



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **1ST DAY OF OCTOBER, 2014** AT 8:00 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5.

Commissioner Fritz left at 9:38 a.m. Commissioner Saltzman left at 1:00 p.m.

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

Item Nos. 1004, 1006 and 1008 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

The meeting recessed at 10:00 a.m. and reconvened at 1:00 pm.

COMMUNICATIONS		Disposition:
994	Request of Siamak Shirazi to address Council regarding sidewalk safety and drug culture issues in downtown and Old Town (Communication)	PLACED ON FILE
995	Request of David G. Gwyther to address Council regarding transportation issues (Communication)	PLACED ON FILE
996	Request of Marian Cathedral-King to address Council regarding the 2014 Fuel Your School Program of Chevron (Communication)	PLACED ON FILE
997	Request of Pat Wagner to address Council regarding the impact of Chevron and oil companies on Linnton (Communication)	PLACED ON FILE
998	Request of Fredric Alan Maxwell to address Council regarding stupid design (Communication)	PLACED ON FILE
TIMES CERTAIN		
999	<p>TIME CERTAIN: 9:45 AM – Appoint Mark Edlen to the Portland Development Commission Board for a term to expire July 9, 2017 (Report introduced by Mayor Hales) 15 minutes requested</p> <p>Motion to accept the report: Moved by Saltzman and seconded by Fish.</p> <p>(Y-4; Fritz absent)</p>	CONFIRMED

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<p>*1000</p>	<p>TIME CERTAIN: 10:00 AM – Ratify a successor collective bargaining agreement between the City and Laborers’ Local 483 relating to the terms and conditions of employment of Seasonal Maintenance Workers for 2014-2018 (Ordinance introduced by Mayor Hales) 15 minutes requested Rescheduled to 9:30 am, Wednesday, October 1, 2014. (Y-5)</p>	<p>186828</p>
<p>1001</p>	<p>TIME CERTAIN: 10:15 AM – Appeal of Woodstock Neighborhood Association against Hearings Officer’s decision to approve a zone change in conformance with the Comprehensive Plan and a 3-lot land division at 3936 SE Reedway St (Introduced by Commissioner Fritz; Previous Agenda 945; LU 13-237078 ZC LDP) 15 minutes requested Rescheduled to 1:15 pm, Wednesday, October 1, 2014. Motion to support the appeal and deny the application; staff prepare findings for October 15, 2014 at 10:15 am Time Certain: Moved by Fritz and seconded by Fish. (Y-4; Saltzman absent)</p>	<p>TENTATIVELY UPHOLD THE APPEAL AND OVERTURN THE HEARINGS OFFICER’S DECISION; PREPARE FINDINGS FOR OCTOBER 15, 2014 AT 10:15 AM TIME CERTAIN</p>
<p>CONSENT AGENDA – NO DISCUSSION</p> <p>Mayor Charlie Hales</p>		
<p>*1002</p>	<p>Authorize the Mayor to enter into a Funding and Participation Agreement with the Portland Harbor Natural Resource Trustees to pursue settlement of natural resource damages relating to the Superfund Site (Previous Agenda 962) (Y-5)</p>	<p>186810</p>
<p>Bureau of Planning & Sustainability</p>		
<p>*1003</p>	<p>Amend Intergovernmental Agreement with Metro to accept an additional \$44,741 in grant funds for the Construction Excise Tax Grant - Mixed Use Zoning Project (Previous Agenda 963; amend Contract No. 30003798) (Y-5)</p>	<p>186811</p>
<p>Office of Management and Finance</p>		
<p>*1004</p>	<p>Authorize a contract with Nelson Capitol Construction Program Management, LLC in the amount of \$125,165 for construction project management and cost estimation services at the Veterans Memorial Coliseum as solicited through RFP No. 117059 (Ordinance)</p>	<p>RESCHEDULED TO OCTOBER 8, 2014 AT 9:30 AM</p>
<p>1005</p>	<p>Amend contract with Hyas Group to increase compensation and extend current contract for investment consulting services for the City's Deferred Compensation Plan for \$72,000 (Ordinance; amend Contract No. 30001011)</p>	<p>PASSED TO SECOND READING OCTOBER 8, 2014 AT 9:30 AM</p>
<p>1006</p>	<p>Create a new entry level represented classification of Water Meter Technician I and establish an interim compensation rate for the new classification (Ordinance)</p>	<p>REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</p>

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*1007	Pay claim of Cleon Harris in the sum of \$78,685 involving the Portland Fire Bureau (Previous Agenda 964) (Y-5)	186812
Commissioner Steve Novick Position No. 4 Bureau of Emergency Management		
*1008	Authorize application to the Rockefeller Foundation for a grant in the amount of \$1,000,000 to develop and implement a citywide resilience plan, become an integrated member of the 100 Resilient Cities Network, and create a Chief Resilience Officer within City government (Previous Agenda 966)	RESCHEDULED TO OCTOBER 8, 2014 AT 9:30 AM
Bureau of Transportation		
1009	Accept an Engineering Report on a proposed encroachment into the public right-of-way for a sub-surface tunnel under SW Meade St (Ordinance)	PASSED TO SECOND READING OCTOBER 8, 2014 AT 9:30 AM
Commissioner Amanda Fritz Position No. 1 Portland Parks & Recreation		
*1010	Authorize the acquisition, at a cost of \$400,000, of property adjacent to Leach Botanical Garden for park purposes (Ordinance) (Y-5)	186813
*1011	Authorize the acquisition, at a cost of \$125,000, of property adjacent to Hoyt Arboretum for park purposes (Ordinance) (Y-5)	186814
*1012	Accept a \$40,000 grant from the Oregon Department of Education and authorize a price agreement with Centennial School District for the Afterschool At-Risk Meal and Snack Program (Previous Agenda 967) (Y-5)	186815
Commissioner Nick Fish Position No. 2 Bureau of Environmental Services		
*1013	Designate and assign a property at SE Malden Ct and 87th Ave, owned by the Bureau of Environmental Services, to the Bureau of Planning and Sustainability for use in the Diggable City Project (Ordinance) (Y-5)	186816
*1014	Accept a grant in the amount of \$200,000 from the State of Oregon Department of Environmental Quality for the Lower Columbia Slough Refugia Project (Previous Agenda 968) (Y-5)	186817

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<p>*1015</p>	<p>Accept and appropriate a grant in the amount of \$20,320 from Oregon Business Development Department for brownfield project cleanup planning (Previous Agenda 969) (Y-5)</p>	<p>186818</p>
<p>Water Bureau</p>		<p>PASSED TO SECOND READING OCTOBER 8, 2014 AT 9:30 AM</p>
<p>1016</p>	<p>Authorize an agreement with Clark Regional Emergency Services Agency for the installation and co-location of radio equipment in the amount of \$29,335 and provide funding for site improvements in the amount of \$16,000 at the Prune Hill, Clark County, Washington site (Ordinance)</p>	
<p>City Auditor LaVonne Griffin-Valade</p>		<p>186819</p>
<p>*1017</p>	<p>Assess property for system development charge contracts and private plumbing loan contracts and safety net loan deferral contracts (Previous Agenda 970; Z0806, K0149, T0160, T0162, W0037, P0128, Z1196, K0150, T0163, Z0807, W0038, P0129) (Y-5)</p>	
<p>REGULAR AGENDA</p>		<p>PLACED ON FILE</p>
<p>1018</p>	<p>Proclaim September 15 to October 15, 2014 to be Hispanic Heritage Month in Portland (Previous Agenda 989; Proclamation introduced by Mayor Hales and Commissioner Fritz) 10 minutes requested</p>	
<p>Mayor Charlie Hales</p>		<p>186820</p>
<p>Office of Management and Finance</p>		
<p>*1019</p>	<p>Authorize contract with Skyward Construction, Inc. for \$672,672 for Portland Parks and Recreation – Portland Tennis Center Air Supported Structure (Ordinance) (Y-5)</p>	
<p>1020</p>	<p>Authorize water revenue bonds to finance water system additions and improvements (Ordinance)</p>	<p>PASSED TO SECOND READING OCTOBER 8, 2014 AT 9:30 AM</p>
<p>1021</p>	<p>Authorize a price agreement with Gresham Transfer, Inc. for residuals hauling services for a 5-year contractual total not to exceed \$6,000,000 (Previous Agenda 990; Procurement Report - RFP No. 116696) Motion to accept the report: Moved by Fish and seconded by Saltzman. (Y-5)</p>	<p>ACCEPTED PREPARE CONTRACT</p>
<p>1022</p>	<p>Amend Code relating to franchises, public utility privilege taxes and Utility License Law for consistency and clarity (Second Reading Agenda 991; replace Code Chapter 7.12 and amend Section 7.14.040) (Y-5)</p>	<p>186827</p>

<p>Commissioner Steve Novick Position No. 4 Bureau of Emergency Management</p>		
<p>*1023</p>	<p>Accept a grant from the Federal Emergency Management Agency Emergency Management Performance Grant Program in the amount of \$385,027 for administering an integrated all hazard emergency management program for the City (Ordinance) (Y-5)</p>	<p>186821</p>
<p>Bureau of Transportation</p>		
<p>*1024</p>	<p>Approve agreements with American National Red Cross to amend the local improvement district assessment methodology and accept funding in the amount of \$30,000 to construct a mast arm traffic signal at the N Vancouver Ave and Cook St intersection and to realign the eastbound lanes of N Cook St east of the Interstate 405 off-ramp in the N Vancouver Ave and Cook St Local Improvement District (Ordinance; C-10047) 10 minutes requested (Y-5)</p>	<p>186822</p>
<p>*1025</p>	<p>Authorize an Intergovernmental Agreement with TriMet for an Electronic Fare Collection System (Ordinance) 10 minutes requested (Y-5)</p>	<p>186823</p>
<p>*1026</p>	<p>Authorize contracts as required with 15 technical and expert service firms for on-call architecture and engineering services in support of the Portland Bureau of Transportation (Previous Agenda 972)</p>	<p>REFERRED TO COMMISSIONER OF PUBLIC SAFETY</p>
<p>*1027</p>	<p>Authorize contracts as required with eight service firms for Right of Way Appraisal and Acquisition and Relocation projects that are funded through Federal Aid (Previous Agenda 973) (Y-5)</p>	<p>186824</p>
<p>Commissioner Nick Fish Position No. 2 Water Bureau</p>		
<p>1028</p>	<p>Amend Bull Run Watershed Protection Code to include the U.S. Department of Interior Bureau of Land Management as a management partner, update enforcement provisions and adopt an updated map of the Bull Run Watershed Closure Area (Ordinance; amend Code Sections 21.36.010-21.36.040) 10 minutes requested</p>	<p>PASSED TO SECOND READING OCTOBER 8, 2014 AT 9:30 AM</p>
<p>Commissioner Dan Saltzman Position No. 3 Portland Housing Bureau</p>		
<p>*1029</p>	<p>Approve financing not to exceed \$12,623,000 from the River District Urban Renewal Area for The Abigail Apartments at 1650 NW 13th Ave (Ordinance) 10 minutes requested (Y-5)</p>	<p>186825</p>

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*1030	Amend approved application under the Multiple-Unit Limited Tax Exemption Program for The Abigail Apartments located at 1650 NW 13th Ave (Ordinance; amend Ordinance No. 186290) (Y-5)	186826
1031	Establish annual cap on estimated foregone revenue for the Multiple-Unit Limited Tax Exemption Program (Previous Agenda 980) 20 minutes requested for items 1031-1034 (Y-4; Saltzman absent)	37089
1032	Approve application under the Multiple-Unit Limited Tax Exemption Program for Block 67 located at E Burnside St and NE Couch St between NE 2nd Ave and 3rd Ave (Previous Agenda 981)	PASSED TO SECOND READING OCTOBER 8, 2014 AT 9:30 AM
1033	Approve application under the Multiple-Unit Limited Tax Exemption Program for Block 8L located at NW Naito Parkway and 1st Ave between NW Couch St and Davis St (Previous Agenda 982)	PASSED TO SECOND READING OCTOBER 8, 2014 AT 9:30 AM
1034	Approve application under the Multiple-Unit Limited Tax Exemption Program for Riverscape Lot 1 located at NW Front Ave and NW 15th Ave (Previous Agenda 983)	REFERRED TO COMMISSIONER OF PUBLIC AFFAIRS
	City Auditor LaVonne Griffin-Valade	
1035	Assess property for sidewalk repair for the Bureau of Maintenance (Second Reading Agenda 992; Y1084) (Y-4; Fritz absent)	186829

At 1:35 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **1ST DAY OF OCTOBER, 2014** AT 2:00 P.M.

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

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

<p>1036 TIME CERTAIN: 2:00 PM – Consider the proposal of Sam Rodriguez, Mill Creek Residential Trust, LLC and the recommendation from the Hearings Officer for approval to change the Comprehensive Plan Map designation from High Density Multi-Dwelling to Central Commercial and the Zoning Map designation from RHd, High Density Multi-Dwelling Residential with a Design overlay zone, to CXd, Central Commercial with Design overlay zone, for property in the vicinity of SW 20th and 19th Avenues and SW Main and Madison Streets (Hearing introduced by Commissioner Fritz; LU 14-105474 CP ZC) 3 hours requested for items 1036-1037</p>	<p>Disposition:</p> <p>CONTINUED TO OCTOBER 30, 2014 AT 3:00 PM TIME CERTAIN</p>
<p>1037 Amend the Comprehensive Plan Map designation and amend the Zoning Map for property in the vicinity of SW 20th and 19th Avenues and SW Main and Madison Streets at the request of Sam Rodriguez, Mill Creek Residential Trust, LLC (Ordinance introduced by Commissioner Fritz; LU 14-105474 CP ZC)</p>	<p>CONTINUED TO OCTOBER 30, 2014 AT 3:00 PM TIME CERTAIN</p>

At 5:09 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.

OCTOBER 1, 2014 8:00 AM

Hales: Good morning. Council, please come to order. Would you call the roll?

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

Hales: Welcome to the October 1st meeting of the Portland City Council. We're going to be operating on a somewhat disrupted and unusual schedule today, so bear with us. Let me run through that schedule just so if anyone hasn't heard the details of this remodeling of the normal calendar, you'll know. So first, we're going to have any opening comments by council members this morning, and begin with communications items. We have a 10:00 a.m. time certain, item 1000. I'm sorry, we'll take that one first. We have a 10:00 a.m. time certain, which is item 1000. We're going to take that one first. If there's no objection, we will hear that at 9:30 today. Item 1001, which was scheduled as a 10:15 time certain -- a land use case -- is being rescheduled to 1:15 this afternoon. Then, we'll take Council Communications. However, one of the folks who signed up for communications, Mr. Shirazi, could only be here at the normal time of 9:30, so we'll hear him then when he arrives. Number 998, Mr. Maxwell, canceled. Then after that, we'll take the consent calendar. There's items being pulled from the consent calendar that will be rescheduled for the following week. Items number 1004 and 1008 are being rescheduled to October 8th. We'll move on through a number of other items, the proclamation, item 1018, the emergency ordinances, items 1019 through 1030. We will, again, take up the time certain item number 1000 at 9:30. And then at approximately 9:45 or 9:50, once we get through most of that business, we will recess from 10:00 a.m. to 1:00 p.m. And all this is because the secretary of transportation is here for a special event. Commissioner Novick and I need to be there. We'll return at 1:00 p.m., finish the regular agenda, and move on through the rest of the calendar then, including and getting to our 2:00 time certain -- surprisingly, at 2:00. So we will eventually get back to ourselves at 2:00 p.m. I hope that makes some sense, and I'm sure that there's some questions about that.

Saltzman: Are we going to do items 1029 and 1030, which are emergency ordinances for housing investment?

Hales: Yes, we're going to do those this morning. The emergency items we'll do this morning.

Fish: Mayor, what's your sense of when the day is likely to end?

Hales: Well, the land use case is a substantial one. So, I would expect -- it would not surprise me if we finished our work here in this chamber at 4:30 or 5:00 this afternoon.

Fritz: I think that's a generous --

Hales: Yeah, it might be a generous estimate. We might be later than that. OK. Any objections to this calendar by councilmembers? Any questions from those of you who are here? In that case, that's how we'll proceed. Anyone else have any opening comments before we start? Alright. Then let's move to item number 1000 and read that first, please.

Moore-Love: Did you want to take the communications first?

Hales: Well, the batting order I have here says we will take 1000 at -- sorry, never mind. You're right. Yes, we will now take communications items, sorry.

Moore-Love: I note that only one is here this morning.

Item 995.

Hales: Mr. Gwyther, come on up. I think we will take the communication items as people arrive, just because they did not get much warning about this. Good morning, Mr. Gwyther.

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David G. Gwyther: Thank you for the time. You may have my little handout there in front of you. As I've noticed in the newspaper, you have a big problem in trying to figure out how to finance improvements in streets and sidewalks. I think one of the problems in understanding that is trying to discern the difference between a capital good and a consumption service. Most of your budget is consumption services. When you hire police officers, firemen, etc., those are all consumption services. Capital goods should last at least two years. So for example, sidewalks -- that's your classic. I've seen sidewalks in the city that date back to 1907. That is a classic capital good, and you can bond for that using tax-free municipal bonds. Streets. At least 10 or 20 years for a good asphalt street -- another thing that you can bond for using municipal bonds. Potholes. Let's hope that they last two years, and you could use short-term bonds for that. How are you going to repay the bonds? First of all, when you put a sidewalk and a street in front of a house, the value of the house goes up. Hence, the amount of property taxes you collect goes up on that particular house. Also, you have a general increase in the values of the area around the house. Right now, you have a building boom going on in this town -- which I'm sure that you've noticed -- and you have tax revenues that are unanticipated, which should be able to anticipate based on the building permits, etc. So that's one way you can repay these bonds. Secondly, you're going to have additional cash flow from things like business taxes. Let's say a neighborhood is underdeveloped in Lents. If they get a new grocery store, you're going to get business taxes. It helps to have streets and sidewalks to get to the grocery store if you want to build a grocery store. OK. Interest rates are very low right now, historically. Actually, municipal bonds, tax municipal bonds -- maybe 3% or 4% -- is a very, very low rate. Inflation over a 30-year period takes care of a lot of the costs involved in this. Plus, increases in the property tax revenue should help, too. And right now, there's an opportunity for small savers that you can address. Small savers really don't have a place. You go to the bank, you get 1% on a CD. You could offer \$5000 municipal bonds direct from the city -- not through Goldman Sachs or somebody -- and the state treasurer's office. They've handled direct sales that would allow small savers with that say \$5000 to get a small check every month for as many years as they want. Out to as much as 20 or 30 years, depending on how you want to do it. So, you are in a situation where you get a triple win. You get the sidewalks, you get the increase in the property values, and you get a way of helping small savers save for the future. Anyway, if you have any questions, you have my numbers there. Urban economics happens to be something that I know something about, and I have a million miles of cab driving in the streets of Portland, so I have kind of a unique perspective. But call ECONorthwest if you want to pay for my testimony.

Hales: OK, thank you very much for those creative suggestions. Thank you. OK, I think we have no other communication items -- folks that have shown up this morning -- so let's take them as they arrive, Karla. Just let me know when we will scroll them in. OK, then let's move to the consent calendar. Again, we have pulled 1004 to be rescheduled for October 8th, and 1006 to be referred back to my office, and 1008 also to be rescheduled to October 8th. Are there any other items to be pulled off of the consent calendar and considered separately? If not, then let's vote on the balance of the consent calendar, please.

Roll on consent calendar.

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

Item 1018.

Hales: Good morning, and I have the proclamation here. I think we're going to read it in both Spanish and English. I'll read it in English -- I'll volunteer for that part -- and then we'll proceed from there. The proclamation says, whereas the Hispanic heritage of the United States historically extends over five centuries, which has been a consistent and vital influence in our country's growth and prosperity; and whereas, the definition of Hispanic is tied to the national origin or Spanish culture, regardless of race. Hispanics represent people with origins from 24 different countries, including the United States, Mexico, Puerto Rico, the Dominican Republic, Cuba, Guatemala, Belize, El Salvador, Costa Rica, Honduras, Nicaragua, Panama, Colombia, Peru, Ecuador,

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Paraguay, Uruguay, Brazil, Venezuela, Argentina, Bolivia, Chile, and Spain. They reflect an array of different and vibrant cultures that have enriched our community in valuable ways. Whereas, Hispanics continue to be the fastest growing population in Oregon and represent 12% of the population. In Portland, there are over 57,049 people of Hispanic decent, making up 9.5% of the city's population. Whereas, Hispanics have supported Portland's economy with a myriad of contributions in the fields of commerce, science, technology, public service, health, and more; today, their purchasing power in Portland is nearly \$4 billion and continues to grow; whereas, Portland recognizes the many organizations, institutions, and people helping Hispanics overcome disparities such as poor health outcomes and lower educational attainment to ensure that they remain a thriving community; and whereas, Hispanics make up 3% of the City of Portland's governmental workforce. To help attract more Hispanics to city jobs and support them through their careers with the city, the Unidos Latinos Americanos city employee affinity group has been recently established; now, therefore, I, Charlie Hales, Mayor of the City of Portland, Oregon, the city of roses, do hereby proclaim September 15th to October 15th, 2014 to be Hispanic Heritage Month in Portland and encourage all residents to observe this month. Thank you, and good morning.

Cristina Nieves, Office of Commissioner Amanda Fritz: Buenos días, good morning, Council. My name is Cristina Nieves, I'm from the Office of Commissioner Amanda Fritz.

Victor Salinas, Office of Neighborhood Involvement: And my name is Victor Salinas, and I am from the Office of Neighborhood Involvement with the community and neighborhood involvement center.

Nieves: Por cuanto, la herencia hispana en los Estados Unidos se extiende históricamente más de cinco siglos y ha sido una influencia constante y vital el crecimiento y prosperidad de nuestro país; y por cuanto, la definición de hispano está ligada al origen nacional o la cultura con influencia española sin importar cuál sea la raza. Los hispanos representan más de 24 diferentes países de origen, incluyendo: Estados Unidos, México, Puerto Rico, República Dominicana, Cuba, Guatemala, Belize, El Salvador, Costa Rica, Honduras, Nicaragua, Panama, Columbia, Perú, Ecuador, Paraguay, Uruguay, Brasil, Venezuela, Argentina, Bolivia, Chile y España. Reflejan una variedad de culturas distintas y valiosas que han enriquecido nuestra comunidad en forma notable; y por cuanto, los hispanos continúan siendo la población con más rápida tasa de crecimiento en Oregon y representan el 12% de la población; en Portland, hay mas de 57,049 personas de origen hispano que representan 9.5% de la población; y por cuanto, los hispanos han contribuido a la economía de Portland con un sinnúmero de aportaciones en las áreas de comercio, ciencia, tecnología, servicio público, salud y otras. Al día de hoy su poder de adquisición en Portland es de casi \$4 mil millones y continua aumentando; y por cuanto, Portland reconoce las diversas organizaciones, instituciones y personas que ayudan a los hispanos a supercar desigualdades como salud precaria y bajo rendimiento escolar para asegurar que continúen prosperando sus comunidades; y por cuanto, los hispanos representan un 3% de la fuerza laboral de Ayuntamiento de la Ciudad de Portland. La asociación de empleados Unidos Latinos Americanos ha sido reestablecida recientemente para poder atraer más hispanos a trabajar para el Ayuntamiento de la Cuidad; por lo tanto, yo, Charlie Hales, Alcalde de la Ciudad de Portland, Oregon, proclamo que del 15 de septiembre al 15 de octubre de 2014 sea Mes de la Herencia Hispana en Portland, y invite a todos los residents a celebrar este mes. Gracias. Thank you.

Hales: Thank you both, and thank you for your work in highlighting this important part of our history and future as a city, and also for organizing our own city employees. I think that's great that the affinity group has been reestablished. We have great professionals in our workforce that represent this Hispanic heritage, but we need more. So the two of you can help be that bridgehead, so thank you.

Salinas: Thank you Mayor Hales and Commissioners. We also wanted to thank you for the recent support you have been showing not only your employees, but community members like Francisco Aguierrre, with the letters -- and the rest of the commissioners, for the support that you are showing

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for our community member who's a great leader, community organizer, and does a lot of civic engagement, community engagement work. So thank you for showing that support.

Hales: Yes, Commissioner Fish was just talking about the event last night and how great the outpouring is from the whole community, so I'm glad that the city leadership is part of that family.

Fritz: Mayor, thank you for partnering and doing this proclamation. I believe this may be the first time ever that we have had an entire proclamation read in another language, so thank you so much for doing that, Cristina. I poached Cristina from Chair Madrigal's office a little while ago. It's significant that this year was the first year that we have had a Latina leader of Multnomah County in Chair Marissa Madrigal, and I'm very much appreciative that she also allowed Cristina to intern with her -- and then, as I said, I stole her. [laughter] I do appreciate the Unidos Latinos Americanos city employee affinity group, and I want to explain to folks watching at home that there are affinity groups that people just decide what they feel affiliated with and meet on their own time to enjoy and plan and plot -- I would say -- on how to further the knowledge and awareness and celebration of the different groups that we have within the city of Portland employees. It's part of the Diverse Empowered Employees of Portland, or DEEP program, and it's very, very useful, and I appreciate you being here this morning.

Nieves: Thank you, Commissioner.

Salinas: Thank you, Commissioner.

Hales: I see that we have a number of guests here as well, including the president of the Hispanic Chamber of Commerce. I would love to take a photo with the two of you and the proclamations, and any of you who are here to celebrate this today. So, come on up, please, and join the council, and we'll record this moment. [photo taken] Thank you all. Alright, let's move on to item 1019, I believe -- is that right, Karla?

Moore-Love: Yes, we'll start with the emergency ordinances.

Item 1019.

Hales: Good morning, Ms. Moody.

Christine Moody, Office of Management and Finance: Good morning, Mayor, Commissioners. Christine Moody, procurement services. The Portland Tennis Center air supported structure project will provide modifications for the installation of an air supported structure. In addition to the structure itself, other modifications include a new foundation, accessible ramp, utilities, lighting, and landscaping. You have before you a procurement report recommending the contract award to Skyward Construction. The engineer's estimate was \$400,000. On August 12th, 2014, two bids were received, and Skyward Construction is the low bidder at \$672,672. The city identified eight divisions of work for potential minority, women, and emerging small business subcontracting, and subcontracting participation on this project is at 36.1%. And they are responsive to the city's good faith effort requirements. I will turn this back over to Council if you have any questions.

Hales: Commissioner?

Fritz: If I might just frame the project. I appreciate the contracting report. It's been so long since we decided to do this that some of the public might not be aware of it. It is a project that Portland Parks and Recreation has been working on for some time. It will cover some of the existing outdoor tennis courts at the Portland Tennis Center with a bubble, or an air supported structure -- I never thought of a bubble as an air supported structure before -- [laughter] -- it seems like the structure is enclosing the air, but there we go. It will increase the usage of the court significantly, providing not only more recreational opportunities but also more revenue, so that's built into the forecast. It is significantly more expensive than we had estimated at the beginning. In fact, we didn't get any bidders the first time we put out for it. It's due to the changed bidding environment with the building contract, but we believe it will be a cost-effective improvement to Portland Parks and Recreation that will not increase the challenges on the taxpayers' money in funding that bureau.

Hales: OK, thank you.

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Fish: If I could just add one thing, Mayor. While I enthusiastically support this, we have a shortage of tennis courts in our system, and we have lots of people waiting to play tennis. Portland Parks and Rec uses public-private partnerships and innovative ways to expand services. And as I learned, by putting a bubble over some courts, they will greatly expand the available usage for those courts. Because you think about it, those courts cannot be used in the winter and when it rains. With a bubble, they will get vastly more use, which means more revenue, which will offset the cost of financing the bubble. So, the goal over time is actually to have a net positive revenue to the bureau. And in the short-term, the additional revenue will cover the debt service. So I think that this is a terrific model, and I applaud Commissioner Fritz for bringing it home.

Hales: Thank you very much. Good comments. Any questions for Christine? Anyone signed up to speak on this item?

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

Hales: Anyone want to speak on this item? Thank you very much. Roll call.

Item 1019 Roll.

Novick: Aye.

Fritz: Aye.

Fish: Aye.

Saltzman: Aye.

Hales: First rainy week of the season is a good time to vote on this. Aye.

Item 1023.

Hales: Commissioner Novick.

Novick: Colleagues, PBEM applies for FEMA's emergency management performance program every year, and it's been awarded to PBEM every year since 2007. Funds are used to supplement bureau costs, pays for half the cost of three PBEM positions, half the annual rent for PBEM office space, half the cost of technology services for the emergency coordination center, and half of the public alert housing contract. All funds received through the MPG program are provided on a reimbursable basis. We match 50% in the form of salary, benefits, and materials and services in the FY 2014-15 budget of PBEM. And my talking points say that Carmen is here to answer any questions, but actually, given the hour, I'm not sure she was able to be here.

Hales: Understood.

Fritz: So are these new positions, or -- do you know if they're currently funded?

Novick: I think they're ongoing positions.

Fritz: And is this a grant that we expect to continue to get? The cost of the annual rent for the office space is concerning to me -- that that's not part of the core general fund budget.

Novick: It is concerning to me, too, but we have gotten it since 2007, so we need to cross our fingers and hope that we continue to get it. The fact that PBEM is so reliant on outside cash is a concern to us. But so far, at least this grant we've been able to count on.

Fritz: Yeah, it's something that you have brought to my attention this year -- that the emergency management implementation and services is not well-funded. And it's one of the best-kept secrets -- because we've been so focused on transportation and housing and parks funding -- that emergency management used to be up there, too.

Novick: Thank you.

Hales: We do have, of course, an excellent new facility and had an exercise yesterday that just demonstrates that we've made some investments that makes sense. But your points sound nevertheless, in terms of the operating costs.

Fish: By the way, Mayor, there was a boil order notice yesterday. Just to be clear, it was in Wood Village and not in the city of Portland. We were delighted not to be holding a press conference announcing that yesterday at that same center.

Hales: Hear, hear. Anyone signed up to speak on this item?

Moore-Love: I did not is a sign-up sheet.

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Hales: Anyone want to speak? Roll call.

Item 1023 Roll.

Novick: My thanks to the federal government. Aye.

Fritz: Aye.

Fish: Aye.

Saltzman: Aye.

Hales: Aye.

Item 1024.

Hales: Commissioner Novick.

Novick: Colleagues, this ordinance is related to a previous LID agenda item that was approved by Council on May 14th, 2014. The purpose here is to amend the LID assessment methodology to incorporate a generous financial contribution of \$30,000 from American National Red Cross to construct a mast arm traffic signal. And let's see, do we have somebody from Red Cross here to address this? I don't know that we do. Anyway, that's the item.

Hales: Yeah, we had a good hearing on this LID when it was created, so I think we have a pretty good understanding on the council about what we're getting for this project. This is a nice addition. Other comments or questions for Commissioner Novick? And is there anyone here to speak on this item? If not, then let's take a roll call, please.

Item 1024 Roll.

Novick: Thanks to the Red Cross. Aye.

Fritz: Aye.

Fish: Aye.

Saltzman: Aye.

Hales: A much-needed project, and a nice addition. Thank you. Aye.

Item 1025.

Hales: Commissioner Novick.

Novick: Normally, I see Kathryn Levine on the first Wednesday of the month in the Portland Streetcar meeting. I'm happy I'll be able to see her today in this other context other than the streetcar meeting. Kathryn, go ahead.

Kathryn Levine, Bureau of Transportation: Good morning, Mayor and Councilmembers. As Karla noted, this is an ordinance to authorize an IGA with TriMet for a future e-fare system. And as you may know, Streetcar honors TriMet fares. TriMet has been working with C-TRAN and Streetcar to develop a regional fare system. We would like to participate in that system so that our customers will continue to see a seamless compatibility across the system. With me today is -- I'm so sorry --

Chris Tucker: Chris Tucker.

Levine: The director of revenue operations for TriMet.

Tucker: Good morning, Mayor, Councilmembers. My name is Chris Tucker, director of revenue operations at TriMet, and I wanted to touch on a few things about what electronic fare is and how it works. While we have a progressive regional transportation system, our fare collections systems are a bit outdated. With paper tickets, passes, and a lot of cash, we have expensive maintenance-intensive equipment such as ticket machines and fare boxes. Meanwhile, transportation agencies around the world have adopted contactless electronic fare collection systems, where customers simply tap a validator with a transit debit card and they ride. This is simple and convenient for the customers, and more efficient for the agencies. An e-fare system here will make riding transit regionally seamless as customers transfer between TriMet, streetcar, and C-TRAN with one card. E-fare is an account-based system where transaction processing is in the back office. Customers can register accounts, which means that they can shut the account down if they lose their card, protecting any stored value that they may have had on that. Today, if they lose their pass, they are out of luck. While each agency will accept still cash, e-fare will boast a robust, integrated retail

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store network of 500 plus stores throughout the region. This will allow customers to conveniently buy groceries, milk, or even load value to their transit card. E-fare will have features such as a regional mobile app to load value onto the card anytime, anywhere. And we will also accept contactless bank cards. So in summary, they pull out their card, they can load the value, tap, and board the vehicles. One question might be, how will this impact the city employees themselves or other employers and institutions? Currently, we have employer programs that work for the City of Portland, for Portland State University, Oregon Health and Sciences University, etc., throughout the region. Essentially, what we do is pass out paper passes and stickers that people affix to their IDs. And they distribute those monthly or annually. In the future, employers will distribute one card that you'll carry with you -- it'll last for up to 10 years. And the employer -- such as City of Portland, will simply go to a website, upload a file, which will populate the value to all those accounts and put passes on them. So it's very seamless and straightforward. Privacy is very important to this project. TriMet worked with the Oregon legislature in February of this year to update public records law for electronic fares. House Bill 4086 passed unanimously, which protects the privacy of customers using electronic fare by exempting rider travel patterns from public records requests. As far as schedule, we will begin rolling this out to smaller user groups in 2016, with full implementation in 2017. And we see streetcar as an integral part of this overall plan.

Hales: Thank you. I've got a couple of questions. One is -- so, if I understood your last points, paper cards will go away. So instead of getting one of these every month, we'll get re-upped on a plastic card.

Tucker: Exactly.

Hales: So it's electronic, has embedded material in it. If you lose that, what happens?

Tucker: So, if you're an employee, you can go to a website and shut the card down, or the employer can do that. If you're just a consumer who got their card at a grocery store, if you register that account, you can go on the website and close it, or cancel the card. You could call a call center or go to a transit store. So, it allows you to protect that balance by shutting it down, very similar to a bank card you might have.

Hales: But then you can get another one?

Tucker: Then you can get another one and link it to that account.

Hales: Alright. And I assume at some point, this will require some capital investment by the city in the Portland streetcar system, since we are the owner of that piece of the hopefully seamless network. So when you're rolling out this technology, we're going to have a cost of equipment, right?

Levine: That's correct. This IGA provides that TriMet is providing to us no-interest financing. The total estimated cost for our participation currently is about \$1.3 million. The agreement is to repay over three years roughly \$435,000 a year, and that would come from the collected fare revenue in the system.

Hales: And that would start in --

Tucker: 2016.

Fritz: Do we really want to do this now when we have such other challenges? I mean, it sounds great, and I've used the card system in London -- but \$400,000 a year?

Levine: So that's the initial investment for a period of three years. And based on our five-year capital plan, which is a forecast of a steady level of investment in the streetcar, we expect that we will be able to cover those costs within the operating capital budget.

Hales: Do you expect a revenue increase? I mean, we have fare evasion in every system. Do you expect that there will be less of that?

Levine: We do expect to increase the amount of fare revenue. Currently, we obtain fare revenue from our ticket vending machines on platforms, as well as from the cash on cars. But we do not receive shared fare revenue from TriMet. If you're a TriMet pass holder and you enter the streetcar, the purchase of that pass was paid directly to TriMet. What e-fare system allows is to track where

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that pass is used and then allocate and share that fare back. So streetcar actually expects to realize more fare revenue with this system.

Fish: And you have discount programs for like older adults, for example, and for visitors and other categories, is that correct?

Tucker: Correct.

Fish: So if we switch to this system, how do we determine that the person who presents the card is eligible for those benefits?

Tucker: The method we use today would remain the same. There's many different ways -- if you are a senior citizen, for example, you would obtain a pass at an honored citizen pass today, say, at retail store. You would do the same in the future. You would obtain an honored citizen retail card, and then our operators or fare inspectors ask for ID to validate if you're a senior citizen. So the process itself for validating for those discounts remains exactly the same.

Novick: Colleagues, a tangential issue -- which I think actually is not that tangential, I think it's important to note -- is that under our overall agreement with TriMet, TriMet is taking on an increasing amount of the operating costs to the system based on increasing ridership. We feel that -- I mean, convenience is a significant factor in everybody's decisions. If it's more convenient for people to use streetcar, then more people will use it. And the more people that use it, the more we can take advantage of TriMet's commitment to increase their operating contribution based on increased ridership.

Hales: So, just one more -- promise not to dive too far into the details here, but if I'm riding the streetcar or MAX in the future, once the system is in place, am I tapping my card as I enter the vehicle, or am I doing that on the platform?

Tucker: So on streetcar and on bus, the validator will be on board. So, you tap as you board. On light rail and commuter rail, the validators will be at the platforms themselves. So, there will be a sign that says, tap here, as you get onto the platform.

Fish: But the current system where we get our monthly pass -- I heard you say earlier if you lose it, it cannot be replaced?

Tucker: The card itself would be deactivated, but you just get a new card and associate that to the same account. So yes, it can be replaced.

Fish: Under the new system.

Tucker: That's right. Today, if you buy a paper monthly pass for \$100 at Fred Meyers and you lose it, it's like cash. So you've lost the \$100.

Fish: Even if someone steals your wallet?

Tucker: That's right.

Fish: That seems a little harsh.

Hales: Well, there's no record if it's a cash transaction.

Tucker: There's just no record of the transaction.

Fritz: I was very glad to hear about the privacy piece. Is there a commitment from TriMet that there won't be any kind of marketing opportunities from the collection of the records of where people are going?

Tucker: That's correct. So it all falls under the public records law, which now exempts -- that request from going in and retrieving that information. Their one carve-out is that the media has a carve-out to that request. So they can request those public records, and then TriMet can release those records.

Fritz: I guess it was more -- is the buyer assured that TriMet will not voluntarily sell their information to marketing companies?

Tucker: Absolutely.

Fritz: Is that written down somewhere?

Tucker: I don't know that it's captured in the IGA, but we can certainly do that.

Fritz: That would be helpful. Thank you.

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Fish: You're saying under the proposal, if Andrew Theen put up a public records request in for any user of the TriMet system, TriMet would have to disclose that person's travel history?

Tucker: That's correct.

Fish: And what's the -- I'm trying to understand the compelling public reason for why that's -- is it because of the way the state statute is worded or --

Tucker: It was really more of -- at the legislature, the media felt it was important that they have access to that information from simply a records access perspective, and not limiting their access to said records. It was pretty straightforward from them just taking the stance that they should have access to those as their public records.

Fritz: What about the police and the Joint Terrorism Task Force?

Tucker: So, that depends on the requests that come in. We always cooperate as best we can with the police. So as those requests come in, we can handle those on a case-by-case basis. We can release these records, so that it is our right with the data to release the records. But that's based on a case-by-case basis. If there was a police emergency, for example, we would have the ability to do that.

Fritz: So Mayor, when we have our discussion on the Joint Terrorism Task Force, that's something that I'll be interested to hear. Obviously, we have protocols in our agreement to collaborate with the JTTF with our police. I'm concerned that there's an opportunity for other jurisdictions to request and receive this as surveillance rather than as investigation. So if we could look at that as well.

Hales: I agree, I think there's some civil liberties issues here embedded in this technological change. We're not the first transportation agency that's implemented such a system, but it's new to us, so I think that we need to think some of these things through. I appreciate you raising that point.

Fritz: Why is it an emergency ordinance?

Tucker: Related to the contract with the system integrator -- to develop the system. We are right now at the preliminary design review phase. We kicked this project off a year ago. To date, TriMet has paid all costs related to system development consulting, and we're to a point now where we want to receive commitment from our regional partners before we invest any more into the design of the system. So, if it's only a TriMet system, we continue to develop it. But we would really love to have the Streetcar and C-TRAN onboard. And the contract within it for them to continue designing has a commitment by the regional partners by the time that preliminary design review is done, which is scheduled to occur in a few weeks.

Fritz: Is there a way to have something come back to Council and discuss the civil liberties and privacy issues outside of yes, go ahead and keep figuring this out? We rescheduled this particular meeting, there's a lot on the agenda -- obviously, there's not very many people here.

Novick: I'm sure we can find a way.

Fritz: I think that it deserves some more thorough airing beyond the yes, let's continue looking at how to make it easier for people.

Fish: I have to say -- I will support this, but you know, I'm thinking about the person that just pays cash versus the person that has the convenience of a card, and then needs to know that all of their travel -- all of their commuting and all of their travel plans could be of public record. I mean, we already live in a society where almost everything we do is monitored, but, I just -- I'm still unclear why it's anyone's business what bus you take, what MAX, where you go during the day, what frequency you travel. It's just another piece of information that is then used to strip people of what they probably think of what's left of their privacy, and marketers and other people who use that information in ways that do with all data collecting. I'm not sure I understand the privacy you use if you have cash and the transparency of that transaction if you use a card, and why someone would feel it's in the public interest to monitor my son's commuting and travel habits. There's probably an answer, but I just can't intuit it.

Hales: I think the answer is we, as a council -- I'm glad we're having this discussion, because I think that there's reservations here across the dais -- but I think our concerns may be less with the

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system developers sitting in front of us than with state law. And we therefore may have a legislative issue to talk about here. We may disagree with those in the media who advocated for public access, and we certainly have our own question about level of police access to these transactions and people's whereabouts. So my reaction to this is keep going on the system development, but we have other work to do.

Tucker: I have one really important clarification. If a customer does not want to register their card, that's absolutely their choice. So if they would like to go to Fred Meyers and pull the card off the rack, they can stay 100% anonymous, not register the card, and really behave as if they are today as a cash-paying customer. They load cash at the retail store, they tap the card, but it's not associated to a name, person, address, or anything.

Hales: If they lose the card, they're out of luck -- just like now.

Tucker: That is the downside. If you lose a card, you are out of luck -- just like today.

Fish: You can preserve some privacy but at the risk of essentially not insuring your card.

Tucker: Yeah. You can remain as it is today if that's your method that you prefer.

Novick: But how many people know that?

Fish: Part of our concerns might be addressed through adequate proper disclosure to people about this program. If people know that by registering, they've opened themselves up to being monitored in terms of their travel habits -- where they go, frequency, when. People can make their own decision on that.

Novick: We certainly can try to do that. I just tend to be skeptical of -- I mean, think I read a study recently that said if people read all of the fine print -- I mean, hopefully we can do this not all in fine print -- but if people read all of the fine print in all the things that they theoretically sign off on every year, it would take the average person 200 hours a year to do it. So, expecting people to be aware of this kind of thing I think is difficult. And I think that talking to the legislature about it is a good idea. By the way, Commissioner, I have to say that I've met your son, and in many ways he seemed like a fine man, but I think that he deserves close watching. [laughter]

Fritz: I was kind of intrigued with that possibility. I mean, my kids are older now, but when they were teenagers, that might have been kind of -- [laughter]

Hales: There we go, sell parental access and you'd pay for the whole system. So, we have at least one legislative session and a couple of years between now and the actual implementation. I don't want to cut this off, but I think we introduced the topic, Commissioner Novick, and I think we need to return in some format -- work session or whatever -- to the questions of if this is going forward. And it will be, if we approve this this morning. In other words, the city of Portland is participating in the new system. What issues do we have to address in terms of the policy like personal privacy and public safety -- whether it's the Portland Police Bureau, or the FBI, or the news media's access to people's transaction records here. So, I think we flagged those issues, and certainly, we ought to return to them. But it doesn't mean you should not have the engineers do their work, in my opinion. Does that capture our sense for the moment? Thank you both. Is there anyone that wants to speak on this item?

Moore-Love: That was the only person signed up.

Hales: OK. Then let's have a roll call, please.

Item 1025 Roll.

Novick: Thank you very much, Chris and Kathryn. Aye.

Fritz: Thank you for this thoughtful discussion. Aye.

Fish: Aye.

Saltzman: Aye.

Hales: More to come, thank you. Aye. OK, 1026 is referred back to Commissioner Novick's office. 1027 -- the previous agenda item which I believe we need to take a roll call on, is that correct?

Moore-Love: 1027?

Hales: Yes.

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Moore-Love: It was rescheduled. I don't know if we had an actual hearing on this.

Hales: Why don't you read it?

Item 1027.

Hales: I believe it was an emergency item on the consent calendar before, right. So we didn't have a hearing on it because it was on consent. So, unless there are any questions or anyone who wants to speak on the item, I think that we can move to approving it. OK. Roll call, please.

Item 1027 Roll.

Novick: Aye.

Fritz: Actually, we did have a discussion about this because this is the one where the three of the eight are minority, women, and emerging small businesses. So this one was good. Aye.

Fish: Aye.

Saltzman: Aye.

Hales: Aye. Let's go to 1028 -- and I know you want to go back to 1020, Commissioner Fish, but let's do 1028 first.

Fish: In terms of the timing, I'm happy to defer it Commissioner Saltzman who has emergencies, and then we can come back.

Hales: Alright, then let's do the rest of the emergencies and come back to the balance of the calendar. I think we're going to be OK. 1029, please.

Item 1029.

Hales: And why don't you read 1030 since they are related items?

Item 1030.

Hales: Commissioner Saltzman.

Saltzman: Thank you, Mayor. This is a very exciting project. It's affordable housing in the Pearl District to be constructed by BRIDGE Housing, a great company out of California that's doing good things. Abigail Scott Duniway was a leader on women's rights issues here in Portland. She led the effort to get women to vote, and was the first registered voter in Multnomah County in the early 1900s. So it's very fitting that The Abigail will have many family-sized units as well, which is something sorely needed throughout the city, but especially in the Pearl District. So, it's exciting. We're using urban renewal money. This was funded in earlier notice of funds availability under Commissioner Fish's leadership. And I will turn it over to Dory -- or who's going to kick it off?

Barbara Shaw, Portland Housing Bureau: I'm Barbara Shaw, the project coordinator. This is Nicole Peterson from BRIDGE Housing, and Dory.

Dory Van Bockel: I'm Dory Van Bockel, who works on the MULTE program.

Shaw: So we're ready to answer any questions on The Abigail. We're really excited about the project. Looking forward to adding diversity and providing a really wonderful opportunity for low-income families to live in the Pearl District. The project is leveraging a good deal of other money, specifically, \$35 million of other public and private financing sources to build this 155 unit project. The Abigail is a 155 unit project, and 127 of the units are affordable units. Some of the units are -- eight of the units are going to be restricted at 30% MFI, 27 units at 50% MFI, and the balance of the affordable units is 60% medium family income. If you have any questions, we're happy to answer them.

Saltzman: Do you want to add anything?

Nicole Peterson: I'd just like to say that this is BRIDGE Housing's first project in Portland, and actually our first project in the Pacific Northwest. So we're excited. We're excited to be invited to take a look at this site and to receive funding, and just very excited to break ground on October 27th.

Saltzman: Thank you.

Hales: Just a comment. I mean, there have been concerns -- and properly -- about the amount of public investment per unit in some of our affordable projects, but this is pretty impressive. Roughly

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\$100,000 a unit of tax increment investment. It really gets a lot for our dollar here, so I appreciate the attention to that issue and the result in this particular case. It's great.

Shaw: Thank you. Especially because these are large family-sized units in large part.

Hales: Yeah, that's excellent. Other questions, Councilmembers, for the team? Alright. Thank you all very much. Anyone here to speak on this item? Lightning, do you want to speak?

Saltzman: You wanna cover 1030 before you do it?

Hales: OK, let's cover 1030. Hang on, Lightning, and we'll consider the second item on the same project, and then give you a chance to come up and speak. So this is the tax exemption.

Van Bockel: The multiple unit limited tax exemption for this project was approved prior to now, but there were some slight changes when the financing got all put together. So this is an amendment to an earlier approved ordinance just to match and line up with what's coming forward as the project is getting in line to be built.

Hales: Good, thank you all. OK, let's give Lightning a chance to come up. Anyone else that wants to speak, come on up. Good morning.

Lightning: Good morning. My name is Lightning with Lightning Rethink Lab. If you are at 100,000 per unit cost, then we need to look at some of the past projects here and get an understanding on why this group out of San Francisco can build their units at such a low price. And I commend you on that, and I hope you get a lot more projects just due to the fact that you're building larger square footage units at an exceptionally low price. One of the concerns I have on this project is that my understanding is that there are some types of agreements on affordable housing between Hoyt Street Properties and the city. Now, it's my understanding that this piece of land you're going to build this apartments on were sold to you by Hoyt Street Properties. Now, if I'm incorrect on that, I do apologize. But I find it interesting on why they would sell you a piece of land to build affordable housing units, yet they're in agreement to build more and they might have to sell additional properties throughout Pearl District because they're not building enough. Now, if I'm incorrect on that, again, I do apologize. But again, I'm very impressed on the unit price, everything looks really good on this project. It's a great project. Again, I'm just a little concerned on the transfer of the land from Hoyt Street Properties to your group when they're under an agreement to build more affordable housing. Thank you.

Fish: Lightning, can I just clarify something for you? The units are not 100,000 each, this is a \$50 million project.

Lightning: OK, maybe I heard wrong.

Fish: Just to be clear, there's a distinction between the overall cost of the project and the public investment in the project. The public investment divided by the units is what the mayor was referring to, but it's a \$50 million project divided by 100 something units, so you can do the math on the overall cost. It's not inexpensive, but they have other financing they are bringing to the table, which is what Commissioner Saltzman was talking about when he said leverage. They're bringing their own resources and other financing, and that's why the public investment is a little smaller.

Lightning: OK, and I needed to have that cleared up, because when I heard \$100,000 -- so what I'm understanding is that you are talking 100,000 per unit price based upon subsidized financing to be able to do that, meaning the public's money is stepping up to the table to be able to drop that unit price down. And that -- am I incorrect on that?

Hales: That's not a unit price, that's the amount of tax increment money per unit. That's what I was raising, and --

Lightning: Per unit. That's what I needed to have an understanding of.

Fritz: It's \$12 million in public investment, but then four times -- the total cost is about \$48 million.

Lightning: Yes, I understand that on the total cost. And what I wanted to have an understanding -- we didn't really say what the total unit price was on here, and that it seemed very affordable, and is it affordable? Because we haven't heard that. It almost sounded like that \$100,000 was placed in

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there at the real good number to look at, and my understanding at this point is that it's not a good number to look at.

Fish: If you define affordable by who can afford to live there, Commissioner Saltzman is delivering a project where everyone who lives in this building will be at 60% or below of median family income. So for families in that area, that's affordable, and they'll have access to great amenities like The Fields. If you are asking whether the building is -- how the building stacks up to other buildings in terms of the per square footage cost, that's a different question.

Lightning: OK, very good. Thank you.

Hales: I think the other item I would note based on your question -- I'm doing this from memory -- but the development agreement that Hoyt Street Properties has addresses a total delivery of affordable units. I don't think it -- I think it's probably silent on the question of on whose land they get built. The result is we care about is, what's the percentage of affordable housing in the neighborhood? And actually, I think that the matter exceeded that goal in the Pearl District. We're not yet meeting it in the south waterfront, where a similar development agreement is in place. So I think those are the right numbers.

Saltzman: And if memory serves me correctly, Hoyt Street's sale of this property to BRIDGE is part of their overall compliance with affordable housing.

Hales: That helps to reach that percentage.

Fritz: Are they compliant now?

Hales: I think that they are in the Pearl District -- I'm not sure.

Saltzman: Well, I think they're short.

Fritz: They're short. So, what's going to happen with that?

Saltzman: Well, the one remedy that we had available to us was to exercise a right to purchase a piece of property from them. And so they have identified a piece of property on NW 14th and Raleigh. I think that's a quarter block. And we're in negotiations with them.

Fish: And by the way -- just to put this in context, colleagues -- traditionally, we look to see whether the 30% set aside goals are met. So, we use 30% as a benchmark. The level that Commissioner Saltzman is trying to get to is above the 30%, it's 35%. It is already one of the most diverse neighborhoods in our city because of the investments that have been made over time as part of the development agreement. But this would take us above a threshold that we consider a sign of success in other districts. We need to honor the agreement, but let's not forget that we're still talking about a district that has a substantial amount of affordable housing that's been built.

Hales: Do you want to add anything?

Javier Mena, Portland Housing Bureau: Sure. Javier Mena, assistant director of the Portland Housing Bureau. In terms of the Hoyt Street agreement and if are they in compliance now with the units being brought by The Abigail project -- they are not. So, as Commissioner Saltzman just mentioned, we are in negotiations with Hoyt Street Properties in the acquisition of a property based on the development agreement that was drafted back in the '90s.

Hales: OK, good. Appreciate that clarification, thank you. Other council discussion? Anyone else want to speak? Let's take a roll call on the first of the two items, please.

Item 1029 Roll.

Novick: Aye.

Fritz: \$12 million of public investment and leveraging a \$48 million project, that's great. Aye.

Fish: This is BRIDGE's first project in Portland. We hope that it's the first of many. Aye.

Saltzman: My sentiments, exactly. Welcome, BRIDGE Housing, to the Portland market. Aye.

Hales: Same here, great project. Thank you very much. Aye.

Item 1030 roll.

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

Hales: Let's see, are we done with emergency ordinances? I believe we are.

Fish: Mayor, do you think we could go to 1020?

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Hales: I would be happy to, and we can go on from there or take any other particular ones that councilmembers need to have addressed sooner rather than later. Let's do 1020.

Item 1020.

Hales: Commissioner Fish -- no, sorry, it's a bond item. So, Mr. Biery and Mr. Shaff.

Jonas Biery, Office of Management and Finance: Thanks, Mr. Mayor, Commissioners. Jonas Biery, the city's debt manager. This non-emergency ordinance authorizes water revenue bonds to finance up to \$110 million for projects in the Portland Water Bureau Capital Improvement Plan over the next 24 months or so. We expect they will be repaid over a term of 25 years, and the bonds will be secured and paid by revenues of the water system. Debt service on the new bonds will increase the bureau's annual payment obligations by up to \$7 million, beginning in fiscal 15-16. I would note, however, that current markets are favorable, and current estimates indicate that the annual payment amount is likely to be closer to 5.5 million per year. We expect to sell the bonds via competitive bidding process in December of 2014, and I would be happy to answer questions about the financing. But first, I will hand it over to Director Shaff to say a few things.

David Shaff, Director, Water Bureau: Good morning. I'm David Shaff, the director of the Portland Water Bureau. As Jonas said, we'll be using the bond proceeds for the next two years -- about half this fiscal year, all of next fiscal year 2015-16, and approximately half of fiscal year 2016-17. So the next time we appear in front of you to sell bonds, we would be in about August of 2016 for about \$135 million. About 60% of our capital program through 2016-17 will be funded by this particular bond sale. And then of course, if our CIP changes over the next year, year and a half, the changes would be made to the timing and/or the amount of the next bond sale. So right now, we're saying August of 2016. If we have changes and we don't need to borrow the 135 million, we'll borrow less or we'll extend the time out or we'll move the time up. So, this is intended to fund about 60% of our CIP for the next 24 months.

Fish: What the interest rate environment that we're looking at?

Biery: It's favorable. It's been relatively flat for the past 12 months or so. So, relative history. I can tell you quickly what our current average estimate is.

Fish: While you're looking for that -- David, the proceeds from this bond sale will go only to those capital projects that are part of the five-year CIP and have been approved by Council?

Shaff: That is correct. All this does is provide the financing. You have to provide the authorization for specific projects.

Biery: The average interest rate estimate is about 3.5% based upon current market.

Fish: And I'm -- since you're here, I'm compelled to ask another question. A couple of weeks ago, the Water Bureau was criticized in a widely-read newspaper for having for funds set aside in what's called a rate stabilization fund. And the premise of the story was that we could use -- we could be more aggressive in using that money to lower rates. My first question, do we get any credit with the bond rating agencies because of these contingency accounts that we maintain?

Biery: Indeed, Commissioner, we do. Responsible use of the rate stabilization fund mechanism is considered a component of credit strength. As you know, the Water Bureau's revenue bonds are rated AAA, which is the highest possible rating. And the historical use of rate stabilization has contributed to that AAA rating.

Fish: Thank you. And without reopening the subject -- since we do have a distinguished CFO here -- the question I just have for you -- because it'll be something that I'll raise with my colleagues during the budget season -- just conceptually, when we take one-time money and use it to offset or to stabilize rates, or to bring the amount of the rate increase down, what is the practical effect of that on the next year's rates? Just conceptually?

Cecelia Huynh, Water Bureau: Well, it's a one-time rate reduction that you're gaining for using one-time funds. So essentially what happens is when you use the one-time funds, you're reducing the borrowing, so the debt service is reduced for that borrowing and you are utilizing a rate deduction related to the debt service.

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Fish: And what happens in year two? You've used the term conceptually kicking the can down the road -- what conceptually happens to rates in year two if you just use one-time funds to offset a rate increase?

Huynh: If you are using it all to offset the rates on the operating side, then you're looking at a jump in the subsequent year.

Fish: Without getting into the weeds, why are you looking at a huge jump beyond what the forecast predicts?

Huynh: Well, you're using one-time funds to lower the rate. That's temporary. So, you're looking at having to raising that back in the following year, in addition to the additional amount of revenue that you're planning to get.

Fish: And Mayor, the way I understand this is, like, we get in the mail sometimes these unsolicited letters that say we'll give you a rate holiday on the credit card or a deferral on your mortgage. And you think, wow, that's really great and that's very generous. Well, the problem with that is you have to make it up. And so you make it up the next year, and you're making it up with compound, because you have a structural issue in the year in which you are doing the deferral, there's inflation and other costs baked in. If you're using one time money, then in year two, that debt delta has to be funded, plus your forecast, plus some other adjustments. So it actually results in a whopping increase in year two if you just use money one-time to offset. We'll be discussing that during rate-making so that my colleagues understand that. Because technically, we could deplete a fund to get more rate relief in a year, but the consequence both to our bond rating and to year two rates is pretty substantial. And the council can make those decisions. I want to make sure that they make those with all the available information.

Hales: I appreciate that explanation, thank you.

Fritz: Commissioner Fish, you noted that the CIPs -- the Capital Improvement project list -- was approved by Council as part of the budget. Does the financing that the increased rates needed to cover the cost of the financing, was that already approved in the rate increases that we have approved?

Shaff: Yes, that's part of our current fiscal year budget. And it would be part of the future fiscal year budgets, as well.

Fritz: So in your budget, you are planning on borrowing this money, and you figured in how much it would cost to borrow it?

Shaff: That's exactly correct. And if we are as successful as we hope to be when we sell in December, we may be able to adjust next year's rates down based a nudge based on what the market tells us.

Fish: Can I just follow up on that? Next year's forecast rate increase is about 12%, 11%?

Huynh: 11.3.

Fish: So just to give an illustration to Commissioner Fritz -- the forecast that you have shown 11 point something. Just like last year, when we making all the adjustments to the forecast -- and that includes, what was the interest rate that we were able to get? What was the cost of living increase for our workforce? What was our overhead allocation? All those things. We get an adjusted number. And it is my hope this year, with some positive numbers, that we'll be able to once again recommend a combined rate increase of under 5%. And the only way to do that is to bring the water portion -- which is one-third of your bill -- down from close to 12% to closer to 7%. And every year, we go through this exercise, which is why we say the five-year forecast is a little misleading. It is a conservative number. It assumes a number of things. But we work off that number to scrub it, even without instructions to the bureau this year as we did last year to take operating cuts, we think there's a good chance we'll be closer to 7%. And because it's only a third of the bill, and BES in its forecast is closer to 4% this year, we think that we can get a combined rate increase of under 5%. Which if you look at what some of our surrounding jurisdictions are proposing -- rates between 6% and 12% -- that will be in relative terms a bargain.

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Fritz: Just one final question, which I expect folks at home might be wondering. Why don't we just pay as we go? Why do we borrow and then have the debt service, as well as the cost of the improvements?

Shaff: As Cecelia was saying, the impact would be fairly substantial. In order to fund this year a \$96 million CIP, and next year a 70 million and the year after 75 million, you would require a fairly substantial rate increases for that. I mean, if I want to reroof my house, I can get a home improvement loan or I can pay in cash. And I can certainly save the cost of that loan over the however many years I pay it, but I may not have that cash readily available to do that. And that's the circumstance where we're in. In order to build the \$97 million worth of capital projects that we have in this fiscal year, and the 70 next year, we would have to raise rates substantially in order to have the cash on hand to do those projects.

Hales: One more question. We're seeing a pattern of construction projects coming in well over engineers' estimates across the bureaus. Do you have the contingency funding within this capital program -- given this bond sale -- to accommodate what is no longer a buyer's market for construction?

Shaff: That was what I was alluding to a bit about the next bond sale in 2016. If that happens to us -- so if things work against us, we might end up selling bonds earlier than 2016 or more than what we were projecting.

Hales: That's your adjustment?

Shaff: Exactly.

Hales: OK, the next bond sale -- you do what you can do under this one and see what's left.

Shaff: Exactly.

Hales: OK. Alright, thank you. Other questions? Thank you all.

Shaff: Thank you.

Hales: Anyone signed up to speak on this item?

Moore-Love I did not have anyone sign up.

Hales: OK. Then it moves to second reading. Thank you. So, I think that we're at a point -- we have got about 20 minutes here that we can just roll on through the regular agenda so we get to our 9:30 rescheduled time certain.

Item 1021.

Hales: Ms. Moody.

Christine Moody, Office of Management and Finance: Christine Moody, procurement services. The City of Portland Bureau of Environmental Services treats raw sewage solids at the Columbia Boulevard Wastewater Treatment Plant to conform to stringent EPA and DEQ standards before they can be classified as biosolids and used beneficially. BES requires seasonal hauling of these biosolids residuals from the treatment plant to a DEQ-authorized planned application site at Madison Ranches in Echo, Oregon. In July 2014, a request for proposals was issued for the residuals hauling services. As part of this effort, one proposal was received. The proposal response was reviewed, evaluated, and scored by a selection committee made up of city staff and a minority evaluator. The proposal from Gresham Transfer was deemed responsive to the requirements of the solicitation. The city issued a notice of intent to award on August 19, 2014, and no protests were received. You have before you a procurement report recommending a contract award to Gresham Transfer for not to exceed amount of \$6 million for a five-year term. I will turn this over to Council if you have any questions.

Hales: So that's not to exceed -- it's as used, right?

Moody: Correct.

Hales: OK. Questions?

Saltzman: Historically, haven't we had more bidders interested in this?

Moody: Yes. This one, we had four companies attend the pre-proposal meeting, and two of them were DBE firms, but we just received the one proposal.

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Hales: Any idea why that would be the case?

Moody: I don't know, other than this is a contractor that has had this contract for years before this.

Hales: Other questions for Christine? Anyone want to speak on this item?

Moore-Love: Yes, Lightning would like to speak on this.

Hales: Come on up.

Lightning: My name is Lightning from Lightning Rethink Lab. One of the concerns that I have on this that somebody brought up is that we're looking at a 200-mile radius to get out to this madison ranch, which is DEQ authorized for the biosolids. Are there not any other locations such as farms or ranches that are actually closer? Because you would think if we could cut down that traveling distance, we would definitely cut this bid down tremendously. And I find it interesting that there's nobody else that stepped up to the table on this, because my understanding is they're basically taking this out on the ranch, and basically using it as a type of a fertilizer for some of the crops out there. So I find it interesting that nobody else stepped up to the table on this at a much shorter distance, and we could cut this bid down tremendously. Again, is Madison Ranch also receiving any of this money on this bid? I don't know how much you pay madison ranch, it did not make that clear here. I don't know how many tons of biosolids madison ranch is under contract to have delivered out to them. And it's my understanding -- they can only do a certain amount, and we have quite a few tons that have to be either left in a certain location, and then transported out to madison ranch. So I'm apprehensive on this agreement. One of the reasons why also, was that I don't like this five-year agreement. And it's my understanding this also has an option for them to renew. I would like to see this agreement actually shortened up more on like even a two or three year agreement with no option, because I think that we can cut the cost down tremendously with other people stepping up to the plate, being able to do their bids to understand what it means to be authorized for biosolids. And I don't know if others have had that chance to step up to the table on this type of a bid. Thank you.

Hales: Thanks for raising the issues, I think BES staff could probably answer those.

Fish: We'll come back to Lightning on some of them. Some of those were addressed in the companion ordinance that struck the deal with Madison. This just has to do with the carter. I think Lightning raises some good points, and we'll get back to him.

Hales: Anyone else? Is there a motion to adopt the report?

Fish: So moved.

Saltzman: Second.

Hales: Discussion? Council vote on that, please.

Item 1021 Roll.

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

Hales: OK, 1022 -- the second reading.

Item 1022.

Hales: Roll call, please.

Item 1022 Roll.

Novick: Aye.

Fritz: Thanks to Mary Beth Henry and Jennifer Li. We don't like losing revenue, but this particular one makes sense. Aye.

Fish: Aye.

Saltzman: Aye.

Hales: Aye.

Item 1028.

Hales: Commissioner Fish.

Fish: David Shaff.

David Shaff, Director, Water Bureau: My role today is strictly to introduce Edward. This is Edward Campbell, the director of the resource planning section of the Portland Water Bureau.

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Edward Campbell, Water Bureau: Good morning, Council. If you'll indulge me just a moment to get some slides ready. This will be short.

Shaff: I'd offer to love to help but -- less qualified than he is.

Hales: It takes a village to operate our AV system.

Campbell: I'm Edward Campbell, resource protection planning director for the Water Bureau. What I have before you today is a housekeeping item that is intended to complete a set of watershed protections for the Bull Run watershed. The council well knows the crucial role that the closure of the Bull Run watershed to human access plays in ensuring our exceptional water quality. The city's LT2 variance and our filtration avoidance waiver are both due in large part to a century-long effort by the city and our federal land management partners to keep human sources of contamination out of our main drinking water source. In 2010, the city enacted code language that -- along with an intergovernmental agreement between the city and the forest service -- enabled the city to begin enforcing the public closure on both Forest Service land and city-owned lands, both inside of the management unit and then lands that we also own adjacent to the watershed management unit on its west side. So, that code established what we now call the Bull Run closure area. At that time, we were unable to bring in our third partner in the watershed, the Bureau of Land Management. They own small portions of land inside of the federal management unit, but they had not yet gone through the administrative process to close their lands. Since that time, they've gone through that process, we've entered into a similar agreement with BLM as we have with the Forest Service to enable us to enforce the closure on those lands, and we're ready to bring those lands in and the BLM as a partner. That's the primary action of the activity today -- or the authorization that we're seeking today from the council. In addition to that, we're asking for some other housekeeping items to be updated in the code. There are three other items. One is a change that enables an increase in the maximum fine for trespass in the watershed on city lands. It increases the fine from what is currently \$100 in our code to \$1250. That change has been enabled by a change in the state law that passed in 2011. The second item is a clarification that county court jurisdiction for trespassing resides with the county in which a trespasser is actually found to be trespassing. There are three counties that intersect the watershed management enclosure area: Multnomah, Clackamas, and Hood River. And then the third item simply clarifies the Water Bureau administrator's authority to enforce these trespassing items within the closure in this area. If there's time, I'll just walk you through four quick slides to help show you the map and the area that we're talking about. So this is the existing closure area boundary. What I'll note simply here is that the green lands are Forest Service lands. There's tan colored lands on the south, and in the northwest sections of the map -- those are BLM-owned lands. And then lands colored in light blue are city-owned lands. That dark line with the red and black is the closure area. And then you'll see a single black line, that's the federal management unit boundary. So the change that we're proposing will be illustrated with this slide, and you'll see with the arrows where we're talking about. We're going to be able to expand our closure area boundary to include those BLM lands in the areas indicated by the arrows, just to be absolutely certain that you know what we're talking about. Here is a final slide to show you in the crosshatch the 646 acres that will be coming into the closure area. In summary, we're just adding the BLM lands to our closure area, we're increasing our trespass maximum amounts in code, clarifying our county court jurisdictions, and the authorization of the administrator to enforce this.

Fish: David, could you tell us what kind of outreach we've done on this? Because I believe we've had some conversations with folks who care about this issue.

Shaff: Yeah, actually, I think Eddie's better qualified to say that. In general, there's a group of interested stakeholders that we work with around Bull Run issues, and we reached out to all of them, communicated to them. For instance, Regna Merritt with Physicians for Social Responsibility. I believe Regna's actually out of the country, otherwise I suspect she would be here testifying as well.

Fritz: Would she be testifying in favor or against?

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Shaff: We haven't had that conversation with her, but as a general rule, Regna is very supportive of any actions that we do that would protect or expand the protections in the Bull Run.

Fish: One other thing, David, because you occasionally brief me on suspected trespassing. That includes people that go off trails and enter the area, take pictures and post it sometimes on their Facebook page or whatever. So, we discourage that. Also people on horseback. That's a particular problem. There are folks who think that they're allowed to bring their horses into this area. That of course is a big no-no. What other examples of trespassing do we see on a regular basis?

Shaff: We have people who are hunters. We have people who are mountain bikers, particularly in that southern section along the BLM areas. We have livestock that occasionally stray into the Bull Run. One of our problem areas is the Lolo Pass road. We spend a lot of effort patrolling that and putting signage up on that. Because on one side of the road, you're allowed to be. On the other side of the road, you're not allowed to be. So, we spend a lot of effort working on that and trying to make sure that the inadvertent trespassers are educated, and the people who know that they're going into an area that they're not supposed to be in -- we try and take enforcement action.

Fish: The reason -- colleagues -- that a number of people know that they are trespassing is there are signs that very clearly state that it's a restricted area and they're not allowed to. And we have -- for example, tracked things like horse prints through an area where literally every tree has a sign that's very clearly identified that they're not allowed to be there. And David -- since we'll be bringing to Council soon a request on staffing -- what's our current staffing in the Bull Run watershed?

Shaff: From a security standpoint, currently, we have one full-time ranger. He and his wife and their child live in a house that's just inside the main gate. He works four days a week, ten hour days. And then in the summer -- or from May to about this time of the year -- we've had two seasonal rangers, people we hire part-time. And they supplement that ranger. We are bringing forward in the fall BMP a proposal to take that summer supplement money and add to that a little bit, and have a second full-time ranger so that all days of the week, we'll have somebody staffing our security up in the Bull Run.

Fish: That'll be coming through the fall BMP. I've briefed the mayor on that. It's not before us today.

Shaff: Right. And if it's approved, we hope to hire within the next couple of months so that by the time what I refer to as the trespass season rolls around, we'll have someone trained and prepared and ready to go.

Hales: These changes won't affect the normal and legal passage of the pedestrians on the Pacific Crest Trail from Lolo Pass to the Hatfield wilderness, even though it's inside the protection area but we allow that passage?

Shaff: That's correct. The Pacific Crest Trail is an example of one where if you leave the trail, you know you're not supposed to be going there. But we do have people who do trespass along that area.

Fritz: So you mentioned signs. Is there any fencing at the perimeter?

Shaff: No. The linear boundary of the Bull Run is huge. It's 147 square miles. And I don't know what that translates into as far as a boundary, but trying to fence the entire Bull Run would be I think an impossible task. However, over the last several years, we have rebuilt the gate system so that at the very least, we have much more robust gates where there are roads that lead into the Bull Run.

Fritz: I was just looking at the expanded area on the northwest piece. Is there a road that's along there?

Shaff: There are roads that lead to that. As a matter of fact, you can see there's what looks like a fairly straight road, and I believe the arrow on the map -- on one of the maps, it says Transmission Tower Road. That actually is a road that leads into the Bull Run watershed.

Fritz: So that was the place -- along there, it would seem like a cost-effective place to fence.

Shaff: Well, actually, it's a fairly wooded -- it's a forested area, Commissioner.

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Fritz: It's not an actual road that people would ride along?

Shaff: No, no, no. Most of it is a dirt road used by the Bonneville Power Administration to get access to their transmission lines that run through Bull Run.

Fish: It does strike me -- based on Commissioner Fritz's question -- that it's probably something we've looked at in the past, probably have looked at some of the costs and benefits. I think it's worth having that conversation beyond this hearing, just to identify, are there particular places that are very sensitive where a fence would have a deterrent value? How that might work, what would be the cost? I'd like to have some further information, Commissioner Fritz, we'll share that with you.

Fritz: Great, thank you.

Hales: Other questions on this item? Anyone else want to speak? Thank you both, this moves to second reading.

Shaff: Thank you.

Hales: OK, we have a couple of time certain items that we are going to take in rapid order before we recess. I believe we are going to take item 1000 first, and then item 999.

Item 1000.

Hales: Good morning.

Anna Kanwit, Director, Bureau of Human Resources: Good morning, Mayor, Commissioners. I think that the title reading is probably longer than the presentation. Anna Kanwit, Director of Bureau of Human Resources. With me is Shianne Scott, who was the second chair on this negotiation. Patrick Ward was the chief spokeswoman, but he is out of the office. Shianne is actually going to be the chief spokesperson on our upcoming housing negotiations, too, with AFSCME. So, the ordinance before you is to ratify the successor labor agreement with the Laborers Local 483 for our seasonal maintenance workers. It's a four-year agreement scheduled to expire June 30th, 2018. The COLA is similar to what was negotiated with other bargaining units, 2.7 for this current fiscal year that goes into effect upon ratification by Council. And then in the out years, it's the floor of 1% and the ceiling of 5%. The health insurance premium -- it continues the 90/10, employees paying 10%, the city picks up 90%. The eligibility requirements will change January 1st, 2015 to correspond with the affordable healthcare act requirements as we move into a comprehensive plan for all of our seasonal and casual employees. So the eligibility for the seasonal maintenance workers will be consistent with that plan. We also increased the number of hours the seasonal maintenance workers could work in a season from 1200 to 1400. This is the number that's currently in the HR administrative rules. We had have a dispute with Local 483 about implementing that for their representative employees, so really pleased they agreed to this. It's helpful for the bureaus, but also is an increase in compensation to the employees. The reduction of the 200 hours was about a \$2500 pay loss. The grievance procedure has been an issue here. It is very different for this group of employees because they are seasonal with no guarantee of ongoing employment. The process still ends with HR Director, but we agreed to an interim step -- which the union was pleased about -- which is a panel of three, a neutral representative management, a representative of labor who will look at the grievance and make a recommendation to me. And that was a compromise that was very much supported by the union as well as the city. Last, another sticking point that we were able to agree to was training opportunities for those seasonal maintenance workers who are interested in becoming regular employees. So it centers around job skills and resume-writing interviews. I should back up a little bit on the grievance procedure -- that part is really for if you have worked three seasons and are invited back. We've added that additional step to address those concerns. So I don't think that there is anything else in terms of the agreement. Any questions?

Hales: Questions?

Fish: Do we have someone here from Local 483?

Kanwit: No, we do not.

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Fish: It's sort of our tradition, Mayor, to have our labor partners here at this moment to thank everyone for getting to the finish line. Were they invited?

Kanwit: Yes. Erica Askin was invited.

Hales: Let's find an opportunity to do that, because this is a good accomplishment on both sides of the table. Your point is well made, thank you. Other questions for Anna or the team? Does anyone want to speak on this item?

Moore-Love: No one signed up.

Hales: Let's take a roll call, please.

Item 1000 Roll.

Novick: Thank you very much to your team and to 483 for reaching a resolution. Aye.

Fritz: Thanks to Anna and your team, and to all of the seasonal workers -- many of whom are in Parks -- who provide such great service for the city. I'm very pleased that this particular group has union representation, because then they have the benefits of a contract like this. Especially appreciate the increasing of the hours to 1400. Of course, that's still not full-time, and we would much prefer to have more full-time union workers in Parks doing our maintenance. Aye.

Fish: Aye.

Saltzman: Thank you for your good work and the Local 483. Aye.

Hales: Well done, and thank you all. Good work. Aye.

Kanwit: Thank you.

Hales: Thank you much. Let's move to item 999 and then we'll take any council communication items before we recess.

Item 999.

Hales: It's my pleasure to bring forward this very qualified nominee to the Portland Development Commission. Mark, as we know, was raised in Portland, local guy who then went on to earn his bachelors of science and MBAs from the University of Oregon. He and his wife, Anne, live here in the city, have been involved in the community life in lots of ways. When it comes to the development of our city, Mark and his partner, Bob Gerding had their firm back in the '90s. The number of projects they've been involved in is just amazing, when you look at it. PGT headquarters, taking an old warehouse and turning it into Wieden and Kennedy's headquarters, the brewery blocks, the Morrison, the Civic, the OHSU Center for Health & Healing on the south waterfront, The Oregon Clinic at Gateway, 20 on Hawthorne, the Hooper Center, Vestas' North American headquarters, the remodel of an old warehouse -- a lot of these were public-private partnerships where city and public funds have leveraged private investments to get to a level of quality that is exceptional. They are also difficult projects, and require a sophisticated understanding of what the private sector is capable of and must be asked to do, and what the public sector can bring to these projects. I think without people that understand that at a sophisticated level, we won't be an effective partner at PDC and we won't be able to make things happen. What may be less known about Mark and his firm is that they now are working nationally and internationally. They're working in Los Angeles, in San Diego, in Salt Lake, in Tempe, in Boston, and that their expertise in doing these projects here is now -- fortunately, for us -- marketable to the rest of the world because his ability to do those projects here will be somewhat limited by being involved on this board. But we think that combination of understanding Portland and now seeing the redevelopment trends around the world is going to make Mark Edlen a great and useful and helpful addition to what is a solid board of directors for the Portland Development Commission. So again, I appreciate your willingness, Mark, to take on this important piece of public service. I'll give you an opportunity to add anything to that resume this morning and answer any questions Council might have.

Mark Edlen: The only thing I would like to add to the resume is I like to say I used to be six foot and had a full head of hair, and this is all that's left. I'm very flattered and honored by your nomination. Very grateful. While it wasn't a position I sought, I'm certainly excited about it. Should you move forward with the nomination, I pledge to bring whatever creativity and expertise and

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energy I can to the staff, the commission, and to each of you as we all try to make Portland a better place to live and work -- which I think is all of our objectives. But most of all, the kind of trigger point for me of making a decision to say yes was the opportunity to give back to the city that I love and has been so instrumental in my career. I had the opportunity to work here and take that expertise elsewhere. So, thank you, and glad to answer any questions you have today.

Hales: Questions for Mr. Edlen?

Novick: I'll just ask the big, general question, which is, what do you think the appropriate role of PDC is in today's city, and how close do you think it is to it now? And if you think any changes are warranted, what do you think those should be?

Edlen: I guess I would say I always viewed PDC about place-making and jobs, and I think those two go hand in hand. I think if we can do a good job of that, I think we can make great things happen. I've said very often, I think those of us in the private sector can do cool things, those on the public side can do cool things, but together, we can do some really cool things. For me, personally, where I'm going to have the biggest learning, Commissioner, is in the outer city. Because most of my efforts and work through my career have been in the inner city, if you will. One of the things I look forward to doing -- one of the things I have a concern about -- is I think that there's a lack of younger people in my industry that are coming forward to do public-private partnerships. So one of the things that I would hope to bring to the commission is new people to come into the fold for the next generation, so to speak, to fill the gaps for those of us who are going to be going away soon.

Novick: This might be an unfair question given you've just been nominated and there's no reason for you to know every project on PDC's agenda -- but I'm just curious. Can you identify one project that you know is on PDC's schedule in the next several years that you think is really important and you would be upset if it didn't happen, and then one project on the PDC's list that you think that the world wouldn't end if it never happened?

Edlen: I can answer the first one better than the second one. Post office. I think it's a huge opportunity for the city in terms of creating jobs, a true mixed-use environment continuing in a lot of things that we focus on here in the city around planning, alternative transportation, walkable communities, and inclusive communities, as well. I think that is perhaps the biggest opportunity that we have as a city. Projects that maybe shouldn't go forward -- nothing really comes to mind right now. I think that projects large and small -- if you look at the portfolio, we've got some relatively small projects that we've done over the years. An example might be the Deschutes Brewing project. Very small project, relative to other things. But I think the impact that has -- sometimes, the small ones can have more impact. So I think often those are overlooked. So I think focusing on those is also important.

Novick: And I'll ask a really unfair question which you are free to decline the answer. What do you think that we should do with Veterans Memorial Coliseum?

Edlen: [laughs] Oh, boy. I'll decline to answer today.

Hales: Something. I'll answer -- something.

Fish: Mark, I appreciated the chance to talk with you privately when you came in and visited. And Hannah Kuhn sat in with us and afterwards, she was so impressed. I've had the fortune of working with you for many years, you and Jill Sherman and others from your shop. Hannah was very impressed with your views and the depth of your convictions. Two questions. A couple years ago, you said to me that Portland has a chance to do something special on sustainability. You said, it's time to double down. Tell us what that might mean.

Edlen: Sure. I think that a lot of things we've worked on over the last 20, 30, 40 years really are coming to fruition, whether it be the bottle bill, or urban growth boundaries, or alternative transportation, or the bike thing -- the bike thing's absolutely on fire. While I'm very grateful for some of the very large employers we have -- and I'm concerned that we keep those people such as Gunderson, Precision Castparts and others, because those are jobs that are good, solid family wage jobs, and a lot of them. I'm really excited about what's happening on the close-in east side at this

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point in time. I think that the entrepreneurs are coming to the city -- they joke about coming to retire in Portland, and I don't believe it at all. I think we have a lot of people coming here. Some of them are creating jobs, some of them are creating businesses. They're not all going to be successful, but I think that they're going to find a way. And I think they're coming here because of what's here, the unique environment. So when I say double down, I think that the strategies that we've been employing as a city and as a state are great strategies to attract the kind of people that we want to come here that are going to create new jobs and new businesses. Sustainability is a piece of it -- it's not all of it, but it's a piece of it. I often feel like -- and when I go to other cities, it's interesting. What we've been doing here for a decade is -- and many of those cities knew -- and you sit down with your counterpart, the mayor, somebody from their development commission, whatever -- and they are so excited to have someone do LEED Gold building, let alone talk about bringing in the arts and kids to build the community around that project or that community, if you will. Yet, a lot of things are catching up to us. I think we're kind of in a position where if we don't continue to innovate, other cities are going to catch us. And I do think I know our firm specifically has benefited from having the good fortune to be based here, and founded here, and work here, and with a lot of public-private partnerships for the city and other folks where we pioneered some things. A good example is the brewery blocks. We wanted to store rainwater and reuse it -- and this was 12, 13 years ago. And we couldn't do it, it was against codes. Well, we worked together with the state -- the city and ourselves and others in the state -- to change those codes today to where we can do that. You know, sometimes thinking out of the box about how to make some of these things financially affordable to where a public-private partnership can do different things -- I think it's really time to think more creatively and to be brave. You know, what's the big stupid idea that might change things for all of us?

Fish: Thank you. And the second question I wanted to ask you picks up a little bit with something Commissioner Novick asked you. I've seen a big shift in the relationship between PDC and the council over the past six years. And frankly, I think we're at a point where there's a true partnership and a lot of positive interaction, and I think that a sense of shared mission. Five years ago, Mayor Hales' predecessor put a marker down and said we're going to do a five-year strategic plan, we're going to focus on jobs. We're now in the process of evaluating those five years and potentially charting a new course. And you said in your remarks that you believe that place-making and jobs go hand in hand. One of the challenges that I've had is understanding what some of these terms mean. And I think that these are terms that to the public are sort of a blank slate. Could you just give us just briefly a sense of an example of a place-making exercise, what's an example of a job focus, and what's in your sense an opportunity where we do both together successfully?

Edlen: Sure. The best example I think of place-making -- while Mayor Hales may not appreciate this for another responsibility he has -- that's jaywalking. If we can create walkable environments where the pedestrian owns the street and the sidewalk -- and not the trucks, not the cars -- where they feel comfortable jaywalking, then I think we've been successful. And a lot of things go into that, all the way from crafting the first 30 feet of a building. You know, the big, shining, sparkling objects are fun to look at but really where it's going to be successful is on the sidewalk and how that pedestrian is going to interact with it, and what's going to cause someone to come back again and again. One example of place-making -- I don't know who put this out there, it's probably the city -- but in front of Powell's on Burnside, there's a metal sculpture. It looks to me like an inverted wheat shaft. And my office used to look out there, and I would see people out there scratch their head and look at it. I'm sure that one person said, that's the coolest thing I've ever seen and another person say, that's the dumbest thing I've ever seen, but what do they do? They stopped and it took them out of their day. Better yet, those two people talked to each other about it. To me, that's what place-making is about, it's bringing people back again and again. Jobs -- you know, brewery blocks is a great example. When we bought those five blocks, there were 200 people working there. Today, there's probably -- I would guess 4000 people living and working there. Some of it affordable

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housing also in the apartments that we put in there. So, I think that trying to think about how those things go hand in hand I think is a real obtainable objective for all of us.

Fish: And I have to say -- since ultimately, it will rest with this body to shape that strategic plan looking forward, I think we're going to benefit from your thinking on this. And we're going to be imposing on your time, because I think that you have a unique perspective on what makes a city successful. And however we come down on this next five-year vision, I think at the core, it must be people-centered. It must be about creating a livable city, but fundamentally, it needs to be a city that has a strong economy and people have work, and I will look forward to your guidance.

Edlen: I look forward to that dialogue. I tell other people, go early and often -- meaning go to the community and go to the public often whenever we've got a project, because we're going into their community. And I think that approach is very emblematic of how we can work together.

Fish: One other comment, Mayor. When we met, Mark said there were two issues that just are front and center in his thinking about the city. One is the mental health crisis that we have, and how we address that. And that's clearly one of our greatest challenges. And the other one was with the growing inequality and how do we address that through public policy. And I think if we are truly going to be a city that we want to become, we must address the mental health crisis. Because we're now seeing the product of years of neglect and underfunding. And it's become really a core component of addressing homelessness and other challenges. And the growing inequality is something that is fundamental, too. I appreciate that you identified those two as things that drive you to public service.

Hales: Other questions? Mark, thank you very much.

Edlen: Thank you.

Hales: Anyone else want to speak on this item?

Moore-Love: No one else signed up.

Hales: Let's take a roll call, please.

Moore-Live: Do you want a motion to accept?

Hales: A motion to accept, sorry.

Saltzman: So moved.

Fish: Second.

Item 999 Roll.

Novick: With the caveat that my vote should not be interpreted as a blanket endorsement of jaywalking, I vote aye.

Fish: Thank you, Mark Edlen, for stepping up. You're going to be under a different kind of microscope in this job, fairly or unfairly. But you have a huge opportunity to help us get some policies right, and to think through how we take all these different threads and knit it together to create a successful city. I can just tell you from my own experience as the former housing commissioner, your firm brought the X factor that made a number of projects hugely successful. Most recently, Dan, the Lifeworks building. It really -- frankly, it took three NOFAs to get the funding because it just didn't pencil out, and they couldn't get the vision right. And when they added Gerding Edlen the team and their expertise, it finally came together. And it's a shining example of the kind of value that they bring to complex projects. I know this going to be a sacrifice because of the requirement that you avoid conflicts and you stay out of certain opportunities, so we're asking a lot of you. At the same time, I think you can help inform our debate going forward in ways that are unique. And so I am grateful that you have agreed to accept this offer, and pleased to vote aye.

Saltzman: Well, I'm really pleased that you're accepting this job, Mark Edlen, and really want to recognize the career of entrepreneurial spirit and risk-taking that you have undertaken as a principle in Gerding Edlen, particularly in leading the charge on Portland's expertise in green building development and sustainability. I mean, Gerding Edlen was really helping to lead the charge back when we were getting involved as a city creating the Office of Sustainable Development and our

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city greenbuilding policy. Gerding Edlen was always the one taking the risk, figuring out how to use rainwater to flush toilets, how to build a bioreactor on the south waterfront to treat sewage. These are big, big ideas, and associated with them are always big risks. Sometimes, things don't always work out as expected. But I do think that the fact that your company is now working in cities throughout the country -- and probably internationally, as well -- is the prima facie evidence that we develop expertise here in these things, we can export that expertise, and that helps to create jobs locally. So that's a great thing, and I really appreciate your whole contribution to our civic greatness. So I'm very excited that you're joining the Portland Development Commission. Aye.

Hales: The Gerding Edlen Principles of Place that Mark helped draft, say, build community, create inviting spaces, minimize the carbon footprint and energy dependence, connect people and buildings to nature, encourage transportation alternatives, craft the first 30 feet, inspire communities with art, make 20-minute living real, integrate schools and neighborhoods, preserve symbols that matter. If we can plagiarize that and call it the Portland Development Commission mission statement, I think that we'd be in good shape, because I think those principles are shared values that Mark and his company have brought to Portland and that we want to do more of. So, thank you for those principles and your willingness to take this on, Mark. Very pleased to vote aye. Thank you. Now, we have a time crisis that I want to address for a minute, I think both Commissioner Novick and I need to leave the building pretty quickly. We have folks here that are signed up to speak for Council Communications. So, how many folks are here? Mr. Shirazi is here. So, let's take you, Mr. Shirazi. Anyone else that was on the previous agenda? OK, let's do that.

Fish: So Mayor, are you going to put 1001 to the afternoon?

Hales: We're going to put everything else to the afternoon other than Mr. Shirazi.

Item 994.

Hales: Good morning. Thanks for your patience with our situation this morning.

Siamak Shirazi: Sure, no problem. Good morning, members of the council. My name is Siamak Shirazi. I own a wellness group called 2bwell. We have two branches, one in Lake Oswego and one downtown in the corner of 3rd and Burnside, the gateway to Old Town/Chinatown. I want to just talk to you a bit about the way that I work in my every day job. I practice what is called wellness-based medicine. That means that I try to do a lot of investigation and get to the root cause of the problem when I'm dealing with a patient. I appreciate the present symptom, but I try to go beyond and find a root cause, and hopefully help them, guide them, counsel them to maybe change their lives or address it at a deeper level. I feel like the way that we have been dealing with our sidewalk issues, especially where I'm at -- where my downtown practice is -- it's more like what I call illness-based medicine. So when a patient goes to a traditional doctor's office and they have high cholesterol, the first point of action is to help them to not have a stroke, or not to have a heart attack. So, they prescribe for them, send them home with the booklet maybe, tell them a little about the lifestyle changes -- but it ends there. So their aim is to save the person's life, which is very noble and very important, but it wouldn't really change their lives. It wouldn't impact the rest of the things they do which has contributed to the high cholesterol to begin with. I feel like we have done a very effective job of helping people -- especially where I'm at. We feed them when they are hungry, and there are faith-based organizations who do a really, really noble job with their aim to really help people in need. We clean up after them. We have an organization called Clean and Safe. Very, very nice people. I actually am friends with a lot of them now, and I really love them because they themselves have transformed their lives, and they're keeping our sidewalks clean and they're doing a very nice job of that. But I'm here to talk to you about maybe we can do something more to address our issues at a deeper level. I feel like we usually use the same paint and brush and call people homeless or transients, or don't really think about each individual as a unique person. Everybody has a different problem, they're not out there all for the same reason. Many of them I got to know who suffer from mental problems, and many of them have drug addiction issues -- and they don't want to, but they have no rehabilitation incentives. What I hope to do is to maybe -- [beeping]

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-- and that tells me my time is running out. Very briefly, I had a meeting with Commander Day at Portland police, and he has a very successful program -- I believe they call it sidewalk beats. It's already working really well, because policemen really do a triage, really talk to people and find out what the individual problems are and try to help and address them. What I love to see is if that program can expand to Old Town/Chinatown. Right now, yeah, it stops.

Hales: We'll definitely follow up with you on that -- Commander Day and I will.

Shirazi: Great.

Hales: Thank you. We appreciate you bringing this to us this morning. We look forward to continuing the partnership with you, and appreciate your investment in Old Town/Chinatown.

Shirazi: You're welcome.

Hales: Thank you. Thanks very much. So we're going to go to recess until 1:00 p.m. and take up the rest of the Council then. Thank you all.

At 10:00 a.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.

OCTOBER 1, 2014 1:00 PM

Hales: Council will please come back to order, please call the roll.

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

Hales: We're going to return to our morning calendar and finish up those items that we have not yet addressed from this morning's calendar. I think they start --

Moore-Love: 1031 through 1034, but 1034 is being referred back.

Hales: Right. And 1035 as well.

Moore-Love: Right.

Hales: OK, let's do 1031, please.

Moore-Love: OK, they wanted 1031 through 1033 all read together.

Hales: OK.

Item 1031.

Item 1032.

Item 1033.

Item 1034.

Fish: This is what we call an entrance.

Hales: There we go. And I understand we're going to return 1034 back to Commissioner Saltzman's office, but we're going to hear the other three items. And of course, he's not here this afternoon, so you are queued up for presentation.

Andrea Matthiessen, Housing Bureau: Good afternoon. I'm Andrea Matthiessen with the Portland Housing Bureau.

Dory Van Bockel, Housing Bureau: And I am Dory Van Bockel, also with the Housing Bureau.

Matthiessen: So one of the items before you this afternoon is the resolution that establishes the annual forgone revenue cap for the MULTE program. Just beginning with that item, wanting to note that is an administrative requirement for the program that's required by state statute, and so that cap is being proposed for 1.25 million for the 2014 calendar year. That cap was established in conjunction with support from Multnomah County, particularly in response to the three applications that PHB received under the MULTE program for 2014. Three applications were received. They were supported by the county, they were scored by the Housing Bureau. And at this point, I believe that I saw all three of those application ordinances before you this afternoon, but one of those was intended to have been withdrawn. I'm not sure if that actually --

Hales: It's being referred back, I think. The Riverscape project.

Matthiessen: Correct.

Hales: Back to Commissioner Saltzman's office.

Matthiessen: Ah, yes. Thank you.

Hales: Yeah, the other two -- block 8L and block 67 -- are both still here before us.

Matthiessen: OK. Those two applications would together would not actually meet the \$1.25 million proposed cap on forgone revenue for 2014. The Riverscape project did decide to proceed as a market rate project. They elected not to use the property tax exemption and to provide affordable housing under the MULTE program. So what you have before you is then the two ordinances for the specific projects. We can answer questions that you might have on those, and then also the resolution to establish the annual cap on forgone revenue for the MULTE program.

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Fish: Let me -- if I could, colleagues -- just provide one piece of context, since Commissioner Saltzman could not join us. A few years ago -- it's probably longer -- the city and the county undertook what was called a Big Look of our multifamily tax exemption program. And the elected officials at the table included Chair Cogan, Commissioner Kafoury, Commissioner Fritz, and me. It lasted a couple years, and it was extremely complicated. One of the outcomes of that process -- in addition to aligning our policies better with the tax abatement programs -- was the county's desire to have a cap on forgone revenue. This was not an issue that the city advanced as a primary concern, it was a question that the county really advocated for. And if you'll recall, without the county's blessing on these programs -- and I should say, more importantly, without the county assessor's blessing -- they have no effect, because the county assessor ultimately has to agree to take the property off the tax rolls. So the genesis for a \$1 million cap was that two-year-long discussion, and that was primarily a county concern. When Commissioner Saltzman had this conversation with the county chair about raising the cap in order to build a fund for additional programs -- we could not be at this place if we did not have the concurrence of the county chair. So this comes to us as something that the city and the county have jointly agreed to, but historically, it's been a greater concern to the county -- this idea of the forgone revenue -- and they were the ones who really advocated for the cap. And that is separate and apart from the competitive process to see how it's applied. That's what we have before us on the programs, the projects which have been selected through the competitive process, and raising the cap a fairly modest amount can only happen with the blessing of the county chair.

Hales: Thank you. Appreciate that context.

Novick: Just one point of clarification. Originally, we were going to have a \$1.2 million cap assuming there was going to be three applications. Does this mean that the money will be distributed among the remaining two, or just that others will have an opportunity to apply for the rest of the money?

Matthiessen: We've had conversations at this point with the county about the outcome of the Riverscape application, and they are in support of the city seeking a third or other applications to consume the balance of the remaining unallocated cap. They would like an opportunity to review that specific project. Their support for the increased cap was predicated on the city taking these three specific project applications to the county and reviewing the benefits and merits of those specific projects with the county, and they'd like that opportunity for any other projects that would come forward for 2014.

Fish: And Commissioner Novick, in the absence of statutory authority to have an inclusionary zoning or some of the other tools that we're barred from using, one of the reasons the county continues to have interest in this program is it does at least get us to 20% of affordable units in choice neighborhoods. So we're getting the affordable units in neighborhoods that are experiencing significant increase in property values.

Novick: Yeah, I just wanted to make it clear for the record that this is not about, you know, the two applicants getting a windfall because the third dropped out, it's about trying to find somebody else to step up. That's my understanding.

Hales: OK. Other questions for the team? Anything else that you need to include in this package?

Fritz: I have a concern about 1032, which is the block 67, which I think I expressed at the last hearing -- and that was all sent staff-to-staff -- which is about the public benefit. That was one of the things in the Big Look process that Commissioner Fish and I grappled with, that it was blending a lot of other programs. And included in one of those other programs was this concept of there being some kind of additional public benefit in addition to affordable housing. So the two other projects you put forward allowed access to the gathering spaces by the community, not just by the residents, and I don't see anything in this application that is a community benefit rather than a benefit to those who will live in the apartments.

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Van Bockel: This project also does have space for gathering open to the public, and they were making additional improvements to the project, including taking on some maintenance agreements that were part of what was codified in that portion of the additional public benefits.

Fritz: Can you direct me to where in this packet it changed from the previous discussion to now?

Van Bockel: I don't believe that we've discussed this particular project. And the code has not changed or the guidelines as to what is accepted in the access to gathering spaces, but we have clarified that only gathering spaces that do have public access will receive any scoring. So, yes, that is clarified in this. So in this particular project, in the gathering space section starting at the bottom of page three, there's a 9000 plus square foot eco-roof that will be available to the public as gathering space that will have entertainment features as far as for people to hold gatherings there. And they are also presenting some other things that are a part of the project site. But primarily, again, there's the maintenance agreement and some additional infrastructure connecting it to the skate park adjacent to the site as well.

Fritz: Looks good. How will the public know they're invited to use the eco-roof?

Van Bockel: That's not a discussion we've had with them at this point. They have certainly said that generally, it's available by reservation. We haven't required to any marketing of such amenities per se, but they are definitely in the proposal of their project looking for many ways to connect with the community, including passersby. It's a very bicycle-centric project, and they're inviting bicyclers and other commuters to sort of be part of the project. It's a mixed-use project where there will be commercial on the ground floor, and then connecting to the adjacent sites and the other development that's occurring simultaneously at the bridgehead area. So there is that intent to certainly be part of the community in that way. And I would hope that that would also then invite that part of their project to be used publicly.

Fritz: Great. And so maybe in each of these projects when they do their grand openings, they could be sure to invite the neighborhood association and make that clear, and it would then get passed along.

Van Bockel: That's a good idea.

Fritz: Thank you very much.

Hales: Why did this project earned zero points on accessibility and special needs accommodations?

Van Bockel: They chose not to add any additional features above the minimum ADA requirements. So it's not a public benefit they're specifically seeking as far as adding any additional accessibility features to the project. There very well could be some. It's a very highly designed -- architecturally -- project, so there's very possibly some amenities that would be positive for the accessible community, but it wasn't outlined specifically in the application.

Hales: So if you meet ADA, which you have to do, you get zero points because that's mandatory. You have to go above and beyond in each of these cases in order to earn any points.

Van Bockel: Correct.

Hales: OK.

Fritz: Which is an improvement over when you were serving on the council and I was on the planning commission, where you got points just for applying to the law, which was irritating to us at the time.

Hales: Yeah.

Fritz: It's good to know that it's been changed.

Fish: But Mayor, this idea of how do we create stronger incentives for people to build fully accessible units with the graying of the population -- I think we would all like to see more units universally accessible. And how do you bake that into the code without displacing some other value along the way?

Hales: We could also increase the potential number of points they could earn for doing better than the minimum.

Fish: For the baseline.

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Hales: Right. Because they can earn up to 10 in the case of special needs populations and 20 in the case of accessibility, but those numbers are set by the city, not by ADA. So we could change that.

Fish: And I know Commissioner Saltzman has been focusing on whether in certain targeted areas we could do that, like south waterfront. If we want to create an environment where developers are building more units accessible for older adults, could you change the points there and in particular geography so you get that outcome?

Hales: Mm-hmm, yeah. OK, other comments, questions, concerns to raise with the team here? Has anyone signed up to speak on this item?

Moore-Love: No one has signed up.

Hales: Or these items, I should say. OK, great. Anything else you need to add before we act on these? Thanks very much. Then we have the resolution, which is 1031, and that's ready for our vote.

Item 1031 Roll.

Novick: Thanks for the explanation. Aye.

Fritz: Thank you for your extra work on this, and always having good responses. The Housing Bureau is doing very good work on this. Aye.

Fish: This is a program that for the last five years the Housing Bureau has administered at an extremely high level, and these are two of the reasons why. Thank you for your good work. Aye.

Hales: Yeah, it's good staff work, I think, and appreciate that. And it's good for the council to keep an eye on these. I fully support this program, but it is a tax expenditure. We're spending money, just like we do when we budget cash dollars. So it's a reasonable level of oversight and this kind of rigor we apply to the application process I think is about right. We might want to change the point total -- as we talked about -- in the future, but fine for now. Thank you. Aye. OK. The other two action items are previous agenda, so we can vote on those, I believe, 1032, 1033. So do we need a motion to approve the application?

Moore-Love: Not if we're considering them second readings.

Hales: They're second readings?

Moore-Love: Kathryn, these were the 3:00 p.m. time certain, they weren't heard at all. We didn't even read the titles on the 17th.

Fritz: But we heard them before that. They had a public hearing before that. Didn't they?

Moore-Love: On the 17th -- they were scheduled for 3:00 p.m. time certain on the 17th. But we didn't hear anything in that afternoon.

Fish: Were they on consent prior to that?

Moore-Love: No.

Hales: So they're ordinances, and therefore, without the emergency clause, they're going to pass to second reading for next week. I assume that's not a problem.

Moore-Love: I think so.

Fish: Does that present a problem, ladies?

Matthiessen: No.

Hales: Let's do that the safe way, and 1032 and 1033 are set for second reading next week. Thank you. And then 1034 is returned to Commissioner Saltzman's office.

Item 1035.

Hales: Second reading, roll call.

Item 1035 Roll.

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

Hales: OK, I think we have resolved all the remaining items for the morning agenda except for the time certain item 1001 that we're going to now take up that we held over.

Item 1001.

Hales: So this is an appeal hearing that was held over for members who were not present -- including myself -- to review the record and be able to deliberate and decide. Before we start that

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process, however -- since time has gone on, we ought to check and make sure -- does anyone have any ex parte contacts to report?

Fish: Mayor, I have a conversation to report. It doesn't qualify as ex parte, but I think better safe than sorry. I did have a conversation with Mary Kay Tetrault, who is from the Woodstock neighborhood association in this chambers, and the substance of our conversation was why I never see her at my gym. [laughter]

Hales: OK. I think that probably falls outside the scope of this review. Alright. Then is there anything, Kathryn, that you need to bring into the record here before we -- ?

Kathryn Beaumont, Chief Deputy City Attorney: At this point, no. The council continued this matter to today solely for the purpose of council deliberation and a vote. And your vote today would be a tentative vote. We have until -- we can carry this forward to October 15th for an adoption of findings and a final vote.

Hales: OK.

Fish: Mayor, one of the reasons I among others pushed to have this set over is on issues of this complexity, I find it's helpful to have the commissioner in charge of the bureau present. We got a terrific presentation from staff, but Mayor, you often have a clear point of view on these kinds of things, and we thought it better to have -- potentially five members of council, of course best laid plans -- there are four of us, so we could have a robust discussion about the issues before a vote.

Hales: Thank you. Are we ready for a motion?

Fritz: I need to say first, for the record, that I have reviewed the last 45 minutes to an hour of the hearing. I had to leave a little early, so I have reviewed that. And do appreciate Commissioner Fish for setting it over so we could have a discussion. Because I think this case actually brings up some significant policy issues that we the council are responsible for addressing. The first one that we can't do anything about right now is the solar regulations. It's very ironic that in a city that prides itself on sustainability and is considered a leader with our climate action plan that our solar regulations are so abysmal. And indeed, because the code allows everything else to supersede the solar access regulations, there are not very many meaningful at all. That was done, again, while I was on the planning commission, against my strong objections. But that's the code that we have. I'm just making that clear because we're in the comprehensive plan update process, and I think it should be an issue that Portlanders should be engaging in in public hearings before the planning and sustainability commission, and bringing that back to council as a separate policy issue. The second issue which is important to this particular case -- and I'm emphasizing this particular case, my next comments are not intended to set precedence, to change anything, I'm just looking at this particular case of what is being proposed on this particular lot in this particular location with the particular comprehensive plan designation. And that is that one of the approval criteria is 33611200A9, and that is that lots are compatible with existing lots while still considering the purpose of the chapter. And the hearings officer goes into a lot of detail and there's a lot of testimony at the council hearing on the issue of compatibility. Obviously, it's very subjective, that's why it's an approval criteria. And because it's a discretionary decision, reasonable people may disagree. If it was a standard, then it wouldn't be something the council would even be able to discuss or consider. The hearings officer used the dictionary definition of capable of existing together without discord or disharmony. He's concluded that the application meets that with the proposed format and the layout. I came to the opposite conclusion that on this lot, a 10,000 square foot lot in an R5 neighborhood where yes, it's got a comp plan designation of 2.5, but using that designation and using the standards of the R2.5 and then needing an adjustment of the standards of R2.5 -- we're just trying to do too much on this lot. And there are other options for how this lot could redevelop in an R5 zone or zone. It's a corner lot. You could put a duplex on it. You could you have two lots, because it's a 10,000 square foot lot. You still have three units, but it would be configured in a manner that's more compatible with the neighborhood. So that's the conclusion that I came into is that compatibility. I think it's very laudable that the developer wants to save the existing house, and I heard the testimony that some

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folks would prefer to have the existing house and would put up with the narrow lots, and others would prefer that the neighborhood pattern of development be more like its current. I think, for myself, I'm veering more to be more compatible with the neighborhood, laying out those three dwelling units under the R5 regulations without giving the adjustment to the lot widths would be more compatible.

Hales: So based on that, would you like to make a motion?

Fritz: So based on that, I move to support this appeal and deny the application.

Fish: I'll second it.

Hales: Further discussion of that motion? This is a tentative decision to be supported by findings, correct?

Beaumont: Yes. We would bring back findings on October 15th.

Hales: OK. Anything further from staff? Roll call on the motion and for a tentative decision to be later supported by findings.

Roll on motion to support the appeal and deny the application; staff prepare findings for October 15, 2014 at 10:15 a.m. Time Certain.

Novick: Aye.

Fritz: I do also need to note that we are more than meeting our housing needs through the current comprehensive plan and the current housing designations. We're looking at supporting the urban growth boundary, doing infill, adding hundreds of thousands of dwelling units -- most of those are going to be in multifamily zones, and that's the appropriate place with the appropriate development standards providing parking and other such amenities. We don't need to stuff additional units into existing neighborhoods. And particularly, if we're going to do infill in existing neighborhoods on existing lots, we need to be very careful that they are compatible with the surrounding neighborhood. So, very good discussion on all sides on this. I very much appreciate everybody's input, and I appreciate the support for my motion. Aye.

Fish: Aye.

Hales: I appreciate your analysis, Commissioner Fritz, and I agree with it. I think the hearing's officer in this case did take a narrow view capable of existing together without disharmony. Well, that's almost a sophistic view in that capability and probability are two different things. So, I think your motion is founded on a belief that we ought to use the tool that's most likely to get a good outcome, and I think the R5 regulations are that in this case. Aye.

Beaumont: One item of clarification from Commissioner Fritz on her motion. Was your motion to deny the application in total, or was it to grant the zone change but deny the related land use approval -- land division?

Fritz: Deny it in total.

Beaumont: Alright.

Hales: Support appeal, deny it in total. That was my understanding.

Beaumont: So we need to continue this to October 15th at -- do you have a time, Karla?

Moore-Love: 10:15 a.m. time certain.

Hales: OK, thank you. Let's take a three-minute break and then we'll return to our next land use item. Thank you.

Moore-Love: That's at 2:00 p.m. -- it's time certain at 2:00 p.m.

Fritz: Are we done with everything else on this morning's agenda?

Moore-Love: We did.

Fritz: Pretty impressive you kept track of all that.

Moore-Love: [laughs] Trying.

Hales: We'll recess for a couple minutes and then return. Thank you.

Moore-Love: It's a 2:00 p.m. time certain.

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Hales: Oh, my goodness, we have nothing left from this morning. Wow, 30 minutes. Sorry, everybody. We can't take up a time certain until we actually are there. So, we're recessed until 2:00 p.m., 28 minutes.

At 1:35 p.m. Council recessed.

At 2:01 p.m. Council reconvened.

Hales: Good afternoon, everyone. The council will please come back to order for our Wednesday, October 1st council meeting. Would you call the roll?

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

Hales: Why don't you read these two items together, please?

Item 1036.

Item 1037.

Hales: Great, thank you. This is a quasi-judicial land use hearing, so it follows a prescribed process which we'll have our city attorney lay out in a moment. But first, I want to make sure I ask council members to disclose if any of us have ex parte contacts or conflicts of interest or potential conflicts of interest to report.

Fish: I'll start, Mayor. I had a brief conversation with Tracy Prince, who informed me she had some questions about procedure, and I asked her to direct those to my staff. And she has spoken appropriately with people on my staff about her concerns. My staff has reviewed a memo from Ball Janik, which is in the record, and my staff has attended the council office briefing prepared by the Bureau of Development Services staff.

Hales: Thank you. Any others?

Fritz: I have received a number of emails and responded to those, mostly those requesting a delay in this hearing, which I copied my colleagues on the initial one and I've copied Karla Moore-Love, the council clerk, on every one. There were a couple of follow-up emails in response to that, mostly clarifying what did I mean by the approval criteria. So I discussed what the approval criteria are in context of any land use review rather than in the context of this particular one.

Novick: I, too, have received emails, but I don't think I responded to any of them.

Hales: I've received a number of emails as well, and my staff prepared a response which has been disseminated to those that inquired to our office about the case. But I haven't had any personal conversations about it and have no conflicts of interest. Does anyone have any questions about council members? This is required that we do this to make sure that we are doing these on the merit. So if there are no questions, then Kathryn, why don't you lay out the procedure for today's hearing and we'll start with the staff report. I'm sorry, question? Yes, come on up.

Casey Milne: My name is Casey Milne, and I'm curious about MAC membership.

Hales: Oh, thank you for bringing that up. I don't believe any of us who are here present today have a membership in the Multnomah Athletic Club. But if that were the case, we should disclose that. Commissioner Saltzman does, and he's recused himself from the hearing for that reason. Thank you.

Fritz: And I've had no conversation with Commissioner Saltzman about that due to his membership. And I have no membership in the club.

Hales: Great, thank you.

Kathryn Beaumont, Chief Deputy City Attorney: Good afternoon. I have several announcements I'm required to make by state law. These concern the type of hearing we're having today, the order of testimony, and the scope, some guidelines concerning giving testimony. First, as to the type of hearing today, it is an evidentiary hearing, which means you may submit new evidence to the council in support of your arguments. Today's hearing concerns the hearings officer's recommendation to the city council on this comprehensive plan map amendment and zone change, and testimony will be heard in the following order. We'll begin with a staff report by BDS staff for

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approximately 10 minutes. Following the staff report, the council will hear from interested persons in the following order. The applicant will have 10 minutes to present the applicant's arguments and position. Following the applicant, individual supporters of the applicant will have three minutes each to testify. Testimony will then turn to the opponents. The principal opponent will have 15 minutes to address the council. Individual supporters of the principal opponent will have three minutes each. And finally, the applicant will have five minutes for rebuttal. The council may then close the hearing and deliberate. The council may vote today on the hearings officer's recommendation. If the vote is a tentative vote, the council will set a future date for the adoption of findings and a final vote on the hearings officer's recommendation. If the council takes a final vote on the findings and recommendation today, that will conclude the matter before the council. As a practical matter, if the council were to uphold the hearings officer's decision today, the ordinance that makes the zone -- that actually changes the comp plan map designation and zoning is a nonemergency ordinance and would need to be continued to second reading. So the council's vote on the findings should track the ordinance. Finally, in terms of guidelines for giving testimony today, any letters or documents you wish to become part of the record should be given to the council clerk after you testify. Similarly, the original or a copy of any slides, photographs, drawings, maps, videos, or other items you show to the council during your testimony, including PowerPoint presentations, should be given to the council clerk to make sure they become part of the record. Any testimony, arguments, and evidence you present must be directed toward the applicable approval criteria for this land use review, or other criteria in the city's comprehensive plan or zoning code that you believe apply to the decision. BDS staff will identify the applicable approval criteria as part of the staff report to the council. You must raise an issue clearly enough to give the council and the parties an opportunity to respond to the issue. If you don't, you will be precluded from appealing to the Land Use Board of Appeals based on that issue. Additionally, if the applicant fails to raise constitutional or other issues related to proposed conditions of approval with enough specificity to allow the council to respond, the applicant will be precluded from bringing an action for damages in circuit court. That concludes my opening.

Hales: Thank you. And as another practical matter, we may not be able to maintain a council quorum ad infinitum today, so we may be necessary for us to continue the hearing based on how many people want to testify. So we'll see how that goes, but that is an option that we are likely to select if this ends up being a long hearing. So with that, let's have a staff report, please, and start the process. Good afternoon, Sheila.

Sheila Frugoli, Bureau of Development Services: Good afternoon. I'm Sheila Frugoli, the assigned planner who will be presenting Hearings Officer Kenneth Helm's recommendation to you. The owner, the Multnomah County Athletic Club -- which I will refer to as the MAC -- and the applicant, Sam Rodriguez of Mill Creek Residential Trust are requesting a comprehensive plan map and zoning map amendment. The subject site is a city block known as Block 7, and it's located between SW 19th and 20th and SW Main and Madison. The request is to change the designation and zoning from high-density multi-dwelling residential to central commercial. The existing deed design overlay zone and the provisions of the central city plan district remain applicable to the property. Those elements will not change. Here, we see the current and proposed zoning maps. Looking at the maps, we see RH zoning to the west and east of the site. The properties that are immediately north and south of the site are within the CX zone. Hence, the proposed CX zone follows an existing pattern. The applicants are proposing to develop the site with a residential type building. The project will include approximately 260 to 280 residential units and have 191 accessory parking spaces. This number of residential units and the scale of the building is currently allowed in the RH zone. The provisions of the central city plan district, which remain unchanged, dictate the floor area ratio and the height limit for this site. Also proposed are 16 short-stay suites or studios that will serve MAC guests. The suites are considered a hotel facility, and hence are classified as a retail sales and service use. This map amendment is necessary in order to propose

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additional accessory parking to serve the MAC, which is also classified as a retail sales and service use. If this request is approved, the applicant intends to submit a central city parking review application for the construction of 225 below-grade parking spaces to serve the existing MAC facility. The parking will be accessed via an underground tunnel that will link the existing MAC parking structure with the additional 225 spaces. The Block 7 project will not provide driveway access to the MAC parking spaces. Included in the application was a site plan and preliminary sketches of the exterior of the new building. Here, we see one of those drawings. Please note that this land use review application before you today does not consider or speak to the actual building configuration scale, bulk, and architectural details. Development on the site will be subject to a separate type three design review. That review will be conducted by the Portland design commission in a public hearing. And of course, their decision is appealable to city council. In this aerial photo, we see the site and surrounding area. Block 7 is located directly south of the MAC club Salmon Street parking structure. North of the garage structure is the MAC club facilities, which abut Providence Park. The other large field that we see in the photo is the sports field on the Lincoln High School campus. The west side light rail line runs on SW 18th, and then of course turns west on Jefferson. Also to note, west of the site is the King's Hill residential area as well as the lower part of Washington Park. This photo shows a portion of Block 7. Currently, the site has park-like features with a lawn, numerous shrubs, and trees. Block 7 also has some small paved parking areas. Signs are posted at those spaces stating that parking is only available to serve MAC designated persons. And then here, we see the MAC club Salmon Street parking structure. Again, it's located directly north on the north side of SW Main. And then to note in this immediate area, there are a number of high-rise housing developments. This is a housing project at the northwest corner of SW 20th and Main. Here, we see another residential building directly west. It's on the west side of SW 20th. And then this is The Legends condominium, it's one of the larger residential buildings close by. This building is located directly east of Block 7 on the east side of SW 19th. And then lastly, there are detached homes on the south side of SW Madison across from Block 7. This block is entirely zoned CX.

Hales: You mean the block where the houses are sited?

Frugoli: Yes, the blocks with the home on them is zoned for commercial. Noted in the slide is the applicable approval criteria. The comprehensive plan map approval criteria speaks to policy analysis, the adopted city's comprehensive plan policies. We look for an on balance, is the proposal consistent on balance with the relevant policies? We also look at -- there's currently a no net housing loss policy. We look to make sure there would a replacement of housing potential with a change of the zoning. And then for the zoning map amendment criteria, we are looking at adequacy of city services to support that change or that intensification. After review of the application and consideration of both the staff recommendation as well as extensive public comments, Hearings Officer Helm recommends approval of the map change request with conditions. Hearings Officer Helm finds that the changed comprehensive plan map is on balance equally or more consistent with relevant policies. Also, to quickly summarize, he found the following. He finds that a required transportation demand management plan and parking management plan will help the MAC meet its multi-modal targets, which is consistent with key transportation-related policies. He notes that the proposed 16 short-stay hotel suites will not create significant impacts to the residential area. Further, he finds and notes that the site is privately owned, it has historically been designated for residential development, it is not a designated open space. With conditions that set parameters on the uses and their intensity, he finds that city services are adequate to support the proposal. Persuaded by the applicant's argument, Mr. Helm finds that the demand for MAC-related parking is already established. Additional MAC parking would reduce the traffic impacts, as MAC members and visitors would not be circling the block looking for available on-street parking. Finally, Mr. Helm finds that the subsequent central city parking review will determine if 225 or fewer spaces is appropriate to serve the MAC facility. The recommended map amendment and zone change comes

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with a number of recommended conditions. Specifically, condition B will ensure that the housing potential on the site will be maintained. Conditions C, D, and F sets use and development parameters to address the transportation-related approval criteria. And recommended condition E is intended to address key transportation policies. I should note that Bob Haley from the Bureau of Transportation is in attendance, and he is available to answer your transportation-related questions. This concludes my presentation. Any questions?

Fritz: I have a question. We're changing the use to CX, but it's going to have other uses. The core question is the zone. So talk to me about conditioning a CX that's really not very commercial.

Frugoli: Well, it was determined that in order for the owners to pursue the -- and request a subsequent review of the additional parking to serve the MAC -- that was the only available option, was to seek a zone change with CX, which would allow one to seek additional parking to serve the retail use. This is not unique. We do set parameters for specific projects. In fact, applicants will propose specific development types or uses in order to address service limitations, or to give certainty to their clients as well as concerned neighbors that this is truly what's going to come with the change in zoning. We've done it for a number of projects, and this is one of those. The conditions and the parameters will memorialize what's being proposed and analyzed.

Fritz: So the main commercial use is the parking.

Frugoli: It is. The one element that is also classified as retail is the hotel use, the 16 suites. If the parking weren't proposed, the applicant could have proposed or requested a conditional use review for that retail element. But the size of the parking area plus those 16 suites exceeded the parameters allowed for conditional use review. Hence the zone change was the only course that could be taken.

Fritz: And the number of units is required to meet the no net loss of housing?

Frugoli: Yes, the minimum number.

Fritz: Could they subsequently add more office or commercial to this site?

Frugoli: Under one of the conditions that staff recommended and the hearings officer is recommending to you states that no additional uses could be proposed, either through a conditional use review or otherwise. That this review is intended to capture only those elements that are approved.

Fritz: And why is that?

Frugoli: I think one of the reasons is because the analysis that occurred -- particularly, the transportation analysis -- was really focused on what currently is allowed in the RH zone and what this proposal would bring to it, and that comparison. So in order to be consistent with that traffic analysis and those parameters, staff recommended and the hearings officer recommends that the conditions be set that clearly state the maximum intensity of the development and uses allowed on the site.

Fritz: OK. And then for the transportation access, I think you told me that the only access is through the current garage. That is correct?

Frugoli: The parking access that would be related to the MAC facility and serve the MAC members could only access -- could only get to those spaces via the MAC's Salmon Street structure, an underground tunnel under SW Main to Block 7. And that's what's conditioned, or recommended as a condition. The other parking that will serve the residential units -- we do not have a restriction on that. We would anticipate that there be a garage access on Block 7 for the residents who live in that building.

Fritz: So would there be emergency exit capacity other than by the tunnel for the MAC's parking?

Frugoli: I don't believe that was directly ever addressed that I'm aware of. Perhaps the applicant's team can speak to that.

Fritz: It's a little odd, isn't it, that we're doing the zone change. We're not approving the design of the building. We're not improving central city parking plan. Do you know why we're not doing it all together?

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Frugoli: It's the applicant's choice to sequence them or pursue them separately. That was their elective, to do that. One of the things that would make it difficult is we have different decision-making bodies as well.

Fritz: Right.

Frugoli: The design commission and then the hearings officer. But this is the approach the applicant selected.

Fritz: And what is the central city parking plan's approval body? How does that get approved?

Frugoli: The parking review?

Fritz: Yes.

Frugoli: That is the hearings officer.

Fritz: Is that also appealable to the council?

Frugoli: Yes, it is.

Fritz: This one could run around, couldn't it? OK, thank you.

Hales: Appreciate that line of questions. Let me sum up what I understand from that and from the record. That is, the difference between what's allowable under the current zone and what appears likely to be proposed is not a difference in height and bulk and density, but a difference of internal uses. Is that correct?

Frugoli: Yes, exactly.

Hales: Within the envelope of the building. And so, without the zone change, a couple of those internal uses -- that is, the amount of the parking and the short-term stay hotel rooms -- would not be allowed in the RH zone. There could be a building that on the exterior is the same size and ultimately, once gone through design review, had the same appearance. But the question is what's happening inside the envelope of that building. And that changes from RH to CXd, correct?

Frugoli: Correct.

Hales: Thank you. Any other questions for Sheila at this point? I'm sure there will be more later. Thank you. OK, let's call up the applicant for their presentation.

Steve Janik: Good afternoon, members of the council. My name is Steve Janik, I'm an attorney at 101 SW Main. And with me is my associate, Damien Hall. Also, the applicant Sam Rodriguez is here; as are Chris Brehmer and Matt Bell of Kittelson and Associates, our transportation engineers. Generally, a change in the comp plan is often viewed as a very significant land use request often involving a change in policy or a significant change in the uses allowed. As I think you're hearing from the staff, that is not the case with this application. The plan change being requested is only to enable us to include the 225 below-grade MAC parking spaces and the 16 overnight units for use by the MAC. As you heard, the current plan designation and zoning will allow the proposed apartments, 260 to 280 units, and the 191 parking spaces associated with those units. The height limit on the block is 100 feet, and the FAR -- including the available central city plan bonuses -- is seven to one. And those two parameters would allow the project in question. Here, we have a slide that shows you a comparison between what we are proposing, what the current RH zone is, and what the development parameters would be under the CX zone. We are well within the external parameters of what would be allowed in a current RH zone. Now, the way this came about was when the applicant, Mill Creek, approached the MAC club about acquiring the property, the MAC suggested that the project address the lack of adequate parking that the MAC is experiencing by putting those 225 stalls below this grade and under the 191 parking stalls for the apartments. The code problem that we ran into -- as staff commented -- is the MAC use is itself retail sales and service under the code. Any accessories to the MAC use -- namely, the 225 parking spaces and the 16 overnight units prescriptions -- are also retail sales and service. There is a limitation in the current RH zone that says you can't have in the RH zone more than 20% of a new building be retail sales and service use. But the surprising thing is the definition of the building in the code excludes the parking. So if you run that calculation, we found ourselves not able to comply with the maximum cap of 20%. We then thought about going from the RH zone to the closer RX zone, and

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there's similar 20% limitation on retail sales and surface. In order to build what is permitted outright as well as to accommodate the MAC parking and the 16 overnights, the only thing we could do is apply for the change to the CX zone, but the zone has to be consistent with the plan designation, which means then changing the plan to central commercial. When we originally designed the project and took it to the neighbors, there was -- on the eastside of Block 7, the design included the access way for the MAC club parking. It included a bicycle storage area, included a truck loading area, garbage collection area, etc. In meetings with the neighbors, the people in The Legends -- particularly those on the ground floor immediately opposite this east side of the building -- complained about the potential for substantial noise and activity, having lots of cars going in and out of the driveway, the trucks, garbage, etc. The applicant listened to those concerns and redesigned the project to completely eliminate those activities that were on the east side, that were across the street from The Legends. That redesign involved putting a tunnel under the street so that along the east side of the block, Legends residents would see apartments similar to what the rest of the building is. That change to put in the tunnel -- which would be both pedestrian and vehicular tunnel -- was an additional project cost of a million dollars. The significance benefits of this to this tunnel are all cars entering and exiting Block 7 MAC parking will use the existing driveways of the existing Salmon Street garage. There will be no new curb cuts or driveways in the new building along the east side or otherwise to serve the MAC club parking, thereby eliminating interference with pedestrians and traffic on those streets. And cars will not be turned away from the existing garage -- as currently occurs -- and circle the neighborhood looking for parking. When someone pulls in to the current parking area of the existing garage, they will see an indicator as to whether that garage is full, and if so, they'll be directed automatically into the new parking garage.

Fish: Mr. Janik, what's an example where we've used this idea of linking two spaces? I think maybe Director Park, the parking that went in there that went in there --

Janik: Underneath PacWest and Director Park. And there was an original concept for doing the same kind of linkage under Park Avenue West and Fox. And right now, Fox and Director Park are linked underground. When this project was built, the only portion above the street grade you will see will be apartments and a portion of the apartment parking. A passerby will see and experience only what they would have seen or experienced under the current comp plan designation and zoning. These two slides show you what it looks like above grade what, we are proposing. And then the next slide shows you below grade, that's the location of the underground MAC parking and the tunnel. Now, there's no risk to the neighborhood that anything different than what we are proposing will be built. A number of neighbors expressed concerns that if it's changed to commercial or CX, that it's just a subterfuge on our part to build a bunch of commercial. That's not the case. We propose recording a restrictive covenant, which is recognized by the city zoning code, that would be in favor of the city and enforceable by the city, prohibiting anyone at any time from building anything other than what we have proposed. And the staff and hearings officer both imposed a condition to that effect. The Kittelson analysis that's in the record -- that transportation and traffic analysis -- confirmed the MAC club has inadequate parking. That results in almost 200 cars almost every peak hour in the afternoon at lunchtime and the early evening being turned away from the main parking garage and routed elsewhere in the neighborhood. A parking garage generally reaches full capacity when about 85% of the stalls are in use. Other cars are then moving around the garage, trying to get in, trying to get out. We collected data from the MAC club for all months of 2013. For every month in 2013, the Main garage operated at a capacity of 89% to 90%, which indicates the basis for turning cars away. Kittelson and Associates further analyzed, once those cars are turned away, what do they do? They will circle the neighborhood trying to find on-street parking. Or what they will do is circle the block, hoping spaces will open up. Or, some will go to the Portland tower where we have 118 stalls but we don't have those permanently. This point was succinctly made by Mr. Spencer Raymond, who lives at 18th and Main, who testified April 29th at the Goose Hollow Foothills League board meeting. And the board was considering at that time what to do about the

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project. Mr. Spencer said, I welcome the zone change because our neighborhood needs additional parking. I depend on street parking to park when I get home and often I can't find it. I don't have access to garage parking like my neighbors in Legends do. I blame the MAC events and overflow parking for not being able to find parking in my neighborhood better as a result. Fewer cars will be taking spots from residents like me. The apartment building will probably be built no matter what, that doesn't need a zone change. So why not do it as best we can and allow the additional parking as part of the zone change? The inadequacy of the parking, then, can be seen from three perspectives. One, the Kittelson and Associates traffic study. Second, the experience of Goose Hollow residents like Mr. Spencer. And related to that, the Goose Hollow Foothills League board had a survey of the neighborhood conducted on parking and traffic in mid-2013. They got 230 responses out of 283 neighbors, and the board approved the results of that survey in 2014. The conclusions from that survey were the following. Of those who park on the street, 68% of those permit parkers say they experience difficulty finding a space twice a week or more, and 40% say every day. On a scale of one to five, with five being highly desirable, residents scored the following statement a 4.3, quote, require dedicated parking in new high-rise commercial buildings. And 81% of the respondents said they moderately or strongly support requiring dedicated parking in new high density residents. A third way to look at the inadequacy of the parking is to go to the parking tables in chapter 266 of the city zoning code. That's table 266-1 and 2. Those tables establish, respectively, minimum parking standards and maximum parking standards. If you apply the health club category, which is what the MAC club fits into under those tables, and you use the fact that the MAC club has 360,000 square feet, those tables would produce the following results: a minimum of 1060 parking spaces and a maximum of 1891. The MAC club has 536 stalls in the Main garage. And under contract right now but not permanently, 118 in the tower. Based on those tables, the MAC has 406 fewer spaces than the minimum requirement. And the hearings officer found that to be persuasive. The code criteria here is sole criteria, and that is the requested designation for the site has been evaluated against the comprehensive plan policies, and on balance has been found to be equally or more supportive of the comprehensive plan as the old designation. That's a three-step process for the council and for the hearings officer. The first is to identify the textual policies. The second is to compare those to the two buildings in question under the current zoning and the new zoning, and then to balance those policies. The final step is to determine if, on balance, the new proposal equally or better meets the policies of the code. Thank you.

Hales: Questions?

Fish: Mr. Janik, just for my benefit, and this is a little repetitive of what you already told us -- could you again summarize the difference between what the applicant can do as a right, and what the applicant can do with the change requested?

Janik: As a matter of right, the applicant can build 260 to 280 apartment units and 191 related parking stalls. Under the requested change, the applicant can build 260 to 280 apartments, 191 apartment stalls, 225 MAC-only parking stalls, and 16 MAC overnight units. And both -- as our slides show -- will look the same from the street.

Fish: And I'm curious -- since Commissioner Fritz raised the issue earlier -- did the applicant have the option of proceeding on a multi-track approach to this with the different review process? And if so, why -- without betraying any attorney-client privileges -- why have you chosen this route?

Janik: The applicant did not have the opportunity to pursue a multi-track that included design review, because we haven't designed the building to the point necessary to apply for design review until we understood the outcome of this comp plan change and zone change request. There was an issue where we disagreed with the staff as to whether or not we could file for a CCPR at the same time.

Fish: CCPR?

Janik: Central city parking review, which is a condition of this approval. We would have applied at the same time but for the fact that the code was very unclear. And it was ambiguous as to whether

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or not we could concurrently apply. We have a memo in the file on March the 12th that we submitted to the staff, to the hearings officer, and that outlines four inconsistencies in the code. Our concern was if we applied for a CCPR at the same time, and we were wrong, it would be grounds for a reversal by LUBA. And therefore, the safer approach in terms of legal strategy was to ask for the comp plan change and zone change but condition that on a subsequent CCPR. We are not trying to avoid anything other than getting tangled up in an intricacy of the code that might give our opponents the opportunity at LUBA to reverse a consolidated decision by the city council. If you have concerns about that, Commissioner, again, it's March 12th, 2014 memorandum in the file.

Fish: This is not necessarily germane to our proceeding, but does the proposed connection that runs across Main Street have any impact on any existing water and sewer infrastructure?

Janik: From what we've discussed with the staff, no. There may have to be some relocations at our expense, but no. And responding to Commissioner Fritz's question, there will be emergency exits from the parking garage on Block 7.

Fritz: Where would those be located?

Janik: We haven't designed them yet, but they will be required.

Fritz: Yeah, you can't just have one tunnel that could get blocked.

Janik: No.

Fritz: OK, thank you. And my other question is -- you mentioned the MAC is down 400-some spaces according to the code as far as the health club use. Does the code discriminate between a health club on the light rail line versus one not on the light rail line?

Janik: No. And if you look at that table, it simply has listed uses and then parking ratios.

Fritz: So that will later enter into the central city parking review?

Janik: That will enter into the central city parking review, but in addition to that, one of other conditions in this case is to require that the MAC club continue to work on transportation demand management incentives to reduce single occupancy vehicles. And that's a subsequent part of this process.

Fritz: What has the MAC done thus far to reduce car use?

Janik: The MAC club has a return ride program for members and guests on light rail, a 50% transit subsidy program for MAC employees, including monthly bus passes and ticket books. They coordinate carpool matching partners. They have secure, convenient bicycle racks. They have pedometer challenges for staff to walk to work. They promote the bike transportation alliance's bike commute challenge. They have flexible work schedules for certain staff departments. They have a transit promotion information in each of their monthly -- or quarterly newsletters. They use posters and fliers throughout the club encouraging use of ride sharing. There are showers, lockers, and changing areas for members, guests and employees' use. They have certain on-site services for members that they hope will continue to diminish single occupancy vehicles, such as child care, hair salons, other things so that people can get that done without making separate trips. And they have an apparel store that has athletic gear so you don't have to go out of the club to buy something and come back. Now, that's what they're currently doing. The condition requires that they go beyond that, and we work with the city's TDM management staff to come up with other additional TDM provisions to reduce single vehicle occupancy.

Fritz: What is the current mode split for both visitors and employees?

Janik: I don't know that. I could call the traffic engineer up here, and he would probably know that. I don't know that off the top of my head.

Fritz: OK. Going back to the issue of the entrance being only through the garage, there's already a problem with getting off of the access streets there and congestion. How that is going to be addressed?

Janik: Once we came up with that proposal, we asked the traffic engineers to do their traffic impact analysis focusing on the kind of queuing that might occur at peak hour when you had people trying to get into the garage and out of the garage and you added to that the demand of the Block 7 garage.

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You will see in the record that their analysis was very complete and very thorough, and showed there would not be any significant queuing going on at that time. In fact, with the ability to route traffic quickly and not have traffic backing up trying to get in there when the garage was full -- routing it quickly through the tunnel to the other space, that offsets some of the additional cars that might be coming in. I would suggest you take a look at that, it's far more articulate than my layman's explanation.

Fritz: Do you happen to know the exhibit number? You can tell me later. Because there's already queuing.

Janik: Right.

Fritz: So I'm intrigued to know how that --

Janik: I'll follow that up, I don't have that off the top of my head.

Fish: Mr. Janik, what's the non-peak times for parking?

Janik: The peak times are around the noon hour, 11:30 to 1:00-something. And then in the early evening, about 5:00 to 6:30. Other times are nonpeak times.

Fish: So under this proposal, could the MAC club use the parking for other purposes beyond MAC club members during nonpeak times?

Janik: No. I mean, the MAC club doesn't intend to do that, it's only for members and guests.

Novick: Mr. Janik, how many employees does the MAC club have, anyway?

Janik: I need help.

Novick: OK.

Janik: 300. Part-time, 237.

Novick: And do they get free parking?

*****: Off-site [inaudible]

Novick: Off-site. So they get free parking but also half of a TriMet -- 50% of a TriMet pass paid for?

Janik: Correct.

*****: One or the other.

Novick: One or the other.

Janik: Not both.

Hales: Other questions? OK. We may have more later, but thank you.

Janik: Thank you.

Hales: Let's take individual folks that are signed up in support of the application.

Moore-Love: We have our total of 22 in support. The first three, please come on up.

Hales: Good afternoon, welcome. This is more directed to folks that will follow you than you yourself. But as you hear testimony this afternoon, if you agree with it, feel free to stipulate to that rather than repeating it. But everyone certainly has a right to have their say. So welcome.

Adrienne Hill: Thank you. Timing-wise?

Hales: Three minutes.

Hill: My name is Adrienne Hill. For 10 years, I've lived with my family in a historic home on SW King's Court, just up the hill from Block 7. King's Court is one of the great walking streets in all of Portland. But when MAC goes into overflow -- which occurs with greater frequency every year -- my street becomes a virtual parking lot with an endless stream of cars circling in search of a space. They create unnecessary noise and pollution, they block neighbors' drives and crosswalks, and they create a hazard for our kids, whether they're playing on the walk in front of our home or walking to Lincoln or a friend's house. Heaven forbid that the garden club and town club, or the Zion church and Timbers are holding an event when MAC goes into overflow. My neighbors and I call this the perfect storm. If we want King's Hill to remain a viable neighborhood for families like mine, then we need to do something about congestion created by visitors to our neighborhood. So I applaud the MAC for proposing an innovative solution to get its members' vehicles off our streets. Instead of turning cars away to troll my neighborhood, MAC vehicles will be able to park onsite. And perhaps

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my neighbor next door will actually be able to find a spot when she pulls up with her three children all under the age of five. I empathize with my neighbors at The Legends. And if I lived at their tower with their private parking garage, I, too, would not want to lose my view. But if their concern is truly the historic character and livability of King's Hill, then the proposal before you today is a huge win. You and I both know that a residential tower will be built on Block 7. Smart development can be a boon to our neighborhood, and this proposal is smart because it'll reduce traffic and pollution throughout the historic district and provide housing for new neighbors whom we welcome with a generous amount of parking for their vehicles, as well. For the families and historic homeowners of King's Hill, this is gift horse. And I ask that you please support us today by voting for the proposed zone change. Thank you.

Hales: Thank you. Good afternoon, welcome.

Drew Mahalic: Good afternoon, Mayor Hales, City Commissioners. I'm Drew Mahalic, director of the Oregon Sports Authority. I am a member of the MAC and also a Goose Hollow member. Our business office is located diagonally across from Block 7, and about the only disadvantage I can think that is we will be subject to noise during the construction of this building. I would equate it to the noise that's disruptive that you would hear as being in an away stadium at a soccer game. So overall, the positives overwhelmingly outweigh the negatives of going forward with this proposal. I salute the MAC for listening to get neighborhood's concerns and modifying its plans to meet their needs. I think you'll find out -- and you already undoubtedly know -- Goose Hollow is not an easy neighborhood to please. But the MAC has really done everything in its means and more to ensure that the neighborhood is actually enhanced. In terms of traffic, I think you can trust the Kittelson report. We had them do a report for us on the detour on SW Broadway, and it was impeccable. It will be enhanced in terms of safety and in terms of environment. And all of this at a cost of \$1 million to the MAC for building a separate entrance. This process has been exactly what Portland likes to see. It's community participation in a plan, with the developer and the MAC responding to the community's express needs. That's why I'm proud to advocate in favor of this project going forward. Thank you.

Hales: Thank you. Good afternoon.

Peter Richter: Good afternoon, members of the council, I'm Peter Richter. I'm a proud resident of the Goose Hollow association, lived in the Park Place tower condominium for 18 years, I've also been a MAC member for over 40 years. We live in a fantastic area, and we are proud to have one of the best athletic clubs in the country -- if not the world -- right in our neighborhood. Three points. Number one is maybe a little petty point, but the current usage of Block 7. And I've been on the board of the MAC several years ago, so I've been involved in the deliberation process about what to do about that block. And it's been a very long and difficult process. So number one current use of Block 7. Number two is my own non-statistical observations about the traffic jams and mess that have occurred even more so lately because of the -- thankfully -- the resurgence of the Timbers and the Thorns, and the national and international sports activities that the MAC is proud to host. So my wife and I, as we walk that area are -- I testify personally about the problems that occur in the neighborhood when the -- as we've heard, when the convergence of the perfect storm occurs. The queues -- as Mr. Janik has mentioned -- are horrible, even in the temporary spot. The third point is what's going happen to Block 7. On the first point, my wife and I walk regularly in the neighborhood. Very, very often we've attempted to go across Block 7 and have been discouraged because of the homeless and the transient people that frequent that area, and the dog poop, frankly, that occurs in that lawn that the MAC has attempted to maintain. Petty, maybe, but a realistic concern of ours. Number two is the traffic congestion that's just going to increase. And this is the best plan that I've seen as a member of the MAC board, and very active in MAC activities for years and years. The MAC has done everything in its power, and has spent hundreds of hours of professional time and member time to review what best to do with that. My third point is, what if this doesn't pass? Thank you.

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Hales: Thank you. Thanks very much. Questions? Thank you all.

Moore-Love: Next three please come on up.

Hales: Welcome. Go ahead, please.

John Raaf: Thank you. My name is John Raaf, and I'm here today because I would like to see thoughtful and progressive development in the Goose Hollow neighborhood. As a nearly 20-year resident of Portland, I chose to locate my small business in the Goose Hollow neighborhood for a number of reasons. My kids attend elementary school nearby, and our family spends several afternoons and evenings each week at the Multnomah Athletic Club for sports and activities. We're very happy to have centered our lives in that part of town. In my opinion, the need for additional parking at the MAC stands out as the most important problem the club and the neighborhood faces. I strongly support the MAC's administration's effort to purchase a real resolution to the current situation. As I prepared for this testimony, I learned a fair amount about Portland's urban growth boundary policy and how it influences the feel and function of our city. Our family is active and mobile. We enjoy relatively quick access to local and out of town destinations thanks to this policy. Within the boundary, the policy works because we make the best use of available space while maintaining a high standard of livability. As we all know, it's the high degree of livability that guarantees Portland will continue growing. It's my conclusion that none of us has the luxury to say, not in my backyard when it comes to growth. So in conclusion, please allow the MAC to resolve one of its most critical space issues by allowing the construction of additional parking levels. I truly believe the design is neighborhood-friendly, thanks to the tunnel access. By approving the rezoning of Block 7, we can move forward with a smart, efficient use of space that's right in line with Portland's model for growth. Thank you.

Hales: Thank you. Welcome.

Dwight A. Terry: Mayor Hales and members of the council, my name is Dwight Terry. I'm the vice president of the MAC and the chair of the internal committee that is a part of Block 7. What we're trying to do is what is best for our members and the Goose Hollow neighborhood, and we're looking for a win-win. Block 7 is currently zoned for a large multifamily building with underground residential parking. What the zoning change before you achieves is allowing additional underground parking for MAC members to reduce congestion in the neighborhood, enhance pedestrian safety, and reduce frustration from circling when searching for street parking. In the annual membership satisfaction surveys, availability of off-street parking consistently receives the lowest rating among all the club's services, amenities, and programs. This has been the case for more than 20 years. In addition, over the past year, MAC and Mill Creek have met many times with the neighbors about the concerns that they may have about the project. One issue that came up consistently was the traffic congestion that can result from MAC members leaving the current MAC parking structure to access proposed additional parking on the Block 7 building. In response to this concern, the project team altered the design and added a tunnel to connect the building parking to the existing MAC parking structure, with the MAC committing and providing \$500,000 of the total cost of this feature. Again, the project and the zoning change are consistent with the comprehensive plan, increase available housing, access to public transit by being sensitive to the residential character of Goose Hollow. Thank you.

Hales: Thank you. Good afternoon.

Mary Vuillond: Good afternoon, and thank you very much for allowing me to advocate for the proposed project on Block 7. I appreciate this opportunity and again, I want to thank you. My name is Mary Vuillond, and I live on the corner of SW Mary and St. Claire. I've lived here since January of 2008, and I've been a member of the MAC -- or my family, meaning my husband and four children -- have been members of the MAC since 1988. I certainly understand the frustration of going to the MAC and not finding parking right away, and having to go from one parking lot to another. I've been quite fortunate that now that I live in a neighborhood, I do not have that problem. However, I do have the problem of living in the neighborhood due to the congestion, the traffic, and

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just for the safety of the overall neighborhood. We live close to the MAC, and as I mentioned, the problem we have to deal with is the people driving around looking for parking. We see them all the time looking out our kitchen windows. And certainly, there are more members of the MAC who are now using the club and therefore there are more people driving around in our neighborhood. I walk everywhere. We have a dog that we walk everywhere. My children walk everywhere. I walk to work. And that -- you know, we're not worried about -- we're more worried now than ever because of people driving around the neighborhood looking for parking. And when you're looking for parking, you're not paying attention to the people in front of you who are crossing the street. Most of the time, we're close to getting run over because people are more focused on finding that spot, that coveted spot. Whatever we can do to decrease the amount of congestion would be certainly be appreciated by all our -- I believe -- by our neighbors. There are young children in the neighborhood, as one of the presenters mentioned, there are three young kids and I'm always watching out for them, worried they will eventually -- they're subjected to a higher risk of accident. As we note, this increase in people driving around could not possibly be good for the air quality of the neighborhood. So again, I think this is one of the best projects and support that the MAC can give, not just to their members but certainly to the people in the neighborhood. Again, I thank you for listening to my thoughts.

Hales: Thanks very much. Next three. Welcome.

Lynn Brown: Thank you for having us. My name is Lynn Brown. I've been a resident of Portland heights -- less than a mile up the hill -- for nearly 10 years, and a Portland resident for 15. My husband Chris has been a MAC member for almost 30 years, and I for nearly 10. I'm a community member as a stay-at-home mom for years, ages three, five, seven, and seven. I'm the outgoing president of the board of directors for Youngset preschool, which is located very near Block 7, a member of Goose Hollow for nearly 50 years. I've been an active volunteer there for five years. So between living less than a mile away and spending all the time that do I down at the MAC as active MAC member and being a volunteer in the community, I feel like I know the neighborhood pretty well. Personally, I wanted to share that the rezoning of Block 7 means two things. The first is to enhance the Goose Hollow neighborhood by creating more housing, which supports local businesses, helps the neighborhood continue to thrive. And second, my personal concern that is it does promote the safety for both community members of Goose Hollow as well as MAC members like myself as I circle and walk on rainy streets with my four small children. An example -- last week, on one of those perfect storm evenings -- looking for parking, circling and circling to attend an event with my whole family. Ended up parking a couple of blocks away, having to cross a couple of crosswalks. It's dark, it's rainy, it's dangerous. We've also made it ultimately safely in, but just knowing that with this -- which seems like a technicality -- knowing that the addition of this additional parking area -- it just really seems like a no-brainer to me, and I would love for it to happen. The MAC is made up of so many people like myself, families who love living in our city, love to help it grow, are committed to it, and we want to ensure a safe environment for everyone. I feel very strongly that the rezoning of Block 7 is a good decision, and I urge you to feel the same. [laughs] Thank you.

Hales: Thank you.

Norm Rich: Good afternoon, city council members and Mayor Hales. My name is Norm Rich, and I'm the general manager of the Multnomah Athletic Club. I've served the MAC as its general manager for eight years. Early in my service to MAC, it became blatantly obvious that the club was short of off-street parking and we created unnecessary stress on our members and neighbors nine months out of the year. Members and guests circled the neighborhood when the garage was full, looking for any open space to park, inconveniencing neighbors who had neither driveways nor garage parking. In addition, while the Timbers created a great attraction for the neighborhood, the large number of ardent fans has also put pressure on the parking around our neighborhood. As general manager, member satisfaction is my top priority. The biggest complaint that our members

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continue to express is the lack of parking both in the parking structures and around our neighborhood. I have always been clear with our neighbors that solving the parking deficit was the top of my list of goals, and that solving parking needed to and could benefit our members and our neighborhood. Rather than just talking about our parking problem, our board of directors and management went looking for a long-term solution to this chronic problem. We believe the zoning change before you allows for a meaningful, long-lasting resolution to the parking problems for the club and throughout the neighborhood. As you know from your own city satisfaction surveys, context is important. Our club satisfaction in most categories is in the mid 90% range. Members make us very proud. So when our survey feedback for parking satisfaction is at 70%, this is a significant finding that fails to meet our member satisfaction standards. In addition, MAC leadership and I frequently attend neighborhood meetings and we have consistently heard neighborhood concerns about the availability of on-street parking as well as the congestion that comes from people circling the blocks, making pedestrian movement less than enjoyable. The MAC is investing in a long-term solution by partnering with Mill Creek development to address both neighborhood and MAC needs. 225 below-ground parking spaces for MAC will be added to the residential project, out of sight of our neighbors and reducing the pressure on on-street parking significantly. Our 16 overnight guest rooms hides the parking structure and places eyes on the street, as requested by neighbors. Over the past year, Sam Rodriguez of Mill Creek and I have met over 25 times with neighbors in many formats, including one-on-ones, two-on-ones, Goose Hollow foothill monthly meetings, and larger get-togethers. We also included meetings between the MAC board and neighbor members, and sent a trustee to Goose Hollow foothill meetings during the active application. Of these meetings, the MAC and Mill Creek agreed to create an expensive parking tunnel between our structures to mitigate concerns from neighbors about too much traffic, noise, and garage opening directly facing The Legends. Let me close by saying that I believe MAC has gone above and beyond to create a strong relationship with Mill Creek, meaningful and respectful dialogue with neighbors, and a project that lives up to the city of Portland's challenging requirements for a rezone while accomplishing the city's goals for residential housing and adding an economic boost to our local economy. Thank you.

Hales: Thank you. Welcome.

Len Stevens: Good afternoon, Mayor and City Commissioners. My name is Len Stevens. I attended Lincoln High School, I am a MAC member, property owner on King's Hill, and a member of the Goose Hollow Foothills League. From 1992 to 2001, I served on the board of the Goose Hollow Foothills League -- the last two years as president. I'd like to make two points in support of the proposed development of Block 7 by the MAC and Mill Creek. First, during my time on the board, the Goose Hollow neighborhood saw major changes, including the construction of The Legends condominium building and the MAX light rail that had the potential to threaten but in the end enhanced the neighborhood's historical and residential character because of the active participation and input of neighbors on these projects. I support the development of Block 7 because like these other projects, it fulfills a residential and commercial -- including parking -- infill goals resulting from the then-consensus of the neighborhood, developers, and the Goose Hollow Foothills League. Not incidentally, I believe it fulfills the goals of TriMet's station area planning of residential infill with socioeconomic diversity. Second, it was my experience that the Multnomah Club was a vital and responsible voice for the neighborhood during these projects. It played a leading role in the mitigation of resulting traffic and parking and construction issues, a role that led to the benefit of the neighborhood in general. There was a check and balance between the MAC management and the MAC board that prevented either from potentially overreaching into the MAC's self-interest to the detriment of the neighborhood. I believe that the MAC and Mill Creek continue to involve the neighborhood in the design and construction of Block 7, and partners with residents, businesses, and schools in mitigating the valid traffic and parking concerns of many Goose Hollow neighbors.

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Many are here today. The Block 7 project will be a welcome development like Legends and light rail in the evolution of this unique and special urban neighborhood. Thank you.

Hales: Thank you. Questions? Thank you all. Welcome.

Ken Puckett: Good afternoon. My name is Ken Puckett, I'm the senior vice president of operations for Providence Park, the Portland Timbers, and the Portland Thorns. I have been in that capacity since June of 2000, so I've seen a lot of renditions of the building, a lot of different owners of the building, and have seen the neighborhood as it is today. It boils down to one thing for me. Parking is not a problem up there, because there isn't any. So for the MAC problem to make this effort, spend the money that they're spending to add extra parking will make the neighborhood safer, make the businesses more viable, and frankly, it is the right thing to do.

Hales: Thank you. Welcome.

Ty Miles: Mr. Mayor and City Commissioners, I'm Ty Miles, the pastor at Zion Lutheran Church, which is located right on the corner of SW 18th Avenue and Salmon. First, I want to say too, Amanda, that our prayers and thoughts are with you and your family. We are right there at the corner of where all this action takes place, and we have been there since 1889. We are celebrating our 125th anniversary this year. So when Zion looks at things in the neighborhood, what's going on, we have really a long view to look at. We were there before anyone in this room was born, and god willing, after all of us are gone. So we are looking at this from a long range and feel that it is a necessary and a good thing for the area. There's no question about the parking problem. And we have every reason from our experience -- I've been there for 10 years as the pastor -- to have great confidence in the MAC, in their planning, in their sensitivity and proposals for the area. They have been just really an outstanding anchor in that community. Our board of directors has asked me to come and to let you know that officially they have gone on record as unopposed to this project. We would encourage you to follow it.

Hales: Thank you, thanks very much.

Dennis Cusack: My name is Dennis Cusack. Good afternoon, thank you for the opportunity to support this very important project. I live in the Goose Hollow neighborhood about three blocks from the site. In addition, I'm a long-time member of the MAC club and was on the MAC board as president in the mid '90s. In 2003 -- about 11 years ago -- my wife and I moved into the Goose Hollow neighborhood because it's one of those special neighborhoods that makes Portland unique. Its urban location, its character, its diversity, but also its proximity to one of the premiere athletic clubs in this nation. Proposed development of Block 7, in my opinion, is in fact a win-win. A win for Goose Hollow neighborhood, and a win for the MAC. The residential development proposed is consistent with and in fact encouraged by the city's comprehensive plan. It's what we need as a community. Such development will and it must happen. The MAC is a vibrant part of Goose Hollow -- you've heard that from many other people. It's a reason why many of us live or work there. It's been a long-time champion of the Goose Hollow neighborhood. In fact, one example in which I was involved was a critical role the MAC played in securing and funding the Salmon Street MAX station, which has become a critical and a major transportation asset in the neighborhood. MAC is and has been a great neighbor, and I think this development will make it even more so. The increased off-street parking at the MAC is also a win for the neighborhood. Living close to the MAC, I don't use the garage, even as member, so I'm not going benefit from that as a member. I do, however, live every day with the traffic congestion and the parking limitations that are inherent in an urban neighborhood that is so close to downtown. These conditions will be significantly improved by the added MAC parking, in my opinion. I think this development will be good for Goose Hollow and good for the MAC. I think it's a win-win. Thank you.

Hales: Thank you all. Good afternoon, go ahead.

Amy Marks: I can't see you and this. [laughs] My name is Amy Marks, and in the 1970s, my family bought several houses on Block 2. The Legend condominiums were built there in 1997 on a majority of Block 2 to our south. We lived through the construction. Our private and sunny

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backyards disappeared when Legends was built, and to this day, it stand tall by itself in our neighborhood. The Legends building was allowed under the zoning at that time. Luckily, humans adjust. We adjusted. Legends folks have become good friends, neighbors, and the MAC is also a good neighbor. On Saturday, April 12th of this year, parking was tight at the MAC. I asked the attendant why it was so tight, and he said the MAC was hosting a statewide kids swim meet, a volleyball tournament, a charity benefit dinner for 250, and there was also a Timbers game scheduled. So obviously, we know MAC is a city and statewide asset. It's not just for those few MAC members that go there every day, it's all of us have a chance to go there and use it and meet there, and our kids can use it, too. The development of Block 7 after all these years brings change to our neighborhood. MAC and Mill Creek have met with the neighborhood many times about Block 7, and MAC and Mill Creek came up with the idea of the great million-dollar tunnel which will decrease neighborhood traffic and increase pedestrian safety. Being a good neighbor and citizen, I welcome the new neighbors, just as I welcome the people into The Legends. And the proposed building is largely allowed under the current zoning. The extra MAC parking spaces that will be allowed to be accessed by the tunnel will impact the neighborhood in a positive way, keeping cars and pedestrians off the neighborhood streets and into parking spots. I believe our new Block 7 neighbors will bring positive energy to our inner city neighborhood. I am thankful the proposed apartments have off-street parking. Hopefully, the building will provide housing for MAC employees and members, and will even make traffic situations better. For me, these new residents will use our local shops and our MAX stops and will enjoy our corner of Portland, which is so near Providence Park and so close downtown, and I think the building will fit in nicely between the two commercial zones and the two residential buildings. So I urge you to support this.

Hales: Thank you. Welcome.

Spencer Raymond: Mr. Mayor, councilors, my name is Spencer Raymond. I was quoted earlier in the applicant's presentation. I live at 1105 SW 18th Avenue, about 250 feet from Block 7. I'm 27 years old, and I've lived there almost three years. I'm a member of the MAC, I'm also a local business owner. I just signed a lease for a new tap room and bottle shop on the Civic condo tower on SW 19th and Burnside. I park on the street every day. I depend on street parking to come home. Sometimes, I'm forced to walk a few blocks away just to find parking just to come home. I think that adding new MAC parking will make it easier for everyone, including me, to find a place to park. Fewer MAC member cars will fill up our parking spaces with this new garage. There will be fewer cars circling the neighborhood looking for parking during busy MAC events. I think the addition of the tunnel between the existing and proposed garages is a good idea. The MAC didn't need to add this tunnel, but after talking to the neighbors, they did add it. The park that is Block 7 now is great. I take advantage of it. I use the level parking there to work on my car. And I'll miss the grass and trees there, but I also accept that we live in downtown Portland in a really desirable neighborhood. A large apartment building on Block 7 is inevitable. It's going to happen whether we like it or not, it's a fact of living where we do in Goose Hollow there. In my opinion, what the MAC is trying to do here is to make the new Block 7 the best it can be. By adding additional parking -- which will benefit the whole neighborhood -- and the short stay units which will benefit members like me and our guests, the MAC I think wants to take advantage of the opportunity to improve the club and improve the neighborhood. My opinion comes down to this. I wish that block would never be developed, but there's going to be a building there someday no matter what. So why not approve the zone change so that the MAC may make it a better building. It'll bring in new neighbors who I hope everyone will welcome to the new neighborhood. Things change, that's what happens, and that's what's great about living in the city. We get to witness firsthand the progress of Portland. We get to benefit from forward-thinking regional planning. And most of all, we get to see our neighborhood become a better place than when we moved in. Thank you, and I hope you vote to approve the zone change in question. Thanks.

Hales: Thank you. Good afternoon.

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Leslie Johnson: My name is Leslie Johnson, my roots in close-in Portland go back three generations. I grew up elsewhere, but I've been coming to this neighborhood since the 1960s with my family to visit First Methodist Church, to see games and concerts at the stadium, and to celebrate the holidays with meals with my grandparents at their favorite restaurant at the Mallory hotel. In the 1970s, my first apartment was at the student housing at SW 16th and Clay. I'm basically my neighbors 30 years later. In the 1980s, I rented a home on the south side of Sunset. Since 2001, I have conducted my law practice from the last old wooden house-like structure in the area that's referred to as the flats of Goose Hollow. Not my favorite term, but it's historic. I bet my experience has been repeated all over this neighborhood, as is evidenced by the person sitting next to me and other close-in neighborhoods in Portland. This project creates additional opportunity for people like me. It's the reason that these kinds of projects are planned for this part of the city. Although I'm appearing today as an individual and a Goose Hollow business owner, I'm nearing the end of my fourth year of service on the board of the Goose Hollow Foothills League neighborhood association. That service has been more challenging than I expected. This project in particular has been the inspiration for a lot of not very easy discussion over a whole bunch of meetings. And it's been, sadly, kind of polarizing in ways I hope we'll be able to get over eventually. I have had ample opportunity to observe the effort that the MAC and Mill Creek put into neighborhood outreach in anticipation of this project. Many of us saw the proposal to restrict access to the Block 7 MAC parking through an underground tunnel as an elegant and generous offer that came out of their interaction with the neighborhoods. It's ironic that MAC is suffering negative consequences for being a generous steward of that property all this time by providing green space and parking as opposed to a weedy chain-link fenced kind of empty lot like many other neighborhoods in town have experienced from a lot that's stayed vacant for as long as this one has. You've heard many neighbors speak up about the value of additional off-street MAC parking, given that so many of the single-family homes in the neighborhood weren't built for off-street parking originally. Every time you add density, if you don't add some off-street parking, it's going to be worse, not better. In order to maintain and improve the livability, diversity, and vibrancy in Goose Hollow, we who are already there need to embrace and collaborate with perfectly legal private development that is consistent with the long term vision for the neighborhood. The requested zoning change helps optimize the project that serves that vision. Thank you.

Hales: Thank you. Thank you all. Next, please. I think you're first, go ahead.

Andrew Jansky: Thank you. I'm Andrew Jansky, I'm a retired city of Portland design review commissioner, and I spent eight years and over a thousand hours of seat time looking at decisions like this, and I'm still recovering. [laughter]

Hales: Thank you for your service.

Jansky: To me, the question is very simple. Should the goals of the city be achieved, or should we respond to the goals of a few? So, it's kind of the frame of what I'm looking at it as. When I was on design commission, I was the neighbor at large, and I was charged with taking the neighborhood view and perspective, and I took it really seriously. I spent a lot of time trying to wade through these different concerns, so, I'm excited with this. When we had projects like this, a majority of the projects we tried to encourage at least partial underground parking. That was always the discussion -- how do we get this parking underground so we don't have it in the pedestrian realm staring us in the face? It was really hard -- you can't force them to do it. You know, very few ever did put parking basically fully underground. So this project is actually a rare combination of meeting city goals, reducing public street impacts with the tunnel, reducing vehicle driveways -- basically, in and outs on building blocks -- and really, minimizing impact on the development of the pedestrian realm. Fortunately -- MAC won't like it -- but there's at least probably two hearings at design review where this is going to get a full in-depth, hours of discussion about driveways and parking and how it's going to impact the public. The design review commission is really the forum to talk about all of these little impacts that can make a big deal on the pedestrian realm that the neighbors are

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interested in. As a past design review commissioner, and knowing that it's going to get a full public opportunity, I'd encourage you to vote yes on this.

Hales: Thank you. Welcome.

Marlis Miller: Thank you very much. Good afternoon, Mayor Hales and Commissioners, thank you for the opportunity. We've been residents of Goose Hollow --

Hales: Your name -- I'm sorry.

Miller: Yeah, that would be useful, wouldn't it? Marlis Miller is my name. We've been residents of Goose Hollow for more than 25 years. We're members of the MAC and we own a condo in Legends condominiums. We chose Portland very deliberately because of its livability and the values the city of Portland exhibits that really match the values we wanted as we moved here to create our family and create our lives together. We both work in northwest Portland, and so choosing a place to live -- when we moved to Goose Hollow, it felt like home. We've had a number of homes, and we have recently landed in The Legends as we downsize, and we feel like we might have died and gone to heaven because we have parking for the first time in 25 years. And we still get excited every time we drive up to the parking garage and it magically opens for us. Parking is such a huge issue in the neighborhood. And we walk most everywhere. So for us, it's been the observation of watching the growing parking over the years. And you've heard many comments, of course, here and throughout the city as you have run your campaigns and lived your lives. We chose Goose Hollow because of its residential character, because of the great schools, because of the access to transportation. All of the values, again, that we wanted to exhibit and to teach to those in our lives as we move forward. It's a wonderful place to live. And we really support the rezoning for the reasons that you've heard and don't need to hear again from me. It is the right thing to do -- I think that's the sub motto of the city of Portland. And the project will enhance the existing quality and character of our neighborhood. It will provide the opportunity that we had as a young family who were renting and hoping to own a home someday to move to a great Portland neighborhood that's close to everything. You can walk to the library, you can do all the things you want to do as a family. One of our choices, one of our reasons as we looked to downsize was to stay in the neighborhood. Parking was a bonus. But really, I think it was because my husband was sick of walking up that long salmon creek hill to the park where we live. There's great opportunities for families, there's great opportunities to live in Goose Hollow, and we've chosen that. And I hope you will support this as the right thing to do for the neighborhood as we grow. Thank you.

Hales: Thank you. Welcome.

Darcy Henderson: Mayor Hales and city council members, my name is Darcy Henderson. I am here today not only as a MAC member and the current president of the MAC, but also as a lifelong denizen of the neighborhood around the MAC. I remember when Providence Park was known as Multnomah Stadium. I attended plays at the Portland civic theater at 16th and Yamhill before it was razed to make way for a parking garage. My children attended preschool in the neighborhood and will attend Lincoln High School, just as I did. My husband and I are frequent customers of the Goose and the Hoff. Over the years, I've also seen the MAC's consistent track record of community support, working with the GHFL and TriMet to bring light rail and the King's Hill MAX station to our neighborhood, sponsoring annual neighborhood cleanups, and last year, organizing a team of club members to assist a neighbor with disabilities with house repairs that he was unable to do himself. The MAC has owned Block 7 for decades. Zoning prevents us from developing it strictly for club use. We have never ask for -- nor are we asking today -- to have it rezoned for exclusive MAC use. The eventual plan has been to sell the property or partner with a residential developer in order to build a large multifamily structure called for under the current zoning. For nearly 20 years, rather than fencing off the block from the neighborhood, we have landscaped and maintained this piece of private property, giving the neighbors the pleasure of using it. With increased traffic to the neighborhood due to a more active stadium, higher enrollment at Lincoln, new and thriving local businesses, and the desirability of urban residential living, parking in the neighborhood has become

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increasingly challenging for residents and MAC members alike. The rezoning proposal before you today simply allows for MAC members to park underneath a multifamily building with residential parking. And it does so with the tunnel that reduces congestion and increases safety for everyone. This change will address the neighborhood parking issue while preserving the city's planning goal to have dense residential development on Block 7. I thank you for your consideration.

Hales: Thank you, thank you all. One more I think?

Moore-Love: Peter F. Fry.

Peter F. Fry: Peter Finley Fry. I guess I gotta be last. I did work for the MAC club when this process started, but about six months, I had a change of personal -- changed circumstance. Also, I became redundant, so I laid them off so I don't work for them now. I am also not a member of the MAC club. My office has been in Goose Hollow for over 20 years, just up the street from the MAC club. I very much support this project. The neighborhood is a rich mixture of uses and building types with very tall buildings and Victorian houses. It is the only neighborhood outside of the downtown area that has three light-rail stations. I can walk -- and often do -- to Washington Park from my office. The addition of parking and short-term housing will enrich the neighborhood by reducing the parking impact and bringing visitors to our neighborhood. Thank you.

Hales: Thank you. OK, if there's no one else that wants to speak in favor of application, we'll move to the presentation by the principal opponent. Good afternoon.

Jennifer Bragar: Good afternoon, Mayor Hales and Commissioners. My name is Jennifer Bragar. I am an attorney at Garvey Schubert Barer, and I represent the Friends of Goose Hollow and Harvey Black, who are opposed to this application. My comments are supported by the materials Friends has submitted to date and the information I submit today. Friends have raised numerous issues that we believe are still unanswered by the hearings officer's recommendation. My discussion today will focus on three major shortcomings. The ongoing applicability of the MAC master plan, the flawed analysis of the comprehensive plan goals and policies, and the inadequacy of the traffic study. Since 1981, the MAC master plan directed that Block 7 develop consistent with its RH zoning. Large scale parking of the kind currently contemplated for Block 7 was prohibited. These concepts are memorialized in the current 1993 MAC master plan, which governs the way the property will be developed. The record contains numerous letters from the applicant's legal counsel and other MAC representatives that the MAC would abide by the master plan for development of Block 7. Now, conveniently, the MAC claims the master plan no longer applies. Instead of keeping their word to the neighborhood, the applicants and the hearings officer rely on a 1995 land use decision to conclude that the MAC master plan imposed by the previous condition of approval no longer applies. The review concluded that Portland City Code 33700110 justifies this conclusion. That code section described that in limited circumstances, conditions of approval will no longer apply to an earlier city approval. However, the code section does not include any reference to a master plan requirement. The applicants would have you rely on an irrelevant code section to determine the operability of the adopted master plan. Consider the following analogous back pattern to illustrate the point. A property owner obtains a conditional use approval. The city imposes a condition that the property owner must dedicate 15 feet of right-of-way to the city for the construction of an arterial. A year or two later, the development is complete, including instruction of the arterial utilizing the dedicated right-of-way. Thus, the condition is satisfied. In year three, the appropriate owner obtains a zone change and the conditional use is now a permitted use. The property owner asks the city to re-convey the right-of-way because the reason of the condition imposed as part of the conditional use no longer applies. Following the MAC's logic, the property owner in the above example would be able to reclaim the 15 feet of right-of-way. But that outcome is as absurd as MAC's claims that a zone change in 1995 has any impact on an adopted plan that applies to an array of MAC properties. The master plan still applies to limit the use of Block 7 to those permissible uses allowed under the RH zone designation. Next, I want to discuss the comprehensive plan policies and goal analysis done for the comprehensive plan amendment and zone change. A

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comprehensive plan map amendment and zone change is reviewed under the city's criteria that requires that the designation proposed be evaluated against relevant comprehensive plan policies, and on balance, has been found to be equally or more supportive of the comprehensive plan as a whole than the old designation. The hearings officer's recommendations summarily determines that acknowledgment of the city's zoning code Title 33 justifies his narrow review of the comprehensive plan amendment and zone change application to treat the RH zoning's allowance of housing as a background condition. Friends are unclear what the hearings officer meant by acknowledgement of the zoning code as a criteria for comprehensive plan amendments and zone changes described remains unchanged, regardless of whether the zoning code is acknowledged. The hearings officer recommendation treats the allowed housing as a background condition, and as such, the hearings officer was predisposed to favor the proposed development when he reviewed the application against the on-balance test in considering whether the requested zoning designation is equally or more supportive of the comprehensive plan than the old designation. This is impermissible. The restrictions and protections of the residential zone designation favoring housing that matches the existing neighborhood were given a backseat to the applicant's development proposal to mix commercial parking and motel uses onto the site. While balancing the current versus the proposed zoning designation is permissible and required by the code, the balancing cannot be done until the playing field is leveled. The city council should not fall into the same trap as the hearings officer, and this application ought to be compared in its entirety to the uses available under the current zoning designation, including the mix of conditional use commercial, and housing development required under the MAC master plan. From there, the impacts of the proposal should be examined to their full extent. Last, I want to touch on traffic impacts of the proposal. The applicants must show that the requested zone change is consistent with the statewide land use planning goals, including goal 12 governing transportation impacts. Friends have asked for information that would provide a complete picture of the traffic impacts of the proposal on the surrounding neighborhood. The MAC has silently stood by its March 2014 traffic analysis -- or TIA, which is exhibit 14 to the hearings officer's decision -- claiming the information is adequate to support the proposal. But luckily for surrounding neighbors, adequate traffic analysis is required before the city council can make a decision. The MAC never provided information about its assumptions in the TIA. The applicants treat the apartment and motel units as background. However, the motel units along with the MAC parking are the trigger for the zone change and cannot be included as background. The TIA must be revised to account for the new uses, even if those same uses are currently allowed without the zone change. There are intersections that are currently failing, such as SW 20th and SW Jefferson. That intersection operates at a level of service F. Significantly, the applicants lump the proposed motel units as background residential trips. The public has no way of knowing whether the new trips from the motel units will cause greater impacts to SW 20th and SW Jefferson and other intersections that may be only a few trips away from failure. The applicant's TIA failed to provide information related to its analysis of peak conditions at the Main MAC parking garage, and failed to analyze operational analysis for peak conditions in relation to use of the MAC's secondary lots. And this is explained in Kittelson's May 30th memo at page three. This incomplete analysis and lack of information prevented Friends' traffic consultant from completing their review and comment on the traffic study. The MAC repeatedly describes -- and did so again today -- that it needs 1060 parking stalls, but never provides the methodology they used for getting those numbers or show how they made the calculations. This information is integral to allow the public a full review and opportunity to comment on the accuracy of the estimate and the adequacy of the applicant's TIA. It's fine to point us to the table, but without knowing how they're describing their uses, we can't understand what they're trying to claim. In the letter submitted but the MAC's attorney on June 6, 2014, the applicants state that MAC member surveys identifies limited parking as the number one member concern with MAC's services. That report is strong acknowledgement that MAC is a service use of land. For example, people use the MAC facility for fitness, events,

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food, and entertainment; and as such, its trip generation is directly tied to the quality of service it provides, not the square footage of its building or the number of employees. If the MAC increases the number of parking stalls, it stands to reason that users will be happier and use more of the parking. Yet, the applicants are saying that MAC members will not use more parking once the 225 commercial parking spaces are made available. The logic is flawed, and any reliance by the hearings officer that MAC's membership will not increase -- a statement not bound by a condition of approval -- is misplaced. The hearings officer's recommendations relies on vague assertions that additional off-street parking for MAC members is likely to reduce to some degree the number of circulating vehicles at peak usage periods. However, as the result of more parking availability, members that would otherwise not drive now ought to drive. Friends continues to contend that increases in off-street parking for MAC members will only increase the number of trips. The MAC never provided information about the extent of special events held at its facilities and the impact on traffic and parking demand. These uses exceed a sports club use, and allow the MAC to behave like a convention center, where the city has never conditioned the number of events to alleviate traffic and parking impacts on the neighborhood. Friends previously raised concerns about the improper deferral of central city parking review in connection with this application. The concern is belied by the applicant's treatment of criteria H in the central city transportation management plan and the applicants' conclusory remark that the criterion does not apply. Criterion H governs the analysis of visitor parking. All MAC members, as well as the special events attendees, should be construed as visitors under the transportation management plan. The applicant's TIA concludes that approval criterion H governing visitor parking is not applicable, but that conclusion is in error because all the people who use the MAC are visitors. The central city parking review should be completed with this application, and the TIA should be updated to reflect that analysis. A conditioned zone change that the applicant's claim to limit to a particular use should not be allowed if the transportation management plan's criterion H cannot be met. Without the information just described, it is impossible for the city council to make a decision that the applicants have met goal 12, or the traffic-related goals and policies of the comprehensive plan. The decision you make today affects not only the fate of Goose Hollow, but the fate of land use decision making and the public trust in neighborhood negotiations. The applicant's behavior of picking and choosing which rules to apply and when must stop. As discussed, the applicants are subject to a master plan that prohibits rezoning of Block 7. The proper procedure for the MAC is to amend its master plan, provide adequate analysis of the full impacts of its proposal, and accept that the commercial parking expansion has not been justified under their TIA. It is time for the city council to send the applicants back to the drawing board because there's not enough information to support a comprehensive planned map amendment and zone change. Thank you.

Hales: Thank you. Question?

Fish: I have a couple questions. And you've raised a lot of issues, and it already feels like it's been a long day. I don't think I can do justice to all of them. But I have a couple of questions. Council, when Mr. Janik presented, I asked him to compare for me what his view was of what could be done as of right, and the difference with what he's requesting. It would be helpful for me if you walk me through, again, under the current RH subject to the master plan, what your view is of what they can do as a right.

Bragar: They have proposed a couple of alternatives, one is residential and one is residential with commercial uses that are allowed as conditional uses. But under the city's code, there is a whole table of uses permitted in the RH zone that the applicants could apply for. The idea that you're just limited to this housing to compare apples to apples is not the only option available to a property owner under the current zone.

Fish: I appreciate that. But just -- there's a lot of complexity here and I'm trying to simplify a little bit. And we've got two distinguished law firms going at it, and I'm trying to find something that I

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can grab my hands around. So, again, with the current zoning and subject to the master plan, how much of what they are currently planning could they build?

Bragar: They could build the housing, and they may apply for a conditional use to allow the motel units. But according to the city staff, that use is not actually conditional use, it's subject -- it needs to have the CX zoning because it's a commercial use. I can certainly review the code and provide you with more examples. It sounds like this hearing may be continued, as Mayor Hales stated earlier.

Fish: Particularly given the number of people that are still here.

Hales: That's the likeliest of scenarios.

Bragar: I'd be happy to provide more written feedback to that question. But I think that what you have is a master plan that explicitly states that the applicant can have housing and conditional use retail under the current zoning. Which may or may not include any of the parts of what the applicant

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Hales: What's excluded from that list, in your opinion, is, of course, the additional parking.

Bragar: Of course. Yeah.

Fish: The other question I was going to ask you is -- toward the end of your presentation, you said that they're bound by the master plan and they can't go through this process to get around it. And we get a chance to have staff come later, and that may be a future council meeting. Do you have specific authority for that proposition? Because it seems almost like you're saying that this is a legally illegitimate procedure to get what they're seeking. And if your argument hinges substantially on that point, I'd be interested in knowing what the legal authority is and be able to come back to our team and ask them to tell us how they view that.

Bragar: I've submitted previous testimony related to this matter. There's a LUBA case related to the city's interpretation of conditional use master plans, and under that authority, the city has the master plan in place while conditional uses are still contemplated. And I would suggest that the Block 7 development is subject to the condition use, as well as other properties that are covered by the MAC master plan that could also be developed with conditional uses.

Fish: And I'm probably going to make sure that our attorneys know what you're referring to so we can get some follow-up materials from them. Thank you.

Hales: Let me restate -- if I can -- the question in slightly a different way. And that is, you made what is largely a procedural argument against why the MAC club parking is not allowed. But there are general substantive criteria that apply as well and that have been referenced in testimony, things like the livability of the neighborhood and safety of pedestrians. Do you have a substantive critique of the allowing -- if this were approved, and the parking under the scenario as proposed, accessed by a tunnel through the existing facility -- do you hold that will be deleterious to neighborhood livability and pedestrian safety to have the additional parking?

Bragar: I believe so, and I think you will hear from many, many opponents to this project about the substantive nature of why the comprehensive plan policies and goals have not been met, and why this proposal doesn't align with what the neighborhood needs or match the current zoning and surrounding zoning of the properties.

Hales: OK. Alright, thank you.

Fritz: Thank you for the clarity of your testimony. If you could send us what you just have.

Bragar: Yeah, I have --

Fritz: And anything else that you have that you feel is particularly pertinent. There are dozens if not hundreds of exhibits in the record. If you could send us the ones that are most clearly speak to your arguments, that would be helpful to me. In particular, I note on page 13 of the hearings officer's recommendation that the BDS staff comment that the applicant submitted a memo -- which is exhibit A9 and explains why the 1992 master plan lost its status. I would be very interested to hear your comments on that. And also looking at -- this is more directed to staff -- getting the copy of the 91-00742 conditional use. And also very interested to know why the hearings officer in 1995 denied

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the request to reconsider and clarify the status of the MAC master plan. Because I think you make a good point that that is a relevant issue in considering whether to approve this request as to how that has standing and how much it doesn't. So, thank you very much.

Bragar: Alright.

Hales: Other questions? Great, thank you. Thank you very much. OK, so let's take up individuals who are here in support of the appeal -- the opposition to the proposal, sorry, not the appeal.

Moore-Love: We have 32 total signed up. The first three, please come on up.

Hales: Thank you. Welcome.

Tom Milne: Mr. Mayor and members of the council, my name is Tom Milne, I reside at 1132 SW 19th, number 709 -- that's The Legends. I'm a member of the board of directors of Friends of Goose Hollow. That's a group with over 300 area residents that opposes this rezoning for a variety of reasons. And today, you will hear from a number of members of Friends and supporters of Friends who oppose this from a number of perspectives. Some of the folks will address MAC's un-kept promises and how those imply or relate to this request. Concerns with traffic and parking that we just heard some information about, poor consideration of resident input, and concern about the impact on the neighborhood environment. First, let me say, we are not opposed to development on this block. Many of us would love to see a well-designed project that fits with the neighborhood and complies with the MAC master plan as was first negotiated with the neighborhood in 1983.

Unfortunately, our history with the MAC is rife with un-kept promises. Among several that we can cite, I'll mention two. First, the MAC negotiated with the neighborhood and the city in 1983, leading to approval of the MAC parking garage and the master plan. The city had to threaten to tear the parking garage down in order to get MAC to comply with the commitments it made in the master plan. Secondly, the master plan is now being ignored, as you just heard. The master plan states that the plan will, quote, "remain in effect until the development allowed by the plan has been completed or the plan no longer applies as a conditional use, or is amended or superseded" close quote. The plan identifies that Block 7 would be developed with RH zoning. In the mid-1990s, the MAC sought support of the neighborhood to rezone their clubhouse and their parking garage from non-conforming uses in an RH zone to CX. At least four MAC officials stated then that the MAC remain committed to develop Block 7 within the RH requirements. The then-president of MAC stated in a letter to the planning bureau, quote, "it is not the club's intention to discontinue the master plan with the zone change" close quote. MAC counsel, Mr. Stephen Janik, assured in a letter to the planning bureau, quote, the master plan is a separate land use decision that continues to apply to all properties discussed in the master plan until the master plan terminates, which would be when all of the development allowed by the master plan is completed. Now, the MAC says the plan no longer applies. It's obvious that the MAC's request of support from the neighborhood for rezoning of the clubhouse and the garage was a disingenuous strategy to -- in their view -- eradicate or extricate the club from the provisions of the master plan. Thank you.

Hales: Thank you. Welcome.

Tracy Prince: I'm Dr. Tracy Prince, a Goose Hollow resident, MAC member, scholar in residence at PSU's Portland Center for Public Humanities, and author of a book on the history of Goose Hollow. Apparently, I speak to you at great professional risk, since after I wrote an op-ed against rezoning Block 7, Norm Rich had my book pulled from the MAC gift shop in retaliation. Frankly, this kind of bullying has been typical MAC behavior in Goose Hollow for a century. The MAC attorney sent you a letter about alleged community outreach. The reality is after months of meetings where Norm Rich heard rooms of people objecting to his own change, he pitched a fit that neighbors are still talking about, and he threatened attendees, telling them that he could outvote them by getting many of his 20,000 MAC members to register as GHFL members. He then spent months using the MAC magazine -- which you have a copy of if your hands -- emails, and mailings to MAC members trying to convince them to join GHFL and vote to, quote, help the neighborhood with this zone change. He was not successful in his effort to stack the deck, but he was very

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successful at infuriating Goose Hollow residents with his threats. We formed Friends of Goose Hollow and planned to fight the MAC on this for years if we have to. For a century, the MAC has bought up 40 homes in Goose Hollow, only to demolish them to use the land for parking. You have pictures of that in your hands. In 1981, four MAC representatives testified to city council for a zone change to build the current parking structure in an RH zone where houses once stood. They were questioned repeatedly by the mayor and the commissioner Lindberg, who expressed strong suspicions that they would also seek to change RH zoning on Block 7 and 2. MAC representatives assured City Council that they would not. Commissioners made it clear that the zone change was only approved because of these assurances, and said that they did not want to see the MAC asking for another zone change, yet here they are asking for one. The MAC's 100-year effort to turn a residential neighborhood into its commercial space has taken a grave toll on Goose Hollow, and this behavior should be stopped. And the MAC has done little to dis-incentivize car use. Members receive five free parking stickers per person, with no incentive to bike or walk, and little incentive to take public transit. I've offered to help connect the MAC with PSU classes specializing in parking management. I was rejected by Mr. Rich, who said, quote "that would not work for MAC members" unquote. The MAC is the only Portland institution wealthy enough to build its way out of the perceived parking problem rather than develop a parking management plan. On page seven of the hearings report, you will see that the hearings officers was misled in the report. He was told that 70% of MAC members say that there is a parking problem. In reality, two MAC surveys have said 70% of MAC members say there is not a problem. You have a copy of that in your hands. The zone change should be rejected. The MAC has done almost nothing to manage its current parking, has engaged in bullying rather than neighborhood involvement, and should be forced to honor its word.

Hales: Thank you. Good afternoon.

Susan Younie: Hi, my name is Susan Younie. I live in Goose Hollow, I've lived there for 25 years, and I've owned my current home for the past 16 years. I live in Arbor Vista. I'm a lifelong member of the MAC, and use the facilities frequently. I love the MAC, but I think that they're not honoring the promises made to the neighborhood in the mid '90s. I am going to talk to you about the GHFL's sanctioned Block 7 committee report and lack of follow through on the promises by the MAC to the city to provide regular updates and progress on managing parking demand. Copies of the GHFL Block 7 report I have for you. In the report, you'll find the Block 7 planning committee found that the proposed commercial rezone of Block 7 undermines numerous applicable comprehensive plan goals and policies. In particular, goal six, transportation; goal three, neighborhoods; goal five, economic development; and goal eight, the environment. We respectfully disagree with the hearings officer's analysis. I'm going to do a little freelancing here, but I want to go back to the parking demand. When Steve Janik gave a list of the current practices the MAC is using to help with the parking demand -- which is one of the promises they made in the '90s, to really have regular reports on the parking demand efforts that they are following through on. But they don't, really. I noticed that all of the measures that he referred to were to mostly employees of the MAC and not at all to the members of the MAC, which are the biggest users of the MAC garage, which is the facility that's in question. So I was going to go through a list of demand management schemes that I think that they could employ, including establishing a time limit of three hours for people parking in the club facility and enforce it, establish parking fees that are competitive with mass transit to encourage the use of transit, limiting the number of parking permits to one or two per member, monitoring parking policy violations and levying meaningful penalties. They do have a policy that if you are parked in the facility's garages, you have to be in the clubhouse. That policy is consistently overlooked, and I think that they could do quite a bit to enforce their current policies before they need more parking. Thanks.

Hales: Thank you very much. Good afternoon, go ahead.

Kal Toth: Thank you very much. My name is Kal Toth, I live at Legends, directly across from the block. I am submitting written testimony to support everything that I'm saying here, as well as I'm

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going to submit this summary of what I'm saying right now. Please know that I am a 10-year member of the MAC, a retired professor from Portland State University, and a professional engineer with experience with air traffic control queuing analysis and queuing simulations. I am a member of the GHFL board. I am not representing the GHFL today. I am speaking as a Goose Hollow resident and an ordinary MAC member. I have serious concerns about the applicant's zone change proposal. I'm opposed to it because it breaks with the MAC promises that were mentioned earlier. I believe the BDS staff and the hearings officer were hand-strung by unsupported assertions and ambiguous reasoning of the applicant, especially as it relates to the critical area of the goal six, transportation, namely parking and traffic. The applicant raised many more questions than it answered. I'm going to raise those questions. Does the MAC actually need an additional 225 parking spaces? The MAC member survey that was mentioned says that 70% of the members are satisfied. If I was running for office, I'd say 70% satisfaction level was pretty good. [laughter] So, why build more parking?

Novick: [laughs] It's not good enough for Commissioner Fish --

Toth: Pardon me?

Novick: Never mind. [laughter]

Toth: Can I get another ten seconds? [laughter]

Fritz: Started you over.

Toth: Oh, did I get it? OK. Is the MAC actually entitled to 225 parking spaces, as Mr. Janik incorrectly said? Title 33 says MAC is entitled to exactly zero parking spaces -- that is none. And in my detailed report, I cover exactly how that conclusion is arrived at. Will the proposal provide the MAC with just enough parking; or will it provide abundant, sparsely populated, underutilized parking capacity until the club finds a way to fill it up? Consider that the MAC has not stated that it will abandon its present overflow parking lots. The proposal is therefore implying that it's requesting not only the 225 parking spots, but it's going to continue using the 200 overflow spots, adding up to 425 parking spaces. The proposed parking garage has been designed to meet peak busy period demand, which is not the way most engineers work when they're trying to worry about economics. This means new parking under Block 7 will be mostly empty 75% to 85% of the time, or perhaps more, especially initially. Will the proposal actually generate no new trips, as Kittelson asserts? Or will it generate many more trips? On February the 11th of this year, MAC president said member usage has increased 30% over the last 10 years. So, the trips to the clubhouse are actually increasing not because membership has been capped, but because members are going to exercise more. Right, we're all living longer. The applicant ignored growth due to special events. For example, MAC members drive from the suburbs to attend events near the MAC, including Timbers, Lincoln High School, and PSU games; weddings; shopping; going downtown -- they're using the MAC parking garage for all these other kinds of non-athletic purposes, non-social purposes. Does the asserted phenomenon of circulating cars actually exist, or is this a congestion problem self-inflicted by the ineffective parking procedures instituted by the club? The phenomenon of circling cars is purely anecdotal, unsupported by measurement data. Some people mentioned this, but who's measured it? Has Kittelson measured it? I have a few more points. How much more time do I get?

Hales: You get another 30 seconds.

Toth: OK. How many MAC member cars actually occupy on-street parking spaces near the MAC garage, many or just a few? The study conducted by the GHFL did not look at that, and in fact, that report that was produced by one person is still a draft document and was never approved by the board. So, there's no evidence here that those parking spots around the garage are really being occupied. [beeping] I've got to get to this one.

Hales: Go ahead and wrap it up.

Toth: During peak busy periods, will drivers traverse the four levels of parking and the tunnel as asserted, or will they experience significant conflicts with other cars and pedestrians within the garage, within the tunnel, causing delays and queues to spill onto the streets and over the sidewalks? The answer is yes. Simple queuing theory tells you that a 42% increase in the parking spaces within

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the MAC garage will exponentially increase queues and delays interfering with the street and sidewalk conditions at both entrances. You haven't added another entrance into that garage, queuing is going to get very bad. That's the -- I'll end.

Hales: Thank you, thanks very much. Welcome. Good afternoon.

Karl Reer: My name is Karl Reer, I live at 1132 SW 19th Avenue in Portland. I am a member of the Goose Hollow Foothills League and currently board chair of The Legends condominium which unanimously passed the resolution more than a year ago opposing the rezoning. We and many residents of Goose Hollow urge you not to support the Mill Creek zoning application for Block 7 that is before you. Just a few points. First, under the current RH zoning, the MAC can properly develop their land for additional housing with resident parking. We don't dispute that. It has been said, but we need to reiterate that -- we don't dispute that. That was the agreement that the neighborhood and the city reached with the MAC years ago. However, the essential issue in this application is the added 225 MAC parking spaces in the underground garage. These added parking spaces will not improve parking conditions for the neighborhood residents, and will only exacerbate existing traffic and parking problems in the area. Second, these traffic problems that have been talked about -- including several dangerous intersections in the Goose Hollow area -- were recently documented by a small parking and traffic survey conducted by a committee of GHFL. But the survey neither asked nor answered the question of how the proposed MAC parking would impact the problems. No reading of the survey questions and responses lend support to adding this MAC-only parking structure. Third, the 225 spaces of the garage will not add a single space of parking for neighborhood residents. It will only serve out of area MAC members and guests, who prefer not to use the available MAX and bus alternatives that are cable of bringing them virtually to the MAC doorstep. Certainly, the added parking would present an option for MAC members currently parking on the neighborhoods streets, but our own walking surveys of the neighborhood -- we did several, mostly in the spring -- have shown that few cars with MAC stickers park in the neighborhood regardless of the day or time or vacancies in the garage. Fourth, the application contends that the MAC will not add members and that no new trips, no added traffic will result from the 225 added parking spaces. There is no MAC data related to this assertion. In fact, the added free parking will allow the MAC to continue to increase its revenue-enhancing special events, conferences, and activities that non-members and guests can attend. And they will come. The 225 spaces with multiple entrances and exits generated throughout the 18-hour MAC day can add 600 or more additional vehicles to the already congested streets, bringing a huge increase in toxic exhaust further deteriorating the air quality in the neighborhood and around Lincoln High School. [beeping] Just a little bit more. I urge you request data from the MAC showing the continued growth in special events, non-member attendance, and associated revenue in recent years. Finally, the MAC has at least two bus lines and three MAX stops within easy walking distance to the club. But the added garage will encourage just the sort of excessive, unnecessary driving that the city has been seeking to reduce. The city approved a very specific climate action plan in 2009, seeking to reduce precisely the casual vehicle usage that the proposed parking structure will encourage. If you, the city council, are serious about the city's goal of reduction in vehicle use, we should not be inviting more private vehicle use with this unnecessary parking garage. And if you are serious about past commitments to the city and neighborhood organizations being honored, you will not support anything but residential housing being built on Block 7. Thank you.

Hales: Thank you. Welcome.

Marjorie Sande: Thank you, Mr. Mayor and members of the council. My name is Marjorie Sande. I live at Goose Hollow, 1132 SW 19th Avenue. My husband and I walk through the neighborhood every single day for our health, for our enjoyment, and also for transportation. I oppose Block 7 rezoning because of the detrimental effect it would have on our neighborhood, which means that the applicant does not meet the comprehensive plan's goals six and eight regarding transportation and environment. Rezoning to allow a MAC garage would encourage more traffic in an area that is

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currently served by two MAX stops. From my daily experience, I can tell you, traffic congestion is already dangerous for Goose Hollow residents. Cars come zooming around and into the MAC club's parking garage without regard for those who are walking on our neighborhood blocks. And at rush hour, the problem is heightened by peak demand for parking at the MAC club, coinciding with the evening swell of traffic on Salmon and also on 20th Avenue. Pedestrians like my husband and I are brushed back at intersections and have to wait prolonged periods for rushing cars to clear. And we are not alone. While walking every day, we see that Goose Hollow has many pedestrians -- people walking dogs, parents with strollers, students, couples with walkers, and residents aging in place who rely on scooters and motorized chairs. My husband and I can tell you from our daily walks that we are sometimes forced to take risks by veering into the traffic lane due to rough sidewalks, and then find ourselves jostling with commuting cyclists mixed into the same lanes. We find ourselves breathing in noxious fumes due to close proximity of the vehicles. For us, crossing the street is risky, even at lights, because we cannot move as quickly as the cars whose drivers are often distracted or impatient. Every MAC member can have five parking stickers for their various cars, and they park free. Portland brags about its great urban planning. Well, it would be utterly ridiculous for you to approve a zone change to allow the MAC club to build a parking when MAC had done almost nothing to reduce its car usage. Please don't allow the MAC to further pollute my neighborhood. We welcome new residential neighbors. Goose Hollow is a great place to live, as new residents will discover. We do not welcome additional traffic and parking intrusion that deteriorates our quality of life -- we already have more than enough of that from the MAC club's parking garage. Let the MAC club expand their parking empire in another direction where it won't diminish the quality of life for Goose Hollow residents. Rezoning Block 7 would be an unwise land use. Please vote no to Block 7 rezoning. Our health and public safety are at stake. Thank you for your time and consideration.

Hales: Thanks very much. OK, next three, please. Welcome.

Jeff Malmquist: Hi, everybody. I'm Jeff Malmquist and I am the president of the HOA of the Four Seasons condominiums, which is just across the street from Block 7. And our board of directors unanimously passed a resolution that we oppose this rezoning. The main reason is we do not think this rezone meets goals three, which is for neighborhoods; and for seven of the comprehensive plan, which is for transportation. The application mentions in several places that they don't think that there would be any new trips generated by the zone change in the MAC parking spots. We don't think that that's true. Essentially, it boils down to, if you build it -- if you build the parking garage -- they will come. On the margin, I think that there are many MAC members who are not driving to the MAC because they are concerned about parking. Now that they are going to have a lot of parking, more of them are going to come. From the MAC perspective, those people that are planning special events at the MAC, they will now plan more special events because they now have the assurance that they're going to have more parking to accommodate their people that are coming in. Let's take a look at what history shows in this regard. And basically, to me, it shows that MAC has a history of buying up neighborhood -- our neighborhood -- and turning it into parking garages. For example, in the early 1980s, they built a 500-space parking garage across the street on Salmon Street, and at the same time, promised they would not change any other lots in the neighborhood to CX for more parking. Well here we are about 30 years later, and guess what, they're telling us that they need more parking, and they want to request a CX zone change for Block number 7. We don't think that should happen. We understand -- as several people have said, and I agree -- a building will be built there. We understand that. But we would like a building that's built there that has parking for residents -- people actually live in Goose Hollow and will actually be spending money in Goose Hollow. We don't want additional parking for additional visitors to the neighborhood. So I urge all the Commissioners, if you could, to consider voting no for this rezoning request. Thanks very much.

Hales: Thank you. Good afternoon.

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Norman Zeller: Good afternoon. My name is Norman Zeller, I'm a resident and property owner in Goose Hollow, and I'm also a long-time MAC member. Today, you, the Portland City Commissioners and Mayor are being asked to approve a zone change for Block 7 in Goose Hollow. If the zone change is approved, it will markedly change the historic character of this neighborhood forever. The purpose of the change -- as we've all discussed -- will be to provide 225 more parking spaces for use by the Multnomah Athletic Club. It is alleged by the management and the board of the MAC that there are not enough parking spaces in the existing parking garage to accommodate the busy athletic club. This is not exactly true. Most of the time, there is adequate parking for all members seeking to use the facilities. The shortage of parking spaces and the congestion in the surrounding streets is self-inflicted, brought about by promoting the use of the MAC facilities to outside organizations and groups for meetings and conferences -- hardly the activity you would expect or need at an athletic club. This type of at this time was not mentioned in the hearing officer's report on traffic. Had the officer bothered to comment on the large number of people descending on the MAC for meetings or programs, he certainly would have reported that it is a major cause of traffic congestion and the chaos that at times occurs in the parking garage. Had the hearings officer known of the MAC's meeting and convention conference activity, he might have referred to the negative economic effect the MAC's commercial activity has on other venues in Portland, such as the city hotels which offer similar services and facilities. These venues -- including the city's own Convention Center -- are in constant competition with each other to fill their spaces and keep their employees. For the MAC -- with its free parking -- it's an easy sell to program managers of interested groups looking for space to hold a meeting or a conference. Free parking -- it's the trump card to close the deal, and MAC plays it. Free parking is the reason there is a shortage of parking for members and guests in the existing parking structure. Free parking is what causes the street congestion. Adding 225 new parking -- free parking spaces -- for MAC will not only not solve the parking problem, it will make it worse. Please save the neighborhood and reject the zone change. MAC has other options. They could even start charging for guest parking, and by doing so, perhaps miraculously make parking and traffic problems disappear. Thank you.

Hales: Thank you. Good afternoon.

Elizabeth Perris: Good afternoon. My name is Elizabeth Perris, and I live at 1132 SW 19th Avenue, Portland, Oregon, which is across the street from Block 7, which the applicant seeks to have rezoned from residential to commercial. I speak in opposition to the rezoning. We chose to move to The Legends because we wanted to live in a residential neighborhood. Changing the zoning to commercial eliminates the residential character of the neighborhood, and opens the door to making the neighborhood a very different one. A number of years ago, you rezoned another block so the Multnomah Athletic Club, which is known as the MAC, could build a multi-story parking lot. Now, it seeks to rezone yet another block. Rezoning Block 7 will drive a commercial wedge in what is currently a residential neighborhood. Our block -- if you look at a map -- is residential. Then you're going to have a commercial block, then you're going to have another residential. We're going to be an island, basically, is what's going to happen if you rezone this block. It's apparent from the city's comprehensive plan and its implementation that the city seeks to encourage alternatives to driving one's car. Goal six contains numerous detailed strategies that the city is using to, quote "develop a balanced, equitable, and efficient transportation system" end quote. Our neighborhood is one where public transportation is especially strong. As is evident from the picture I've included on my page of testimony, light rail runs right alongside the MAC and stops across the street from the MAC. There's no reason that residential property should be rezoned to allow the MAC 225 more parking spaces when there's ample public transit available. People hardly need to drive to the MAC to exercise. Let them walk, bicycle, or use public transit like the rest of us. Goal eight of the city's comprehensive plan is to maintain and improve the environment. 8.4 states that the city will, quote, "promote the use of alternative modes of transportation, such as ride sharing, bicycling, walking, and transit throughout the metropolitan area" end quote. Adding 225

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parking places in a residential neighborhood with a light rail stop so close to the MAC is contrary to that objective. [beeping] The final point that I want to make is that the proposed rezoning purely benefits the MAC and not the rest of the neighborhood. You've heard how this is going to benefit us all by reducing the amount of parking on the street. I agree with the gentleman who said, there's no parking. And there won't be any after this is over, either. Because what's going to happen is you're going to build a big apartment building, and the people from that apartment building and their visitors are going to take up the parking on the street. All this is going to do is make it so the MAC people have parking. Thank you.

Hales: Thank you. Thanks very much. Next three, please.

Marilyn Weber: My name is Marilyn Weber, I live at 1132 SW 19th Avenue, and I am a homeowner at The Legends. I relocated from New York City 10 years ago to enjoy a balance of urban life at a slower pace --

Fish: You can stop right there with your testimony. I find it compelling, Mayor -- [laughter] -- let's move to the next one.

Novick: Commissioner Fish, which borough?

Hales: Some of the New Yorkers that come here like to get validation. So, he just got that. [laughter]

Weber: OK. [laughs] The rapid growth in the Portland area is affecting not only Goose Hollow, but the entire city. The proposal to rezone will add excessive traffic to our streets, but little thought has been given as to how traffic will be managed once we get this great influx of people and cars. Is there any plan in place to build out our streets, roads, and expressways? The more urbanized Portland becomes, the more people will seek to escape it. Referring now to the U.S. Census Bureau and the Texas transportation institute published in the 2014 Business Insider, out of the 10 most traffic-clogged cities -- D.C. being number one -- Portland ranks tenth. 44 hours are spent annually by commuters stuck in traffic, costing each an average of \$937 a year, and our rush traffic in this city lasts four and a half hours. Portland planners have focused heavily on the urban growth boundary, but it also should preserve residential livability and the historic and unique character of Goose Hollow. With respect to Block 7, goals six and eight of the comprehensive plan, the plain and simple fact is that more MAC traffic equals more dirty air, more noise pollution, more safety issues, and the destruction of all 40 trees will provide us with less oxygen and a lower quality of life. We should not sacrifice quality of life for the parking needs of an exclusive club, 95% of whose membership does not live in Goose Hollow. What you do will affect us in future generations -- grandchildren, great grandchildren, and many more. Thank you for your time, and please vote no on rezoning.

Hales: Thank you very much. Welcome.

Aaron Johanson: Hello, my name is Aaron Johanson. First, I would like to say I'm a Goose Hollow resident and a MAC member. I've been to New York and I love it -- just for the record. [laughter] Although I live about seven blocks away from Block 7, the issue of its development and rezoning concerns me. Please consider the following issues. This residential part of Goose Hollow is sandwiched between very busy commercial zones. Rezoning Block 7 from residential RH to commercial CX with its concomitant increase in parking introduces more traffic to an already busy neighborhood. Block 7 development eliminates what is currently an oasis of green. To my mind, increased density at this location and will create congestion and a degraded living environment. But I realize this is not the main question before us today. I ask you to think about the construction of 225 below-grade spaces. I believe you cannot increase parking without increasing traffic to these spaces. As a MAC member, I can tell you that that I find it interesting that in the changing rooms, all MAC members are charged for the use of lockers, but parking is entirely free. [laughter] I would also like you to think about, what is to prevent an increase in the MAC events to utilize the new spaces? And this increase in the use and traffic would lead to possibly another overflow situation. Psychologically, I think that many drivers would consider roaming the neighborhood once-over to

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see if there is on-street parking, which would be vastly more convenient than possibly driving down four stories in an underground parking garage. So I urge you to consider those issues when weighing the pros and cons, and please vote no.

Hales: Thank you. Welcome.

Michael Wallace: My name is Michael Wallace. I live at 3213 SW Upper Cascade Drive, a little west of Block 7, which I pass by every day on my way to work. I am opposed to rezoning for the purpose of commercial construction in Block 7. The MAC has repeatedly promised never to develop Block 7 beyond residential zoning, and now MAC is ignoring this commitment to the neighborhood. Earlier today, Commissioner Fritz stated that compatibility is essential to changing land use. The proposed zoning change is not compatible with the existing neighborhood. Do we need more commercial area in Portland in historic neighborhoods? Commercial rezoning would increase traffic congestion, increase competition for on-street parking, increase noise and air pollution, decrease pedestrian safety, and decrease livability in a historic residential neighborhood. Can the city council not say no to development, say no to more traffic, and maintain livable residential space in Goose Hollow? Is this proposal compatible? The neighborhood does not need nearly 300 new apartments, particularly when one-third of them will have no parking. Current residents will have to compete with new traffic and compete for limited on-street parking. If the MAC needs more parking, let the MAC-owned property on SW 20th and 21st be developed close to the clubhouse and Providence Park. Is this proposal compatible? As Portland grows, City Council must be increasingly aware of its obligation to the general public and not beholden to interests pushing for commercial expansion. Rezoning would allow MAC an exclusive garage that is not public. Rezoning would allow MAC to build hotel suites that will require supply trucks in a residential neighborhood, and increase the traffic far beyond that of the added residents of the new apartments. Trash collection will occur on a 24-hour basis, further disrupting the residential neighborhood. Is this compatible? This zoning proposal does not provide net benefits to the city of Portland, nor to the residents of Goose Hollow. The only beneficiaries are the developer and some of the members of MAC. Neither represent the general public of the city of Portland, which the city council is committed to serve. This zoning proposal should be denied. Thank you.

Hales: Thank you.

Fish: Mayor Hales, I have an excused absence at 4:30.

Hales: Yeah, I wasn't sure if you were 4:30 or 4:45.

Fish: And I will be representing the council at two other matters later, including a water consortium board which will go to 9:00 tonight. I have some follow-up questions, both legal and factual, which I will compose tomorrow, send to City Attorney's Office, copy my colleagues. Any other -- we will be scheduling at least a second hearing, if I --

Hales: We will be continuing the hearing. It's my intention -- if my other two colleagues are willing to go another 30 minutes to hear testimony, and then at 5:00, we can do that and you can review the record.

Fish: I will review the record between now and whenever the new hearing date.

Hales: Thank you. Yeah, so we will continue to try to get most if not all the folks who signed up to speak. We are going to continue the hearing because there will be council questions and deliberation. I think that we will save rebuttal by the applicant for that time.

Fish: That would be very helpful.

Hales: So, I think that will probably be more useful to the council's deliberations if we do that. OK, let's continue then. Thank you, Commissioner.

Moore-Love: The next three, please come on up.

Hales: Welcome. Who'd like to go first? OK, good afternoon.

Daniel Salomon: So my name is Daniel Salomon. I am an environmental writer with a master's degree in theological research, and I have a certificate in science and religion. I am a resident of Goose Hollow and live in Collins Circle apartment. I am against the MAC Mill Creek proposal to

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rezone Block 7 from the residential to commercial. Block 7 is home to many mature trees and shrubs. Cutting down trees and their benefits compromises the comprehensive plan goal eight. Retaining RH zoning of Block 7 will allow residents housing only while keeping open the possibility of preserving some mature trees. Portland forester Dr. Geoffrey Donovan shows the correlation between preserving older trees and shrubs in cities and human survival. Donovan demonstrates in three different scientific experiments that affluent neighborhood that have older trees and shrubs experience a reduction in crime, but affluent neighborhoods with younger trees and shrubs experience in an increase in the crime. Affluent neighborhoods east of the Mississippi who lost their native and or non-native ash trees of any stages because of the emerald ash borer also experienced an increase in mortality due to cardiovascular disease. Donovan contends that the ash stands for all mature trees. Mature trees reduce stress connected to the immune system and improve local air quality. In Portland, in neighborhoods that have extensive tree canopy cover, women experience greater reproductive success, while Portland neighborhoods that did not have as much of a tree canopy experience higher reproductive failure. For the same reasons, mature trees reduce stress, strengthen the immune system, and improve air quality. This means that the mature trees and shrubs of Block 7 are irreplaceable to the health, safety, and wellbeing of the people of Goose Hollow. The mature trees and shrubs of Block 7 can't be mitigated for the MAC replanting seedlings. As a [indistinguishable] human on the autism spectrum, the stakes are high. I need a lower stress environment to manage my anxiety symptoms. This is not to mention the possibility of additional air, water, noise, light, electro-magnetic chaos and carbon pollution caused by building a four-story underground parking garage, negatively impacting my nervous system if Block 7 is rezoned. Keeping RH-only zoning is compatible with preserving the scalability and livability for vulnerable populations. So, I of course oppose the rezoning. Thanks so much.

Hales: Thank you. Thank you.

Connie Kirk: Thank you. My name is Connie Kirk. I live at 1132 SW 19th Avenue. I worked on my doctorate at NYU in the field of media culture and communication, and I ran a publishing company with my late husband, a lifelong publisher and episcopal clergy who served the homeless on South Park blocks. I continue as an editor. I'm not a MAC member, but I'm opposed to rezoning. Comprehensive plan goal three has not been fully met. But I would like to shine the light here, because the MAC asserts it has engaged in meaningful neighborhood dialogue, and this is relationship is really vexed. The MAC's attitude was best exemplified when they pulled Dr. Prince's book, Portland's Goose Hollow, from its bookstore. The club that destroyed all the historic homes on Block 7 has removed yet another piece of our history by a MAC member opposed to rezoning. A book is a voice. And her book it is our voice, and we haven't been heard. Over 300 petition signatures were obtained to oppose rezoning throughout Goose Hollow. Those ranged from signatures from Four Seasons, Vista St. Clair, Royal Manor, The Jefferson, Arbor Vista, Collins Circle, Arena Villa, the Fordham, homes around Block 7 and reaching up into the Vista Ridge and yes, The Legends, too. The Block 7 planning committee met hundreds of hours, examined the comprehensive plan goals, put together a 43-page report, and voted overwhelmingly to oppose rezoning. Yet the GFHL board couldn't take a position, despite the majority of the neighbors. But neighbors were forging ahead. We exceeded the signatures required by GHFL by-laws and Oregon state law to hold a special meeting of the membership to vote on rezoning. And I've provided a list of the consistent scope of opposition to rezoning. That list will be attached. 20,000 MAC members. Roughly six showed up to support rezoning at neighborhood meetings over the course of a year. 20,000 MAC members, and eight people testified in support of rezoning at the April 29th Block 7 meeting. 20,000 MAC members, and five testified in support of rezoning at the BDS hearing on May 21st. 20,000 MAC members had over a year to support rezoning. Where are they in this chamber? Please, vote no on Block 7 rezoning.

Hales: Thank you. Welcome.

Cliff Weber: Good afternoon. Thank you for putting in a long afternoon.

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Hales: Comes with the job. [laughter]

C. Weber: My name is Cliff Weber. C-L-I-F-F and one B in Weber. I live at the Jefferson condominiums on SW 18th Avenue where I'm chairman of the board of the homeowner's association. It is claimed that Portland wants diverse neighborhoods. Indeed, goal number four states this aim explicitly. The present application, however, would lead to exactly the opposite result. Renters already constitute something like 90% of the population of Goose Hollow. The 270 new apartments proposed would raise this proportion even higher. So will the 134 other rental units that the same firm is building only one block away. Further, the floor plan proposed for Block 7 shows 37 small apartments on every floor. Only 13.5% of these would be large enough for a family. This is not diversity. What goal four prescribes is a balance between owner-occupied homes and rental properties on the one hand, and on the other, between families and people living by themselves either as singles or as couples. Balance is what is lacking here. In fact, the proposed apartment block would only make worse the imbalance that already exists. This is not housing of different types -- to quote from goal four -- it's just more of the same. And like the other small apartments that the same firm is already building only a stone's throw away from Block 7, this project, too, would exclude families with children. The guiding principle here is not to enhance the diversity of the neighborhood, but rather to promote the welfare of the bottom line. And now, I speak as relative newcomer -- from Boston, in this case. The site in question is the only open green space still remaining in Goose Hollow. As such, the site is unique, and the question before the council ought to be how to acquire this precious green space and transform it into the public park that Goose Hollow has never had despite a large and highly concentrated population. Instead of this, however, a development firm has come to town from Texas and teamed up with a social club, few of whose members actually live in Goose Hollow. Together, the club and the men from Dallas are now seriously proposing that this unique green space be rezoned from residential to commercial, and then bulldozed into oblivion. And what will replace it? Yet another apartment block vastly out of scale with the immediate neighborhood, and generating revenue bound for Dallas. Am I living in Portland, Oregon or in Dallas, Texas? Is Portland's environmentalism real or a mere pretense? There are times when a newcomer like me could be led to wonder. Now is one of those times. Thank you for your consideration.

Hales: Thank you all. Next three, please. Good afternoon, welcome. Go ahead.

Seth Leavens: My name is Seth Leavens. I am a Multnomah Athletic Club member. I joined the club in 1969, the same year that Tom McCall declared that we are not going to turn the state over to developers. Today, I'm here to ask you not to turn Goose Hollow over to the developers. As a frequent user of MAC, I believe it has enough parking for the athletic club. The club's membership has been capped as present level for a long time, and it is not the increased athletic use that is driving the demand for increased parking. I believe it is the growing event business that needs more parking. Multiple events happen daily, with people coming and going morning, noon, and night. Now, they also want to get into the motel business, which would just add more comings and goings. I know from my personal experience that the difficult times to park are when there are events, and several months ago in the club magazine, there was made mention by the club manager that he's having to cut back on some of the events during peak athletic use of the club. So the club really should really have two names. It's an event place as well as an athletic club, and not too sure how much revenue is generated from the event. It's not very clear in the club's annual reporting. I would encourage you to vote for the neighborhood and vote against the zone change.

Hales: Thank you. Welcome and good afternoon.

John Dennis: My name is John Dennis. I'm a former resident of Goose Hollow, and for the past 45 years, I've been an active member of the Multnomah Athletic Club -- it's been a huge part of my life. I have experience in urban planning. A number of years ago, I headed up Corvallis Community Improvement. CCI was set to redevelop about 20 blocks of downtown Corvallis when our developers at debartolo corporation got into some trouble, the economy went bad, and our

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organization -- which included the mayor, the president of Oregon State University, and a who's who of prominent citizens -- made what Yogi Berra calls a wrong mistake. [laughter] The mistake was we did not pay enough attention to the full neighborhood. The small business owners, the homeowners who would be affected by what otherwise was outstandingly good planning. And the lesson I learned when there is polarization, there's usually a reason -- and more often than not, that reason has to do with insufficient listening. For worthwhile reasons given by both sides, I urge the city council not to rezone Block 7 CX until the full neighborhood does a better job of getting itself together, because trust and compromise are still possible.

Hales: Thank you. Welcome.

Mark Velky: Thank you. My name is Mark Velky. I live on Vista Avenue, where I rent in the Vista St. Clair apartments. I would like to thank the mayor and the city commissioners for giving me the opportunity to voice my opinion. My biggest concern is the broken promises on the part of the Multnomah Athletic Club to the neighborhood and your predecessors here at City Hall when they promised to develop Block 7 only within the RH zone, and now they want to go back on that promise. A large part of my background is the 25 years I spent in the U.S. Navy submarine force, where your integrity is everything. As a veteran who lives in the King's Hill area of the Goose Hollow Foothills League and a GHFL member, I feel that the MAC should be held to their promises. One of the other concerns I have is the delay of the central city parking review. My understanding after reading the recommendation of the hearings officer is that this is rather unusual, and I wonder why the developer and MAC want to do this after and if they get a zone change. Now hopefully, there's no air force veterans in here that I am going to offend with my next story. But to me, this kind of sounds similar to the old story about how the air force was building a new base. First, they built all the runways, and by the time they were done with that, they were out of money. Then they had to go back and ask for more money to finish the base, because of course they still needed hangers, maintenance facilities, administration buildings, etc., etc. And guess what? They got the extra money. I provided you with a package, a press coverage that chronicles the MAC history on Block 7 within the current RH zone, and not to build MAC parking on the south blocks, Block 7 and Block 2. This package also covers the neighborhood's efforts from 1981 to present day to preserve the historic and predominantly residential character of the Goose Hollow. I urge you to read these revealing articles and ask you to vote no to this proposal to rezone Block 7. Thank you.

Hales: Thank you very much. Thank you all.

Moore-Love: The next three, please come on up.

Hales: Good afternoon and welcome. Hilary, why don't you go first?

Hilary Mackenzie: Hilary Mackenzie. I live at 2722 SE Rutland Terrace, I'm not from Goose Hollow. I've been a MAC member -- and no longer one -- but had been for 30 years, and my family has been involved with the MAC club since the 1930s. My mother is 87, she goes to the club regularly. She does pay for a locker. She drives, she only makes right turns, she doesn't make left turns. [laughter] And she goes between the hours of 1:30 and 4:00 multiple times a week, and she never has trouble finding parking. And if she doesn't have trouble finding parking, it also means that the parking she's finding is easy to get into. So this is a vote for -- the parking demand is generated by these excess activities, not necessarily by the members' needs. I'm not -- so many points have been covered about parking, but I do want to reiterate that the MAC really hasn't made an effort to reduce their demand. It's free parking, there's no incentive for members either with discount in their membership fees, or reduced parking, or charging a higher fee for peak demand times when the park does get crowded or when they have events. You know, there are so many things that you can do with incentivizing parking and reducing the demand through fees -- money, bonuses for riding your bike. All those incentives were tied to employees, nothing for the members. I think some members who really need the parking and want the convenience of parking, they would pay a little extra, or they would pay to go at peak times. But there's nothing, there's no reason, so you build more parking, you can have more events, more members can drive, it doesn't

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solve the problem. You don't solve traffic problems by building more freeways. You don't solve parking problems by building more free parking garages. It just does not work that way. You've got to incentivize it, you've got to put a price on it, and then you start reducing the demand. And then they could come back and talk about what they really might need for their uses. I think that covers my main points. I don't want to repeat, but I think that so many people have covered so much. So, thank you very much.

Hales: Thank you. Welcome.

Stephen Salomon: My name is Stephen Salomon, and I currently live and rent at the Vista St. Clair apartments, 1000 SW Vista Avenue. I'm a retired health physicist and environmental policy analyst from the U.S. nuclear regulatory commission. And I'm talking about thinking globally and acting locally. There's much in the news about climate change, such as the United Nations and the impact on localities. What can we in Goose Hollow and the larger community do about it? We residents in the city can oppose the rezoning of Block 7 to high commercial CX, because it will undermine the livability our neighborhoods by unnecessarily overloading our streets with cars spewing greenhouse gases that accelerate the climate change. And I have some notes from the U.S. Environmental Protection Agency over here that spells out how this will happen in the Pacific Northwest. It also will create additional air pollution that may be worse than thought, according to the Portland State University study -- and that was reported in the Oregonian on August 26. Denying the rezoning of Block 7 will encourage MAC members to use public transit, given two MAX stops are in close proximity, and this will reduce greenhouse gases and noxious air pollutants. Leaving the majestic mature trees, the many shrubs and other vegetation in place will help to maintain the air in a more stable environment, reduce climate change, and improve the livability of Goose Hollow. In summary, I support the final report by the Goose Hollow Foothills League Block 7 planning committee -- which was submitted April 24 -- that voted overwhelmingly to oppose the rezoning. I question why alternatives were not analyzed by Mill Creek and Multnomah Athletic Club, as is regularly done in large projects, since it is known that a few other properties are available that might serve their objectives. Also, to what worthwhile cause is all the money going? That's a question. Finally, the MAC -- being a progressive nonprofit organization, according to its website -- could better serve its members in community without having Block 7 rezoned high density commercial. Thank you.

Hales: Thank you. Welcome.

Dale Cardin: Good afternoon. My name is Dale Cardin, and I live across the street from Block 7. About two years ago, we began to hear rumors of plans by the MAC to build a new parking facility for the members on the Block 7 property. As word of the project spread, some of our older residents couldn't believe it, as they assumed of MAC parking on Block 7 had been settled years before through a definitive agreement between the MAC and City. But no one could recall the precise details. So we began to sift through records at the city archives, and before long we found a large collection of documents from the 1980s and '90s regarding the MAC master plan. And yes, it did indeed contain specific promises by the MAC to develop the Block 7 property for residential use in the context of the existing RH zoning code. We also saw that the master plan was created as a necessary condition for city approval of the MAC's inland use case CU 80-80 to build its Salmon Street parking garage. The master plan was strictly a quid pro quo with respect to the parking garage, and perceived as such by all parties at the time. In effect, the master plan became a peace treaty between the MAC, the GHFL and neighborhood, and it has proved a lasting one until now. The archival record shows that there had been a long-running dispute between the MAC and local residents over MAC parking in the neighborhood. The MAC had been in the habit of buying up properties, tearing them down, and converting the empty lots into more parking for its members. The GHFL was concentrating on trying to stop this from continuing ad infinitum. Finally, in 1981, when the MAC applied for a permit to build its Salmon Street parking garage, the city council intervened to resolve the dispute by requiring the MAC to negotiate a master plan with the GHFL

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over the future use of all the MAC's other properties. Testimony from the 1981 city council hearings shows the council remained profoundly skeptical about the MAC's future intentions, but it did finally vote to allow the MAC to allow the parking garage on the optimistic but perhaps naive assumption that the MAC would abide in good faith by the terms of its master plan until such time as the terms of the plan were fulfilled. But as we sit here today, one of the important elements of that plan remains unfulfilled -- the development of Block 7 for residential use in the context of the existing RH zone. To accept the MAC's claims that the master plan no longer applies, you'd have to regard it as fair and just that in 1981, they acquired something of great and permanent value in exchange for something of lesser and only temporary value followed now in 2014 by their obtaining what they lost before in exchange for nothing at all. This is precisely what the city council of 1981 sought to prevent. We urge the city council of today to deny this crass attempt by the MAC to violate the terms of its 1981 and 1993 master plans. Please vote no on the applicant's request to rezone the Block 7 property from RH to CX. Thank you.

Hales: Thank you, thank you all. How many do we have left?

Moore-Love: I have 10 more.

Hales: We might make it. Let's try -- we won't make it, we probably won't get past -- I think we have to take the next three and then a break.

Fritz: [indistinguishable] -- sorry.

Hales: Sorry for those who have waited, but some of us have other events. So let's take the next three, and then ask the other folks who signed up to -- with our apologies -- come back when we return. Because we are going to continue the hearing. Welcome.

Sherry Salomon: Hello. Thank you, Mayor Hales and members of the city council for allowing me to speak. My name is Sherry Salomon, I'm a senior citizen, and I rent at 1000 SW Vista Avenue at the Vista St. Clair apartments. We're recent transplants from the Washington, D.C area, which another person said had the worst traffic in the nation, and I would like to testify that that's an understatement. [laughs] It's really horrible. And so I'm here and in Goose Hollow, and loving it. I oppose the Block 7 rezoning because the applicant does not meet the city's comprehensive goal eight to improve the quality of air, water, and land resources. The CX zone change is needed to allow the two underground levels of MAC parking. This is expensive to build and increases the construction costs on Block 7 by millions of dollars, not to mention the million dollar price tag to build the tunnel. To achieve economic viability, these costs force the applicant to maximize the mass of the building, resulting in a sidewalk-to-sidewalk Nordstrom-sized project in the middle of the historic Goose Hollow. This also means that the 40 large, gorgeous trees on the lot will need to be destroyed -- some of which are applicants for the heritage tree. But with RH zoning without MAC parking, a significant portion could be saved. A more modest project would allow for setbacks or a better sidewalk width, which would be a better fit for our neighborhood and uphold the central city plan. The new townhome project on 20th and Madison is an excellent example of appropriate design and character for Goose Hollow. The bottom line is that all residents, including new ones on Block 7, would be adversely affected by the overabundant parking for the MAC. Please, please vote no for Block 7 rezoning. Thank you again for your time and consideration.

Hales: Thank you. Welcome.

Helen Gundlach: Hi. My name is Helen Gundlach, and I live at Arbor Vista condominium, which is on SW Howards Way in Goose Hollow. I am board president of the condominium, and I'm also a proud member of the Goose Hollow Foothills League and the Friends of Goose Hollow. I have lived at Arbor Vista for seven years, and previously lived at Fordham apartments for 10 years. I love Goose Hollow. It is my home, and it is my community. Standing in this room is *deja vu*, and not in a good sense. Our condo association testified several times before the Portland design commission in 2012 and 2013 in opposition to the design of Jefferson Street flats, a 134 unit apartment building which is now under construction at SW Jefferson and 20th at the Goose Hollow stop. Those of us who were involved in the effort -- and that includes a former design review chair

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who advises owners and neighbors, all of us who testified -- it was a frustrating experience and disappointment that left a sour taste. We were stymied at every turn, our objections dismissed out of hand despite strong evidence supporting our opposition right within the Goose Hollow design guidelines. We felt invisible and that the process was a sham of community involvement. So that's why I have taken the time to testify today in support of the no on Block 7 for a zoning change. I have much higher hopes that this process will be more receptive to Goose Hollow residents and won't be swayed by special interests. I avidly support the city of Portland's comprehensive plan and its 12 goals, which I view as being farsighted and examples of good stewardship of community resources. We know the MAC has a right to develop its own property, but not at the expense of community rights, community livability, and in flagrant opposition to this previously agreed-to binding conditional use permit. There must be a level playing field for all -- otherwise, it's a double standard. And it leaves the rest of us with these permanent errors in judgment that we cannot overturn. Portland has committed in writing to creating a green, sustainable, livable city for future generations. We are the envy of the country. But let's not forget this critical fact: people build community, not developers. Developers build buildings. So, please support our opposition and stand with us, be good stewards. We can build community in Goose Hollow together. Thank you.

Hales: Thank you. Mr. Walsh.

Tom Walsh: Commissioner Fritz, Mayor Hales, Commissioner Novick, my name is Tom Walsh, a member of the Multnomah club and a lifelong resident of southwest Portland. I testify today in opposition. The issue before you seems to me to be classic Portland. There are legal and substantive issues which are complex, but the policy choices are really fairly clear. To cite two examples. As Robert Frost put it so eloquently, good fences make good neighbors. Good fences in Portland are land use policies and the detail of specific zoning boundaries. And a second point is, as neighbors, when we make agreements, we are expected to live by them. In that regard, in the 1990s, the Multnomah Athletic Club made an agreement with its Goose Hollow neighbors that as part of that zoning change, there would be no further construction of the club facilities south of Salmon Street. That agreement should be honored. Second, you've heard today, surveys of the MAC membership indicated decisive interest in parking capacity, but an amazing 70% believe it is OK. Recalls for me one of Yogi Berra's favorite comments about his restaurant in the Bronx: nobody goes there anymore, it's too crowded. [laughter] The MAC is crowded. Use by its members is up considerably, and so is the use of meeting space by outside groups. But the current supply of parking -- I would argue -- is adequate, and I would cite this on a personal basis. For the last 60 years, I've been an almost a daily user of the Multnomah club. I arrive three quarters of the time by automobile and never once in those 60 years have I failed to find a parking space either within the structure or in the immediate neighborhood. Most recently, that occurred last evening. There were 600 members of the Providence Healthcare Foundation in celebration of the Multnomah club, the parking garage was full, there was a space on the street, and I was only five minutes late to my workout. The Multnomah Athletic Club in responding to the concerns of its members is clearly within its rights to request this zone change. I would suggest and argue, however, that the city council has a greater responsibility, and that is a community-wide precedence, and that that request should be denied based on the facts, the history, the prior agreements, and the ethics in the way this city makes livability decisions. This request is unwarranted, unwise, and undisciplined. Thank you.

Hales: Thank you. We do have to recess, continue this hearing. Again, our apologies for those of you who signed up and waited today. Obviously, you will be on the top of the list when we resume the hearing. So, the question is, when will that be? Because we'll continue the hearing to both continue to hear testimony and to get to rebuttal and questions by the council before we make a tentative decision. So, what date -- thank you, Mr. Walsh -- on what date might we do that?

Moore-Love: I believe that we have decided on Thursday, October 30th, at 3:00 p.m.

Hales: So that's a time certain that's available for a land use case? Thursday, October 30 at 3:00 p.m.?

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Moore-Love: 3:00 p.m.

Hales: OK. So, is there any question by council for either party here for that process? Again, there is a rebuttal ahead, there is going to be -- we're going to continue to take testimony from the list of people who signed up. I will not be planning on opening the record for further folks to sign up -- but Kathryn, how would we do that? Remind me in a situation like this.

Beaumont: Well, if you are continuing the hearing for purposes of taking testimony, the evidentiary record would remain open.

Hales: So it is open, but the question is, will additional people be able to sign up to testify on the 30th?

Beaumont: I think that's at the council's discretion.

Hales: Any thoughts on that matter? Obviously, we want to give the folks that came here today the opportunity to speak. It wasn't our intention to have an endless hearing. My recommendation would be we allow folks that signed up here to speak and we then continue the hearing as planned with rebuttal and questions to both the applicant and the principal opponent and their counsel. Is that acceptable to council?

Novick: Mr. Mayor, a detail -- does a document -- I think I should add to the record, earlier in this hearing, I asked Kurt Krueger what would we say to people if we approve additional parking here -- if we make a zone change for the purpose of providing additional parking, what would we say to people in parts of the city who complained we are allowing apartments to go up without parking and we haven't ordered enough parking to satisfy them? And Kurt said he thought that actually there is evidence that the parking problems in this area are larger than in many of those areas, and I asked, is there is any documentation of that? And he said there is the BPS study last year, City of Portland Parking Impacts for New TOD -- Transit-Oriented Development -- Along Portland Inner Corridors. So he passed that out to the parties here. Turns out that does not talk specifically about Goose Hollow, so I don't know if it's really relevant, but since I invoked that, I think that maybe I should add it to the record.

Hales: I think we should add it to the record.

Fritz: Anybody can add anything to the record at this point if the hearing is continued. So if you wanted to send in additional comments based on anything you've heard today, you're certainly welcome to do that. Folks who weren't able to be here today can send in comments. So agree with you, Mayor, that the October 30 testimony would be limited to those who signed up. There may be some questions, and there is a possibility that we would open up the hearing to everybody else again, but that would not be our intent.

Hales: And again, there have been council requests for specific documents, which staff is already going to provide and put into the record.

Fritz: And Commissioner Fish and I and possibly others will also, in the interim, be asking for additional information.

Hales: So the record is open for additional information to come in written form. Council requests for documents will be obviously followed up on. We may have further questions for you, Mr. Janik and you, Ms. Bragar. Does that sound acceptable to everyone? Alright. Thank you again, and our apologies to those who will have to wait to speak, but we will continue this hearing until October 30 at 3:00 p.m. Thank you.

At 5:09 p.m., Council adjourned.