes was included in the 2015 budget and then allocated to housing, so that is a very welcome addition to our budget. And everybody is now aware that indeed taxes are required on these rentals, whether or not they are going through that particular platform. And if you pay your taxes, then that's one step, and we don't have a linkage between the Revenue Bureau and Development Services in looking for code enforcement -- so pay your taxes, please. I want to particularly thank Sandra Wood, who coordinated and guided this process; and Morgan Tracy in Planning and Sustainability; Mike Liefeld in Development Services who was particularly helpful with the multi-family issue. Thank you to the mayor for indicating a more robust process on that, looking at the pros and cons of extending this to the multi-family, and I hope we look at whole house vacation rentals as well, because it's likely those are happening too, or will happen. We want to have a comprehensive set of policies. Thanks to Kurt Krueger in transportation, and the many other staff, the Fire Bureau, that helped to shape the final product, which I believe is a good one. Aye.

**Hales:** The juxtaposition of this decision today and the report that we just heard from Travel Portland brings to mind the old expression about it's a great place to visit, but you wouldn't want to live there. And actually, we want Portland to be both. In order to do that, we have to strike a balance

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between how we accommodate commerce -- including this new kind -- in our great neighborhoods. Often, I comment to people that are here as official visitors, it's too bad you don't have more time, because you're going to see all the Portland stuff you heard about -- you will see the light rail system, you're going to ride the streetcar and go to a great restaurant, you're going to go to Powell's, but you probably won't have time to get into our miles and miles of great neighborhoods. And that's a distinguishing feature of Portland. If you look at the geography and life of other cities, they don't have the park system we have. They might have a great downtown, they might have a great transit system, but they don't have the park system we have, and they don't have the neighborhoods that we have. They might have a few good neighborhoods, but they don't have dozens and dozens and dozens like we do. So for us to be a successful city, we have to balance the very reasonable expectations of people that live in a neighborhood that they live in a neighborhood, and commerce. So we're adjusting that a little bit. We're allowing legal commerce to happen in single family houses. We've allowed that with home occupation permits for years. We've allowed it with bed and breakfasts -- for people to go through a rigorous process and pay a big fee. Now we are allowing it at a modest scale, at a modest cost for ordinary homeowners. I think it's the right call. But as Commissioner Novick raised, I think there are things to be nervous about in this adjustment, even though I'm happy we're making it. So we will be called on again in other issues -- not just the multi-family portion of this question, not just the vacation rental of the whole house issue, but in other areas like taxicabs to figure this out. How do we accommodate the new economy within the structure of regulations that we have? I think we got it right this time, and I want to join my colleagues in commending the good work that we had here in city staff putting this together. I think our neighborhood associations came in and gave thoughtful protection -- not in my backyard, but if you are going to do this in my backyard, please think about this and this and this. I was impressed by the loyal opposition -- if you will -- on this issue. And I particularly appreciate Airbnb being a constructive participant in this process, and the other firms involved in this new kind of commerce in trying to work through these issues with us. Probably the most heartening thing I heard on this subject today was Jeff Miller saying, we already have a reputation in the country for being the city that's trying to figure this out, and I'm proud of that. So, good work all around. Very pleased to vote aye.

**Item 802.**

**Hales:** Good morning, Commander Burke and team from the Police Bureau. And Dennis, welcome.

**George Burke, Bureau of Police:** Good morning. I'm George Burke, I'm the commander of the detective division with the Portland Police Bureau, and I have with me Sergeant Mike Geiger. Dennis Morrow is here, and we brought a couple other folks. Lieutenant Dave Meyer is with us if we have any questions, as well as -- before I announce too much, with Sergeant Geiger looking at a retirement, we're transitioning with the Sergeant Chuck Lovell will be taking that spot as we move forward. So we're all here and present to answer any questions if you have them. What we're here to talk about is an agreement, a grant agreement between the city of Portland and Janus Youth which would be split in a couple directions, both supporting juvenile victims of human trafficking. We've had a long standing relationship with both Janus Youth and SARC, which is the Sexual Assault Resource Center. It has been going on for years, we've been providing funding. And this is a very good way for us to solidify that funding, as well as providing metrics and feedback on where that funding is going and what we're getting in return for that. I'm not going to get into all the details, Sargent Geiger can get into that. But in short, Janus Youth is providing shelter beds for our victims of human trafficking, in particular the juvenile victims of human trafficking; and then SARC is providing the advocacy and support and the ongoing advocacy on a 24 hour a day basis seven days a week, as well as the shelter beds are available in the same 24 hours a day, seven days a week. What we're asking for the approval of the agreement for \$297,000, which would support that and allow us

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to receive some significant feedback on how that money is being spent and what we're getting out in return.

**Hales:** Sergeant Geiger, have something to add on that?

**Mike Geiger, Bureau of Police:** I think that I do. This has been a long fight, it's been difficult one that we've been engaged in it for a few years now. I think that much of what we've been trying to come to grips with is, how does that happen here, how does it happen so often? And what's going on with our children and our community in what is clearly becoming one of the fastest-growing criminal enterprises in the world today? We've been trying to figure out how we strike a balance between accountability, between law enforcement efforts and the needs of the child, the needs of the vulnerable and the violated. What this shows me is that it is confirmation that the city of Portland has chosen to take a stand on behalf of the vulnerable and on behalf of the violated. And I would say that support for law enforcement and support for the victims are not mutually exclusive. What we've come to learn is that the way in which we view an individual dictates the way we respond to that individual. So by providing advocacy resources, a safe place to stay, what we're telling them is that our overriding goal is their restoration and their removal from the life of exploitation and victimization to one of health and safety and a positive future. Those things can't be accomplished absent the support services that we brought to bear on their behalf. Young people -- whether they're teenagers or people in their 20s or whoever they are -- they desire safety and they desire security, but they need first and foremost to have their emotional and physical needs met before we begin to address the other factors, and I think this is what this does. What we've seen is a dramatic increase in our ability to prosecute cases both at the state and federal level. It's been remarkable, actually. What I would submit is we would've never been able to accomplish that absent the support from the people like Janus and the Sexual Assault Resource Center. Because what it's effectively done is allowed them to rebuild their own emotional state, to gain a sense of security and empowerment, to recognize finally that there is a degree of victimization that they hadn't previously faced before which empowers them and strengthens them to give us the information we need in order to put together a comprehensive case that brings accountability. I would say that we're accomplishing both, and I'm very happy about that because it speaks to what we think about these young people. It speaks to the priority that we have here in our community, that we want the best for them, we want them to be free of exploitation. And to me, that speaks to the character of our department, it speaks to the character of this council, and your support is just very much appreciated. So, thank you.

**Hales:** Thank you. Dennis, welcome.

**Dennis Morrow:** Thank you. Dennis Morrow, executive director of Janus Youth Programs. I was watching your earlier presentation, and I thought it was rather appropriate today that we're looking at this particular allocation for this particular population after you've looked at a massive amount of information around how to market Portland. I remember about five years ago, when Dan Rather produced a film known as Pornland, and the marketing that we had to fight was we were named as the second highest hub of sex trafficking of minors in the entire country. And I'm proud to say that we are now doing things about that to be able to change that. I would like to thank you on behalf of the kids. Three years ago, this council voted to provide services through Janus and through SARC to ensure 24-hour availability of shelter, and also of an advocate to work with the girls. When that vote was taken, I sat in front of those of you that were here and I said, I would only want you to allocate the money today if you promise not to take it away in the future, because these are children who have been disappointed far too many times. And I'm proud to be back and see that -- as he said -- this commitment is being maintained. You have not gone back on your promise. You saw a lot of metrics up there in terms of the return on investment. I think there's been a huge return on investment that you have made here, oftentimes invisible because these are not the kids that anybody wants to see that are out there. But for instance, we have served over 100 girls through our Athena House program since the first grant was made. SARC has worked with 300 girls. Our age

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now goes from 12 out to age 25. And as you know, the most recent allocation last year -- with Amanda and the mayor's help, we were able to extend our shelter services from 18 to 21. The thing that was amazing about that was most all of the girls -- we immediately started getting calls as soon as we went over age 18. They were calls from the girls with us when they were younger, and they aged out of services. So before that shift was made, they would be on the street and back into the law enforcement channel, and right back where they started. So this entire continuum now goes from age 12 to 25. A second way that you have got a return on investment is the chart I just gave you. This is a description of Portland and Multnomah County's charts for working with all kids on the street: homeless youths, runaway youth, and sex trafficked youth. You'll see there's an intersection of those three groups, and that's at Janus. And the intersection is simply because Janus is the 24-hour availability for the police any time of the day or night to call or bring a youth to us, and we can find shelter for a homeless youth, we can find shelter for a runaway youth, and we can find shelter for a sex trafficking victim, and it will not be the same shelter. I will tell you, sitting here today, this is a national model. There is no other city or jurisdiction in this country that has even one of those circles working together. There is no other jurisdiction that has three of them intersecting, and there is no other jurisdiction that would sit here with a police officer and a social service worker at the same table, both advocating for services for these kids. I've been all over the country, it's just not happening. And people come back over and over to me and say, how do you do it? How do I do what? How do you work with the police? I say, how do you not work with the police? How do you work with child welfare? How do you not work with child welfare? So your funding has created -- and it's something you don't realize, but we realize in our system -- a national model where people come here. We've had about a half a dozen visits in the last year. It's our little mini-tourism you don't see, but we've had people from New Jersey, we've had people from Wisconsin, we've had people from Atlanta. People come here to try and begin to build their systems where they're from. And then the third level is in the contract. I noticed I hadn't seen that until I was looking at the contract language -- it talks about community education and advocacy. I know SARC people out there doing that a lot. I'll give you an example in terms of how that works. Over the last three months, I have given presentations around sex trafficking to the east republican women's club in Multnomah County -- east Multnomah County Republican Women's Club. I've given one to the Kruse Way Rotary. And last week, I was invited to go to the Bend city club. Invited to go down there, and I gave a forum speech for them that basically our goal was to galvanize that community to begin to do something in Bend. Because they were talking the same way we were talking five years ago, which is, we don't think we have a problem here, do we? I think when I left -- that they believe that they have a way to begin to look at this. That's on their website, if you want to see that presentation. It was a very powerful presentation. So, I want to say thank you for reauthorizing the money. I also want to say thank you for placement, and this is a very odd situation, I want you to understand. You're giving money for victim services and it's going into the police bureau. Again, no place in the country would you see that happening. And if it did, you would find people like me saying, don't do it -- how can you put service money in the police bureau? But we consider -- in all of our work with homeless youth and runaway youth and sex traffic victims -- for years, they have been our primary partner. We cannot do the work without them. I think it makes total sense to have this managed in conjunction with and through the very people that we're partnering with. I also think it's a very profound message to the community, to the girls themselves, and to the rest of the country that this is how the work gets done. In Portland, we do it differently and we do it better. Athena House, by the way, is one of fewer than 50 programs nationally like this. We don't know the exact number, but at a national conference, there were under 50 that were identified in the whole country. So, all of these things are amazing. Thank you very much and thanks for being here and creating a partnership -- mending a partnership that's already been created.

**Hales:** I know we have a number of questions.

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**Fritz:** Thank you for your words -- very, very moving. Mayor, I just want to make sure that it is your intent -- I think it's currently in special appropriations as approved in this year's budget, but your intent since it's an ongoing appropriation -- to put it in the police budget.

**Hales:** The police bureau. Yes, correct.

**Fritz:** I beg you -- because it's safely in the budget so we don't have to keep coming back and asking for it every year, please keep coming back and telling us what is happening and reminding people that we have this challenge. I think it is because of the work of the advocates, including the brave survivors who have come in over the last four, five years that we now have a recognition that we collectively have a problem and we collectively need to help solve it. Thank you very much.

**Hales:** You mentioned some numbers and some measurements and our success. It's really important that we get that kind of information, because even if a budgetary line item is safe, it doesn't mean we don't need to know what is going on. In fact, some of the numbers I'd be interested in is the size of the unmet need that each of you sees. For example, how many more shelter beds do we need? What about long-term shelter? What are the next things on the list for this partnership in terms of reaching the victims that we need to reach? That's something I want to hear more about and I bet the rest of the council does, too.

**Morrow:** Mm-hmm. Yeah, we will be doing reports on -- daily and monthly counts basically of number of kids served, demographic of the kids served, both age and race demographic. And one of the things in terms of Athena House -- we started as an emergency shelter only, but actually now it is a shelter and long-term residential facility. So the girls -- mostly girls, some boys -- but the kids can stay there indefinitely. They get to make the choice. That's different than any place else in the country. The state of Oregon also just authorized a contract to begin a state program, which is going to be very long-term specialized care for these girls as well. It's going to be a 12-bed facility serving 11 to 15-year-olds specifically, and we're going to be working in partnership with Morrison Child and Family Services -- we got that contract -- so that will be another add-on to the system in an area where we desperately need it. And it also really strengthens, because they're specifically working with the younger girls then that again makes this chain, with Athena and SARC being about to work with older kids. That really makes a lot of sense because we're going to see transition. That's what we hope is going to happen. So we have to start tracking those kids as well. And what we do is we use records from child welfare, SARC, and Janus. You have to put all of those together, plus police arrest records, to try and get a picture of what you're talking about. But yeah, we'll be cranking out data like crazy. Because that's how we have to learn as well.

**Hales:** I want to raise another sensitive question. I have been at some pains in the 18, 19 months I've been here to build a good working relationship with Multnomah County, and thus the kind of accord that we were able to reach on the last two budgets. More work to do. Chair Kafoury is as committed as her predecessors -- maybe at least as committed as her predecessors -- to carrying on the work Chair Madrigal and I did of coming in with a coherent city/county allocation of responsibility, and you stay in your lane, do this, and we'll stay in our lane and do that. That work continues going into the next budget cycle. But you mentioned your presentations elsewhere. The sensitive question I want to raise is, what should we -- because I've also been at pains to build good relationships with our neighboring jurisdictions, Beaverton, Hillsboro, all of the rest -- what should I be asking of our regional partners? They're regional partners with us in other things like transportation and land use and other issues. What should I be asking of Gresham and Beaverton and Lake Oswego and Hillsboro and, and, and, and --? In your opinion, are they fully cooperating on the law enforcement side on these issues? Are they fully cooperating on the services side on these issues?

**Geiger:** I guess I'll give that a shot. I think what would be very helpful for us is to have a voice come from the Mayor's Office -- probably also from the police bureau -- to both leadership in our neighboring cities, as well as police officials. The reality is we're bumping up against the law of



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unintended consequences, where the harder we push inside the city of Portland, we tend to drive it outside of Portland and move it into Clackamas County and into Gresham and east Multnomah County. And we've been seeing a number of cases surface in the Gresham, Rockwood, east Multnomah County area outside of the city of Portland. And we have been taking those cases as well. I think it is a good conversation to talk to both city officials and police officials and talk about ways in which that they can become engaged in this, to partner with us, and to also help bear some of the burden. That could come perhaps with funding for advocacy services for youth who reside in east Multnomah County. It could also be an encouragement to ask for law enforcement participation in our task force, in our federal task force, to assist us with investigations that occur outside of the city of Portland. And I think the reason that this is so important is because there is a tendency in many communities to say that that's a problem that exists there. And with all of the publicity, what I continually hear is, well, this is really a Portland problem, I mean, we've heard about it on the news and all of that, it's certainly not happening here. We all know that's not true and we also know that is not a healthy look for a community to have. Because what they're essentially doing is denying a problem that exists in their own community and pushing it off on somewhere else. I think it will take a conversation at all levels to encourage participation.

**Burke:** I think we've seen some pretty graphic examples, especially in the last couple of days, as how this happens in some of our most affluent communities outside of the city of Portland. I think at the law enforcement level, the workers work very well together, and it's just a matter of getting those of us in management to understand how that work needs to be done and how to make it happen and how does it get funded properly.

**Hales:** Thank you. Dennis, what do you see on the services side?

**Morrow:** On the services side, Multnomah County is heavily invested in all three of those circles. They fund the predominance of the run-away and homeless youth side and they put at least as much or more money than the city does to Janus -- actually more, about twice as much -- to support Athena House for everybody in the county. And also, similar to your contract, we have money in there for SARC advocates who are then identified to support youth throughout the county. We are able to not be limited to the city, and we can serve any youth, anywhere, in any county. I will tell you we have another unique perspective, because Janus operates the only emergency shelters and homeless programs in southwest Washington, and we have a fairly significant -- as he was saying -- an unseen and unidentified number of youth over there that started being seen when we started asking questions when we did our intake work around them. And it's the same thing. We see the business shifting back and forth in a way to kind of protect or avoid detection. But I also think this is a regional issue beyond the Oregon side of the region. There really is a state regional issue that we see interplaying with this as well, and I think that's a discussion definitely worth having. Because there really are no resources outside of the two emergency shelter, no specialized resources until you get to Seattle when you're across the river.

**Hales:** Thank you very much. I know we also have SARC here this morning, so we want to hear from SARC as well. Any other questions for these partners of the partnership? Thank you.

**Morrow:** Thank you for your time. I don't think SARC is here today. They were going to, but Erin is on vacation and something came up. I'm SARC also.

**Hales:** Thank you all very much.

**Morrow:** Thank you.

**Hales:** Do we have others signed up to speak on this item?

**Moore-Love:** I know one person has requested to speak.

**Hales:** Yes, please. Good morning.

**Joel Shapiro:** Good morning. I'm Joel Shapiro, some of you may know me. I've been involved with this issue for at least the last five years, and I wanted to basically amplify what the previous speakers have said and add some additional context. So, I serve as a consultant at Shared Hope

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International, which is a nonprofit that has worked on this issue for a very long time. I got involved in this issue when I was counsel to Senator Wyden in Washington, D.C., and what I learned talking with folks nationally about this issue when I began to study why this was a problem was that there was a real lack of cooperation between service providers and law enforcement. And one of the very few places where that wasn't a problem was Portland, Oregon. So we crafted a federal bill which basically said to the Department of Justice, you need to replicate what Portland is doing and serve other communities by creating this collaborative model where people sit around the same table and they're able to address this problem in that way. And why is that so important? Because it goes to a lot of issues you've discussed here, which is return on investment and the way we treat victims of crime. Because if we don't address the needs of those victims, they end up cycling again and again through our law enforcement system which creates a lot of expense for the police bureau, for our courts, and for our human services providers. And by making this investment, you're allowing a system to develop that can meet a lot of those gaps. And as Dennis said, the state is now also beginning to make an investment so that DHS doesn't experience the kind of revolving door that they have with victims. We know they need help, we know they need service, we know they're not in a place to help cooperate with law enforcement to help build a case against the criminals that are involved, whether the traffickers or the buyers are creating a demand for this problem. We can't build those law enforcement cases unless the victims get the services that they need to address their mental health, their addiction, their emotional insecurities that have led them into this very traumatic, very violent process. I'm not telling you anything you don't already know. But I just want to amplify the fact that if we don't create more opportunities, the system is not going to continue to develop. And we all know that having one shelter is not going to meet the needs of every victim that is out there. Having two shelters is not going to meet the needs of every victim that is out there. We need a range, we need a continuum of services, and this is a very, very vital part of that which is going to allow Portland to continue to be a model and continue to develop the best practices so that the investments that have been made and hopefully will continue to be made become more efficient and more effective. So I think now is a very important turning point to continue to learn and build the system that will meet a broader need of victims that are out there. So that's the message I want to deliver.

**Hales:** Thanks, Joel. Great. Questions? Thank you so much. Appreciate it. Anyone else that wants to speak? Then we'll take a roll call on the emergency ordinance.

**Item 802 Roll.**

**Saltzman:** Very happy to see this, and thank you for the progress report. Sergeant Geiger, thank you for your service working on very tough issues, and I hope you enjoy your retirement or your next career, whatever path it is. You've served the city well. And Janus, as always, great provider, finding needs and solving the problems of people who need help. And that goes for SARC as well. Very pleased to see this great relationship between our police bureau, Janus, SARC. And great to see the steady funding, the commitment of this body for steady funding of this program. Aye.

**Novick:** Thank you very much for your commitment to this important and very difficult and heart-rending work. Aye.

**Fritz:** Thank you all for working together. And particularly Sergeant Geiger, that was one of the most beautiful and eloquent speeches on the issues that I've heard and I'm going to have my staff get the transcript and post it on my blog. Because I think more people should hear one of our often berated -- Portland Police Bureau doesn't get credit for some of the heart-felt work that goes on there. And I know Mike Gallagher and others are daily in the trenches doing tremendous work. Thank you so much. Mayor, thanks you to you and Chair Marissa Madrigal for making this a linchpin for the agreement on ongoing funding. It's one of the most satisfying things, it's right up there with earned sick time and the things I've been able to work on while I've been on the council that makes such a difference in people's lives, and I'm grateful that we have ongoing funding. We

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will be bringing a report in August for the six month project that we funded one time last year, and even though we now have it ongoing funded, we promise to bring the report. So we'll have another session on that in August. I hope you heard loud and clear that the mayor supports an additional ask in the next year's budget and I would also be very interested in an additional request in next year's budget, particularly for the BoyStrength program, to make sure that we keep that going. I very much appreciated that diagram you gave of us of all of the agencies working together. I do worry a little about Lifeworks being funded with the federal grant and that I think that that's something else we need to keep our eye out and make sure there is adequate funding for that part of the program. But just tremendous work. Thank you very much for your leadership on it, Mayor. Aye.

**Hales:** Thank you. First, in the year and a half that I have gotten to know the police bureau better, the process continues. Obviously, I keep running into people who do their work with passion and deep understanding, and I think we heard that here this morning. It's funny, I had the exact same response that you had -- I'm going to get that transcribed. What you said this morning, Sergeant, was so eloquent and so clear about the issues in this work. Obviously you have that passion and that deep understanding, and we appreciate that very much. Secondly, we have a number of relationships with the FBI -- one of which is controversial -- but I had a chance to get briefed by the FBI staff working on these issues, and they're also part of this cooperative effort. And I heard that same passion and deep understanding and empathy and outrage for the victims of these crimes from their staff that work on these issues as well. That was pretty heartening to me to get that briefing, along with some of my staff. Finally, I mentioned wanting to hear more from the partnership. Council is also going to develop our legislative agenda that we go to the state legislature and say, we want these legal changes made in state law, regular cycle. We're getting ready for that over the next couple of months. So if you see issues there that call out for thinking about a change in state law, whether it's on the criminal side or elsewhere, please don't be shy about that, either and let us know that, hey, we think the city of Portland should advocate for this change and what the penalties for being a john are, for example. Just saying. So, if there are issues like that where you see places where we ought to be advocating for changes in state or federal policy, please let us know. Because there's a cycle for that and the next couple of months are critical for us to develop that set of proposals that we take down to Salem in the early part of next year. Great work by all concerned. Much more work to do, and thank you all for the passion and understanding that you bring to it. Aye.

**Item 803.**

**Hales:** Mr. Rice from the City Attorney's Office is here.

**Jim Rice, Deputy City Attorney:** Good morning, Mayor Hales, Commissioner Novick, Commissioner Fritz, and Commissioner Saltzman. The city attorney has been working on a case involving Mr. Collins. We recommend that the matter settle for \$110,000. A short description of this is that Christmas Eve, 2010, there was a rap music event in Portland at Burnside and NW 2nd. The place was significantly oversold, there were probably 1500 people crammed into this event. Some or a portion of those people were attending -- supposedly -- a gang funeral. In any event, Mr. Collins was there with four of his friends. Mr. Collins was a sophomore in college. There's no indication that he was part of any gang funeral. He was inside. The police were called because there was a violent confrontation inside the club itself. Perhaps 20, 30 people were engaged in fist fights. The police were called. The security staff had been assaulted. Some of our officers went inside. There was an individual with Mr. Collins who took a bar stool and swung it at a police officer. Police officer stepped back, it hit the floor. That person then began fleeing through the crowd. Mr. Collins was with him. In a foyer as they entered, one of our police officers grabbed the person who had tried to strike, flipped him to the ground and handcuffed him. And that incident happened very quickly. The matter of Mr. Collins was that the police officers felt that he was interfering with the arrest. He was taken to the ground. His arm was underneath him, and the police officers wanted him

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to remove his arm. He either refused or could not because he had weight on top of him, and Mr. Collins was punched. He was subject to a Taser and also some knee strikes. He either went limp or passed out. He was taken to Oregon Health Sciences by ambulance. He was examined there. He had multiple scrapes on him. And was released that very same day. There was a significant Internal Affairs investigation into this matter. The police officers were exonerated in that. A litigation then pursued, and I think litigation is a more in-depth search for the truth, perhaps. And when we got involved in this, I actually realized that I knew Mr. Collins just slightly, because my son had played basketball against Grant and he was a Grant basketball player when they were the state champions. And Mr. Collins said he suffered from PTSD from having gone through this particular matter. After the initial incident happened, one of our detectives went and investigated the matter, they cleared Mr. Collins of any other outside activity. Interviewing witnesses, the district attorney's office chose not to prosecute this matter. And after we took the depositions, we were fortunate to get Judge Ann Aiken, the chief judge of the United States district court, involved with this. She mediated the process, and the resolution between the two sides with Judge Aiken was the matter was probably worth \$110,000 to settle. We could go to trial in this and win. We could go to trial in this matter and if that were to occur and there be a jury verdict against the city, it would most likely be significantly beyond that amount. Based on that, I'm here recommending that we settle this matter for \$110,000. If there are any questions, we would be happy to address them.

**Hales:** So even though both Internal Affairs and IPR found no unnecessary use of force or false arrest, you think it's still, on balance, more financially prudent for the city to settle?

**Rice:** It is. The pattern that I've sort of seen in the bigger issue here is if we have one of our citizens who is involved in something minor in terms of crime be subjected to a significant amount of force, the matter is not pursued by the District Attorney's office or they're acquitted, generally juries are looking at these things in a particular way and we have had verdicts against us certainly that were surprisingly large to me. And actually I think that pattern nationally is true as well. So there's certainly risk of a much larger verdict had this matter gone to trial.

**Fritz:** You said that the Internal Affairs found -- exonerated the officer. Was it looked into by the Independent Police Review and Citizens Review Committee?

**Rice:** It was. If I was to take the two files, I'd say they're probably about three inches thick. A lot of work went into it. Mr. Collins gave statements with his lawyer present about what his version was, and I think that they're conflicting versions between what the two sides were. And I was not there making those judgments in terms of the exoneration, but my suspicion, looking at the file, was that there were two sides. And the way the matter came down, the officers were exonerated.

**Fritz:** And the Citizens Review Committee looked at it also?

**Rice:** You know, I'm not sure about that. I've not seen that as a part of my -- and the file is probably this thick and actually I've been working this for a long time. I'm not sure whether they reviewed that or not. I know internal affairs did and IPR was involved in a significant way.

**Fritz:** Thank you.

**Hales:** Other questions? OK. Thanks, Jim.

**Rice:** Thank you.

**Hales:** Anyone want to speak on this item?

**Moore-Love:** Yes, we have four people signed up. First three, please come on up.

**Hales:** Charles, I think you're on first.

**Charles Johnson:** Good morning, Commissioners. I don't have extensive research on this issue, but I see we've got fellow experts at the table. My name is Charles Johnson for the record. I do want to definitely speak in favor of the settlement. Unfortunately, after having this long presentation on tourism, we know that Portland also gets international attention for the United States versus the City of Portland for police excess. And when we talk about Judge Ann Aiken, other federal judges are having difficulties with the United States attorney's case against us and our inability to convince

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legal experts that we're serious about protecting citizens, particularly citizens with mental illness. It was interesting to note that the alleged or claiming victim in this case -- I don't know if there was preexisting PTSD, but there certainly is now. So he's a person with mental illness at risk for further abuse from the police. The other problem we have is that recently -- although I prefer the journalist seated over to my right -- it was the Oregonian which talked about the inability of this council and the city attorney to clearly communicate about settlements involving police who have been alleged to have Nazi favoritisms. So accountability needs to go on the record right now that we're not getting to where we want to go at helping the police be good public servants. Having to transfer \$110,000 of taxpayer money to a victim of the police is sad, but reading in the Oregonian that there's incomplete communication between the office of the Mayor and the city attorney about how we deal with police misconduct when captain -- now captain Mark Kruger, who was investigated for -- I'm not going to call him a neo-Nazi, I don't know his personal politics -- but he's a public servant who made an idiotic, stupid, hurtful decision about displaying Third Reich materials. And this council has failed to implement proper accountability, show proper respect for African Americans and Jewish Americans and all Americans in this city. So when we look at this \$110,000, going to a citizen, that's certainly better than the \$5000 that went to Mr. Kruger. Thank you.

**Hales:** Quick check. I think you mentioned Mr. Collins; claim about post-traumatic stress disorder. I believe that was after the incident. I don't believe there was any claim that he was suffering from mental illness, which is the subject of the U.S. Department of Justice settlement proposal with the City of Portland. So I think we've got to make sure that we have the sequence correct here, which is that the issue of psychological effect in this case came after the bar fight, not before. Did I get that right, Jim? So, there was no preexisting condition identified in the record involving the subject of the U.S. Department of Justice investigation.

**Johnson:** Thank you, Mr. Mayor. And it's unfortunate that he does now have PTSD and I hope that his attorney has created an arrangement where he'll get proper care for the stress inflicted by being brutalized by the police. And I also want to thank you, Mayor, for paying attention to my whole remarks and addressing that issue and continuing to work hard to get Chief Reese or his replacement help us to get our police to be the best they can be. Thank you.

**Dan Handelman:** Good morning Mayor and city council. I'm Dan Handelman with Portland Copwatch. \$110,000 is a large amount of money, and it's really important for us to know who's responsible, each individual officer involved in this incident. I couldn't find information about one of them, but I do have information about most of them. I recognize it's three and a half years ago, but there's also another incident where Tasers were misused, something involving a hip-hop show, which the IPR is investigating now, how the Portland police respond to hip-hop shows. And unfortunately, the second grandson of the same person, Pastor Mary Overstreet, was attacked by the Portland police. Sir Millage was attacked in December of 2006 and Tasered 13 times, hit with batons, and the city settled with him for \$37,000. Two people in the same family. It's astounding. The officers involved -- Darrell Shaw, Matthew Delenikos, Gregory Burn, and David Abrahamson. Shaw was involved in the shooting and killing of Ryan Allen, a homeless black man, in 2005, even though the man was surrounded by police officers and there probably could have been another plan other than killing him. In a 2011 lawsuit, it was revealed that he had 33 prior Internal Affairs complaints before this. I have to say, I really have to thank the City Attorney Rice for revealing that there was no finding of misconduct in the IA investigation. It's actually the bureau that makes a decision that they were out of policy, not IA or IPR. And no, this was not appealed to the Citizen Review Committee. I would have known about it. And Darrell Shaw and Matthew Delenikos were also named by a female recruit, a whistle blower cop, as being abusive and that's one of the reasons she decided to quit the bureau. So you know, again, this is three and a half years ago. I don't know what those officers are doing now, but I sure hope they aren't doing this kind of behavior anymore. I just want to add -- Officer Abrahamson was a person who didn't take a report of a security guard at

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Pioneer Courthouse Square hitting a man over the head with a skateboard, which is very much in contrast to when a homeless person allegedly hit somebody over the head with a skateboard last year. I know he was convicted for it, and there was a lot of investigation into that. So, I just want to wrap up by saying, Mr. Mayor, we have been trying to get a meeting with you at Portland Copwatch. We have met with every Police Commissioner before now, we met with you last year. We do want to talk about such details about these individual officers and other concerns that we have. And particularly now that we've learned, as you mentioned the joint terrorism task force a minute ago, we learned that you did not apply for or get security clearance as you promised this spring. You said if that happened, you would bring it back to the council this summer. We do want to have a meeting with you if that is possible.

**Mary Eng:** Hi Council, it's great to see you. My name is Mary Eng, and I know you are Dan Saltzman, Charlie Hales, Amanda Fritz, and Steve Novick. It's a pleasure to see you again. I would love to tell you about my other adventures. I would like to take a moment of silence for all victims of police brutality. One of the most painful and unusual things about this struggle that we face with police brutality is that it is a global struggle. Say an organization like USAID wants to inspire law enforcement reform in cities where people are beaten and flogged on the public street. And our international objectives often don't match with our national performance. I think if you go to the State Department, the State Department will try to make it sound like international disabilities treaty is something incredible and we are the pioneer country that has this model treatment of disabled people. But I think when we look at instances like this, with this Taser event, we can see that our performance is not up to par. The Taser is referred by the National Lawyers Guild as a less lethal weapon, and the implementation of less lethal weapons in lieu of better training and better crowd control and better security I think is very, very critical. It can often result in a traumatic brain injury when a person is thrown back to hit the pavement. And the medical costs that you will face with the ongoing traumatic brain injuries from the implementation of less lethal weapons, which of course no cardiac arrest can be a result of Tasers, should be something considered. I too am extremely personally offended by the rewards for the neo-Nazi or the Nazi or the Hitler enthusiast Mark Kruger. I'm offended by his role in the vice squad, whatever vice means. I think some of our language in police accountability is really out of control and outdated. I am personally offended by the use of the term, gang. When a group of white people are walking down the road, they're just white hipsters, but with a group of black people walk down the road, you call them a gang. And I don't know what you mean by gang. And I think we need a critical evaluation of all the linguistic things that we are using as we approach police reform, including the issues of mental illness. If your police are inflicting mental illness, we are creating disabilities. And I think some kind of federal, state, local collaboration could ascertain -- if the social security administration is going to have to give a PTSD check to somebody for their long-term disability because of some crime that the Portland police have committed, where is the prosecutor like Arlen Specter, who is willing to take police down for police brutality? They have an absolute exoneration and impunity for this, and your bribe money or hush money or whatever this payout stuff you're doing doesn't really cut it in terms of the long term cost to the state and drain on the medical system and drain on our trust. I guess you owe a debt to the Holocaust resource center for your insulting collaboration with Nazis. It offends me and offends my grandpa -- he went to Okinawa for this stuff. And as the ghost of Eng, this stuff really, really upsets me. A lot of my best friends are Jewish. I don't know -- I'm just so offended.

**Hales:** Thank you. Others, Karla?

**Moore-Love:** Last person who signed up is Ben Pickering.

**Hales:** Good morning.

**Ben Pickering:** Good morning. Resonate the mind. Anyway, they're talking about police beatings for this case, you've just hearing about it here. Anyhow, I watched the cops and how they are on TV, cops on the news and what I hear and what I see and these brutalities and -- but where is the

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firm for like -- I mean, you do a crime or you see the things that happen through city or what you hear on the people, but I mean, a human is a human. Whether you are a cop, you're an officer, or if you're in any firm whatsoever. Where is it owed to when, you know -- you pay the firm and you go out there and the state pays the firm, they keep the community and the people in the city safe. And that's who we trust. This is -- you know, the people build that trust up. But like when you're out there and you're being attacked several times -- I came here from the state of Washington from getting away from my attacker from 42 staples to the head. I was on a six month rest, easy, take it easy, where I had an ongoing -- events that were happening in situations where I was just at the wrong place at the wrong time and it was like an ongoing like, knife point, sexually harassed, to where it was like -- and hurt, and it comes to the police, you know, where I moved out of a town to get away from my attacker until things had to calm down. Well I come here, and police that I trust, you know, I've never not trusted a human until they gave me a reason not to. But like I'm blind out of one eye and it's a struggle to go through life. But like I'm just coming to my senses and recovering from being attacked. But thrown down by four officers at ace tavern, I was beaten and smashed in my head and grinded my face across the ground. And the feeling -- the way it made me feel was like I'm starting to lose trust in a community person that had attacked me for no reason, and gave me 42 staples, to police officers that I trust that wear the badge and obey and protect and serve our people. But how can you trust someone if you're being attacked over and over? And not given a chance like being part of a community where it's like -- I'm a human being, but like the feeling the way it feels is like it is beyond recognition. I don't know what's fair for that. I didn't get an apology. And I'm still going to court. It has been a year later. They brought it up in court. And they're trying to make me feel like I'm the one that has done something wrong, when I'm the victim and I was the one that was beaten and thrown out of that chair for asking for a glass of water and on the way to the bar and being attacked in the middle of the night, and making it sound like I'm the one that had the problem when I was the victim that got thrown down on the ground and beat up. And the way it makes me feel and it's still being brought up right now in court. Whether I have to throw a protest or I have to put meaning behind it or I have to write a book about it or I have to try to get out to the media, the news, anything, or it goes to Winfrey Oprah and just talk about it all day long how it feels and what's right. I don't know. You tell me what I'm supposed to -- how -- what is -- I mean, I didn't get an apology, nothing from any of those four officers. And I trust those people. So it's like the gratitude and the thanks I get is what I'm dealing with and I'm still dealing with from when they beat me up and they took my trust away.

**Hales:** Thank you. Karla, anyone else?

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

**Hales:** OK, ready for a roll call.

**Item 804 Roll.**

**Saltzman:** Aye.

**Novick:** Aye.

**Fritz:** I am very sad and sorry that this has happened and I appreciate the mayor's work in looking into how our police are doing their jobs, and all of the different organizations, including Copwatch and Independent Police Review and Citizens Review Committee, who are also focusing attention on this. Aye.

**Hales:** This was a very messy situation. And regardless of the level of the force that was used, we have different rules now for how it is used now. And at the risk of sounding a little flippant, we have something of a pool going in the office about when we get to deal with issues that have resulted from our term of service as opposed to prior ones. But nevertheless we do our job, and that includes cleaning up cases from the past. This one was from December of 2010. In general, when the city is sued and our personnel appear to have done their job, I would be inclined to go to court and let a court of law determine whether there was fault or not. In this case, the city attorney and our

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risk managers say the more prudent decision for the city to make is to settle, and I think that is a reasonable call in a murky situation. Aye. OK, we have one more item this morning.

**Item 804.**

**Hales:** Commissioner Novick.

**Novick:** This vacation proposal would address the fact the existing Multnomah County building encroaches into the right-of-way on SE Grand between Madison and Hawthorne by 13.05 inches. When ODOT had jurisdiction over Grand, they had a lease with the county to address this encroachment. As you recall, a couple of years ago after the city took over, it was one of the low points of the Sam Adams Jeff Cogan relationship, with PBOT sending out a giant saw to cut 13.5 inches off of the building, and Multnomah County responded by bringing out some of the meanest pit bulls from the animal shelter and confronted them. They withdrew, it was a whole big to-do.

**Fritz:** People will think you're serious. [laughter]

**Hales:** This did not actually happen, let the record show.

**Novick:** We did think about doing another lease as ODOT had done. Considering this is a small piece of land, we thought it wasn't worth the bother. We are proposing just addressing the vacation, and Lance Lindahl from PBOT right-of-way acquisition is here to talk about the details.

**Lance Lindahl, Bureau of Transportation:** Thank you, Commissioner. Yes, the street vacation was actually proposed by Multnomah County to address the issue of the encroachment. We looked at doing a lease, and working in partnership with the county we determined it was in both parties' interest to go ahead and vacate the 13.5 inches, and we've worked with our planning and engineering staff and they are completely fine with the vacation.

**Hales:** OK, one of the more unusual street vacations --

**Lindahl:** There are some more coming -- keep you guys entertained.

**Hales:** And questions?

**Fritz:** I just have to comment that my staff and I are usually vehemently opposed to most street vacations. Even I can't even think of a reason to oppose this one.

**Novick:** That did worry me a bit, Commissioner, so I appreciate your indulgence.

**Hales:** Anyone else want to speak on this item?

**Moore-Love:** No one else signed up.

**Hales:** OK, so this moves to second reading.

**Novick:** Thanks, Lance.

**Hales:** Thank you very much. We are recessed until tomorrow afternoon at 2 p.m., there's no afternoon meeting today.

At 11:44 p.m., Council recessed.



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

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

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

**JULY 31, 2014      2:00 PM**

**Hales:** Please call the roll.

**Hales:** Welcome everyone. We have two items on the council calendar this afternoon. One is slated to start at 2:00 p.m. And the other at 2:45. It is our plan to start the 2:00 p.m. item, which is the historic landmarks commission work and interrupt at 2:45 to take the design commission's report. Bear with us while we make both of those happen this afternoon. For those of you who are not frequent visitors here, welcome, and we simply ask that if you testify, that you sign up and let us know that you want to speak on an item. You don't need to give your full name and address, just your name. We typically allow three minutes per person, unless we have a huge number signed up to testify. I think we have a large number but not huge so we will stick with that. We ask that we not have vocal demonstrations for or against our fellow citizens while they're having their say. So, please respect that rule of decorum so that everybody feels safe to say what they feel. If you are a lobbyist representing an organization, please let us know that. With that, why don't you read the first item, please, Karla.

**Item 805.**

**Hales:** Commissioner Fritz.

**Fritz:** Thank you, Mayor Hales. It is my honor to bring this report. Those who are presenting please come forward as I make opening remarks. The historic landmark commission works with the city council and the bureau of development services to help preserve and tell the story of our city. Our homes, office buildings, and parks, physical environment, they provide daily reminders of our city's history and architectural heritage. I have a little more strong of a British accent, because I was back in England for three weeks visiting my mother. Historic buildings are something they have a lot of there. They wouldn't consider this particular building particularly old by their standards. But I feel joyful every morning when I come to work that I get to work in a historic building and -- and I appreciate the work of the volunteers on the landmarks commission. Very important to recognize that they are volunteers. And citizens who are actively engaged in giving us advice and doing enormous volume of wonderful work on how to maintain the character of our neighborhoods and how to prioritize the goals, such as the updating of the historic resources inventory and how to protect the precious buildings that we have, and while still respecting the rights of property owners and neighbors simultaneously. It is not easy work. And it's very much my honor to have the historic landmarks commission present this report. While they're getting settled, I will read off the names of folks on the commission. Brian Emerick, Jessica Engeman, Harris Matarazzo, Paul Solimano, Carin Carlson --

**Hales:** Welcome.

**Brian Emerick, Chair, Historic Landmarks Commission:** Thank you for having us. I'm Brian Emerick -- to my right is Jessica Engeman, our vice chair -- historic developer, we look at things from that lens. Again, there are seven members on the commission. We have an archaeologist, historian, lawyer, we're a pretty diverse group. It gives us a lot of resources to call from. And I think that has been one of the amazing things that we have gotten to see over the years, me personally, how many dedicated volunteers we actually have in this city. It is amazing how many people come to testify and speak in front of us, and share their knowledge with the city. So, one of my favorite quotes on Portland's oldest piece of public art, Skidmore Fountain, good citizens are the riches of a

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city. And we're proud and honored to carry that tradition forward. So, I want to share first a few accomplishments we had over the last year. And then we're going to present our kind of top five priorities for the next year coming up. And we will co-present those as we go through that. Last year was a great year in that we worked closely with the city council to achieve the historic resource code improvement package. And i'm happy to come here today and say that has been extremely successful. So, yeah, we've had 87 cases come forward in the first year saving about \$87,000 for private homeowners in those. And greatly expediting the process so that being a historic district, minor modifications no longer a punitive thing. And you guys helped us work closely to get that fee down to \$250 and I know that took coordination with the bureau of development services and bureau of planning and sustainability. We appreciate council's support in getting that done. We also worked closely with the west quadrant planning process. It has been 18 months. We attended everyone of the sessions. And we're excited about the plan going forward. And the 2035 plan as well. I think we've got some goals and priorities tied in with that that we will talk more in detail about. We have been participating in that and i'm excited about the new plans coming forward. I think also we've gotten more successful collaboration with public agencies, and that's coming through fruition over the last year or two with Portland development commission and council's support for having a land zone there. We met with patrick quinton and ed was there as well and getting some good progress and communication there. Jessica will talk a little more about that. And also good communications with the Portland water bureau, working on a project, to replace the historic reservoirs up in Washington park. So, that has been good and productive. And I think, you know, we're chipping away at the historic resource index that you mentioned, amanda. That is a big project coming forward and that is one of our specific priorities. I will let jessica talk more about that when we get to that. We did use our certified local grant funds last year to take a crack at that a little bit. And in conjunction with the seismic study, which is one of our priorities. So, i'm going to jump in. I want to thank staff. I mean, the staff is great. We can't do our work without staff. Your support and bureau staff hours and resources is huge for us. I want to take a minute to thank them. Yeah, so, I would say, you know, first priority in here is design guidelines, and what that is is basically we have 15 designated historic districts. Most have design guidelines, and actually a number of them don't. Almost all really outdated. Most of them date to the 1980s. And we really want to get those up to speed going forward because right now we're in a time where, you know, we're seeing both the economy coming back and land values rising and increase in density and want to make sure as we invest in our communities and our historic districts, some of our most important communities that we craft those with a careful vision. Our number one priority is getting skidmore oldtown design guidelines implemented. We have been talking about those for a few years now. They date back to 2008. They're really close. They need some polishing and I think they're ready to put into play. We talked about that at the west quadrant strategic advisory committee. And got support from that group. Top priority list in the next year. Outcome they want to see those get implemented. That is a big one. And we're going to need council support obviously to get that passed.

**Fritz:** Are they ready to come back or do you need to polish them up as you said? Is there more work to be done in the community before the council would hear them?

**Emerick:** I think because they are from 2008, it would be wise to take another quick look at them and make sure that we feel like they still represent what we want today. There has been a number that have elapsed. What we want to be careful obviously, we invested over \$100,000 in time and public process to get them to that point and the point where they are ready for adoption. We don't want to open pandora's box and redo the whole thing. I think it would be appropriate to have another round of input at the landmark's level.

**Fritz:** I'm very supportive of that.

**Hales:** Me, too.

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**Emerick:** Great. We love hearing that.

**Novick:** Can I ask a naive question? How do you operate in a historic district if there are not guidelines, do you have to be historic --

**Emerick:** That is a great question. In chinatown, no design guidelines, so they default to the central city guidelines which are not very specific and a lot of people think skidmore, oldtown, chinatown are the same, but they are two independent historic district and different characters and we want to pull out skidmore oldtown, the second largest cast iron collection outside of new york. It is really important for that. And the design and characteristics and guidelines are weighted heavily towards those elements of the neighborhood versus chinatown, asian, japan history there, and different build quality and context. So, different guidelines for there makes sense. That's really a top priority for us as well. Working with pdc, super excited about this five-year action plan that they brought to council, \$57 million invested over the next five years. And we're totally pro development on the landmark side. So, in appropriate ways. But we have no design guidelines for chinatown. We're concerned that we are getting the cart a little bit before the horse and we want to prioritize getting design guidelines in play for that. But from working with experience with private development, knowing that developers want certainty coming forward and not to have those kind of dialogues at the submittal level but beforehand so we have a clear path of where we want to go as a community before we get too deep into that investment. Again, we're excited about that action plan.

**Fritz:** As you mentioned, you did put -- the commission put in an enormous amount of work on the skidmore design standards. With the mayor's agreement, if you get that to us before you start work on the oldtown, chinatown, so we can check one off, they have different standards. I think we're both interested in having that come through.

**Emerick:** We hope to streamline the process in terms of public involvement, and in terms of crafting the benchmark which we have done with skidmore oldtown -- last time I mentioned it was around \$100,000 to do the design guidelines. In context of a \$57 million investment -- the money is going to have to come from somewhere. We want to be sure that is identified as a priority and get that ball rolling. And then looking out in the future, I think we would take those as next year. We want to prioritize those first two at this point. I will let jessica talk on the next point which is update the historic resource inventory.

**Jessica Engeman, Vice Chair, Historic Landmarks Commission:** Right. It sounds like you are familiar with this. It has been on our report probably every year we presented so far and we continue to place a high priority on updating a comprehensive citywide survey. First done in the 1980s, and hasn't been touched since then. For the benefit of everyone in the room who may not be familiar with historic surveys and what they mean and why they're important, survey data provides baseline information on potential historic resources to inform our planning decisions and to support our policy goals. So, when brian talks about priority 5, which is related to neighborhood preservation and some of the issues that we're facing around demolition right now, this really drives home the need for the updated hri projected population growth, increased densities. The healthy real estate market, all mean that a strain on historic resources will continue, and it is more important than ever right now to know what we have, where it is located, why it's important, and so that we can decide what it is that we want to save and protect. I'll mention that Portland is trailing behind cities like los angeles and seattle and detroit, even smaller towns like bellingham, Washington, that have currently or recently been investing money in surveying their building stock to identify historic resources. Certainly that doesn't mean we're too late. We can catch up. As brian mentioned in recent years, landmarks commission has supported the use of matching grant funds to help chip away, to fund modest efforts at identifying historic resources. And these have been very issue-specific, like the seismic report that I will be talking about next. And so while these have been very worthwhile small steps, we feel it is time, now is the right time to make a bigger move and address the critical need of a citywide survey. This year in our report, we have laid out a general strategy of how we

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might accomplish this over several years. And we have identified ways we might minimize costs. Very fortunate on the landmarks commission that we have expert and field data collection, foremost experts in the state, probably the region, on historic surveys. We feel we can craft a strong path and get to our end goal. So i'm not going to -- I won't go into the specific details of our strategy, but I want to emphasize that the landmarks commission feels it is important to base our survey priorities on those priorities already identified in the revised Portland plan. That we would want to harness neighborhood resources, volunteers, and the current strong climate of neighborhood interest in protecting historic resources and it is also important to instill predictability in the preservation planning process by having surveyed the city management initiative. We are asking council to consider \$20,000 from the general fund to initiate a single neighborhood survey in 2015. This would be our pilot project from which we could build a larger neighborhood-by-neighborhood survey, in phases between 2016 and 2020.

**Fritz:** How would you choose the pilot neighborhood or have you already done so?

**Engeman:** We haven't.

**Emerick:** Where do you live? No. [laughter]

**Emerick:** We haven't decided that yet. We would probably try to pick something that overlaps like we did with the masonry study so that we get more bang for our buck out of that or we think a particularly representative area that is generic enough to use to extrapolate data from.

**Fritz:** You have made this request, I think, every year that I have been on the council.

**Emerick:** Yes.

**Fritz:** In past years \$20,000 was an enormous amount that we were not able to find. At this time, \$20,000 seems quite reasonable so I hope we would be able to find a way to do that.

**Emerick:** We would really appreciate that. We are just realizing so many different ways to collect data and stuff, Portland maps, other data indexes, it actually might not be as big a task as we thought it was if we can manage how we get the information.

**Engeman:** Priority 3, seismic upgrades, last year we used the clg funds to support a study that was issued, unreinforced masonry buildings on the east side of the neighborhood. Foster lents, northeast sandy, st. John's, a few others, and the goal to understand the unique conditions and constraints related to our smaller-scale urm, un-reinforced masonry buildings, and how well city policy is working to encourage upgrades. Findings from the study showed that in historic corridors of these neighborhoods, very few urm buildings are being upgraded. Outside of the central city, larger urm buildings, a key and important issue. Factor that is -- actually doesn't seem to be very well understood, many vintage buildings originally built for commercial use were downgraded in their occupancy hazard classification during the period of urban plight. Now that our urban commercial corridors are coming back, being revitalized, these buildings are actually at a disadvantage with the occupancy rating, that might be storage, for instance. And this does not allow the easy adaptive reuse for active uses without triggering seismic upgrades. Speaking from personal experience, working in development, I can say that the economics upgrade these buildings is difficult and often does not make sense based on their income potential, because we have a market where tenants are not demanding seismically updated buildings and not willing to pay a premium and above-market rate. Certainly not every urm building is historic and worth saving, but many urm buildings directly significant and important to the fabric of our neighborhoods, yet few of designated and therefore not protected from demolition. Without either funding support or flexibility in the code, these buildings are not feasible to save as the city continues to experience pressure for added density. And another thing I wanted to mention that came out of the study, we realize that the city is not maintaining the most accurate records when it comes to urm buildings actually being upgraded. This is problematic because it is important we understand trends and policy impacts and what is working and not working. In this particular priority, asking council support in making the data base updates a priority. And, second, we would really like to convene a seismic task force to identify ways that we

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might balance the goals of life safety, neighborhood revitalization and historic preservation, and these might include allowing historic urm buildings, code flexibility in the form of phased upgrades, targeted upgrades that might focus on the most critical or dangerous aspects of these buildings, and/or implementation of early detection system and training for occupants.

**Emerick:** I think it is worth noting, historic inventory of building is less than 5% as a whole of the city building inventory. Not talking about a large amount of population at risk relative to investment. I think just trying to find reasonable ways to create -- keep that liveability and then make the best of value investments where we can.

**Fritz:** Do you have a general sense of those 5% and the ones that you looked at in these outer east areas? What proportion of them are worth saving?

**Emerick:** That's a great question. The 5% are ones that would be designated historic. I would say those are all worth savings. Some of these are outside of that and they are not designated and those are at a risk. Might be a misleading statistic in that regard. I don't think it is a huge number. These are small kind of -- commercial centers from when we have the streetcar system essentially.

**Engeman:** Priority 4, which brian touched on a bit, public agency cooperation. This is another one of our ongoing priorities, which is to maintain open lines of communication with our public agencies and to champion the stewardship of historic resources and public ownership. Brian mentioned that we had a positive meeting with patrick quinton and ed mcnamara earlier this year, and out of that came the establishment of a liaison with pdc and ongoing quarterly meetings. We feel very good about that. Brian served on the selection committee for the globe hotel in chinatown, and we feel that is moving in a very positive direction. Mayor hales we were happy to have opportunity to tour with you last winter through the new and old -- the fire station two.

**Emerick:** The waterfall.

**Hales:** Right.

**Engeman:** Of course, we still have ongoing concerns about some properties. We have a watch list at the end of the report. And we still have fire station two and the old blanchet in there. Fire station two -- we are hoping that will move that property forward in a positive direction and cautiously optimistic and hope that that property will be coming off of our watch list in hopefully next year. What else. Centennial mills is another one where we're cautiously optimistic. We understand there is good, positive, forward momentum. Not officially a designated historic resources, although I don't think anyone argues that it is an important and unique historic resource for the city. Landmarks commission hasn't been included in any of those discussions with how that property is moving forward. And we would like to be in the loop. We're essentially just asking for the ongoing support which you provided to maintain the good lines of communication with pdc and other public stewards of historic resources. Commissioner Fritz, I would appreciate the opportunity if we could come and have a meeting with you given that we work with your staff and I think it is great to have those one-on-one opportunities to talk about goals, and perhaps mayor hales with some of the items that have a bps connection, having a sit-down discussion as well on priorities would also be very helpful.

**Emerick:** I think I would add to that, used to be a requirement, kind of a fantasy requirement because it never actually happened, someone would serve on the planning and sustainability commission and landmarks commission and too much of a demand to get that fulfilled.

We have a shortage of -- Landmark commission chair, design commission chair will come up next. Those have been successful to make sure that we're working in concert. This came out of the design guidelines discussion in 2008, and I think that has been a positive thing moving forward and it's working and I wanted to let you know that. So, next priority five, preserving neighborhoods. This really ties into I know a lot of people are going to be here talking about demolition and that that has been a hot item that is coming to the top in the community recently. We had to have this report together several months ago. So, there was already a concern at that point in terms of making sure

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we're not losing key fabric in our neighborhoods, and honestly I think this is a great problem to have. We have created this amazing livable city and we have density goals and people want to be here. So, you know, we have an economy that is really starting to drive the demand. And, so, we're starting to see some friction in some areas, and I think like all policy, a back and forth dialogue that needs to happen and maybe adjustments need to be made to make sure that we move forward in a direction we want to go. We put together a paper that we want to share with you -- don't want to dump this with you on the last minute, but being proactive in giving you some of our thoughts on this for your consideration. Talking about how we might be able to reduce demolition in historic neighborhoods, and, you know, we've got -- there is a couple of big areas that we're aware of, loopholes in the code essentially it seems like, demolition delay exception if you are going to replace one unit with one unit. We have seen where some people are coming in with applications to replace one unit with one unit and get the demolition permit and come back the next week and apply for the second or third unit. Lot divisions as well. It seems like some of those things might be fairly easily addressed from the code side of things, and also what we call virtual demolitions where you can tear down pretty much everything from a brick or a chimney, and find that is not actually a demolition. If we could ask for if you are going to tear down more than 50% of the existing building, or something, some sort of metric that defines what the demolition is in the code. And finally thinking about maybe establishing a task force where you are going to look at some of these issues in more detail. We have some suggestions in here that are also in the report as well, but more specifics in here.

**Fritz:** Have you had any discussions with the development review advisory committee?

**Emerick:** No, we have not. That might be a good group to get connected with next.

**Fritz:** And I asked the chair of that group to give a short presentation on this issue after you get done.

**Emerick:** Excellent.

**Fritz:** That will be helpful to start that discussion.

**Emerick:** I don't know if you have seen, a great -- doing more research on this as I get emails and calls every day for the past few weeks, there is a lot of information in the bureau of sustaining -- some of the things surprised me, in that -- for one I guess it is really an issue. 2013 set a record for demolitions, single-family residents and we're already on track to eclipse that this year.

**Novick:** I had a question about that and one other question on this page. You said in 2013, city received over 200 residential demolition permits.

**Emerick:** Yeah.

**Novick:** How many residents do we have in the city, over 100,000 --

**Emerick:** That's a good question. Actually the number is 283 I found out afterwards.

**Hales:** Dwelling units or --

**Emerick:** That is my understanding.

**Hales:** 150,000 single family houses.

**Novick:** Looking at those numbers, it seems to me if we demolish 200 houses a year, we would be on a 500-year replacement schedule for all of the houses. That struck me as kind of surprisingly low.

**Hales:** Numerically speaking, I think that is right. The question is quality not numerical. You're right. On a numerical basis, we are under the replacement rate that we want to be, so that's part of the dilemma here.

**Emerick:** I'm not saying all of those homes are historic or whatever. So, but we've got that number, now closer towards 400 units. It is definitely a trend. We have the virtual demolitions that are not really tracked because those aren't part of that metric. But one of the things I thought that was surprising about the numbers when you look in the day from the bureau of planning and sustainability, most of those, I assume they were all density replacements for the most part, but 50% of them don't result in any increase in density. Actually 1,100 square foot average house replaced

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with a 2,100 foot average house. If you look at the map, a lot of outlying areas in the city and this may or may not be a preservation issue but it starts to be an equity issue because of the housing being taken out are more affordable and the ones going in are twice as big.

**Novick:** Other question on this page, you suggest introducing residential design guidelines to promote the use of high quality design materials, replace landmark or contributing structure. What is a contributing structure?

**Emerick:** I will let you speak to that jessica.

**Engeman:** Talking about historic districts, buildings are designated as contributing or non-contributing. Not individually listed as landmarks or national register buildings, but the district as a whole is a resource and define buildings, if they are contributing they have historic significance and placing a higher priority on their preservation.

**Novick:** Only on the historic districts themselves?

**Engeman:** I'm not quite sure of the exact context of what we are talking about. When we talk about contributing in the world of preservation, we are talking about districts.

**Novick:** Outside of a historic district, building wouldn't be a contributing building.

**Emerick:** Correct. We have this weird overlap, with like say kenton, conservation district --

**Engeman:** We have conservation districts.

**Emerick:** Same level of protections. And those are kind of -- the idea with the conservation district, targeted to be historic districts and we had this owner consent ruling from the state in the mid-90s that put the kabosh on new historic guidelines -- we are left in the in between kind of space.

**Novick:** I'm sorry, one more question. You suggest introducing a public process that allows for review and delay of demolition of a structure greater than 75 years old until the updated hri is complete? Does that mean some delay or until the updated hri is complete, if that takes three years --

**Emerick:** No, I think some delay, not an indefinite delay until the hri is updated.

**Novick:** What's the value of delay unless at some point there is actually the ability to stop something?

**Emerick:** Great question. And I think that what we have seen -- a couple of other areas. One allows for neighborhood dialogue and important high-profile properties, recently in northwest Portland, goldsmith and so-called google house. They didn't have a delay in place, but there was a -- there was a coalition, ad hoc put together to come up with alternative options and resolutions were found in those cases in the case of the goldsmith house, they paid \$700,000 over what the original developer bought that house for. So, it is kind of almost like a ransom sort of a deal. And, frankly, those solutions aren't going to work in outer neighborhoods where we don't have those kind of resources. Demolition delay allows for dialogue, but also allows to level the playing field, I think, when we are talking about a lot of the properties possibly being targeted by sophisticated developers that have cash. A cash close is more appealing to a seller than a 30 to 60 day bank-financed mortgage. It gives first right of refusal essentially to the neighborhood. If someone is going to buy the house and reuse it as a house or if neighbors want to gather together, if it is important enough, they have that opportunity because there is maybe a 120 day delay if it is going to be demolished. It kind of levels out the buying playing field. If it doesn't come forward, maybe it is a good opportunity for added density or new development.

**Novick:** Thank you.

**Emerick:** A couple of other things, bureau of planning and sustainability report that were interesting, too, you know, back on the density, only 8% of the demolitions actually accounted for 80% of the number of units that were the replacement units. In some areas, we're getting a lot of bang for our buck in terms of density goals. Another area, monday, tuesday, thing, it might be a great old house on a corner lot, and we replace it with two skinny houses. Trying to think about where our density is zoned for and getting a little more targeted possibly and again our interest in the historic neighborhoods and protecting the integrity of those and understanding that we need to

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meet our density goals in the bigger picture and where are we getting the best value out of that. From a sustainability standpoint, I think it is important to realize that the bureau of planning and sustainability report showed 40 million pounds of waste were created by those homes, which is 5% of all of the waste in the entire city for that year, which is pretty alarming, and it takes about 50 years to replace the carbon footprint of building a new super energy efficient home, and that does not count the resources you are losing from what is there. We know the new homes are twice as big. It is an equation where how much more energy efficient are they when they're twice as big? So, some of the statistics I think are good to look at. And we would like to share the white paper with you guys and obviously have you guys contemplate that a little bit.

**Hales:** All right. I just want to say I really appreciate not just your service on the commission, but this really thoughtful and clear-eyed counsel that you give us and to the community. Particularly timely this year. There have been some controversial and high-profile cases of demolition. But I think both your report and your recommendations in the white paper, i'm looking forward to reading that, I think are timely and helpful. I want to commend and thank you and the other members of the commission as commissioner Fritz said. You're volunteers. You are masochists but for a good purpose and we appreciate you very much. We look forward to the larger discussion we will have about demolition in particular. I want you to know from my standpoint from the list of key buildings that we are really committed in my office to make sure that the buildings under the supervision of pdc get out there for rfp, get creative ideas for how to reuse them. If there is one thing going for us right now, much development economy, if there was ever a time when a great old building that wasn't financially feasible before to have a second chance, it is about now. Some of these buildings are difficult. Engine number two is a difficult project. Centennial mills is a difficult project. If there was ever a time we could get over the hump and make it happen -- I appreciate you highlighting those and keeping the pressure on me and pdc and patrick and the pdc board to get going with these projects. Don't hold back.

**Emerick:** Right. Thank you.

**Fritz:** Were you planning to go through that list or is your presentation done?

**Emerick:** Sure, we can run through that quickly, if you would like.

**Hales:** Yeah, it would be a good idea.

**Emerick:** Do you want to walk through that jessica?

**Hales:** First one is a district.

**Engeman:** Brian touched on the issues that we have with chinatown and importance of those design guidelines and that is why we put that on the watch list. Design guidelines will be critical to making sure that that district kind of remains with enough integrity.

**Emerick:** Again, we're excited about these opportunities. We want to make sure that we're also thinking about them.

**Engeman:** This is a list that is there to help raise awareness for sure. The original blanchet house, this is another one where we realize -- this is a challenging building and challenging site. At the end of the district, but another one in chinatown, we really want to avoid, if at all possible, chipping away, the edges of the district and the buildings that make up the cultural fabric of this district. Chinatown is more of a cultural district than one -- significant for its architecture. I think we talked enough about the fire house. Portland public schools, recently had a briefing, that they're going through a modernization project and we're encouraging them that although their schools, there are very few buildings that are designated and therefore, requiring, sort of land use review, we are encouraging them to come before the commission and seek our guidance on an advisory -- as they are considering modernization projects where we're thrilled -- sometimes peeling off additions done in a not very sensitive manner, so we want to encourage them as they are putting back more modern additions that they are compatible with the historic resource in the neighborhood.



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**Emerick:** They are the largest public property owner in the city, as far as I understand. And that is tough for the not for profit historic property owners, they can't take advantage of tax credits and other tools -- there is not an incentive to say that let's list on the national registry even though they're eligible --

**Hales:** You don't think there is much of one at the moment?

**Emerick:** We have had some dialogue with them. I would say what they did and jessica you can probably talk more about this. It relates to historic listing. Basically a historic survey with the consultant, and really studied all of the resources they had at the request of the landmarks commission and entered into a voluntary pack with the historic preservation office, nonbinding advisory review -- roosevelt high school, proposed addition rendering. They showed that to the state historic preservation office. That would probably never fly at the landmarks commission level. The state when we spoke with them acknowledged that they don't have any leverage to make them do much of anything as far as change it. They need to inform them what they're doing and have a talk but it is not a binding consideration like it would be if they were coming for a design review at the landmarks commission level. Definitely interested in making steps forward, and want to be responsible property owners but haven't gone to that next level possibly of just -- even if it is voluntarily coming to the landmarks commission and having that talk.

**Fritz:** Perhaps we could have high-level discussions with them and share your opinion that maybe the behind of façade goes away, but the historic façade, franklin and roosevelt in particular, would be a huge loss to the neighborhood if they were to change into something else.

**Emerick:** To be clear, too, they're definitely being good stewards about the original historic resource. A little more concerned about the non-compatible, additions -- they came and presented -- this is the horrible '50s add-on. We're getting rid of this. Here is what we are going to put up. Well, it looks kind of similar to what was there. So, you know, and just making sure that we feel like, yeah, okay, it doesn't need to be identical to it but it feels compatible with the original resource. Not --

**Fritz:** Let the mayor know if you need his assistance --

**Hales:** I think you have got it on that --

**Engeman:** Multnomah county courthouse, we included on the list here that we, you know, we understand there is plans for a new courthouse and we want to raise awareness that there is an important resource and we recognize, you know, it is a big building and will be a tough one to reuse. But we want to get eyes and ears out there that it is important to the commission to find a creative way to use that building when the time comes. Centennial mills we already touched on again. Unique and important resource, one that we recognize as more of an adaptive reuse project than any sort of project that is going to sort of preserve a building that was a very utilitarian use that has many structures that never had human beings and just grain. We recognize there need to be some flexibility. We would love to hear what the plans are and offer feedback to the developer as they move forward. We have two on the back side here. Probably aware, the Portland gas and coke has been in the media off and on. There is a group of advocates that are looking at this building. It is a historically significant building with a lot of challenges, environmental challenges in particular. And some costly stabilization strategies, but it is another one where it would be a shame to be lost, so we have included that on the watch list. As well as the morris marks house, which is located at the southern end of downtown with zoning that allows for very tall buildings there, placing a lot of development pressure on a building that is one of our foremost examples of italian residential architecture and another one that we want to keep our eyes on.

**Emerick:** Even if it is relocated or something. Sites are going to -- need to find homes, it takes a while. That is part of the demolition delay is being able to have that dialogue.

**Fritz:** Thank you very much for all of your work.

**Emerick:** Thank you so much for having us. We appreciate the audience.

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**Hales:** Thank you.

**Fritz:** I would like to call up the chairman of the development review advisory committee, a group of balanced stakeholders that advises the bureau of development services and they have been addressing the issue of demolition.

**Jeff Fish:** A couple of things before I start out. I want to remind people that the demolitions that make the paper are the really nice, pretty much nice homes in some pretty nice neighborhoods. On the other side of that issue, go to some areas of town where we're taking down stuff that is almost falling down and have no economic value. People need to remember to balance those two items out. And mention in the report and also mention in the media, the epidemic of demolitions. It was touched on a little bit by the previous speakers. To give an example in 2006, we had 270 demolitions and 2005, we had 265 demolitions. They fell off quite a bit during the recession. And now are back up to that number. And probably will be over 300 at some point. Yesterday staff told me possibly around 350 they thought for this year. That is not academic as pointed out earlier in your discussions where out of 150, 200,000 structures in the city, we're replacing them all in 500 years maybe. What drac is doing, embarking on a couple of directions with demolitions. July 1st we embarked on a door hanger notice, when a house is being demolished, voluntarily asking builders to go out and hang door knockers on each side of the property across the street and behind. Voluntary situation tracking that. We didn't want to put it in code and find out that it wasn't working and wasn't structured right and a tough time getting it back out of code. At some point in time I think we will put it into code. It has only been a month. Bds does not have statistics yet. Preservation of the house, east Multnomah neighborhood association, 36th and rural. Going forward, other two main issues that the public has brought up, issue of asbestos and the issue of preservation of the nicer homes. We're having some meetings -- we had a meeting -- let me add one other thing. Definition of remodeling, demolition, we had a meeting on tuesday with about five members of drac, and about 10 members of staff to get to that definition. We spent an hour and a half. We will have other meetings. One will be on that item and in a second, I will talk about it is really tough to get into a definition of major remodel and demolition. We spent an hour and a half between 15 of us working on that. It takes in to account in that definition non-conforming uses. It takes in zoning -- other zoning questions, sdc fees, street improvements, and involve more than one bureau. We're having a tough time wrestling with that. A month or so ago, I had a friendly conversation with tom kelly -- who has been in the business his whole life and he can't give me a good definition of remodel and demolition. Bds staff is working on that and we will come to some point on that.

**Fritz:** Am I understanding correctly that there is a state regulation in the building code, relates to-- is it a partial or full demolition?

**Jeff Fish:** I believe so. But i'm not one to answer that. I don't do much remodeling. Almost no remodeling. That is something outside of what I could answer for you. Staff i'm sure could. Moving forward on drac, we want to tackle the issue of asbestos. That has been a big one with the neighbors. Presented information to the drac sub committee on use. One thing is an eight point check sheet that the city of hillsboro uses. First item is asbestos. \$10,000 per day fine for being out of compliance with the -- my understanding that doesn't scare a building other developer. I think a couple of the potential asbestos problems we had maybe had been people not educated correctly on that. Homeowners talking to deq about putting on programs to educate the building industry a little more about asbestos. We want to put together something that addresses that that pretty much sets it up so that we get the majority of the people doing it right. Is there going to be a bad builder do it wrong? Yeah. Other bad people who do things wrong, we all know that. We will try to address that. Second item is preservation of those properties that probably ought to be preserved. It is my thinking, and I presented this to the group, with the historic resource inventory list, bottom tier of that list, letter to get on and one to get off, '84, 5,000 properties on. I am thinking of putting some teeth into that. What I would like to do is update that list, let the people who want to be on it stay on it and those

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who want to come off, come off it. But record it against the property. And then when a demo permit is issued, a period of time, say at least 60 days be given for the neighborhood association to deal with the seller to see if they want to buy that person out of that property, similar to what I understand is happening on the 36th and lowell property. And then add a couple of maybe two, 30-day extension or 60-day extension, total of 120 days that equals the current 120 day delay that we have and maybe charge a fee for that extension so there is some skin in the process. I'm not against giving that fee back if the sale goes through. What the building committee doesn't like, 120 day delay and nothing happens. Sits on the sideline and nobody is talking to each other. So, i'm trying to run that through drac and see what they want to do. We have had good communications, mary kincaid vice chair of drac put together a meeting with myself -- and others, and we sat down over lunch and talked about the issue. Robert asked me to speak to southeast uplift, which I did. He asked to speak to drac. We had him come speak to drac, the only time that was an outside speaker that wasn't part of city government. And then lunch separately to discuss the issue. Neighborhood representatives, we have had one or two meetings and talk about the issue. Drac is moving forward on this. We think we can tackle the issue. We think we can come to something that we can bring before city council that would be a working situation. We have, I feel, have breached the continuing builder neighborhood problem that I have seen my whole career, you and I have been at opposite heads before. I think we have breached that and we have a good communication level. I want to see that continue on. And so, i'm hoping that drac will be allowed to deal with this if the historic people, want to sit down with us and go through it, I think we have a good approach and we are working on a good approach moving forward.

**Fritz:** What's your time line that you think that drac might be able to come to a consensus and --

**Jeff Fish:** It sounds like a long time, but I want to do it by the end of the year partly because I -- my term of drac in january. Part of the problem this summer getting together and having a meeting, city staff on vacation and occasionally some drac members on vacation. City staff on vacation, important parts of sitting in on that. I'm thinking once we get through august and maybe we can make ground up fairly quick. We're -- nancy who is chairing the meetings, bds employee, I -- we email back and forth yesterday. Looking at towards the end of the month to get us together again at the end of august.

**Fritz:** Six months rather than a year or two years.

**Jeff Fish:** Yeah, like I say, my term is up on drac in january. I would like to have this taken care of. I don't mind being the person in the cross hairs for the building industry and neighborhood association if we can get something that works.

**Fritz:** Thank you very much.

**Hales:** Appreciate your service.

**Fritz:** I realize that folks having been sitting in the audience myself waiting to testify, that that is often the case. Today we are hearing from citizens who are volunteers and here on their own time. That's why we would like to move to the design commissions report now so that because many of the issues that we have heard about are not only historic research issues but also design review.

**Hales:** If you would, let's recess on 805. Read 806 and we will return to public testimony on 805 afterwards.

**Item 805 recessed.**

**Item 806.**

**Fritz:** This commission has been working incredibly long hours, three seven to eight hour hearings in one month was one of the things you have been putting your time into. If you could introduce yourself and tell us about your work.

**Guenevere Millius:** Thank you very much, commissioner novick, commissioner Fritz and mayor hales for your time today and thank you to everyone in the room here to talk about demolition. I appreciate your time here and your indulgence in letting me get through my testimony today. Thanks

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for having us back. This is our third state of city design review process presentation. I would like to introduce you to myself, Guenevere Millius the chair and commissioner at large. I own a company called Parachute Strategies which does strategic planning and marketing consulting. There are six other commissioners who serve with me. I don't think any of them are here today. We have pulled a lot of long Thursday afternoons and they might be taking advantage of having this one off.

**Fritz:** At work.

**Millius:** David Wark, vice chair, representative from the regional arts and culture council and he is a principle with Hennebery Eddy Architecture. Jane Hansen, landscape architect and principal of Lango Hansen. Ben Kaiser, developer, residential and commercial properties mostly in north, northeast Portland. And David Keltner, is a principal with THA Architecture. Tad Savinar is an artist and independent urban design consultant, and Jeff Simpson, landscape architect and owner of Simple Design LLC., a landscape architecture and land development services planning firm.

**Fritz:** Your full name.

**Millius:** Guenevere Millius. Our responsibilities according to statute as follows. Recommend the establishment, amendment, removal of a design district to the planning and sustainability commission and city council. We develop design guidelines for adoption by city council for all design districts, except historic districts and conservation districts. We review major developments within design districts except for projects involving or located in historic or conservation districts or projects that are themselves historic or conservation landmarks. We review other land use requests assigned to the design commission, and we provide advice on design matters to the hearings officer, planning and sustainability commission, historic landmark commission, Portland development commission and of course you. I'll spend a moment filling you in on the state of our work load right now. It in my testimony last year, I noted that the building slump brought on by the 2008 recession had broken as evidenced by the 19 cases reviewed in 2013 and frequency of hearings that ran over six hours long. The trend I noted in 2013 has been unchanged in 2014. Our caseload over the last year on track to eclipse the height of the building development activity we saw in the mid-2000s. There was a 26% increase in type 3 design review cases from 2012 to 2013. 15 cases in 2012, to 19 in one year. And in the first six months of 2014, we have received 13 cases. If the first half of 2014 is indicative of the second, we will have increased our caseload by another 37% by the end of 2014. To meet this demand, our hearings have lengthened with six, seven, eight hours being the routine. We have also added hearings to our docket. We met four additional times beyond our regularly 24 scheduled hearings in 2013. We have added 3 additional hearings to the 2014 schedule. In the midst of the work load, we strive to bring to our review process the following. Clarity, predictability, consistency, and fairness. I gave a brief explanation of thinking on each of the core values in the report to you and I'm happy to expound on them if need be, I want to make it clear to city council, that to a person, our commissioners take our responsibility to offer each applicant those four values as part of the design review experience quite seriously. I would like to give you a taste of some of the challenges before us. If you recall from the presentation last year, perennial issues that are likely to remain so long as there is a design review process. They include where we want the building under consideration to be around for 100 years or more. This question is another way of thinking about a common Portland design guideline, which states that buildings in design districts should exhibit quality and permanence. To answer the question and fulfill the guideline, we consider if a building is built to last, fits well into the neighborhood fabric or sets a good example for new denser development in a neighborhood, or has something to give back to all of us. We ask ourselves is it inviting? Will it stand for 100 years? Will we want it to? We care about the execution of details and how all pieces of the building come together especially on the ground floor where most will experience it. It is important to consider how a building looks up close, not just the impression you get when driving by in a car. Every building we approve should offer high-quality materials, carefully considered details, measure of transparency and openness to the surroundings. We have to

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grapple what is compatible. We're asked to consider whether a building is compatible within design district which we are reviewing. The challenge is that some of the design districts are neighborhoods and don't have a strong design vocabulary to draw from or have a design vocabulary that surrounding neighbors hope to correct through design review. Many have experienced a significant loss of the original historic fabric or have been up zoned in ways that suggest significant changes to the scale of development allowed in the neighborhood. In the face of these issues, one's interpretation of compatibility can be subjective. I would like to emphasize in the era of rapid development along commercial corridors and dense location of neighborhoods outside of the central city, question of compatibility has become a paramount concern for Portland citizens and our commission. Pace of new construction, bewildering for many of us, and insertion of larger scale developments in neighborhoods that once held projects no taller than 3 stories, has presented a direct challenge to all of us when it comes to the notion of compatibility. We sit between two competing perspectives. Neighbors who oppose a development denser and taller typical to their area, will entreat us to use our design review authority to deny height, mass, density allowed within the project zone. Project owners purchase properties with their allowed development potential in mind. Certainly it can be our prerogative to remove a certain amount of height or adjust how a project steps down to its neighbors. But if we were to do this as a matter of course, it then begs the question about whether it can ever be possible to develop to the height and mass outlined in the zoning code in certain neighborhoods. We must ask, is the zone an honest reflection of what we think will fit on the site. It is an important question but one that shouldn't be answered on a case by case basis but a more thorough examination of what each neighborhood and commercial corridor should reasonably accept in the way of density and height. We encourage critical thinking and review on this question in the comprehensive plan being created now. Another discussion we're having is should we expand design review to certain neighborhoods, especially those on the verge of or currently experiencing massive redevelopment. Neighborhoods with a d overlay at least enjoy the luxury of having planners and our commission consider the question of compatibility. With no design overlay, many feel the question of compatibility has been given no consideration whatsoever. As is evident by the rapid densification of Division street, redevelopment experienced in buckman, kerns and elsewhere, development in Portland shifted substantially in the last 20 years. It is worth considering whether enough of our city enjoys the benefits of design review. It would be easy to imagine, sunnyside, hosford Abernathy and similar neighborhoods seeking design review for themselves to restore some balance and consideration of context to the new projects coming their way, however if we expand design review in Portland we will have to consider other adjustments to keep our review system sustainable. First we'll need to address the funding model. The bureau of development services and planning staff are funded entirely by fee collection and accompanying ability to hire up to meet demand seems to lag the need for services. bds is put in the position of scrambling to find individuals capable of interpreting and applying zoning code while existing are staff routinely asked to work overtime to cover the load. We have to consider the community design standards implemented in neighborhoods outside of the central city. As a reminder, design standards are a proscriptive development track that allows developers to avoid design review altogether. The design standards exist because of the state of Oregon's mandate that jurisdictions outside of downtown Portland and gateway must offer two track system for design review. Many standards written in the 1980s. The extent to which they are still compatible to the areas which they apply is debatable. The community design standards written for one community, albina, and applied in a cookie cutter fashion across the city. As such, community design standards, but would be better called city design standards. Most Portlanders agree that we shouldn't be taking a one size fits all approach in their neighborhoods. We have been approached by a number of concerned citizens who are unhappy with projects built in their neighborhoods following these standards. We have also heard from at least one neighborhood group that they would like to pursue a d overlay, but are

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reticent to embrace it because they do not trust the community design standards to deliver high-quality projects in the neighborhood. We believe that it is time at minimum to review and revise the community design standards to reflect the changes to the neighborhoods to which they apply. On another subject, we have engaged in a fruitful and lively discussion with the newly reconstituted urban design panel and joint volunteer effort of the aia, american society of landscape architects and american planning association about how to make our processes more efficient, effective, user friendly. We are excited about the engagement that this group of volunteers have shown and look forward to working with them to improve processes moving forward. I would like to talk a little bit about social and economic equity as a factor in design review. Social equity, economic viability, ongoing underpinnings of conversations that commission, although you'd be hard-pressed to find them in design guidelines. We continue our push to bring better design and materials to districts which have historically suffered from a lack of both while trying to remain cognizant of the need to preserve affordability, difference between the rental market and the central city and the outlying neighborhoods. We continue to err on the side of giving the districts outside of the central city the best value for investment in their neighborhood that they can get. We believe that when neighborhoods accept light rail lines and increased density they expect in return buildings that were more humane, built to last and friendly to their neighbors. But there is a balance to be struck and it isn't always easy. Here are some challenges we're facing. We're still talking about split zone blocks. For years we have been living uncomfortably with the zoning issue that is present in several Portland neighborhoods, split zoned block. Continue to hear from neighbors, new development, commercial corridors about significant impacts they will experience when the property over their back fence converts from a one, two story building to a five, six, seven story building. While they mourn the loss of privacy and sunlight they take a hit to pocket books if their property does not share a similar zone. If they are locked into a low density zone, they can't enjoy the financial gains of redevelopment themselves. In the circumstance, development teams, even when building completely within right and without request for modification, often struggle to provide meaningful buffers between the project and its neighbors. When we review proposed zoning changes in a design district, we look at places where split zone blocks occur and have had some success mitigating areas where zoning is likely to create inequities. We believe that the city needs to address other areas where split zone blocks exist to create a more comfortable fit between new denser development and existing fabric of neighborhoods. We will be pushing for help with this issue in the update of the comprehensive plan and the 2035 quadrant plans. Another question we take on how to make development more humane. Numerous apartment projects on the docket have opened up discussion on issues that don't necessarily fall within the rubric of design guidelines but do touch on areas of broader interest to the health of the city. What can be done to make new housing stock more humane for its inhabitants and from there to its surroundings? We have requested development teams consider for their tenants, access to light, adequate ventilation including cooling, more generous ceiling heights in apartment units, especially in a city where the acceptable size of living units is getting smaller. Ultimately we want the transition from density as a concept to density as a reality to be humane and workable for our fellow citizens, so we're reviewing projects with that goal in mind. We're also talking about revisiting social contract that brought density to Portland in the first place. We recently had a presentation on the progress of the 2035 plan at a commission hearing. One point that was touched upon was the sense that we were going to visit or renew the social contract surrounding the protection of the urban growth boundary, upzoning, and the density they bring to portland's neighborhoods. I cannot tell you how our city will successfully renew that contract at this critical time but I am reasonably certain that it has to start with a conversation. To that end, in my address to the city club this year, I made a call to neighborhood associations around Portland to host walks with the design commission and bds staffers to look at what is happening in their neighborhoods, to hear about what they hope for and share ideas for what is possible. One such

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walk is scheduled for september 25<sup>th</sup> in nw portland and I have been in contact with the people behind the division design initiative to set up a date as well. I hope to set up a date with a third neighborhood before the close of 2014. We would love to have your support on this effort. Sending staff would be one obvious way to do so, but other ideas will hopefully come from this outreach effort. You will be hearing from us likely soon. Finally, I close with my annual revisit of the subject of parking, which is one of my favorites. Why should the design commission care about parking? Although we do not regulate parking, projects we review continue to draw plenty of public testimony focus on the project's parking or lack thereof. Projects with no parking obvious targets, projects that provide a less than one to one parking space per unit ratio draw complaints as well. We hear complaints about projects that do provide one to one unit to parking spatial ratios, after all, some apartments might have two car households, or, hey, where are people's guests going to park. Retail in that building? Where are customers going to park? When developers do include parking in the development, it can cause friction for neighbors. Nobody wants to look at a garage from their living room window. Surface parking lots can be noisy, smelly, source of unwanted light pollution. When a project has a high unit count and parking spaces to match, people complain about the increased traffic the project will bring to their streets. Apparently none of us like the idea of anyone driving or parking a car anywhere near where we live despite the fact that most of us do exactly that, myself included. Parking has a real impact on the aesthetics and economics of a building and impact on how humane developments feel when done. We have seen properties ill equipped to house a parking lot but being told we're required by lenders to include parking. We need creative solutions to this issue. We hope the city will start to take a look at parking not as a problem each property must solve on its own, but a collective resource of a neighborhood, almost like a utility. We hope the city, when it has the power to do so will help development teams pool parking resources, fewer spaces but ones used more often and better building design across the district as a result. Unfortunate example of a missed opportunity, I think, is the burnside bridgehead. We recently reviewed and approved one project and have seen two cases for design advice. Each is trying to park tenants within its own property. One site is challenged by the size and location to accommodate parking. Unlike many privately held properties, we see these properties were controlled by the pdc. And it seems there was a golden opportunity there that might have been missed. It seems like there is some way to champion some sort of shared logical solution to this common problem. We hope that city will rethink their approach when future opportunities present themselves.

**Novick:** I wanted to say how much I appreciated the section of the report and the fact that even though it is not your job, you took the time to suffer with us on this question of parking and I was listening to your presentation yesterday about pbot's developing plans for having a real long-term citywide strategy for how to manage on-street parking, but you are right, we need to look at parking as a whole, entire city.

**Millius:** It's a huge quality of life issue for people that come to see us. We recognize that and we don't have a lot of say over parking. If we were to step into that conversation, we would get ourselves into a lot of trouble. The fact of the matter is that garages are included and they have to work and sometimes they should not be included but yet they are being forced to. We also continue to have deep concerns about the ability of city's transportation infrastructure to keep pace with development and support these newly dense neighborhoods. As I said before, if we tell people it is possible to live car-free in Portland, there ought to be a stellar transit system to back up that promise. If we ask people to walk 3 blocks from a parking spot or bus stop with toddlers and groceries, the sidewalk should be well maintained, barrier free, well lit. You are looking for creative ways to keep transportation infrastructure whole and we thank you for your leadership in addressing the issue. I know it is not easy. I'd like to conclude my comments with my appreciation for this opportunity to speak with you today. We humbly request the following of city council. One, as new development continues to roll through Portland's neighborhoods, we hope city council will consider

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funding update to portland's community design standards. Two, we hope you will join us in advocating for better equity in some of Portland's rapidly changing neighborhoods by helping us eliminate issues such as flips on blocks, especially when a significant difference in property values is created. Three, create an opportunity to consider design review future role in the city. Either through the expansion of design districts or considering a size or budget threshold that would trigger design review anywhere in the city. Four, we hope you will continue to study the parking question and push for a more nuanced approach to the issue as part of the comprehensive plan. Five, we hope that city council understands we are a resource for city. Commissioners regularly advocate for better design on steering committees, advisory groups, and development teams to seek our guidance. When a matter comes before you and design insight might play a role, please call on us to help as early and as often as possible. This includes efforts to shape common areas, street, sidewalks, bridges, parks, public facilities. We relish the opportunity to weigh in on the projects. On a more personal note, this will be my last presentation of state of the city design review as my second four year term on the commission ends in december of this year. It has been an honor to serve the city I love so dearly in this capacity. I will miss serving with my smart, sincere and thoughtful commissioners. I want to thank them for their service. Our commission appreciates playing its part in shaping a stronger Portland. Thank you for your time and consideration. Happy to answer any questions.

**Hales:** Thank you on all counts.

**Novick:** Thank you so much.

**Millius:** Yeah, absolutely.

**Hales:** Questions.

**Fritz:** I have just one and that is about expanding design review. You have such an amazing workload right now, how could that capacity be expanded?

**Millius:** It starts with being careful about how we do it. As a commission we don't review type one and type two projects.

**Fritz:** Explain that to folks --

**Millius:** Sure, sure. For most of the cases that go through design review in Portland, design commission never sees it. They are reviewed by city planners. And I think there are only -- I forget the percentage, small percentage of design districts in which cases go straight to type three if large enough. So, in some ways, commission would not be that heavily affected unless there were a lot of appeals in type one and type two cases. I think where we really need to look at capacity is at the staff level. They are the people taking the brunt of this load. Yes, we will add an extra hearing date and long meetings, but they are working overtime day in and day out to get the cases through the pipeline within the 120 daytime zone. That is where the pressure really lies. There are more creative and long-ranging changes that we could make to the whole structure of the system that might include multiple design commissions. Maybe take the Willamette River and have a westside design commission and an eastside design commission. There are other ways that we could be thinking about how this could get done. We could do it by quadrant. But I don't think that we should not do more design review if we feel like it would help the city develop better. Because we have a capacity issue with the system that we have today. I mean, it just doesn't make sense to me.

**Hales:** I think you're being awfully noble, the main problems with staff capacity. We are asking a lot of you and other volunteers. Cloning the commission and having more than one seems to me at least a possible tool.

**Millius:** It could be a great way to do it. It is burdensome and hard to find, as you said, more masochists to take on the time commitment. On the other hand, when you talk to commissioners on the inside of the process to a person we enjoy it very much. An opportunity to talk about design and level and consistency that you don't get in other quarters.

**Hales:** You are making a big difference. People have to have a life. It is hard to find that capacity.



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**Fritz:** I do join the mayor in thanking you for a service. Exemplary as a neighborhood person to step up and rise to the chair of the commission. Your departure and that of a couple other commissioners, there will be openings. So folks who are watching this and felt your presentation was interesting and would like to step up, contact me and we will help you with that. I also need to note to my fellow councilmembers, I thought I was being so smart this year getting the budgetary approval for more staff at the bureau of development services in february, whereas in past years it has been done along with the budget, so not approved and started until july, this year coming in the fall bump, budget monitoring process to get those positions authorized before the holiday season so that we can advertise, hire, and train in time for the construction season because certainly staff with heroic efforts sometimes can't keep up with the volume of construction that is coming in these days, as jeff fish noted. It is a good problem to have after the recession. We certainly appreciate that people have jobs. And that the economy is turning up. It is also a challenge. And now have to adjust to the new normal. Thank you for your time.

**Millius:** Thank you.

**Hales:** Thank you very much.

**Millius:** Thanks.

**Hales:** Now that we have heard both reports we will return to item 805 and take public testimony. I think that is the one that most people are signed up on. Item 805 and take the folks that have signed up, please, Karla.

**Item 805 resumed.**

**Moore-Love:** I believe we have about 30 people signed up on the first item.

**Fritz:** How many on the second.

**Moore-Love:** Three.

**Hales:** Let's reverse that.

**Fritz:** Three and three.

**Fritz:** First three on item 805.

**Moore-Love:** First three come on up.

**Hales:** Good afternoon, welcome.

**Moore-Love:** Are we doing three minutes?

**Hales:** Yeah, please. Good afternoon. Kathy, would you like to start?

**Jim Heuer:** Actually, mayor hales, i'm on the list first, if I may. We have about eight speakers with the Portland coalition for historic resources. This is the group that engaged with you last year on the historic resource code improvement project. My name is jim heuer. I am a member of the pchr and also a member of the irvington community association land use committee. Just a couple of comments with respect to ica, my colleague was not able to appear today. That has to do on the design guidelines issue. One of the questions what happens if there isn't a design guideline? And the answer for downtown district is a different answer from what applies to entities like irvington, which has 2,800 properties, covered by section g, which is 10 very vague statements about aspirational designers for historic preservation. And they completely baffle our citizens, and we basically have set up a process within irvington to guide people through that. But it is onerous onerous and we do need and this is true of all other districts no the -- not in downtown, we need something better than what we have. We would like to focus for the moment on the priority number five preservation of our communities and neighborhoods. On the face of the alarming and ever-increasing rate of single-family residents, demolitions, we strongly support the recommendations of the commission on the three points that they have raised. But before we comment on those things specifically, we want to just remind the folks about the 300 demolitions per year rate and we have actually gone through hundreds and hundreds of individual permits looking for examples of the virtual demolitions. We did not find it nearly as difficult as the drac representative seems to indicate it might be. We believe it is about 33% ratio. So, about a third additional virtual demolitions for

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every demolition that is actually properly permitted. We believe that there is a means for identifying those. The real rate is about 400 per year. Two reasons for the house demolitions, replacement of modest homes with more expensive ones and replacement of homes on lots zoned for more residential units. About 45%, one for one, which is not truly one for one, it is one small for one very much larger. And that difference is in some cases dramatic. We have houses, 360,000 being purchased and replaced with new houses that will sell for \$895,000. These are not small numbers. 45% of the demolitions -- roughly half of zoning opportunity situations. Now, a question came up earlier. How many single-family houses do we have and what are the exposures that we have? There are approximately 145,000 single-family houses in the city. Of those, 28,000, roughly 20%, are zoned for higher density. With that, we really are hugely at risk. And of those half over 75 years old, median value of \$272,000. Working class houses that have a big red tag on them that says tear me down. With that, I will pass the baton to Fred, who will pick up on more impacts to the neighborhoods.

**Fred Leeson:** Hi, nice to see you again. Architectural heritage center, resident of northeast Portland -- landmarks commission for the thoughtful and -- we would love to see progress on all of their recommendations. I do want to talk about the demolition syndrome which is chewing its way through our most livable and affordable neighborhoods. When we talk about livable neighborhoods, walkable city, sense of place, affordable housing, we are describing Portland's wonderful streetcar neighborhoods built in the 19 teens and 1920s. Location, location, location, who is to blame them? Why should we care about these grand old neighborhoods? A bunch of reasons. From your perspective, loss of affordable housing. Those of you who have worked to put together affordable housing -- environment, carbon footprint, rehabbing and retrofitting, instead of demolishing. Density is your concern -- let's not overlook sense of place. When you say you grew up in St. Johns, Sellwood, you know what it means even if you don't have the architectural vocabulary to talk about it. Building size, setbacks, yards, neighborhood feel. All adding up to the livable city that we love and enjoy. One of the scrape and build developers an advertisement, claiming he was saving the environment one house at a time. Folks, there is no bigger lie than to buy into that. He is doing irreparable harm one house at a time. I know your hearts are in the right place. I think we can put our heads together and come up with solutions. You will hear about those. Thank you.

**Cathy Galbraith:** Good afternoon. Before I start, I want to say how much I enjoyed Gwen Millius's presentation from the design commission. I have had a few experiences -- a neighborhood very concerned about a major project, and you can count on Gwen to be the person to reach out to find the empathy to understand the concerns being expressed by people in the community, which I can't say I saw in all of the commissioners, but she is going to be greatly missed. We have to clone you. I'm -- we own and operate the architectural heritage center, Portland region historic preservation, advocacy organization, a founding member of the Portland coalition for historic resources and we participate and continue to participate in a number of both the successes and challenges that were included in the landmarks commission, as a report for example we participated strongly for many years, efforts in Skidmore, Oldtown, Chinatown, West Quadrant plan effort, last 18 months, we have serious concerns that I think you will hear about later. We are engaged in the efforts to save the Portland Gas and Coke company building by meeting with the friends group and operative service fiscal pass through for fundraising efforts. Working on a package of seismic incentives we will bring to you in early 2015, and working behind the scenes on the Morris Marks house. Landmarks commission has been exceptionally active and proactive in the past year and their report reflects that. I'm thrilled that they included the concerns of the epidemic of demolitions happening throughout Portland neighborhoods. Front line first responder. Every day numerous emails and telephone calls about one more and one more demolition from alarmed people in Portland neighborhoods throughout the city. In June, asked by the neighborhood coalition to join in a forum that was sponsored by the demolitions epidemic at Concordia, and I could feel the hunger in the room just for someone on the

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panel to acknowledge the depth of their fear, their anxiety, their concerns, their alarm, and the fact that nobody seemed to want to deal with their issues. What they tended to say uniformly is that they see houses falling in their neighborhood with no notice to be replaced by what many people said destroys the character of our neighborhood and city gives all of the rights to the builders and none to those of us who live here and this is what people said at the meeting. This is an equity issue -- there is so much concern about gentrification. You have been talking about that. I can tell you bluntly that we have lost at least 14 buildings associated with Portland's african-american history that we documented. I don't believe anyone -- design overlay zone is working if you look at the apartment buildings there, sustainability, equity, energy issue. I have one quote I want to read to you. Green lab, preservation green lab of the national trust study, they looked at four cities and six types of buildings and their environmental impact. Presume that one percent of Multnomah county's building stock would be demolished over the next 10 years. That one percent of buildings were retrofitted and reused instead, it would amount to 15% of the county's carbon reduction over the same 10 years. I want to close by saying this is the Portland moment. I think that in the future people will look back to this time period as the time that we decided the future of our city and the future of our beloved neighborhoods. We are enjoying growing desirability as a place to live and it seems we could be more selective in what we choose to preserve and what we choose to allow to build on our most precious commodity, our land. Our physical setting and our physical character which is made up of buildings in and around the neighborhoods that are being erased day by day. I know that you care. You sit up here, you know, multiple times every week, you put in hundreds of hours every month. That, you know, and the leadership that you provide. And if I have heard one thing from people, it is that they want something to be done sooner rather than later. They don't want to wait for the comprehensive plan to be finished. They have seen some of the plan and they are not excited about what they are seeing. Activity sooner rather than later, I think, is the probably the thing that I have heard the most. Second page of my testimony are the fixes that we went to the forum proposing that we have achieved. We have gotten consensus around, and then I received suggestions from another 54 people and the ones that I listed at the bottom of page two, the things that there was a lot of support for that we are going to take out for consensus from all people that continue to participate in our effort and in the following testimony, you are going to hear the points that the coalition has agreed or the priority steps to take.

**Hales:** Thank you very much.

**Novick:** Could I ask a question? In terms of the list of possible actions and you talk about acquiring notice for all demolitions, changing the definition of demolition, mandatory delay, but we could do all of those things and still have a demolition happen. It is just a matter of notice and delay. So, what I am wondering, what are the possible rules for preventing demolitions? I mean, do we say that -- do we turn the entire city into a series of design and historic district and say any new house has to be part of the character? Do we say no building over x-age gets demolished period. Do we say people who live in the immediate vicinity of the building get to vote and what takes place.

**Galbraith:** Commissioner novick, you have raised some really good idea in my mind would be a preservation utopia and I know they are not very realistic. But the fact people get up one morning and the next day the house next to them is being torn down and no one has had the courtesy to let them know. We know based on what mr. Fish says, there are good builders and builders that are not so good. Not only are the neighbors not being protected, workers are not being protected. No dust control measures. No fencing. Opportunity for notice lets people -- gives people the opportunity to start having some conversations. You know, every builder is not somebody that can't be inclined to make some different decisions. You know, buying a house is not necessarily the solution. It's probably the single least feasible solution for people to gather together and buy a property. Plans are refined all of the time. It happens before every board and commission in the city and that can often happen among good neighbors, and a builder -- we are not looking at the evil builders and

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developers. We are looking at a system that allows and aids and abets what is going on. And you can't fault people for following a process that they're allowed to use. The weakness is really the rules and regulations that we don't have.

**Heuer:** Remember the 20% of our houses that are zoned for higher density. They are all really at risk, and that is something that can be adjusted through processes that the city controls.

**Leeson:** Just very briefly, too, commissioner, your question addresses a point that we don't have a procedure to decide what should be saved and shouldn't be saved. We agree there are some houses that should disappear. We have no way of saying this was historic or important because, not important --

**Novick:** One other note. When you talk about the carbon impact of, you know, demolition and reconstruction, I mean, that's something that we should pay a lot of attention to. It occurs to me if we get to a point where we adopt a carbon tax, and put a price on carbon -- you should have a carbon tax apply to demolition and construction activities as well, sort of take into account what the carbon impact is.

**Leeson:** Absolutely.

**Galbraith:** City has or is supposed to have an expanded carbon reduction plan and i've -- i've learned a lot about it at the plan meetings, a few members, stakeholder advisory committee, upset that the west quadrant plan was addressing this issue. He believes every aspect, every quadrant, every neighborhood has to consider this. Needs to do a better job.

**Hales:** That's useful. I don't think we have connected the dots between the carbon reduction plan and these issues. I think you highlighted that. Another question I have, I mean, we need to talk a lot and you have given us specific ideas about what needs to change in code. Are there other non-code tools that we ought to try to be encouraging or creating, land trusts, other -- we have had heroic rescues by sort of private super heroes. That's how these things have played out more like a movie script than a deliberative public process and we're happy about the superheroes, but is there a way to institutional some of that, not as a substitute, but as a supplement.

**Galbraith:** I have heard since the demolition forum on June 11th, I have heard from 54 people representing at least 26 neighborhoods suggesting all kinds of things. What I included on the list of potential fixes were the things a lot of consensus over that didn't look like they were a great stretch for city to take rather quickly rather than it will take two, three years of hearings on those. One guy commented in an email to me. He said, you know, it takes more notice and city process to build a chicken coop in the back yard than it does to demolish a fantastic historic house that has no protection. And that just -- that just really struck me as an observation made by a person, a smart person in a neighborhood who is looking at, you know, the checks and balances that we seem to not have, you know. You are forced to deal with issues as they arise. Parking became a hot issue when all of the apartment buildings were proposed with no parking. You know, I think with the comprehensive plan update, there is an opportunity -- modify a vision that somebody upstairs has. Some ways to make the city more equitable and more reasonable and more balanced and more balanced and more respectful, but there are ideas that people have that they have raised and I think there is a lot of ideas in this room that we can do sooner rather than later. Nobody has a corner on creativity and brilliance.

**Novick:** I have to ask you, how much times have you spent with chickens? [laughter]

**Galbraith:** We will get back to you on that one.

**Novick:** I grew up going out and picking up eggs and being attacked by a rooster every morning. I -- there should be strong regulations governing their presence.

**Galbraith:** I listen to a rooster across the road, and I have grown to enjoy it.

**Hales:** Thank you all.

**Galbraith:** Chicken coop, I don't want to go through the process.

**Hales:** Let's go to the next three. [names being read.]

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**Brandon Spencer-Hawtle** I'm here representing restore Oregon, preservation nonprofit for Oregon, one thing I should say before starting my testimony, brian, carol, jessica, rest of the landmark commission did a great job, including the nonprofit community and the Portland coalition for historic resources. They have asked for our feedback and perspective from the nonprofit world to -- thank you to brian and the rest of the commission. Two weeks ago, Portland coalition for historic resources met and had a long conversation about what we felt were pragmatic action oriented stuff that this commission can take to move the demolition forward towards smarter -- three areas that need to be addressed. That is what you saw reflected in the white paper. I will go through the recommendations and give you a sense where -- the first two out of the building code. Title 24, 55, 150, and title 24.55, 200. The definition of demolition. No definition of demolition in the building code, but a place holder for a definition. We have looked at what other cities have proposed and incorporated. 50% removal of a structure or 50% removal of perimeter walls would be an appropriate way to pragmatically classify the loss of a building. Second recommendation, in the building code, developers can skirt existing delay and notification requirements proposing a one for one replacement of an existing residential structure. In many cases, developer demolishing the existing structure, proposing an individual replacement structure, and a matter of days or weeks later proposing additional units on the site. This issue, loophole can be remedied by passing an ordinance -- and that would put all of the demolition of residential buildings in residential zones on the same playing field. You have -- geared towards people looking for that loophole. And it is not something that will support density or other city objectives. The third recommendation -- questions that commissioner novick and mayor hales just asked, we would ask that the council direct staff at bds and bps to work with the preservation community and drac to identify longer term solution for the demolition issue. Staff is working with this issue every day. They have great ideas. Great insight as to what is going on out there and in addition to the code changes -- to identify both building and zoning code improvements that would get at demolition but also what takes their place. We understand that this is not necessarily a density issue. A bigger issue that boiling it down -- we would ask you to consider the three requests of council for the Portland coalition for historic resources to get solutions not six months down the road but sooner. Thank you.

**Hales:** Thank you. Good afternoon, welcome.

**Teresa Raiford:** Hi, mayor hales and commissioners. I'm here representing the Portland coalition for historic resources. My family owns this property which is located at 3962 northeast martin luther king and -- historically in our community known as the burger barn location, but we realize that it is a 114-year-old structure and there is a lot of history behind it going back to the 1900s when a black woman named katherine gray and her family lived there. A lot of people when we mention that information didn't know that black people lived in that part of the community and they didn't know that we owned the property second oldest north of fremont, and with that being said, a lot of value as far as the cultural equity that people in that community are looking for. I think this is a project for enticement. I have been working with kathy since about 2011 when I went to an event at the architectural heritage center. She knew my name and my family's history and I don't know some of the history that she discussed with me. When I brought that history back to the community a lot of people didn't know to value it or what to do with it. In the years passed the time that I met her, I have learned a lot about what we are doing here about the commissions and how they stand up for communities that believe in the preservation and story telling and she made reference to disappearing history. We want to stop that and i'm hoping that with this report that they came out with, which I really appreciate it, and I do support the recommendations that brandon has just given. I'm hoping that one of the things that we can do with the hri and the 120 day delay is to create a coalition between these agencies that can help people like myself in these communities where we don't have the million dollar donors resources and relationships that can help us preserve these properties. And not so they can sit as structures, but so they can provide economic opportunities to

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people that live in those communities. One of the biggest things we have going on in the state of Oregon and city of Portland is homelessness. But if we have all of these structures that are out here and we're looking at legislation in the future that's going to offset the cost of the tax burden of the people that want to revitalize in these properties are going to receive, we can also look at that as an asset to provide affordable housing and structures that don't need to be demolished but just restored. So i'm hoping that with the involvement and engagement of all stakeholders, that we can get to that level at some time, and get rid of that word gentrification. Because I think that it can be offset by information, education, and inclusion, and that's what i'm hoping for and that's why i'm here today. And thank you for the audience. I brought a picture of the building from 1929, I brought in a couple of letters of support from the architectural heritage center and Oregon black pioneers, the king neighborhood association, and mike ryan Reynolds and son's tours which are some of the reflective organizations that I think will benefit and also some history.

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

**Tanya March:** Hi. Thank you for having us today mayor hales and council. My name is tanya march, I live at 8334 north hartman street. As a vice-president of the Northwest neighborhood cultural center I want to thank the landmarks commission for acknowledging in the report the efforts of the northwest children's theater, our board, and our community members for moving the building to the accomplishment section of the report. I'm president thing on the other hat, the northwest district -- we support the three-point approach presented by brandon, to manage the demolition trend. Karen also of the nwda will bring a letter from the nwda with our take on it that went through board approval. My concern is about the historic resource inventory. Which is priority two of the report. I keep hearing people discussing the money and focusing on the \$20,000 and isn't it wonderful we have google earth now, and we can use handheld data device and go out and do an inventory a different way. I think this expresses a certain amount of wishful thinking because we're not applying the lens of equity to this historic resource inventory. When that restores was done in the 1980s it was when great white man's history was the way history was taught in school. We need an equity lens when we choose geography for the pilot for the introduction of the historic resource inventory. Cathy mentioned we've lost 14 sites that are important to black history, the milligan foundation in 1997 created the cornerstones of community, buildings of Portland of african-american history, this is the revise and expanded edition from 1997. The historic resource inventory does not reflect the cultural diversity of the city of Portland. It is imperative to update the inventory to be reflected of all people in our city. And that gets back to delays in some neighborhoods will not bring the money. You will not have the million dollar angels that come in. And it's in the '80s the volunteers were communities that they had the volunteers that could work on historic assets. Other communities this may not be their priority and we need to make sure when we reach out for serving neighborhoods, that we bring in a component of education and diversity. Another concern I had, I was happy to work on the home improvement project, but historic listings are still expensive. I would hope they could be made a type 1x, northwest district association concerned, if a homeowner wants to put themselves on the national register they have to go through a type two review. Which is cost onerous.

**Hales:** Questions? Thanks very much.

**Peggy Moretti:** Good afternoon. Thank you so much for diving deep into this important issue. I'm peggy, the executive director of restore Oregon, the same organization brandon works with. And we just -- we very much support the very common sense recommendations presented already today from the Landmarks commission. And appreciate all their work so very much as well as the design commission. I'd like to build on this a little bit to address some of the landmark recommendations such as seismic upgrades and economic components that are -- need to underpin this initiative. And really address the need for appropriate incentives. We've been talking about regulation, but let's look at some of the -- which you might -- let's talk about carrots that need to be put into place to

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incentivize. We're probably -- you're probably aware of the data that shows rehabilitating an existing building creates more jobs than new construction. But currently Portland and all of Oregon is missing a key economic tool that has been proven in 35 other states to boost preservation and reuse create significant numbers of jobs and revitalize historic districts, and that is a state rehabilitation tax credit. Yesh restore Oregon is working to pass a rehabilitation tax credit in the 2015 legislative session. This is a 25% state income tax that we're proposing, which could be tapped for the restoration of historic commercial and income producing multifamily properties. It would be used to restore facades, fund seismic upgrades, which I think is an important element of all of this, we all talk about the big seismic comparative but we're not doing Anything to make that work happen in terms of financial incentives. Would it fund upgrade, ada access, activate the vacant upper stories of these buildings, and make reuse of our historic buildings far more financially viable. Our organization and many others in our growing coalition of supporters for what we're referring to as the rtc, rehab tax credit, believes this is the single most important thing we could do to revitalize chinatown, and countless other historic places across the city including the smaller properties that -- that burger barn building would be eligible for this type of tax credit which would go a long way towards being able to preserve that building. We've -- the rehab tax credit creates jobs, reactivates main streets, creating authentic spaces that attract new residents and business, boosting private property values and local tax revenues. Making our buildings safer and seismically resilient and up to code. And provides a significant incentive to reuse instead of to demolish. So we're urging that the city council make this a top priority on your state legislative agenda for this coming session.

**Hales:** Thank you. That was very timely. I'm going to ask martin to follow up our intergovernmental relations director to follow up with you and make sure we have specifics of that.

**Moretti:** I appreciate that you said something to me last fall so I appreciate you reiterating that.

**Hales:** That's of great interest.

**Moretti:** It's a no-brainer, honestly. Oregon is one of the very few states that doesn't already have one.

**Novick:** From the legislature's perspective, just like the city level, we spend our general fund and police fire and parks primarily, they spend their money on education, health care, and prisons. And to them any tax credit looks like money awarded for those things. So I think we should always suggest what other revenue can you raise or where can you cut if you're talking about spending any money in any way.

**Moretti:** The wonderful news is there's so much data from other states that demonstrate that there is a long-term positive return on investment for -- in terms of new tax revenues and new job creation, and all the other ripple effects of increasing the values of those properties in the new businesses.

**Novick:** I'm sure that's true, but they're going to be looking at the short-term financial impacts. I think when we talk to legislators we should reinforce we now have the same crime rate we had in 1965, 365 more people -- been encourage them to step up the incarceration reforms they started last year. That might sound like a tangent --

**Moretti:** no, it's -- we are getting our ducks in a line, and economic impact studies being done, but it's high time we invested in main street.

**Hales:** And their economic agenda, we have buildings vacant on the upper floors. And we have the lowest office vacancy rate in the country. So that might be persuasive on the economic development side. Thank you.

**Andy Olshin:** My name is andy, my friend and neighbor val was going to speak, but she -- her son alex needed to go someplace, so they went. I live at 3728 northwest thurman street, my home which I bought in 1997 which was totally trashed, was designed by -- was built in 1911 and just last year I think we finished the restoration. Which took a lot of sweat and money and blood and broken fingers and all sorts of fun things. Last month our neighborhood was at the center of a very public demolition issue. Earlier this year california software executive and his wife bought a beautiful 1892

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house listed on Oregon's historic landmark inventory. Publicly stating they intended to do modest renovation to the house. Somewhere things abruptly changed and the neighborhood learned in the city of Portland it's possible to do three things in less than one business day -- one, withdraw a property from the inventory. Two -- submit plans for a new modern house and designed by a California architect, and three -- get the city's approval to tear down a 122-year-old house that had been the focus of the neighborhood. The whole experience left a group of willamette heights neighbors committed to convincing you the rules should be changed. We support the three principles you've heard discussed today. One -- defining demolition as the removal of 50% or more of an existing building. Two -- require all residential demolitions to adhere to minimum delay, and neighborhood notification requirements. Three -- establish a task force to identify additional building and zoning code improvements that would endure -- ensure demolitions are appropriately manage and replacement construction response neighborhood characteristics, and we also defer to the experts in the room and are open to whatever makes sense. We've summited a list of 140 neighbors who have expressed support for these principles. We gathered those names in less than a day, and could have gathered many more had we had time. We urge you to adopt the rules that slow demolitions way down, rules that will involve neighborhoods far more, without those rules we'll lose an important part of the character of Portland. We should not be stewards of that loss. And on a personal note, please don't wait for the comprehensive plan process to address this issue. That's not going to work.

**Hales:** Thank you. Thanks very much.

**Wendy Rahm:** Thank you very much for letting me speak. I'm wendy, a resident of the mixed use residential west end and here to speak about it as a special unique part of Portland. The west end is what makes Portland, Portland. But it's at risk. A few years ago I personally did a survey of the west end's historic buildings and found over 100 of them. Most are not on the historic register, over 80 were built between 1880 and 1935. An active period of the city's westward growth. The area is rich with magnificent architecture by well-known architect, buildings that tell Portland's story beautifully. Most buildings are unprotected. I have prepared a presentation that I would be happy to show you at some point to better understand the connection between these buildings and Portland's story. These buildings are at risk for demolition as building heights of 325 feet, 460 feet and unlimited heights are being proposed for the area. For example, 460 feet is proposed for the governor hotel's lot. That makes no sense. We will need to find a balance between density and livability and our history as a resident I Can tell you the area is thriving. Partly because of its human scale and authenticity. At a recent making cities livable conference at the governor hotel, where over 300 elected officials, architects and urban planners from 25 different countries assembled, some comments I heard were, authenticity cannot be recreated. Heritage is a fleeting resource. Many I spoke with coveted the concentration of so many authentic buildings. It is what other cities wish they had preserved. Authenticity draws the creative class. This area is livable because of the human scale provided by these historic and old buildings. Its urban form fits -- for the most sustainable urban form, that of mid rise dense compact so-called flat cities. To protect this part of Portland's history for future generations, it may mean new historic districts, lower height and far in the west end, and some neighborhood specific design guidelines that encourage compatible development on a more refined scale. I would be happy to help on this in any way you might deem useful. I hope you come to value this special area of town as much as I do. It demonstrates what that Portland has a respectful sense of itself and of its past. It's why Portland is so special. Thank you.

**Hales:** Thank you.

**Lewis Fitzgerald-Holland:** I am an 18-year-old student heading to college next year and I live at 5101 southwest nevada court, Portland, Oregon. What makes the city unique? It's people, it's environment, it's culture, and of course it's history. Portland is unique city rich with historic architecture and unique mature neighborhoods. The structures and neighborhoods make up the core



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of Portland's identity. A place's present is the sum that's all that's come before. Without that past we have no identity and once it's lost it's truly gone forever. With the record 279 residential demolitions within Portland proper last year, and 158 so far this year, this is no small problem. And yes, mr. Novick, that's a long turnover rate to replace every house. But it's more than enough to damage the fabric of our most historic and developed neighborhoods and with app upward trend the problem will only worsen. This epidemic -- fat brick of our developed neighborhoods. Bit by bit, large box-shaped homes are turning Portland's most beloved inner city neighborhoods into patchwork suburbia. If we lose the integrity of these places we lose what makes Portland truly unique and what other cities wish they had. It's a direct result of our five zoning law changes that shifted the minimum lot size from 5,000 square feet to 3,000, that needs to change. It's a direct result of a loophole that allows developers to apply for demolition and rebuild permit with zero delay. Waiting time, or neighbor notification. That needs to change. It's a direct result of zero protections or delay for the demolition of properties over 75 years of age. That also needs to change. It's the direct result after policy that allows developers to remove properties on the city's historic inventory to avoid the mandatory demolition waiting period. That needs to change. It's a direct result of a lack of action to preserve historic homes, neighborhood livability, and stem the tide of gentrification that's a direct result of higher priced homes, driving up property taxes in inner city Portland. That needs to change. And the changes proposed today by this council are a step and a necessary step in that direction. Why am I here today? I'm 18 and heading to college in the east coast in a moment I'm not a senior citizen who doesn't like to see the old quiet smaller Portland disappearing. I'm here because I truly care about preserving what can't be replaced. Once these beautiful neighborhoods and structures and houses are gone, they're gone forever. They're gone in front of my generation and every generation that follows after that and it's up to us to be the stewards that preserve it. There's a place for redevelopment, there's a place for demolition and construction, but not like this, not in a way that blatantly disregards history and our past, that puts money before the welfare of people and our city. We don't want to lose our unique history, and we don't want as a city to become an urban suburbia. It's time to reserve and protect our past and our history that defines our present. Not toss it aside to fill the coffers of inconsiderate developers. We will not give in or give up or stop making noise until these changes are implemented. These policy changes need to occur and soon, or we risk losing our heritage and that will be on us for generations to come.

**Hales:** Thank you. Come back soon.

**Michael Johnson:** Mayor Hales, commissioners, thank you for this time. My name is Michael Johnson, my wife and I reside on northeast 22nd avenue. We've been there since 1983. I'm a native resident of Portland. We're greatly concerned with what is happening in our neighborhood regarding developments and the way investors, real estate groups and contractors are coming in with no prior notice to residents and in some cases with total disregard for damages they may inflict on neighboring properties. The splitting of the lots, to add row houses which will increase traffic and parking issues and the possibility of reduction in surrounding property value. I believe permits shall not be granted in a foreman owner's name, the work shall not be allowed until permits have been posted publicly, neighborhood notice should be a mandatory condition for any demolition or new construction permits, so current residents may evaluate their situation as how they might be affected. How hard it is to knock down -- knock on someone's door and let them know work is going to begin in their alley and perhaps their plants may be at risk? If a contractor did this for me I would be more than willing to evaluate and move it if I could. In so many cases they just show up and when most people are gone to work they wreak havoc and when we come home only to find the damage they have left, we're forced to possibly have to take legal action, it's not right. Also we are greatly concerned with the way they're cutting down the trees at will and in a rapid fire pace. Northeast Portland residents cherish the trees for a good part of our lives as we spend great sums of money to keep them up and protect their life span. I think we can look right above our heads at the mural and

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see what the trees mean in our city. And what they've stood for we also cherish the wildlife populations that depend on them. That's why the laws need to be changed and revised. The current condition at 6208 northeast 22nd avenue would be a case in point as to a number of these issues. They have also excavated the entrance to the alley on northwest holman street cause something property damage and have closed the entrance to the residents and the sidewalk to pedestrian traffic. This has been like that for two weeks and they have not done anything since. I see this as a possible safety issue since holman street is the neighborhood bike path and there are children and elderly who use this sidewalk. I wonder if they even have a permit to do this and I believe the city should send someone out to look at the situation. Besides those issues, the sneaky and almost covert ways they've tried to do this without telling residents. There's only one vehicle that has a logo or identification, and that's been the surveyor. There's been a stream of cars and suvs slowly driving by checking out the property and alley, where they've done the work, to the point it makes it kind of look suspicious. I ask what are they hiding from? A guilty conscience makes for guilty actions. Thank you.

**Kathy Cain:** My name is kathy cain and i'm a neighbor. I would just like to say how grateful I am for the opportunity to share my concerns about not only my concordia neighborhood, but also our progressive, beautiful, and innovative city of Portland. Portland has worked hard to earn reputations of livability along with sustainability, but with The current epidemic of unregulated demolition of homes and building codes, loopholes, I am concerned about how a city and as a neighborhood we can maintain these core values of livability and sustainability. I support responsible urban infill, I do not support manipulation, greed, and lack of community input. Especially when drastic environmental and building changes are to be made that will negatively impact our neighborhood's character, quality of life, and value of home. These will be the unintended consequences of nonregulated demolition of homes and lot splitting. I along william other Portlanders feel vulnerable and powerless regarding this issue. So I end with two questions for all of us -- what more can we do, and how can you help us to protect and maintain the natural beauty of our concordia neighborhood that was recently listed as one of the top 10 best neighborhoods in the nation? Idles like to say how inspired I am that I as a senior citizen can sit next to a soon-to-be freshman and have the same passion and concerns, and that you are so willing to listen. Thank you.

**Hales:** Thank you all.

**Jennifer J Solomon:** My name is jennifer solomon, and I live at 6349 n.e. 22nd avenue. Right up the street from our former speakers. The strength of Portland in my opinion has been its neighborhoods. Which are strong, dedicated, and have a strong sense of place. But now these neighborhoods are profoundly shaken by an epidemic of tearing down houses, cutting down trees, building large homes. There appears to be no respect for existing architecture, foliage or landscape. The very things which are attractive about Portland are being destroyed by this current state of affairs. In the name of high density, developers are running roughshod over neighborhoods. And it's all legal. But to me, it often looks unethical. Without -- as a former speaker said, how can we hold it against developers for doing that which is legal? The problem is not necessarily developers. It's the law, which is allowing this. And thank you for listening to me.

**Hales:** Thank you.

**Don Jackson:** I'm don jackson, 6130 northeast 22nd. The house in question at 6208 is next door to me. I am an architect and I find it amazing somebody can go into the bureau of buildings, ask for a permit, be issued a permit and destroy a building in the same day. To put in its place a skinny house on a 25-foot lot that has no character, or contribution to the neighborhood, and i'm sorry if novick is sleeping -- has nothing to do -- adds nothing to the environment, does take away from the Neighborhood itself. And the simple reason that's something is being built is to gain financial gain. This particular house is taking down a tree, a cedar tree that is approximately 150 feet high. It's the tallest tree in the neighborhood. Which i'm amazed that can happen. But what bothers me is that

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there is no design oversight which I find even more amazing when you consider an ongoing -- i'm going through this on a commercial project where you have to jump through hoops on design overlays in other parts of the city, whereas in the concordia there are no design overlays or design reviews, no review period, as everybody else has testified. You can come in and do this literally overnight which is not fair to anybody. And in closing i'd like to say that this violates the spirit of Portland. And we can do something about that. Get the spirit back. Thank you.

**Hales:** Thank you.

**Mary Helen Kincaid:** I'm mary helen kincaid, i'm going to say some things, i'm a native Portlander, a senior citizen, I live in a neighborhood that's in a floodplain, east columbia, we have no older historic homes except for vanport flood survivors, and so the definition of historic -- i'm also the vice chair of the development review advisory committee. One thing I came here, some of the things I came here to say I'm not going to say because I believe i'm very, very much encouraged by the number of people that are concerned about doing the right thing. I've always said, numerous people and maybe even you have heard me say that we need to find an easy way for people to do the right thing. I think it was one of -- more humane. I think that's the important thing. The -- I want to remind everybody what jeff Fish said, the development review advisory committee is addressing all the things that have been mentioned as wish list. We're on those wish list things, we've been meeting for hours, claire carter and myself have attended numerous neighborhood meetings, land use groups, gotten feedback, the door hanger, it wasn't perfect, and it can go through reiteration it had unintended consequences, but it is a notification and we're working on enhanced notification for neighborhoods and neighborhood associations and working with them. The june levities conference at concordia was organized by neighborhood coalitions, the north five of the seven northeast neighborhoods coalitions, they've been working on this issue. We're working with the Oregon home builders association, as jeff mentioned, to address the issues of asbestos and lead. I was the one that got the state to come to the june 11th conference, and I can't say that I was, I put a call in, and the Next day people were calling me. We have good contact there. So I think we have a lot of positive things that are being done. I would encourage these people and I think somebody said she had 54 phone calls, i've had well over 120. I probably have 300 emails in my draft folder that says demolition issue. I want to hear those things because I want to hear all sides. We've heard a lot from neighbors, some people vilifying developers but this gentleman said very important thing, you did too, it's the codes that letting them do it. They're doing what they're allowed to do. Many of them want to do the right thing, they live in these neighborhoods, some of them live in older homes, they're historic remodelers. So I want to applaud the efforts of these other groups bringing these things forward so we, continue to work on them as a group. I think someone and one of my lists -- wish items was to have -- the habitat of people that can identify the resources, data, get that historic resource inventory updated. There are people out there with a lot of skills, I heard some of them mentioned today continue to build on the coalition efforts. I want to go to where I say tell me what I don't know. We need to know what we don't know so we aren't always here on parking issues, on demolition issues. It is, there are wad things that happen and we need to figure those things out. I don't think \$20,000 even though you said it was a doable thing, maybe it's a start but I think being able to identify one neighborhood, there's a whole other can of worms there, but might be able to work that out. Designing homes to the last hundred years, somebody mentioned that. I live in east columbia and bridgeton is mostly all floating homes. We don't fit into those categories. We need to take into context all of the fabric of Portland not just the older homes and how we -- one last thing I want -- the -- i'll take justice's three minutes. We need to look at the deconstruction program. The carbon tax. Bps is working on that. It's been wonderful to work with and i've been -- i've had bad experience and good experiences dealing with city staff and this has been an excellent. Every time draft is asked for, statistics, they've moved quickly on a notification issue, they work tirelessly on work ought definitions and as jeff alluded, it's far more complicated than I dreamt it would be. And I

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think i'm learning things I never thought I could learn, but we're getting there and there are people out there in the neighborhoods that have been like you said, they're very Confusing, we can help them do better. So I hope we'll be able to continue our efforts and people will recognize both bds, bps and all the other infrastructure bureaus that impact these codes are working together on a cooperative basis with the development advisory committee, which I can't quote exact mission, but we're there to advise the city on development in the city. My last quote I usually went some little bumper sticker thing is coming together is a beginning, keeping together is progress and working together is success. And Henry Ford said that and he was a pretty smart guy. So I think we should do that. Thank you.

**Novick:** Mr. Jackson, you raised an issue which is people are tearing down homes, replacing them just for profit. And there's a lot of things that happened in the free market society that are detrimental and for profit. Like selling doughnuts, which arguably contributes to diabetes. And it's for profit. Selling gas guzzling cars, which is a problem for the environment. That's just for profit. So i'm wrestling with to what extent do you think we should be ratcheting down the profit motive in this society?

**Jackson:** That was an example. I believe -- I believe we can develop density in Portland, but it has to be done in a proper way. The particular house in question is a lot and a half, and it's -- The house is just being put in there to be sold at a profit. Because the site, the lot with the house and garage, it's the only lot and a half lot in the neighborhood, and it would be perfect for a family, for example, but now there's going to be a skinny house 10 feet from a nice house and 10 feet from another house. And it's being built for profit, period. There's no other incentive to put something like that in an established neighborhood that doesn't fit, it would just go in. The developer in this case it's a realtor, is not going to live there, they're going to flip the other house, and they're going to go and do something else. So that's why I think it's very evident that that particular type of development in our neighborhood is for profit. That's great. It's America. We can do that. But it is totally inappropriate in the setting that I was discussing.

**Novick:** I'm asking a broader question. Do you think we as a society should be outlawing wide variety of things that are arguably detrimental to society and are done just for profit?

**Jackson:** If it's detrimental to society, yes. Everybody here said there's an issue that is facing the city in our state, our neighborhood, our environment and it is getting out of hand because it is being done for profit. These people are not coming in and saying i'm going to build this skinny house and -- We're asking you the city council to address this in a very serious manner, so no, i'm not saying you don't do this for profit. I work for a living. It's for profit. We do buildings for profit. Everybody does that. But you have to do the appropriate thing. You have a lot of code, and overlays in the city, where you control what can be done. That's all we're asking. Let's get a little more control into these neighborhoods so people just can't come in and destroy them. If i'm going to put a building in across the street in the park, you're not going to let me do that if I say i'm doing it for profit. You're going to make me jump through every hoop in the book plus some before that can happen. It would never happen. So we're asking why is this allowed to be happening in various neighborhoods? That's all. Very similar, yes, it has a simple answer. It can be done. We can change the regulations, we can change attitudes of people. We can provide incentives for them not to do it financially. So anyway, I think i'm way over somebody else's time.

**Fritz:** The bureau of development services, we make everybody jump through hoops. I had a question for Mary, that is regarding what Jeff Fish the chairman of the development advisory committee was expecting in terms of the length of process you're currently engaged in. Do you agree you could get a recommendation for changes in title 24 by the new year?

**Kincaid:** I certainly hope so. It is our goal, because it's evident that it's ignited a lot of people in the room, and I think it's important. And we've put a lot of effort into it, and Mike said, it's the first time many of the draft members have all been engaged and they're from a variety of, some people have

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portrayed the committee as a committee of developers, and that's not. There's land use attorneys, there's all sorts of things, myself and Claire, the neighborhood representatives. So there's -- we understand there are bad things going on. The builders know -- but again, they're working according to code, and everybody agrees there's problems with the code. And that's what we're trying to do. And it also is going to make staff's life easier so they are able to have a process that's more consistent and understandable and won't be so complicated. And the part they didn't say is he's going off the committee in December, and then the vice chair historically becomes the chair. So I certainly want to get it done so I can start something new in January.

**Fritz:** Thank you. The comment I have seen, that Drac is all developers, it's maybe because that was one of my most famous skirmishes with Commissioner Leonard, when I was a chair, to make sure it was a balanced committee of various different interests.

**Kincaid:** And realistically, I can see where that was, because there wasn't that real relationship. I know I'm in a public place, but as Jeff said, I invited Ian, who is adamant, outspoken individuals to lunch to sit down, and I didn't know if it was going to be a food fight or kumbaya moment. So fortunately turned into a good thing and there's a lot of good conversations going on. So I think we've made progress, and that needs to be acknowledged that it's working, and that the city has been assisting us as well as your office too.

**Fritz:** Thank you very much.

**Kincaid:** I had one question. How much did Commissioner Saltzman and Fish pay you to be here today? [laughter]

**Fritz:** We're going to be checking in. We know Commissioner Fish is on excused vacation. Thank you very much for all your work on this.

**Hales:** Ok, next.

**Rena Jones:** There's quite a few things. I want to go back to what yes saying about for profit. Rena Jones. I'm also from Concordia, we're very all quite upset about what's happening in the neighborhood. The comment about for profit, I think when it's morally wrong is when it's at the expense of everybody else in the neighborhood. What they're doing is going to devalue the property that we've all worked so hard to build over decades, people have been there for 50 years. It is a very established community. And so something like this when it's done, it -- there should be some oversight. The other thing I have here is the permit. It's being pulled out on the old people's names, it's not even under the new people who bought the property. How is this legal, that these people can get permits overnight, they came to my property personally and ripped off trees off my private property and then just dumped them on my property. Are you actual -- I tried to confront them and I can't get to the bottom of who's responsible. The person who is the investor who bought the property is not accountable according to the city, or somebody from the future who comes back, and needs to sue for the work Everett did, or this investor, they can't. Because this paperwork is off. We should also be able to file formal complaints stohr stuff like this. They probably did a couple thousand dollars worth of damage to my property on one day's work. We should be able to file formal complaints with specific builders because some of these builders are predatory, they're targeting specific neighborhoods, they're sending people in as private investors acting like real people, and then turning them over to the builder, it's a very organized system and these guys are fast and know how to work the loopholes. I can't stress enough you do need to change these laws immediately, because before we know it, we're going to see this all over Portland. These are 300 Doug fir trees that got put down recently in our neighborhood. They have targeted Concordia and they're working fast to change it and they're putting in cheap houses that devalue all the hard work that we have put into the community over several decades. I also have 100 signatures from people within Concordia who do not want to see this happen. And they do not want to see that tree taken down. There's 100 signatures gathered in just one weekend.

**Hales:** Thank you very much.

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**Veronica Schnidrig:** My name is veronica, I live in -- I didn't have a plan to speak, so it's probably kind of random. I live in that division-clinton area. I have some points i'd like to make. The developer ability -- I think it's a problem, the developer's ability to remove houses from the historic inventory. But there's also an issue that neighborhoods that ultimately could be historic are not. I've been in Portland my entire life, I remember when irvington was not a good neighborhood. I grew up not far from there, so it was probably generally regarded as you know, let it go. The area I live in is actually -- I have learned through my work, very heavily italian. Very, very heavily, like all the land was owned by a lot of italian families. And some of them are still there. But the houses are probably not oh -- they're not the google house, or the marquam house or any ones like that, so -- but I think there should be an opportunity to identify a potential other area that may become significant, given time. I know there was a question about what kind of standards for whether you could remove a house, even if you have a delay. In my neighborhood, there have -- I can just off the top of my head think of two house was demolition permits. Five where none were required because they left a wall. And granted, at least one of those houses really needed to go. It looked like a mobile home from the '70s. And maybe that's a standard that could be applied, this house we're going to tear down doesn't even fit into the neighborhood anyway. That's just a side thought. But the point on the demolition permits, it ignores whether they're required, and in my neighborhood, there's a lot more where they're not being required, but the house is essentially gone. Completely different. I'm going in -- on the design question, in our Neighborhood we now have a lot of basically four-story houses. They have basements that are at ground level. I recall in the '80s there was a big push to not allow what they call snout houses in Portland. These aren't a lot better. You're walking by a basement and a garage. And that's it. The houses are so much higher, and they tower over the surrounding houses. And I also question the removal of all the trees. The waiverly childrens home, they took out 35 trees and left three. And almost every one of these ones where they're adding they're taking out all the trees to add. And I think it's a problem. Most of the houses in my neighborhood are not -- there's a few that are dividing the lot, but they're crammed right up next to a tiny house and towering over it. Most of them are just putting huge and extremely expensive houses on existing lots, and my neighborhood is pretty much -- it was, you know, sort of blue collar affordable housing, a lot of reed students, all of that is disappearing. And it's disappearing fast. I have at least out of six neighbors, I have -- that have been in our area over 20 years, at least three plan to sell in the next year. And then the -- the question of changing the zoning to extend split zones, because i'm so close to division and clinton, i'm less than two Blocks. To do that, my impression is, oh, to allow the financial benefits to flow to the other neighbors, that -- that's not the issue of the people i've talked to in the neighborhood. The issue is these huge buildings going up next to a single-family house of two stories or with maybe an attic, not a big living space. It's not let's turn the whole block into maybe a few people want to do that, into commercial properties. Because that brings the problem further. The people are having problems with being crowded on their own properties and crowded out. So -- and then the issue of parking should be treated like a utility. The parking is -- has very quickly become a horrible problem in my neighborhood. We have all the restaurants. Now -- now every night it's two blocks up, you can't find a place to park. And I don't think requiring permits really follows that. Because there's usually two-hour visitor zones, and the arguments that a lot of people -- lots of people may have -- the people moving into these apartments have to have cars. And they're going to have cars. Because they're not going to walk a mile in the pouring rain to go to the grocery store. It's just -- or stand out in the pouring rain for the bus. That is also kind of an issue.

**Hales:** We need to you wrap it up.

**Schnidrig:** I'm sorry. One thing that's kind of an aside is the developers, the whole issue about the street, the develop verse destroyed the street and maybe there should be fees for that kind of thing. My last point, some of this building is causing damage to existing houses. My house has developed major cracks in the plaster from am the construction nearby. That's it.

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**Hales:** Thank you.

**Sarah Hobbs:** My name is sarah, I live in the alphabet district and i'm here today -- in 1980 my father started the architecture historical preservation society in new york. So for 34 years of my 51 years of life I have grown up seeing firsthand the importance of building preservation including homes. And seeing firsthand how it play as major role not only in the city but the history of the state. -- they now have a \$50 million hotel preservation project that is going on now, that will bring money -- a lot of money into the -- when the ski season starts up next spring. So i've seen firsthand how this can work. And I see it's a very positive thing for the city of Portland. I am here -- they're very concerned about the demolition issue which the loopholes, and the other things That have been mentioned. And I would ask that you would adopt the three points that have been brought up. It's -- to address this issue. That's all I really came to say. I've lived this through my father, I know it can be done. I was kind of surprised, correct me if i'm wrong, to hear that the state does not have tax credits for preservation, or is it funding -- I may have heard it --

**Hales:** It once did, but I don't think they do now.

**Fritz:** Designated building too.

**Hobbs:** Yeah, because I know the hotel preservation is going to bring all that money -- would not have happened if it were not first aid preservation credits and funding because it's a \$50 million restoration of 110-room, 1926 hotel. So i'm just here to say let's make it happen, this is living proof that it can and it works.

**Fritz:** Thank you.

**Hales:** Thanks very much.

**Fritz:** I need a compassion break since there's only three of us.

**Hales:** Go ahead and we'll take the compassion break.

**Claire Carder:** My name is claire carder, I live at 6156 southwest nevada court. I am the current maplewood land use coordinator. I'm also one of two neighborhood representatives on the drac. My interests, and I have been on the drac for just a little bit more than a year, and it has certainly turned out to be an interesting time. My interest in being on the drac Was to provide a stronger voice from the neighborhoods to the development community. And I have to say in the time that i've been on the drac, I have been so impressed with the membership of the drac, and with the responsiveness of city staff to issues -- to issues that we have raised in our discussions. An example, and you've heard plenty about the demolition issue, an example was we are on the demolition issue pretty early, as drac members, we raise this, before the next drac meeting, bds staff came up with a courtesy notification proposal, we had a subcommittee meeting before the next formal drac meeting to fine tune it, and we're able to bring the door hanger proposal to the full drac, and have it adopted with just a few tweaks within the space of two months. That's phenomenal for a community public process. So that said, I think that we have great volunteers on the drac, we are excited about the opportunity to advance solutions to the issues that we've been hearing about today, I would like to emphasize we need to continue to strengthen the length of communication between the neighborhoods and the city, drac really wants to work on outreach and communicating and helping the neighborhoods understand both the land use and the development process so that began together find solutions to some of these issues. And also I would like to say in closing, my kumbaya moment is that together we can protect what we really love about this Fair city as we progress with optimism and the spirit of collaboration. And i'd like to really emphasize that, the spirit of collaboration. As we progress to face the many challenges of living in a city in the 21st century. It's only going to get more complicated. We all need to work together. Thank you.

**\*\*\*\*\*:** Hello. I'm trying to hurry.

**Fritz:** That's all right.

**Karen Karlsson:** Karen karlsson, 1905 northwest northrup, Portland, Oregon. I'm here to tell you a story. I'm going to tell you the story of saving the goldsmith house. I talk about it, saving at the

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speed of light. As you heard brian say, at a ransom. The 1902 goldsmith house is at the corner of 24th and quimby. It's a majestic house and it's quite a significant asset to our neighborhood. It just never occurred to anyone this would demolish it, but since it's on a 10,000 square-foot-lot since a -- next to a 5,000 square-foot-lot both of which were for sale, you had the ability to tear down two house and build seven. I went back, I said speed of light. I went back and looked at how this process worked. For us. So day one, the nwda planning committee an architect came and told us about building these seven townhomes and tearing down these two houses. We were quite alarmed, and on day two we sent many, many Emails to all of you, i'm sure you may remember. And a stop work order was placed. That was a friday, we were relieved. The following week we actually had a special meeting to meet with a developer, asking why it could -- why this house could not be saved. The following day the developer was able to go down with the paperwork that he needed and ask for his demolition permit again and he was place order demolition delay. Again, we're happy, we're thinking, 35 days, 120 days, we have time to work with him. The following week had a couple more meetings with the developer, thought we were making progress. Day 15, the demo permit was released. That's two weeks. We thought all was lost. But that was a friday, again. We like these fridays. On monday the developer approached dan, the northwest neighborhood's realtor, and asked to meet with rick michaelson. The next day rick and marty, whoops, I didn't want to mention his name. Rick and the developer met and rick asked, is there anything we can do to save this, what if we purchased the whole property from you. He said let me think about it, i'll get back to you. He did. For \$2.25 million he'd sell the property to us, we will 24 hours to make a decision. Well, that's a lot of money to raise, but we called everybody we know and by the 24 hours we thought we could pull it together. So we agreed to buy the house, and on day 22 we inspected the house and the deal was done. We had them one month to really raise the money and we found 15 angels, I tried call them enablers but they didn't like that word. Who loaned us the money we needed to buy the house. It was -- was it a ransom? I think we learned a couple lessons and that is first of all it's too easy to take a house off the inventory. This house was taken off the inventory at a demolition permit was issued the next day. I'm happy to say that it's almost hard to put it back on but thanks to tim heron we're putting it back on the inventory. And the other is that demo delay works. We only had two weeks, but it did slow things down enough to get the attention of the developer that they understood the neighborhood cared a lot. So demolition delay needs to happen, and i'm happy to know it's going to happen for longer than the 14 days we had. Just so you know, we're putting -- we're returning the house to a single family house. It's going to be beautiful, we're going to put it on a national register and we're also looking into the code preservation incentives to push a little more density on the rest of the property and, you know, we're not against total -- every house demolition because we did demolish the other house.

**Fritz:** With a delay?

**Karlsson:** No. Actually -- only with a delay -- we had squatters that we were having a difficult time keeping out, we probably would have held on to it longer. But we're hoping to then build development on the rest of the property, because we're also not against development. And that's -- i'm going to let rick talk because I took too much time.

**Fritz:** Thank you very much for your work.

**Rick Michaelson:** I'm rick michaelson, I started my public service career dealing with demolition on a committee with charlie in 1989. Here I am at the end of my career, dealing with the issue again. I'm not going to talk about demolition. Though I have -- this is really a planning issue. I was really happy to see both the design commission and the landmarks commission talking about how neighborhoods work. And how they should be designed to be developed in the future. I know those folks are overworked, but they're underused. You need to have them involved in the comp plan process a much more detailed basis talking about neighborhoods, how they work, what kinds of development are appropriate. Maybe that will double the number of meetings,. The real reason we



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have this problem is that the city of Portland is grossly overzoned in some places and underzoned in others. We have reporting to the land inventory, we have capacity to build twice as many houses as we need over the next 20 years. On land that's considered vacant and buildable. Most of these demolitions taking place are not on those sites. These are extras. They don't count towards that inventory. We could significantly -- we could significantly reduce the number of zoning options and still meet our goals. The 20-year planning horizon, if you provide enough density and opportunities for 20 years of development, you have no ability to steer what happens in the next five years. It happens without any sense of planning. I think we need to talk about how to make sure we keep our 20-year goals but also working through them in stages rather than -- the other thing I think people don't understand is how much smaller the houses are, many of our neighborhoods, including our 1960s and '70s neighborhoods than the zoning would allow. You look at the area west of dosch road, those houses are probably using about a third of the zoning envelope they would be allowed. That's a huge difference. I think we need to look at that, we tried to similar fight code so all the side yard set backs in all the zones are the same. I don't think that's necessarily appropriate or workable. The other thing I think we need to address during the comp plan process is not just talking about what's going to be built under the plan, but also what's going to be demolished and lost. So we can have a discussion that says to accomplish this 20,000 housing units, we're going lose 10,000 or 2,000 or whatever the number is, so the public has both parts of that conversation. I really that I would be very helpful and be getting to talk about this. Commissioner novick's question about the 120 days and whether it matters or not, in our particular case if we had the full 120 days, we would have come to a different compromise of a developer, probably would have ended up buying the house for a portion and supported his development with extra density on his site. We didn't have that time. The other thing that 120 days does is allow developers like me who like to preserve houses to when I see one of these to approach the developer and say, hey, would you be willing to sell to it me, i'll pay what you can -- i'm more interested in this kind of development, you're more interested in that kind of development, why don't do you to a vacant house and i'll save that house. That can't happen in 15 or 35 days. I think for the present system with 35-day notice and the ability to then extend it if there's interest in saving the house, is a very sensible way to do it, and I think we can afford to apply it to all house and not Just the ones we're applying it to now.

**Fritz:** Including the one with the squatter?

**Michaelson:** Yes. Including the ones with the squatters.

**Fritz:** Then also to have some criteria for when you have the 120 days --

**Michaelson:** Absolutely. And I like jeff Fish's idea of the -- in our case in terms of the squatters, if the developer had known there was 120-day delay they would have plywood over the windows and done security measures they didn't do. And that's what caused the problem.

**Fritz:** Thank you.

**Hales:** Thank you very much. Thanks for your extraordinary effort.

**Novick:** I have a question for you and mr. Hales that were on this committee in 1989. I know this report underestimated the population of Washington county in 2010 by 90,000 people.

Underestimate the number of people in Multnomah county in 2010 by 105,000 people, almost dead on when it came to clackamas county. [laughter] so I want to know, who was it in that committee in charge of projecting clackamas county's growth and are they still alive, can we hire them to work for bps?

**Michaelson:** I believe those were metro figures. If I can add one more thing about the mark-up. One of the ways we could use the market to steer development where we wanted it is by having 120-day delay in those areas of the city where we're not really anxious to encourage development, but shorten it in the areas where we are. So that would be another market incentive to do good.

**Novick:** Thank you.

**Hales:** Want to take that brief break? We'll be back in three minutes.

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[The meeting recessed at 4:52 p.m. and reconvened at 4:55 p.m.]

**Rod Merrick:** My name is rod merrick, I am an architect, also the chair of the eastmoreland neighborhood association land use committee. And as you guys know, we've been very involved in dealing with demolition in our neighborhood. And i'm very encouraged by what i've heard this afternoon from the testimony as well as specifically from the committee work from landmarks and design review commission. I think we're very much in alignment with the general direction that they're advocating. And the -- I think the situation that we all are trying to get a grasp on that rick michaelson so eloquently spoke to in the comprehensive plan, I think that right now i'm not sure the comprehensive plan has got a grip on where we need to go as a city in terms of our neighborhoods, but that's extremely important. I'm also encouraged that the bds drac is becoming engaged in addressing these issues of demolition and the process. We have been formulating for about a year our own position on that, and i'd be happy to leave you a copy if you haven't already received it. It is an evolving document, but I think it contains substantially the ideas that have been expressed by others in terms of defining demolition as 50% and providing the 120-day notice after a 35-or 45-day delay. 120-day delay by the neighborhood association. For cause, right now the causes are rather loosely defined. I want to say I it this demolition in our city is a crisis. Not just because of the way it's happening, but that is the permit process that's environmental impacts, the equity impacts, and the sensibility of people living in our city and their sense of well-being. As land use chair, I am weekly drawn into the angst and anger of neighbors who are panicked over what's happening and what might happen on their street. And they -- I get engaged with them, and talk to them about how the city policies are actually encouraging the demolition that's going on in our neighborhood. This is not a market force that's just floating around out there, this is -- these are city policies that set the stage that make this very profitable. Suburban developers are increasingly attracted to insert their standard products in our neighborhoods, and you can drive around the city and see that. It's going to be increasingly the case. They have special privileges in terms of getting their standard plans approved almost immediately. They don't go through any kind of design review, and so it's very inexpensive for them to go through the city process. And it requires much less up front money in terms of site development they would have in the suburbs. So there are market incentives, things that historic relics or conditions that set the stage, but we are encouraging this demolition. And I have to explain that to folks. These are not marketing forces, marketing forces, but they are market forces directed by the city planning and policy.

**Novick:** Doesn't the market play a role in that people wouldn't be building these things unless somebody wanted to buy them?

**Merrick:** I'm not saying this isn't -- I just -- i'll restate what I said, which is there are market forces at work. But there are market forces that are shaped by city policies. City policies that can be changed to create a different set of incentives.

**Novick:** It's sort of a basic level, if somebody could sell the existing house for a higher price than they could sell the one they are planning to build, wouldn't they not build the new thing and just sell the old thing?

**Merrick:** I think you'd have to look at what the incentives are in terms Of reduced up front costs and the lack of fees for going to the landfill --

**Novick:** There are no up front costs for -- if you're selling the existing house, there's not a bunch of new cost involved in that. So it does seem to me at a basic level the new house -- you can sell the new house for more than would you have sold the old house you wouldn't have swapped that one for the other.

**Merrick:** I can't argue with you on that point. Of course. They wouldn't be involved in the -- they wouldn't be engaging in the practice of tearing down houses if they didn't think there was an opportunity to make a profit. It is the market at work. But it's the market at work in any -- in an environment that is shaped by the regulatory environment. That's my point.

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**Hales:** Thank you very much.

**Merrick:** I got a couple of other thoughts here. I want to say the demolition counts can't be dismissed by the current nondefinition, because we've got many instances where the houses are torn down to a part of the wall and then reconstructed. So we need to look at the big picture on that. If we're going to toss around numbers. I mentioned our neighborhood along with southeast uplift and other southeast neighborhoods have adopted policies for demolition notification and a process that I will submit here today. The design and distinction, distinctive character of the neighborhood is really critical to Portland's health as a city. The zoning code needs to be based on neighborhood planning. And a framework code for distinctive neighborhoods, I think that's something the comprehensive plan needs to spend more time focusing on. The final point I think is the zoning including the demolition incentives needs to be assessed through a lens that includes a lot more sensitivity about equity, about environment, about the long-term vision that we have for the city. Thank you very much.

**Hales:** Thank you.

**Vanessa Renwick:** Hello mayor and commissioners. My name is vanessa, and I live in the the sabin neighborhood, which i've been living in for 25 years. I'm an artist and I made a film about an african-american-owned record store combo barber shop and corner store, and about the giant part of the community that it was and that it now does not exist. When cathy was talking about how many people are not happy with the design, that's going on on williams, I wanted to say that myself and a lot of my friends have taken to referring to williams avenue as frankenstein avenue. I'm here to speak for myself and also for many of my friends and neighbors that could not be here and they are concerned about the loss of the smaller starter homes that are mainly being replaced by hideous architecture that is not a step at all -- and priced way out of range of the working class and lower income people that are not able to live here anymore. Many of my friends have left already, and I know others will be moving out of Portland because they cannot afford to live here, and not only people, but as others spoke before, lots of trees are being cut down when these new houses are built right to the edges of the property. And not only am I thinking about myself, but i'm thinking about birds, and bugs, and other habitat that we are losing. As an aside, if it's becoming density is an issue, why are people allowed to own property and leave them empty? Three homes within a two-block radius of my home have been for over 25 years. I don't know the answers to these or how to address these concerns, but as I sat here listening to all who spoke, I found myself, the artist, looking up at my friend michael's painting above us, depicting Portland before the settlers arrived. And I found myself thinking, I should paint a huge dollar sign over the entire painting. As it is with the demolitions, replacing houses poor people can afford with monstrosities we're heading to becoming the nightmare that is san francisco now. I'm grateful for the time given for us to voice our concerns and ask the solutions be found quickly before more damage is done to the city that we at love dearly.

**Hales:** Thank you. Thanks very much. Mary ann, you get the last word.

**Mary Ann Schwab:** Hello. Mayor and commissioners, mary ann schwab, I live in the sunnyside neighborhood and have been there over 40 years. I'd like to talk about the demolition delay and how it started. Recreation, education act -- would be a model for every 95 neighborhood. It started with reach. We were very successful in getting the first 30-day demolition delay and what some of the background on that, within six weeks, within six blocks of my house we lost an english tudor house on 39th and Washington, now parking lot, we lost a craftsman style house at 39th and salmon next to the u.s. Bank, we lost two bungalows on 33rd and southeast stark, we do need a respite care for seniors, so it changed from residential to commercial. We've been tracking this quite a while. Most recently we had a nasty developer who came in to 2808 southeast belmont, no notification, dumpster boxes and when I drove by I saw workers mostly as -- workers of color not having eye masks or face masks. So i'm very concerned about asbestos, i'm very concerned about lead paint, i'm very concerned about the workers doing the work. That needs to be tightened up. Also, I really support

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neil kelly and how he runs his business. A very popular developer, people trust him. He mails out a postcard to anybody within that area, so if you come home and find your garbage can tipped over or pickup truck in your driveway, there is a number 24/7. That's not the case with a developer currently putting in 113 units at peacock lane's back fence between stark and belmont is 180 feet deep, three different zones, very complex project for any developer and your city planners. And i'm disappointed the fence was left open and one of the ladies on peacock lane, 85, fell in a hole, no one recognized her. A car went around the clock, went up to stark, peacock lane and back, put on her flashers and was able to get her home. There has to be more attention to the public when they're building these things. It's safety issues. That 60-day notification is helpful, for the neighborhood association that ties into your Portland public involvement principles, but we need the extra city days in case somehow in my neighborhood sunnyside I find somebody with \$30,000, in their pocket hire a land use attorney to fight back, that's what happens in the Multnomah neighborhood when they really tried to get three-quarter acre fremont water tower property in a park deficient neighborhood. They lost their case. We as private citizens really need some more support out in these issues. And speaking of that land, they sold it on craigslist. On a thousand dollar promissory note. I want promises from you and the two absentees that it will never happen again on craigslist. They already tried to -- that's got to stop. This land must be protected, owned in the commons, for the common good, and we need to be part of those decisions. And I thank you for that. The historical district, what's the point of our doing all this work in buckman, all this work anywhere in the city, when it's easy to sell it people that own the property say, take my name off the list. That's wrong. That really sabotages the whole neighborhood and the whole concept. I really support all the speakers here ahead that had great presentations. Please take time to reread them. Thank you.

**Hales:** Thank you all. Time for some council questions to staff or comments if there are any. I just want to say I think this has been one of the more thoughtful and compelling public hearings i've been in, and i've been in a lot of them. I really appreciate the quality of the work that we heard from all three of our volunteers boards and commissions, landmarks design and the development review advisory committee. So I think you really all have done a great job of highlighting this issue.

**Schwab:** One house is going down and when you look at the lot and how they squeezed it you, get four in there. Your accessory dwelling units will be a nightmare. We need to talk about how you're spending that money. We need some of the percentage of that money you're going to spend on our noise abatement officers. They're going to create the noise, they need to pay for the staff to pull it back into place. Thank you.

**Fritz:** What dollars are we spending next week?

**Hales:** I don't know what we're spending --

**Schwab:** Whatever dollars you're spend, if you are collecting hotel tax --

**Hales:** Those dollars.

**Fritz:** Thank you.

**Hales:** I wanted to thank you for consolidating these report and the testimony together because I think they're all interrelated issues. And it was very timely to get all of this together.

**Hales:** Questions for staff. Follow-up.

**Fritz:** I wanted staff to tell us what the bds staff has been having discussions regarding demolitions, the issue with what the state requires in the building code versus what we can do.

**Rebecca Esau, Bureau of Development Services:** Manager of the land use services division at the bureau of development services. Before I get into that I wanted to say, for example -- express my appreciation to the commission and of the reports and testimony from the community as well as the work the drac has done with city staff, not just from bds from the infrastructure bureaus on the issues you heard today. So there is as you heard a subcommittee with drac that's working on the issue of the definition of demolition as well as trying to create a definition or a parameters for what it would be considered a major remodel versus a minor remodel and address those issues of if you

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take more than 50% of the wall area down, what does that constitute. I don't have the information about the state law with me, the person from bds who was here who was available to talk about that has left. But we can get that information to you. And we have a draft that we're working with the committee on, and I can send you all the draft if you'd like to look at where we're at on the different parameters and categories and what review levels they would require and notification associated with those.

**Hales:** I'd like that.

**Fritz:** It's my intent to continue that process which is well underway. The development review advisory committee has been working closely. This is the first time I heard from the historic landmarks commission with their recommendations, so i'll look into what was proposed. And bring something back to council.

**Hales:** One of the things I heard today, I think it's clear that there are things we need to do in the comp plan, things we need to do before that, and those are separable questions. What do we need to do in the comp plan to change the conditions, but what do we need to do now to deal with what is a more urgent problem.

**Fritz:** And there's some things that can be done quickly by changing title 24, which is the demolition code. The issues I heard today is that i'm very interested in having the planning sustainability commission and planning bureau with the comp plan is the design of the new houses and particular lot coverage, that was something that bothered me the entire seven years I was another planning commission. And that's where you get the out of scale development. I will say to everybody that we have made some significant progress on the issue of the tree preservation, by my colleagues on the council funding the tree code implementation which will start january 1st. Thank you very much. So it won't save all of the trees, but certainly for the large trees it will require a permit in any situation whether it's development or not. So that's something that we will be doing some community outreach to explain what the new regulations are and implementing that code as of january 1st. Help is on the way on that particular issue. The other pieces as to what we need to do to make the new development more compatible is a comprehensive plan issue and I know that that's in the second half of the proposed longer recap, that the bureau of planning is going to be Proposing, it hasn't gone to the planning commission yet, but they're going to be proposing an 18-month process to look at that, whether there might be quick things that could be done sooner rather than later on that, that's your purview.

**Hales:** I want to look at that very question of how can we do it faster.

**Fritz:** I think it's helpful in our commission form of government especially with the collaborative spirit that I can move this piece forward quickly, you can focus on the design pieces, and hopefully address these as soon as we can.

**Esau:** I did want to put in a plug for having the tools that we need to do the job to address the concerns you hear today. We need to update the design guidelines, we need to write design guidelines where they don't exist and these are bps projects that need to be funded and on the work plan. And we need to rewrite and overhaul the community design standards that we're talking about doing.

**Fritz:** Those would be put into the budget request for next year.

**Esau:** Maybe even the fall bump.

**Fritz:** I think the 20,000 is small enough to get going on that especially since it's coming from our beloved commission, that is something that I would be comfortable moving forward. The staffing issue for how we would ramp up for a greater design overlay into more design work I think more probably belongs in the bigger Discussions. Which is only another three or four months after the fall bump.

**Esau:** Nancy is here, I thought you'd gone, but she is the staff member who is running the project with drac related to the major remodels and demolition.

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**Fritz:** The question is about the state regulation and what we need to do to be able to look at the 50% mark or whatever the number might be as to how to define a partial remodel rather an demolition.

**Nancy Thorington, Bureau Development Services:** There are no constraints under the state law. It's pretty much an open slate. And other communities have done that. So we're just basically looking for direction from the council.

**Hales:** That's good. That's great. We have a legislative ask most likely but we don't have to wait for state building codes approval to do -- make changes.

**Fritz:** There is a subcommittee working on that?

**Thorington:** Yes. The drac it's demolition subcommittee, and we've been working with staff on creating a program guide that basically would outline what these different -- what's a demolition, what's a minor and what's a major remodel and then drac, that subcommittee also is working on recommendations to the council for how to address the issues in title 24.

**Fritz:** In the interest could you invite members from the historic landmarks commission and the design commission to join that subcommittee.

**Thorington:** Absolutely.

**Hales:** Great. Other questions for staff? I believe we need to take action to simply accept the reports today. That doesn't mean we're done obviously with this work. But we do need to accept the report. I'd like to hear a motion to accept the landmarks commission's report.

**Novick:** So moved.

**Fritz:** Second.

**Hales:** Roll call.

**Novick:** I appreciate all the testimony today, and the work the commission, and of the staff. I want to say both of these reports are extremely well written, and enjoyable to read. And that's something we don't always achieve. In government or in citizen committees. It's much appreciated. Aye.

**Fritz:** Thank you commissioner, that was one of the reasons I felt compelled to keep reminding folks that the people who were testifying to were citizen volunteers because the level of expertise is outstanding. Particularly happy with regard to the landmarks commission report, to hear the mayor's support for moving forward on the skidmore design standards and design guidelines. I feel that's one of my items on my bucket list that I owe to art demuro and I would be very happy to get that done as soon as possible. Appreciate all of the other elements of the historic Landmarks commission and report. And really happy that in some ways we have this challenge that finally development is starting to happen and we can look at what is the new city that we want to be promoting, where are we going. All of the work we did over the recession with the Portland plan and now with the comprehensive plan update, it's coming at just the right time, maybe a year or two too late, but that was not for want of trying to get things done so I think we're well placed to be making some changes that will then promote the kind of development that we can all embrace. It will take a lot more work and I encourage everybody to continue participating in the comprehensive plan work, because that's really where the nitty gritty of what this new development looks like and how do we preserve more homes. This is a policy question to be made too. There are policy questions especially in the historic landmark, just because you're old and just because you're historic do you need to be saved? That's something that you will help us grapple with and the community as a whole, because there isn't a right or wrong answer, it's a question of what do we as a community value when we're balancing all of our comprehensive plan policies and all of our statewide land use planning goals. I look forward to that discussion. Aye.

**Hales:** Thank you all again for great work and for a really excellent public hearing. I just -- it's one of those times you know you're in Portland because of the level of thoughtfulness in about a place that people care so much about. So thank you. It's been extraordinary for me. Aye. [gavel pounded] and the other item, to accept the design commission's report.

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**Fritz:** So moved.

**Novick:** Second. I don't think Gwen is here anymore, but I want to say again what a pleasure it's been to have her serving in that capacity. And -- the whole commission deserves kudos, but shout out again to Gwen. And I also want to reiterate my appreciation for the design commission helping us get to this question what to do about parking, even though it's not really within their scope of responsibility. Aye.

**Fritz:** The parking question is particularly of interest to me, coming from Europe where even in London they do require one-to-one parking for new units. So we can learn from looking around and we can make it Portland. So I think that's part of the challenge too. So there's many issues of design that overlap the issues of historic preservation and indeed we're creating the history of tomorrow. So we need to be looking at that. I appreciate the discussion of what are the buildings of the future that the design commission considers when it's looking at things. So as I mentioned I do note there will be vacancies on the design commission, so if anybody who is watching has found this fascinating as the three of us have, I'd say call Commissioner Fish and Commissioner Saltzman. They didn't get to participate in this hearing and it's always one of my favorite hearings of the year to hear the work you've been doing and even though it's now after 5:00, the concise summary of all the work you do is very, very impressive. So thank you very much. Aye.

**Hales:** Quality of place is what we've got. So thanks for excellent piece of work by the commissions and again by the testimony you heard. You'll be seeing action from this council on this subject matter very soon. Thank you. Aye. [gavel pounded] we're adjourned until next week.

At 5:23 p.m., Council adjourned.