



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **18<sup>TH</sup> DAY OF FEBRUARY, 2015** AT 9:30 A.M.

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

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

Item No. 176 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

<b>COMMUNICATIONS</b>		<b>Disposition:</b>
<b>170</b>	Request of Mary Peveto to address Council regarding air toxics policy in Portland (Communication)	<b>PLACED ON FILE</b>
<b>171</b>	Request of Spencer Ehrman to address Council regarding diesel pollution (Communication)	<b>PLACED ON FILE</b>
<b>172</b>	Request of Mary Postlethwaite to address Council regarding diesel pollution (Communication)	<b>PLACED ON FILE</b>
<b>173</b>	Request of Robert Shannon to address Council regarding Holgate St from 92nd to 122nd (Communication)	<b>PLACED ON FILE</b>
<b>174</b>	Request of Emily Triggs to address Council regarding Community Sourced Capital (Communication)	<b>PLACED ON FILE</b>
<b>TIMES CERTAIN</b>		
<b>175</b>	<p><b>TIME CERTAIN: 9:30 AM</b> – Establish the Commission on Equitable Contracting and Purchasing to increase utilization of minorities and women-owned businesses in City contracting, and increase inclusion of minorities and women in the workforce on City-funded projects (Ordinance introduced by Mayor Hales) 30 minutes requested</p> <p><b>Motion to amend directive A2 regarding appointment process:</b> Moved by Fritz and seconded by Fish. (Y-5)</p> <p><b>Motion to amend directive B9 to add reporting requirement at least annually:</b> Moved by Fritz; motion passed with no objection.</p>	<p><b>PASSED TO SECOND READING AS AMENDED FEBRUARY 25, 2015 AT 9:30 AM</b></p>
<b>CONSENT AGENDA – NO DISCUSSION</b>		

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**Mayor Charlie Hales**

<b>176</b>	Appoint Kerrie Standlee and reappoint Melissa Stewart to the Noise Review Board (Report) <b>Motion to accept the report:</b> Moved by Fish and seconded by Fritz. (Y-5)	<b>CONFIRMED</b>
<b>177</b>	Reappoint Andre' Baugh, Howard Shapiro and Karen Gray to the Planning and Sustainability Commission (Report) (Y-5)	<b>CONFIRMED</b>
<b>Commissioner Nick Fish</b> <b>Position No. 2</b>		
<b>178</b>	Authorize a grant to Friends of Zenger Farm to support construction of the Urban Grange in the amount of \$100,000 (Ordinance)	<b>PASSED TO SECOND READING FEBRUARY 25, 2015 AT 9:30 AM</b>
<b>Commissioner Dan Saltzman</b> <b>Position No. 3</b> <b>Portland Fire &amp; Rescue</b>		
<b>179</b>	Accept and appropriate a grant in the amount of \$17,850 from Oregon State Fire Marshal for hazardous materials response training (Second Reading Agenda 160) (Y-5)	<b>187011</b>
<b>Portland Housing Bureau</b>		
<b>*180</b>	Amend contract with Oregon Trail Chapter American National Red Cross for an additional \$105,000 for severe weather emergency shelter (Ordinance; amend Contract No. 32001101) (Y-5)	<b>187012</b>
<b>Commissioner Steve Novick</b> <b>Position No. 4</b> <b>Bureau of Emergency Management</b>		
<b>*181</b>	Authorize application to the Oregon Military Department, Office of Emergency Management for a grant in the amount of \$21,576 for the implementation of the FY 2015 State Homeland Security Program (Ordinance) (Y-5)	<b>187013</b>
<b>City Auditor Mary Hull Caballero</b>		
<b>*182</b>	Assess property for system development charge contracts and private plumbing loan contracts and safety net loan deferral contracts (Ordinance; Z0808, K0151, T0161, W0039, P0130, Z1197, K0152, T0164, Z0809, W0040, P0131) (Y-5)	<b>187014</b>

<p><b>REGULAR AGENDA</b></p> <p><b>Mayor Charlie Hales</b></p> <p><b>Bureau of Police</b></p>		
<p><b>*183</b></p>	<p>Accept and appropriate a grant in the amount of \$5,177 from Oregon Impact for the 2015 Pedestrian Safety Enforcement Mini-Grant program (Ordinance) (Y-5)</p>	<p><b>187015</b></p>
<p><b>City Attorney</b></p>		
<p><b>184</b></p>	<p>Authorize City Attorney to appear as amicus curiae to support Freedom to Marry (Resolution) (Y-5)</p>	<p><b>37111</b></p>
<p><b>Office of Management and Finance</b></p>		
<p><b>*185</b></p>	<p>Authorize a contract with NIC Services, LLC for an Electronic Payment System, Service and Support in a not to exceed amount of \$7,500,000 (Ordinance) 7 minutes requested (Y-5)</p>	<p><b>187016</b></p>
<p><b>Commissioner Amanda Fritz</b></p> <p><b>Position No. 1</b></p> <p><b>Bureau of Development Services</b></p>		
<p><b>S-186</b></p>	<p>Amend Building Demolition Code to require notice and delay for all single family residential demolitions in areas with a residential Comprehensive Map Designation and make other changes (Second Reading S-169; amend Code Chapter 24.55) (Y-5)</p>	<p><b>SUBSTITUTE</b> <b>187017</b></p>
<p><b>Portland Parks &amp; Recreation</b></p>		
<p><b>*187</b></p>	<p>Amend the Portland Parks &amp; Recreation FY 2014-15 Adopted Budget to add appropriation for new positions and associated materials and services to support the implementation of the Parks Replacement Bond (Ordinance) 15 minutes requested (Y-5)</p>	<p><b>187018</b></p>
<p><b>188</b></p>	<p>Accept \$1,000,000 from East Multnomah Soil and Water Conservation District pursuant to an Intergovernmental Agreement dedicating 37 acres of the Colwood Property as natural area (Second Reading Agenda 155) (Y-5)</p>	<p><b>187019</b></p>
<p><b>189</b></p>	<p>Expand Portland Parks &amp; Recreation smoke and tobacco-free policy to all City parks, natural areas, recreation areas and any other places where Portland Parks &amp; Recreation park rules apply (Second Reading Agenda 168; amend Code Section 20.12.110) <b>Motion to add provision for Neighborhood Association petitions to establish designated smoking and tobacco use areas:</b> Moved by Novick and seconded by Fritz. Failed to pass. (Y-1 Novick; N-4) (Y-4; N-1 Saltzman)</p>	<p><b>187020</b></p>

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<b>Commissioner Nick Fish</b> <b>Position No. 2</b>		
<b>190</b>	Accept report on new surplus property policy for our utility bureaus (Report) 15 minutes requested <b>Motion to accept the report:</b> Moved by Novick and seconded by Fritz. (Y-5)	<b>ACCEPTED</b>
<b>Bureau of Environmental Services</b>		
<b>191</b>	Authorize a contract with the lowest responsible bidder for construction of the Riverview Force Main Replacement Project No. E08866 for an estimated cost of \$1,900,000 (Second Reading Agenda 162) (Y-5)	<b>187021</b>
<b>192</b>	Amend contract with HDR Engineering, Inc. for final design and construction support for the Columbia Boulevard Wastewater Treatment Plant Biogas Utilization Project No. E10033 for \$995,410 (Second Reading Agenda 163; amend Contract No. 30003218) (Y-5)	<b>187022</b>
<b>Commissioner Steve Novick</b> <b>Position No. 4</b> <b>Bureau of Transportation</b>		
<b>193</b>	Vacate a portion of SW Moody Ave north of Ross Island Bridge subject to certain conditions and reservations (Hearing; Ordinance; VAC-10085)	<b>PASSED TO SECOND READING FEBRUARY 25, 2015 AT 9:30 AM</b>

At 1:12 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **18<sup>TH</sup> DAY OF FEBRUARY, 2015** AT 2:00 P.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Lisa Gramp, Deputy City Attorney; and Mike Cohen, Sergeant at Arms.

<p><b>194</b>      <b>TIME CERTAIN: 2:00 PM</b> – Direct the Office of Management and Finance to amend the City Fair Wage Policy so workers affected by it receive \$15 per hour pay (Resolution introduced by Mayor Hales and Commissioner Saltzman) 2 hours requested</p> <p><b>Motion to delete final Whereas paragraph and replace with Resolved paragraph to direct Parks Commissioner to create a task force to assess seasonal, recreational and apprenticeship work with appropriate compensation; work to be completed for consideration in the 2016-2017 budget process:</b> Moved by Fritz and seconded by Hales.</p> <p><b>Motion to add “full-time” to first Resolved paragraph:</b> Moved by Fritz and seconded by Hales.</p> <p><b>Motion to add Resolved paragraph “that additional compensation will not result in additional overhead charges by the contractor with existing contracts”:</b> Moved by Fritz and seconded by Novick.</p> <p><b>Motion to add “full-time” to second Resolved paragraph:</b> Moved by Fritz and seconded by Novick.</p> <p><b>One vote was taken for all four amendments:</b> (Y-5) (Y-5)</p>	<p><b>Disposition:</b></p> <p><b>37112</b> <b>AS AMENDED</b></p>
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At 4:57 p.m., Council recessed.

February 19, 2015

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **19<sup>TH</sup> DAY OF FEBRUARY, 2015** AT 2:00 P.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ian Leitheiser, Deputy City Attorney; and Mike Cohen, Sergeant at Arms.

<b>195</b>	<b>TIME CERTAIN: 2:00 PM</b> – Appeal of David Vanadia against the noise variance granted to Andersen Construction for the Unico Overton Apartment project located at the block bounded by NW 12 <sup>th</sup> Ave, NW Overton St, NW 13 <sup>th</sup> Ave and NW Pettygrove St (Previous Agenda 75; Hearing introduced by Auditor Hull Caballero) 15 minutes requested <b>Motion to grant the appeal:</b> Moved by Fish and seconded by Fritz. (Y-4; N-1 Novick)	<b>Disposition:</b>  <b>APPEAL GRANTED</b>
<b>196</b>	<b>TIME CERTAIN: 2:15 PM</b> – The City of Portland shall not enter into a Memorandum of Understanding with the Federal Bureau of Investigation related to the work of the Joint Terrorism Task Force and shall repeal Binding City Policy BCP-PSF-7.01 (Previous Agenda 146; Resolution introduced by Mayor Hales; repeal Resolution No. 36859) 1 hour requested for items 196-198	<b>REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</b>
<b>197</b>	The City of Portland shall enter into a Memorandum of Understanding to become a member of the local Joint Terrorism Task Force in conjunction with the Federal Bureau of Investigation and shall repeal Binding City Policy BCP-PSF-7.01 (Previous Agenda 147; Resolution introduced by Mayor Hales; repeal Resolution No. 36859) (Y-3 Hales, Fish, Saltzman; N-2 Fritz, Novick)	<b>37113</b>
<b>198</b>	Enter into a Memorandum of Understanding to become a member of the local Joint Terrorism Task Force in conjunction with the Federal Bureau of Investigation (Previous Agenda 148; Ordinance introduced by Mayor Hales)	<b>CONTINUED TO FEBRUARY 25, 2015 AT 3:05 PM TIME CERTAIN</b>

At 3:03 p.m., Council adjourned.

**MARY HULL CABALLERO**  
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.

**FEBRUARY 18, 2015 9:30 AM**

**Hales:** Good morning, and welcome to the February 18th meeting of the Portland City Council. Would you please call the roll, Karla?

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

**Hales:** Welcome, everyone. We have a proclamation and some communications, and then regular Council business after that this morning. If you're here on regular Council items, we typically invite some people to testify -- and we have some invited testimony this morning -- and we also will allow, of course, any citizen that wants to speak on any item to do so. Typically, we allow three minutes for citizens to speak unless we have a crowded agenda. It doesn't look like that this morning. If you are here to speak on a Council item, feel free to just give us your name, you don't need to give us your address. If you are a lobbyist representing an organization, let us know that please, because the code requires it. We practice decorum here, so if you agree with someone, give them a thumbs up or wave of the hand but we ask we not make vocal demonstrations in favor or against our citizens so we get to hear them. That's about it in terms of the procedure.

So, let me start first with a proclamation because there are a lot of people in public service, and this one honors a particular group. Whereas, for millennia, individuals have wanted the spoken word translated into text to record history, and to accomplish this task, it relied on scribes; and whereas, the profession of scribe was born with the rise of civilization; and whereas, in ancient Egypt, scribes were considered to be the literate elite recording laws and other important documents and since that time, served as impartial witnesses to history; and whereas, scribes were present with our nation's founding fathers as the Declaration of Independence and Bill of Rights were drafted; and whereas, President Lincoln entrusted scribes to record the Emancipation Proclamation; and whereas, since the advent of shorthand machines, these scribes have been known as court reporters and have played a permanent and invaluable role in courtrooms across our country; and whereas, court reporters and captioners are responsible for the closed captioning seen scrolling across television screens -- like right here -- at sporting stadiums and other community and educational settings, bringing information to millions of deaf and hard of hearing Americans every day; and whereas, court reporters and captioners translate the spoken word into text and preserve our history; and whereas, whether called the scribes of yesterday or the court reporters and captioners of today, the individuals who preserve our nation's history are truly the guardians of the record; now, therefore, I, Charlie Hales, Mayor of the City of Portland, Oregon; the City of Roses do hereby proclaim February 15th to 21st of 2015 to be National Court Reporting and Captioning Week, nationally and here in Portland, and encourage all residents to observe this week.

So, I don't know if we have anyone here on behalf of that good cause. Welcome, please come up and say a few words about court reporters and all they do. Speaking of captioning in Portland City Hall. Good morning.

**Carol Studenmund:** Good morning, Mayor Hales and Commissioners, I'm Carol Studenmund, legislative committee chairperson of the Oregon Court Reporters Association; and this year, I serve as the chair of the Mount Hood Cable Regulatory

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Commission. I'm also president of LNS Captioning, a Portland-based women-owned business. My business partner, Robin Nodland and I are also owners of LNS Court Reporting. On behalf of the Oregon Court Reporters Association, thank you for helping educate our community about the value stenographic skills bring to today's marketplace.

It's also my pleasure to extend my thanks and appreciation to the City of Portland for its commitment to captioning televised City Council meetings. Our company began captioning Portland City Council meetings in January 2000 -- 15 years ago. Thanks to the example set by the City, the City Council meetings of Beaverton, Bend, and Eugene are now captioned; as are Metro Council and Multnomah County Commission meetings. I'm glad to have the opportunity to let you know how nice it is to work with Ms. Moore-Love and Ms. Parsons and all our friends at Portland Community Media.

A major study conducted by Johns Hopkins University found approximately 7.8% of the general population has a hearing disability significant enough to interfere with one's ability to hold a job or seek an education. About 50,000 Portlanders fit into this category. TV captioning has long been valued as a tool to help people learn English as a second language, and I'm sure you understand how large that population of people is in our City. Once again, I wish to extend my thanks to you for leading the way in creating a welcoming city and state for people with hearing disabilities.

**Hales:** Thank you. Good morning.

**Terry Mundt:** Good morning. My name is Terry Mundt. Good morning, Mayor and Commissioners. I have been a stenographic court reporter since 1975, when I was the first graduate of what was then a court reporting institute and is now Sumner College. So, we are fortunate that we have a court reporting school here in Portland -- it is the only one in our state -- and I am now an instructor there.

Back when I started court reporting, that was when we dictated our notes and we typed them on a typewriter. Now, it's all computerized. Technology has taken over which allows our captions to be shown up here on the screen, and also to give us instant transcripts in court cases, which is a real boon to the litigants to be able to have their transcripts immediately from what was said that day. Our National Association projects that there will be 5500 new jobs in the next five years, and there are way more jobs than there are applicants. We need students in court reporting school, so we are very thankful for this opportunity to showcase the opportunities that are available.

What I have always loved about court reporting is first of all, just a fascination with words and the machine; also of course, all the stories being involved in history itself and recording it, saving it for posterity. I also have with me today one of my students from Sumner College. This is Molly Wolverton.

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

**Molly Wolverton:** Thank you, Terry. Hi, thank you, and good morning, Mayor and Commissioners. My name is Molly Wolverton, I am a student at Sumner College in Portland here. This is about my year mark, and so I'm very much in awe of what I'm seeing in terms of the captions today because I know from the battlefield, as they say, it is a hard road but a very rewarding one.

I am a Pacific Northwest native. I went to the University of Portland in 2002, got a BA in sociology, and have sort of been looking for that profession ever since. What appealed to me about court reporting was just its immense versatility, knowing that I could do everything from hopefully sitting in a capital trial in Oregon to helping out in college classes, transcribing notes for students to captioning some of my favorite shows. So, the application of the career is just really only limited by human imagination and technology. So, I thank you for all of the opportunities you have given everyone in this profession. Thanks.

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**Hales:** Thank you all. If you'd like to take a picture with the Council and your proclamation. [photo taken] Thanks very much. I appreciate you being here today and appreciate what you do. OK, let's move onto communications items, please.

**Item 170.**

**Hales:** Good morning, Mary. You have some other folks here. Do you want to come up together? OK, so if you could call Spencer and Mary Postlethwaite, as well.

**Item 171.**

**Item 172.**

**Hales:** Good morning.

**Mary Peveto:** Good morning. Thank you very much, Mayor Hales and the other members of the commission. My name is Mary Peveto, and I am the president and founder of Neighbors for Clean Air.

When I first discovered the problems of air quality in my neighborhoods, my children were 12, nine, and three years old. Evidence today of the time that I've put into this is my now 16-year-old daughter and nine-year-old daughter, my oldest will now graduate from Lincoln High School this spring. And as their mother, I have spent the last six years trying to ensure that the air that they breathe and the air that all children breathe is safe.

So, to make the most of my time here today, I want to be very clear -- and I've provided some handouts for you with some of the citations and extra information, including a statement of support from the Forest Park Conservancy and understanding of the impacts of air pollution on the forest. But I want to be very clear. We're asking the City for two things.

**Fish:** Mary, could we have those handouts?

**Peveto:** Oh, sorry -- I provided them, but they have not -- thank you.

The first is that the City Council today take immediate action to reduce the most dangerous air toxics by supporting the legislation this session that would phase out the operation of old diesel engines in Oregon. The second is join us in crafting a clean air future that's safe and equitable for all Portland citizens by establishing a clean air task force to address the air quality challenges Portland will face as a result of growth and climate adaptations. While action this year is critical to stem the dumping of older equipment from California in the wake of adoption of the strict diesel rules in that state this year, the City also needs to recognize that the negative effects of air toxics unique to city environments will be exacerbated by urban effects of climate change, like heat islands and deteriorating neighborhood air quality for years to come.

And so I'm asking the City today to make a commitment to meaningful action to reduce toxic air pollution by establishing an air toxics task force. This task force should be populated by the tremendous resources that we have right here in Portland, like research teams at Portland State University who can explore evidence-based solutions and actions that the City can take, as well as influence state and regional policies and ensure the livability of all Portland neighborhoods against the known and real hazards that currently exist and would be worsened by climate impacts.

When I started this work as a private citizen, the biggest challenges about addressing any air pollution problem -- whether it's an industrial point source or the air pollution caused by the tangled web of the transportation infrastructure and freight movement -- was that unlike water, our current air pollution problems are nearly 100% legal. This, despite the fact that Multnomah County Health deems diesel alone to be the number one environmental contributor to the three leading causes of death in the county. Diesel-particular emissions account for 460 deaths a year in Oregon; and those deaths and other non-fatal health costs, such as hospitalization and lost workdays cost the state \$3.5 billion annually.

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I recognize the City's limitations and the regulations of air emissions, and in fact, I share them. But as a citizen who has pursued evidence-based advocacy, I have been heartened by the progress that we can make against something that is often considered too complex to solve. Since we began, we have helped individual companies find opportunities for meaningful reductions in emissions, and we've pushed our state to do a better job at enforcing its own rules. I implore the City to join our ranks, first by supporting the statewide rules on diesel, and second by establishing the air toxics task force. Thank you very much for your time.

**Hales:** Thank you. Thank you. Good morning.

**Spencer Ehrman:** Good morning. Mayor Hales and Commissioners, I'm Spencer Ehrman, and I'm here today on behalf of the City Club of Portland. I had the opportunity with colleagues from our research committee on air toxic regulation to appear before you some 18 months ago where we presented the report and our findings -- our conclusions and recommendations. Since then, City Club has been very active in the community in advocating for the implementation of those recommendations. We, along with Neighbors for Clean Air, have helped form a coalition of County health professionals and other NGOs to further the cause of reducing air toxic in our air shed, particularly as respects diesel.

City Club has a legislative agenda this year which includes supporting two bills being proposed by Portland area legislators to have a significant impact on reducing air toxics. As Mary referred to a few minutes ago, it's important that we begin to change out the old diesel equipment, and these bills would help effect those changes. We would hope that the City Council would be willing to stand behind the rest of us in furthering this legislative agenda this year.

City Club continues to attend to this issue, and we will continue to do so during the coming months, and hopefully, years. So, I just wanted to check back in with you today, let you know of some of the progress that we've been making. We're very encouraged since we published our report to see that we do have some legislation opportunities in Salem. Again, appreciating the limitations on the City for regulation, we would be wholly in support of Mary's suggestion for a task force to be based locally and begin to investigate and explore ways in which the community can begin to have a significant impact in this area.

**Fish:** Spencer, can I ask you a question?

**Ehrman:** Absolutely.

**Fish:** And thank you for joining us today. The Water Bureau obviously is planning for a big project in 2016 in Washington Park, and this issue was first raised by the Arlington Heights Neighborhood Association about clean diesel. And there have been some conversations.

One of the things that I want to just touch base with you following the hearing is to get a sense of where you believe those conversations stand. What kinds of measures has the Water Bureau discussed with you to mitigate the impact of diesel? And since we've got a little lead time here and we haven't done the contracting yet, I want to make sure we don't miss any opportunities here. And of course, the legal landscape may change if the legislature acts.

So, since the Water Bureau may be the biggest player -- certainly, in Washington Park in the next few years that addresses this issue -- I want to make sure that you feel you're getting a fair hearing, and that your ideas are being considered by the bureau. So, let's follow up later on that, and I'd be interested in knowing if you've made any progress.

**Ehrman:** Thank you, Commissioner Fish. We would love to do that.

**Hales:** Good, thank you. Mary, good morning.

**Mary Postlethwaite:** Good morning, Mayor and Commissioners. I'm here -- I'm with Village Gardens. I'm a community health worker, and I am here as a resident of North Portland and a mother. I have lived here since 2000 -- I moved back then -- and since

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then, I have battled many entities for the safety of my children to and from school, for just the safety of our neighborhood. I live in particularly the former St. John's Woods apartments, which has been statistically known for, you know, rough things going on there.

However, all these years that I've battled all the gang members, the schools, transportation, management, men trying to hurt my daughter, I never knew that the air that we breathe is killing us at over twice the rate that the things that I just spoke of are. That is appalling to me. Every day, I turn on the TV and I see somebody got shot, but I have never heard of anybody telling me about the types of toxins that are in our air that are killing us so fast.

I've lived here for 15 years. My whole life I have never been put on medication. I've been on medication for the last four years. There's been a study showing that air toxins and pollutants and poisons in the air hurt the cognitive part of your brain in children, and it has been shown to cause depression in studies of mice -- to show that they lose memory, they're depressed, they can't follow mazes -- things like that, as far as the mice go.

My daughter goes to Roosevelt, and Roosevelt High School is in the bottom 1% -- if not the worst -- in our city as far as the air quality goes. And I live next to many industrial plants -- the wastewater treatment plant. Many days, I have woke up, and I go outside. I love to breathe fresh air, but I can't. I can't because it stinks. I can't because I know what's in the air. And I can't feel comfortable breathing in the morning like I like to. That's unfortunate.

We can't sleep. We can't do any of that for just the industry that's in our area. I went to a meeting, and I found out the statistics, and I was asked to come and sit here and talk to you all, so here I am. And I'm asking that you, also, support the legislative action, statewide laws. We need that, absolutely.

**Hales:** Thank you. I appreciate all three of you being here. Could you elaborate just a moment on the recent development here in terms of the California changed their standards and that is actually causing people to relocate. Is it just trucks, or is it also the construction equipment? Railroad equipment? Is it all the above?

**Postlethwaite:** All the above.

**Hales:** So, they're moving that to Oregon or elsewhere because it's no longer legal to use it in California? Do I understand that right?

**Peveto:** Yeah, so California has been the process of developing phased-in rules that would restrict and eliminate the use of the older, pre-2007 diesel engines. They are the biggest sources of particulate exhaust pollution. So, as these -- in 2015, the final rules come into full implementation. We've anecdotally been hearing about the movement of equipment. It's easier to track the trucks, although multi-state use of trucks makes licensing a little bit murky. But we just -- there is no licensing for construction equipment, so it's more difficult to track that. But as I shared with you, the article by Rob Davis in the Oregonian -- he actually -- as opposed to just going into the department of transportation data, he actually started talking to auctioneers and folks who are actually in the business of brokering equipment and finding significant evidence of movement. And we understand that railroads, as well -- they'll move equipment up here that they no longer can use down in the rail yards near the ports.

**Hales:** Thank you. Commissioner?

**Fritz:** Thanks to your advocacy, the support for clean diesel legislation is on the City's legislative agenda. I was in Salem lobbying on both Saturday and Monday and I will be back again on Thursday, and I can tell you our government relations staff -- who are your government relations staff -- your official lobbyists are hard at work on this -- and it seemed like there's a good buzz in the building to pass something decent this time. So, thank you for your advocacy. Of course, having folks go down to Salem and tell their stories -- that

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was really compelling, thank you for being here. That's really helpful. Mayor, I was wondering about the task force suggestion. Is that something that Planning and Sustainability could accomplish?

**Hales:** I like the idea. I think that we should take it up and consider it. I think having maybe City and County together given the County's public health responsibilities might be smarter to do it that way than just us alone. Obviously, as you know very well, there's some things that only the state is allowed to regulate but that doesn't mean that we cannot have an adult conversation between local government and the state. So, I like the idea. I think it sounds like there's an interest in that here. So, I think that we should pursue that.

But again, let me talk to the County Chair about it as potentially a joint effort, given their public health responsibilities. Also, I think it's really important for us, as a government -- and I think the county is doing similar work to walk our own talk, you know, clean up our own fleet -- and we've done a lot of that, we're making progress in terms of using clean diesel and biodiesel, and now we have about 11% of our fleet that's electric. We actually just last week got a very innovative proposal from the Bureau of Environmental Services to take methane that's produced by the sewage treatment plant and compress it and use it for vehicles. So, pretty cool idea in which they are asking the City to invest in this in order to be able to save a lot of money and improve the air quality.

So, we're trying to walk our own talk by having the City be a good example. I think it helps a lot if we're going to go to the private sector and say "you should do this" if we've already got our own house in order. So, a number of us -- transportation and other bureaus -- are working hard on trying to change out our own fleets and get to the level of responsibility that you are asking for from others. I think, again, there's local work to do, and having a local commission might help advise those efforts as well as put pressure on the state. So, appreciate very much your advocacy and the suggestion. It sounds like there is an interest, and you'll be hearing from us about it.

**Peveto:** Thank you very much.

**Hales:** Thank you.

**Item 173.**

**Hales:** Mr. Shannon, are you here? Doesn't sound like it. OK, we'll give him another opportunity another day. Let's go to 174.

**Item 174.**

**Hales:** Good morning.

**Emily Triggs:** Hi, thank you for having me, Mayor and Commissioners. My name is Emily Triggs, I'm the Oregon director for a social enterprise called Community Sourced Capital. I'm here today just to simply introduce you to our organization and our enterprise, and then also ask to find ways to partner with the City to expand our impact.

So, Community Sourced Capital set out to strengthen the global economies by creating a way for small businesses to source capital directly from the community around them. Community Sourced Capital runs a crowd lending platform where businesses can raise anywhere from \$5 to \$50,000 of loan capital sourced directly from people around them who already know and love the business.

The way that it works is that companies apply with us, we approve them to use our platform, and they run campaigns for 30 days on our web platform. They invite their friends, family, customers, neighbors, other business owners to buy something called a square. A square is a really simple mechanism. It's basically a \$50 increment of the overall loan. And as a citizen, you can buy anywhere from one to 20 squares in a particular business. It's not a donation and it's not an investment because there's no interest on it, but folks get paid back exactly what they put in. So, it's kind of a sharing mechanism, really.

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We don't charge any interest on the loans, either. Instead, we charge a small fee for businesses to use the platform. Some examples of some businesses that we've worked with here in Portland -- actually, right downstairs, Happy Cup Coffee place -- you raised a loan with us to open their new location in North Portland. Plywerk, they're a small photo manufacturing plant in Southeast Portland -- they were investing in new machinery in their manufacturing facilities. North Street Bags, a bag-maker, also in southeast was investing in inventory. As you know, it can be difficult for companies of this size to access capital through traditional sources like banks for a variety of reasons.

What's really unique about our program is that we found an efficient way to do micro-lending because the underwriting is based on social capital, trust, and reputation that a business has built in the community versus collateral or credit or other things that traditional banks will do. So, the system is really working. So far, we're two years old, we're based out of Seattle, and I'm here in Portland as the Oregon director. But so far, we've done 45 loans. We've lent over \$600,000 of capital and engaged more than 4000 individual square-holders, which are the lenders in the system. So far, all of our loans are in good standing, and a third of the capital that we've lent has come back to us. Three of the businesses that we've worked with have come back for a second loan.

And I'm here today because we're looking for partners for ways to grow our work. Actually, in Seattle, where we're based, we have developed a partnership with the City of Seattle where they'll help to market the opportunities to other small businesses in the area that might be interested, and also they've helped to bring it to neighborhoods, low income neighborhoods and minority-owned business owners in Seattle. Also, we're developing a partnership with them where there's a matching capital fund where the City is matching the loans that are raised from the community because they see the value in the model and the connections that can be made from citizens and business owners.

So, in conclusion, I hope that you'll join us on this journey because really, we set out not just to make loans but to really transform the way that people think about money in their community.

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

**Fish:** Mayor, a couple thoughts. First is that what we often hear -- what we regularly hear from our small business friends is they have trouble accessing capital. And we invited Emily to come speak today because we thought this was such an innovative idea, this idea of using crowd sourcing to help raise capital. And the fact that the community public offerings became legal as of January in Oregon -- so it took a change in the law to allow this to happen.

I think a number of us have visited the Plywerk plant in the Central Eastside, and their work is distinctive because what they do is they put photographic images on wood and they also frame things -- and interesting with wood. Some people have business cards made up of wood that they fabricate. They're in the Central Eastside, they're one of those maker businesses that is flourishing.

We were also struck by the fact that this idea was blossoming in Seattle, but the good folks at Community Sourced Capital thought it was time to have a Portland branch and to be working here. So, we're going to talk to Venture Portland and some of our partners about making sure that the small business community knows about this opportunity. But we also wanted to welcome Emily because this is we think a great idea that will help some people who can't access traditional capital fill the gap with crowd sourcing.

**Hales:** That's great. In fact, the very next item on the Council calendar is about minority contracting. I think that there are a lot of folks that are here for other business that might be interested in hearing about this new program, and then also, the Portland Development

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Commission in addition to the Venture Portland ought to hear more. I was just over visiting the small makers last week on the Central Eastside, and this is so well configured for the kind of business growth we've got in the city, which is mostly small businesses -- a lot of them. It's really great. So, Commissioner, I'm glad you invited Emily here, and I'm glad to hear what you are doing and look forward to hearing more.

**Fish:** I think I'll beat Commissioner Fritz to the punch -- could you tell us about your website and where people can get additional information about your services?

**Triggs:** It's just communitysourcedcapital.com. But there's lots of info.

**Fish:** And where's your office?

**Triggs:** I'm located in -- do you know Craft3? They're a community lender here. I am located in their office.

**Hales:** That's great.

**Fish:** Emily, thanks for coming in and joining us.

**Hales:** Look forward to working with you, thank you. OK, let's take the consent calendar briefly before we move onto our time certain item, and that is -- I think we have one request to pull an item from the consent calendar, which is number 176. Any other requests to pull items from the consent to regular? If not, let's take a vote on the balance of the consent calendar, please.

**Roll on consent agenda.**

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

**Item 175.**

**Hales:** Very happy to queue up this discussion this morning. We have some panels here to present on this idea. It's something that -- a goal that's broadly shared here among members of the Council, and it's one where we've made some progress.

In 2007-2008, about a little less than 1% of our contracting dollars from the City went to minority-owned businesses. In 2012-2013, that's up to 5.5% of total funds, and 16.5% of involvement in some contracts. So, that's good news. There has been progress. There are some significant problems in the configuration of how that's happening. It tends to be more of the lower-paying jobs. For example, flaggers in construction as opposed to the other trades. You'll hear more about that today. There are wage disparities between workers of colors and other workers, white workers in the workplace. So, there are issues here in terms of what kind of progress are we making, even while we are happy about making some?

So, the intention of this discussion and the creation of this commission is to have a formal effort, [indistinguishable] our bureaus themselves but engaging critical people from the community that are involved in this work to work in partnership with us. And again, we have some panels queued up to talk about both the numbers and the research, the policy issues, and the opportunities.

So, let me start by calling Andrew McGough, James Posey, and Dante James as the first of those panels to come up and speak with us this morning. Thank you all for being here. Good morning.

**James Posey:** Good morning. I think I'll go first?

**Hales:** Go ahead and go first, James.

**Posey:** It is, indeed, a good morning. Thank you very much, Mayor and Council members.

**Hales:** Put your name in the record, James.

**Posey:** I am James Posey --

**Hales:** We know who you are, but --

**Posey:** I've been harassing you all for many years. [laughs] To my knowledge, Mayor, this is the -- you're the first mayor who has raised this issue to the level in their administration. That deserves merit, and I want to thank you for that. You spoke at the City Club and you

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spoke about it, and really unless we have that sort of energy and that sort of leadership on these kind of matters, we're doomed to just kind of mow along, so thank you very much for that and making this a priority.

It goes without saying that your staff has also has been really involved in this. Your guy, Josh, is a hot shot over there. Gail and Bryant and even Fred from the procurement area worked to put this together. From my perspective, this is really an amazing commitment, and frankly -- I'm just going to be honest with you -- I didn't think it would occur. I guess I've been jaded after many years of doing this kind of stuff and working along these lines, but this is really an amazing kind of attempt to right the ship.

Today, it's kind of ironic that this ordinance is being introduced because this is Black History Month, as you all know. And very few people know why these sort of efforts came into being in the first place. Many of you that have been around for a long time -- got that gray hair -- remember in the 1970s when they were having riots and community unrest, etc., that many of these programs came into force because of those issues and the disparity, and the issues in these communities. And quite frankly, you know, we're still having those sort of disparities and issues today -- we're talking 20, 25 years out. So, it's a real interesting thing here we're introducing this ordinance, and you all are focusing on what we're trying to do today.

Well, let me just be honest about this. Suffice it to say that this is really just the first step because we have a lot of work to do. And if we are successful in this, then it will be because you all have taken an intention or aggressive and results-based approach at getting this done. That's going to be huge. It means there's going to be a broader, deeper collaboration and accountability at all levels. I'm going to say that again -- a broader, deeper collaboration, accountability at all levels. You know, if we're not measuring this stuff, it's not counting, and I think most of you all know that.

I can't say enough about our relationship with Portland State and Ann Curry-Stevens and those folks over there. This is exciting for me because we take academia and bring it home to a community and let them be involve us in the solutions. This is a huge, huge thing. I don't know if people understand that, but this is huge. It means these -- I want to be real clear about this -- it means that we will have a better assessment of these policies and how they translate into economic wellbeing and in communities of color. We can maybe really see what's going on in these communities, whether or not we are being lifted as a result of our procurement policies.

I want to point to my friend back there, Alvin Hall [spelling?]. We worked on the Terwilliger curves 28 years ago. He's the oldest African American dump truck owner in the state, 1972. Still chewing tobacco out of the side of his truck -- [laughter] [indistinguishable] -- Delta Park. I could go on and on and on and talk about the history of what we've done here.

It also means this issue is comprehensive-based, data-driven, and that's also huge. We can actually look at things and see things as they're happening in real-time. We don't have to wait a year or two years to really assess this disparity study. So, in summary, there is a vision here for me. And the vision is about Portland being all it can be. I see this commission as a way of how Portland can do things differently. I'd like to see personally that this commission and this equity policy be at the same sort of level as when folks come to look at our transit system. They come from all around to look at metro and so forth, and I think that if we're successful in this thing and we really put our minds and our energies to doing this, we can help people coming from all over the nation and admiring, trying to replicate what we're trying to do here with this policy. So I thank you very much, and there is a lot of people wanting to talk, so I'll shut up right now.

**Hales:** Thank you. Good morning.

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**Andrew McGough:** Good morning, Mr. Mayor, Commissioners. Thank you for letting me come and support what I think is a really important ordinance. James didn't give himself credit enough for this, but he's a new board member for us, and --

**Hales:** Oh Andrew, you need to put your name in the record.

**McGough:** I'll put my name on the record, sorry -- Andrew McGough. I'm the director of the workforce development board for the City of Portland, Washington, and Multnomah Counties. But James -- his passion around these issues is real and it's palatable and I think it's very genuine. I feel honored to be here sitting next to him at this time, because this is something he's worked on for a long, long time.

We also as the workforce investment board have a long-standing interest in trying to help women and people of color prepare for jobs in the construction industry. But also, our goal is to help people advance in those jobs and achieve self-sufficiency. And we know that a career in construction is just that -- it's a career. It offers advancement opportunities and it offers a pathway to the middle class.

I don't know if they're going to go through the data, but I think that we've done a relatively good job of getting people and people of color into certain jobs in the construction trades. The question is, how well do we do in moving them forward? And I really think that this commission, as proposed, will allow us to create the kind of accountability -- as James mentioned -- through the data and through persistent look at that data in a disaggregated way to see who is coming in and who is moving up, because I think ultimately, that is the sort of the real test here. How do people get into these jobs but also how do they advance, and where do they land? And ultimately, do they begin to own businesses and then hire more people? So, I think underlying this ordinance is that kind of opportunity.

On behalf of our board, my staff, we're 100% behind this ordinance and I hope you'll support it. Thank you very much.

**Hales:** Thank you. Director James, good morning.

**Dante James, Director, Office of Equity and Human Rights:** Good morning, Mr. Mayor, Council. Dante James, the Director of the Office of Equity and Human Rights, and it is my absolute pleasure to be here in support of this commission and give kudos to James -- I know his hard work over a long period of time -- and also to you for continuing to institutionalize the concept of equity and the work of equity in this city. There is a quote that I love, which says that organizations move in the direction of the questions that they ask. It's my expectation and I know for a fact that it will be this commission that will continue to ask the questions that move this work forward.

I think that as many of you know, I ran the contracting program in the city of Denver for about six years, and so I know for a fact that this work is important and it's necessary. James can talk about the history of contracting in Oregon and the City in Portland. Recently with the disparity study, the procurement office put together a board of prequalification so that all general contractors have to come and prequalify, but the application now has been changed to specifically ask about utilization of minority businesses on the work that they've done in the past.

And I can specifically tell you based on the responses that I have read to that application, the surprise that many contractors feel when they are asked the question; the lack of knowledge that they have on who or whether they have utilized minority businesses on their work. And they are taking notice that now, it's important because the City is asking the question. I think that's really what we're talking about is what questions are we asking, which then creates the expectation that we're serious about this work. And I think that this commission will reflect that, and I look forward to seeing the good work of the commission. I appreciate the opportunity to come and speak on behalf of this work.

**Hales:** Thank you. Questions for this panel?

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**Fish:** Mayor, I have a question for James Posey. James, when we did the last update to the disparity study, one of the things that the citizen oversight body flagged for us was that there were qualified minority contractors that couldn't compete for the work because they couldn't get adequate bonding or access to capital. Is it your intention that this commission would also look at those issues about existing barriers in the marketplace that prevent people from fairly competing?

**Posey:** Absolutely. You know, Commissioner Fish, this is a progressive sort of dialogue because the bonding issue is predicated on minority contractors having worked, building capital, having a reservoir of resources to be able to bond. So this is all a combined sort of collaborative thing that we're talking about, putting all these pieces together so that we can have a full context of where minority contracts will be successful.

I just want to point out quickly that minor contractors are behind. If we were to start today and be equitable -- and I mentioned this to you -- then we have to understand the expectation is really not what it ought to be because minority contractors really need deep help in order to be competitive in today's market. The history of the discrimination, exclusion has really cost -- there's a cost to that. So, I don't know if that's in the proposals that we're making, but we really need to make some acknowledgment of that moving forward.

**Hales:** Thank you. Other questions for this panel? Thank you all. Love those three terms, James -- intentional, aggressive, results-based. Those are great criteria for us. Thank you.

So, our next panel actually is going to talk about the research that really under-girds there week: Ann Curry-Stevens, Greg Schrock, and Matt Chorpenning from PSU have done the research that really fuels our effort here, and we appreciate you being here this morning.

**Ann Curry-Stevens:** Good morning, Mayor Hales and Commissioners. I'm Ann Curry-Stevens from Portland State University, and the founding director of the Center to Advance Racial Equity. We've prepared a report which fortuitously has been circulating in earlier versions but is actually formally released this week, and it is a product that we believe underpins and provides concrete support for this ordinance. So, we're very excited to be here in a place to share research with you and to tie it to an affirmation of the policy agenda before you today.

The work began for us a bit over a year ago when Mr. Posey approached us and said we really need to understand the evidence base, what's out there in terms of the minority contracting today. So, as we worked with this -- Matt Chorpenning is a graduate of our program and has done the bulk of the work on this. We've also been able to involve Greg Schrock out of the Urban Studies department and a student with him, Nathan Lamb [spelling?], to do research on the Sellwood Bridge project and to dig into more granular data there. He's not able to be with us today.

But what I thought I would do today is to just briefly introduce the report to canvas what's there, to launch off with a set of the challenges facing the array of minority contracting at multiple levels, to pass then the microphone to Matt who will detail the best practices that are in the literature, and then to have James conclude with some of the concrete recommendations coming out of the report.

**Hales:** Great.

**Curry-Stevens:** So, the sections we've been able to cover in this work has been to consolidate in one place the progress of the City, the County, and Metro, and for the first time ever give light in a more focused and critical way for what's happening at the state. We also then have a section on the Sellwood Bridge project, a literature review around best practices, and a set of recommendations coming forward. So, the report is about 50 pages in length and it's pretty comprehensive, as James has suggested. It's the first of its

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kind that has this sort of consolidated evidence, policy, practice, and literature integrated into the work.

Our areas of concern are numerous. The biggest tragedy is that minority contracting isn't living up to the promise, its potential. It is a vehicle to bring real economic progress to firms that are owned by people of color, and to therefore community economic developments in Portland, which will firstly benefit communities of color but then also have a ripple effect across the region. We remain deeply invested in helping these systems work better and live up to their potential.

The challenges at the different levels of government we've looked at are essentially that none are meeting their targets. At the State of Oregon, they have a target of 10% of contracts for minority firms and women-owned firms, and they are at 1.3%. Metro has a target of 17%; they are at 13%. The City has a target of 27, and is just shy of 8. And the County has no target but is at 5% for minority businesses, and 12% for women/emerging small business and minority. The concrete challenges that we face as we move into this commission's work --

**Fish:** Ann, excuse me --

**Curry-Stevens:** Certainly.

**Fish:** Are those numbers you said -- just put in the record -- are they the MWESB targets, or are you disaggregating them? When you say 28%, are you talking about the MWESB, which includes minority contracting? Or are you pulling out one piece?

**Curry-Stevens:** Our work on the most recent data have the City outcomes at 7.9%, with the stated target of 27.

**Fish:** 27 is the full MWESB?

**Curry-Stevens:** Yes.

**Fish:** Because one of the things we know is that we've done better in certain categories than others.

**Curry-Stevens:** Absolutely.

**Fish:** But you are talking the full spectrum of the policy.

**Curry-Stevens:** And in fact, it's generally problematic to try to pull out how minority businesses are doing and that's one of the challenges with the data transparency.

**Fritz:** Are we at seven for all the minority women and emerging small businesses?

**Curry-Stevens:** Yes. So, the concrete challenges as we move forward are these overall weak results. There has to -- the benefit of the state bodies involved -- in many case, they've improved over the years. Some have actually have lost ground, unfortunately.

Transparency in data is a real problem. As we've dug into trying to collect and consolidate the data, we often have this perpetual amalgamation of minority, women, and emerging small business, which leaves us unable to discern how minority-owned businesses are faring. Data is routinely not shared about wage structure, occupational structure, and the nature of the contracts. So, for example, the data you provided about the Sellwood Bridge project around flaggers receiving the vast majority of those investments -- that was a piece we needed to discern and dig into. There is a reluctance to be transparent and open in many cases, and so better data availability is an important part of this change.

There also are weaknesses in accountability. So, without -- there are no consequences for not meeting targets. There are no consequences for firms not meeting targets. And so it's an important piece to do to look at the efficacy of these systems and initiatives where the consequences currently don't exist.

There's a challenge of when we look at how data has either been omitted or amalgamated, it's usually in the interests of looking good, of appearing to make better outcomes than really are there. And so, there needs to be somewhat of an attitudinal or a discourse shift so we create greater disclosure. And in the Sellwood Bridge project we've

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already talked about, we need to look with a more fine grain to work towards the outcomes for different groups and different trades.

In closing, we remain deeply excited about the potential of this commission to shift the economic prospects for our locally-owned firms of color and for the communities in which they reside and are deeply connected to. So, we're very excited and look forward to the work that this commission performs. Thank you.

**Hales:** Thank you. And I'll also steal a cue from Commissioner Fritz, and let people know in addition to wherever else people might be able to see the report like at Portland State, it will be on our new City dashboard. So, [portlandoregon.gov/dashboard](http://portlandoregon.gov/dashboard), under Economic Opportunity there will be a link to their research here for anybody that wants to see the document. So, thank you. Matt, welcome.

**Matt Chorpenning:** Good morning, Mayor and Commissioners, thank you for having me. My name is Matt Chorpenning. I am a research fellow at the Center to Advance Racial Equity. I am really happy to be here today to vocalize support for the creation of this commission. My goal right now though is to share best practices available in the research that are in the report that I really hope that our guiding principles for you as you consider this commission, and the commission as they move forward.

The research that is available is fairly scant, specifically on the minority contracting. It's a relatively new thing that people are actually trying to study in fine detail, but what we have identified as practices that are successful for minority-owned businesses and -- in terms of creating economic opportunity for minority workers -- start with really aggressive procurement goals with really specific subcontracting goals and benchmarks.

They also require plans for moving minority-owned businesses from subcontractor to prime contractor, and that's going to require staff whose job it is to help navigate the businesses through the certification process and through the process overall to move from getting smaller subcontracts on up to becoming prime contractors.

Part of that we already discussed earlier today about bonding requirements. One of the established best practices is that bonding requirements on smaller projects be either waived or provided by the locality -- in this case, it would be the City of Portland -- and also, government assistance with access to capital, whether that is short-term loans or quick-pay provisions requiring prime contractors to pay subs within 30 days.

One of the big threats to the success and longevity of minority-owned businesses in these situations is they don't get paid quickly enough by prime contractors and by the localities they work with. The other thing that could happen -- in some cities, I think San Diego is one of them -- direct payment of the minority-owned business subcontractors to avoid that long-term delay in payment.

One of the other things that has been identified as the best practice -- and it's a huge theme in our research -- is the need for streamlined data collection and real-time reporting so that data collection is uniform across agencies and across prime and subcontractors to collect and report workforce data. Without being able to measure where we're at, we're not going to know if anything that's happening that we're trying to do is working.

And then finally, just making sure that there are stiff penalties for fraud. One of the things that has come up and been identified in the research is that if penalties for fraud -- largely, in the creation of front companies that sort of are on their surface look like minority-owned businesses but actually are benefiting larger majority-owned actors -- if the penalties are too small, then they're viewed as a cost of doing business. And so, one of the best practices is impose very intimidating fines and it drastically reduces the fraud. So, those are the practices that we shared in the report and in more detail, and I hope that the

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commission will frame them and put them on the wall while they're considering work going ahead.

**Hales:** Thanks very much. James, you have something?

**Posey:** Yes. At the risk of being redundant, I won't go through the recommendations. They're very comprehensive in the report and they are there for everybody to see. But I want to highlight a couple of these things, and one is the regional plan. We've been working in silos too long to address this problem, and not only in the City of Portland but across the region, we have to have leadership so we can really hone in and take advantage of the investments we're making in these projects. So, that's the number one, a regional plan.

We talked a lot about the data collection, and so that's key -- real-time data collection so we can make adjustments, we can do that, so we talked about that.

But here's one that is going to give you all pushback, I think, and that is a moratorium on the low-bid process. That's really important because typically, minority contractors are really not in a position to be competing one-on-one with these other contractors because they're not there, technically or otherwise. And so, we have to acknowledge that and do something about that. That's going to really require some creative adjustment in how we do business if we are really going to make headway in that area. And --

**Fritz:** Mr. Posey, are we allowed to do that?

**Posey:** Let me put it this way. The state does -- they do these bids in which based upon how you say that --

**Hales:** Qualifications-based?

**Posey:** Qualification-based. They're very creative. I mean, Amanda, you've been around. When people really want to do something, they figure it out, you know what I'm saying? Legally and otherwise.

**Fritz:** I know we sometimes do our construction management general contractor contracts, and we do that outside of the low bid, but my understanding was that there is some state-mandated processes where we have to do low bid. It's obviously something that you and the commission will probably delve into, and I'd love hearing more about that.

**Posey:** Absolutely. And those best [indistinguishable] are out there, and negotiated bidding, looking at the state procedures. And frankly, as I say about a regional approach to this, it may be some legislative stuff that we need to do just like you were talking about on the diesel in the previous commission, how you will make those adjustments and put a legislative agenda together to make these things happen. So, you know what I mean.

**Fritz:** Yeah, thank you.

**Posey:** So, Greg is not here. This was his section, and I think that we need -- the report is really a very comprehensive one, and people should take time to look at it.

**Hales:** And we will. Thank you. Any other questions for the panel? Thank you very much. The next three people I'd like to call are Reverend Bethel, JoAnn Hardesty, and Mike Alexander.

**T. Allen Bethel:** Good morning, Mr. Mayor and to all our Commissioners, thank you for the privilege of being here. I am Dr. T. Allen Bethel, senior pastor of Maranatha Church, President of the Albina Ministerial Alliance.

Mr. Mayor, I do want to thank you for your work in support of this area and the resulting ordinance that is under discussion this morning. And while some progress has been made and what comprises that progress is a question of discussion. The data and findings are clear that there is something more that must be done. This commission and ordinance seeks to do that.

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The policies in place that work to ensure more participation -- there still exists disparities of contracts and employment for [indistinguishable] and women-owned businesses. I support the City collecting and analyzing the data to enforce and implement further goals of expanding and developing employment and contracting for minority-owned businesses. The commission on equity, contracting, and purchasing that will have oversight of this must not only look for opportunities, but also I hope they will find where the disparities exist, what are the cause of those disparities, and enforcement the necessary corrective measures regardless of the contractor or the entity, and they must be of a nature and such that it deters trying to get around supporting and fulfilling what the ordinance calls for.

Therefore, I support the passage of this ordinance and urge the Council to pass this ordinance with due diligence, and support for implementation and continuance of the commission on equity contracting and purchasing. Thank you very much for the opportunity to speak this morning.

**Hales:** Thank you. JoAnn, are you next? Or Michael?

**JoAnn Hardesty:** Good morning, Mayor and City Council members. For the record, I'm JoAnn Hardesty, and I am here to testify in support of the ordinance in front of you. It's ironic -- I realize that I've been around for a long, long, long time because I remember a couple of Mayors ago sitting right at this table talking about minority contracting and the really poor job we were doing even though we continue to pay contractors big money to develop disparity studies to tell us what a bad job we were doing. Ironically, those reports sit on the shelves gathering dust today.

I want to echo James Posey's thank you for the leadership that you are showing Mayor Hales, and actually bringing this to light once again. Ironically, I was on a preapproved contract for contracting for the City of Portland a couple of Mayors ago. The interesting thing was the other two firms that were on that same list -- one of them got all the City contracting for public involvement, the other one got the contracts when that particular firm didn't get them all, and then there was me. And I was on that preapproved list for four years, and I got zero contracts. So, needless to say, I wouldn't have eaten if I had been waiting for my preapproved contracts to come through the City of Portland.

We've done this over and over and over again. And I am hopeful that this process this time will really have some aggressive goals that will really ensure that there's accountability when contractors pretend that they're hiring women and minority firms.

The last thing that I will say is please don't stop at minority firms. We want to know how many African American business owners are getting contracts in the City of Portland. We want to know how many Latino business owners, how many Asian Pacific Islanders are getting contracts. I think we hide behind the minority term because we don't want to deal with what's happening with individual business owners in the city. And so, I look forward to working with the commission and helping them figure out what your role will be and actually pushing the envelope.

The last thing that I will say is Commissioner Fritz, when I was at the County, we developed some very creative ways to ensure that minority business owners got contracts. We would make the contracts smaller; we would actually develop a pool of contracts that were just for emerging small businesses and businesses that were owned by people of color. If the political will is there, you can create the system whereby you can get the outcomes you're looking for. Thank you.

**Hales:** Thank you. Good morning, Michael.

**Michael Alexander:** Good morning, Mr. Mayor and members of the Council. My name is Mike Alexander and I serve as President and Chief Executive Officer of the Urban League

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of Portland. I'm here today to offer testimony on behalf of the Urban League in support of this proposed ordinance.

In September of 2012 as a very new CEO, I testified before this Council in support of a community benefits agreement that would govern major City finance construction projects. That ordinance was proposed to strengthen the City's commitment to equal opportunity and contracting for all persons and to support Portland social equity contracting initiative. The CBA was a significant milestone that served to focus multiple stakeholders on a concerted effort to ensure that goals for workforce diversity and community inclusion were integral parts of planning and bidding processes for all contractors.

Since that time, leadership within communities of color and their industry and labor partners have worked to define a path that allows the City to move more deliberately towards that goal, but it's clear that more needs to be done. Most minority jobs in construction are in trucking, flagging, moving dirt, and cleaning up. The high-paid skilled jobs in mechanics, electrical, and plumbing primarily go to the majority workforce.

In the recently released study, offered by Professor Stevens and her colleagues at PSU, the Sellwood Bridge project was reviewed. And it was clear from that review that some progress has been made. However, that progress is seriously restricted in scope. Workers of color on the project make approximately 20% less than majority workers. In looking at the disparities between African American workers as well as majority workers, that gap is twice as wide.

And so, we support this ordinance as a necessary strategy to move the City's stated but yet unrealized commitment forward. We want to ensure that taxpayer money for public construction has a long reach into communities of color, and we believe that the establishment of this committee holds the potential to lead diversity for the sake of advancing equity as opposed to the diversity for the sake of diversity.

I thank you as always for the opportunity to provide testimony, and I commend you and the work of this Council in this ordinance in support of the needs of the residents of the City of Portland and of the community that I serve. Thank you.

**Hales:** Thank you. Questions? Thank you all. Thanks very much. A couple more panels we have next. Good morning.

**Tony Jones:** Good morning, Mayor Hales, Commissioners. My name is Tony Jones. I'm here as the Vice Chair of the Coalition of Black Men. We are here to support approval of the ordinance to establish the commission on equitable contracting and purchasing the reports to the mayor.

I believe that this commission can be the model that can be replicated in other government agencies to improve the procurement and workforce practices to increase utilization of minority contractors and people of color in the workforce. By approving this ordinance, the City of Portland is demonstrating that the issue of economic equity for MB and WB businesses and minority and women workers is a guiding principle for our City, and regardless of who's in the Mayor's Office, the City will lead the way through analysis of its own procurement practices, by establishing clear guidelines for measuring MB and WB participation and utilization of minority and women workers.

This elevates equity to the rightful place if we are serious about changing the equity dynamics for communities of color and women. The report, economic equities of community of color, the effectiveness of minority contracting initiatives demonstrates two clear points. The current measurements at best show mixed results, and show very limited accountability to none at all for not meeting contracting and workforce goals.

There needs to be consistent guidelines within agencies of what indices are to be measured in the public procurement to measure economic benefits and growth for

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communities of color, and hold us accountable for results. The report points out the shortcomings of current measurement practices -- combining the data between different types of certifications and lumping all employment results together, are some examples. This lack of clear guidelines leads to mixed results at best, and continues opportunities for maintaining the status quo and further abuses in counting economic participation of communities of color.

The City of Portland by approving this ordinance can lead the way to establish clear indices and measurements, establish and celebrate best practices, and make recommendations to support those best practices when we are achieving success, and implement corrective actions when our targets are not being met. Thank you.

**Hales:** Thank you. Good morning.

**Jaymes Winters:** Good morning, Mayor Hales and members of the City Council. I'm Jaymes Winters, I am the managing partner of Blue Leopard Capital. We are a venture capital private equity firm funded exclusively by people of color under the different circumstances than perhaps the description of crowd funding that we heard here earlier today.

I am here to support the ordinance with some provisos. I think that similar efforts have been made in the past, and the results have been mixed. I guess I've probably been in Portland business a little longer than I care to disclose, but I hope this effort results in some different outcomes than I've had an opportunity to witness.

At the end of the day, in my opinion -- I hope that I don't break ranks too far with the previous speakers -- because this is a capital issue. I think I had heard Commissioner Fish kind of bring that up, and it kind of got settled back down. This is a capital issue. Bonding is a capital issue. Competitiveness is a capital issue. And if, for example, the diesel initiative -- I want my air to be clean and my daughter's air to be clean -- but if that was passed, it would impact a lot of the companies that are seated in this room, simply because they will not have or would not have access to the type of capital to retrofit or replace their equipment.

Most of these enterprises that are here -- that's why we're talking about crowd funding -- are well beyond the need for a \$50,000 investment. And there may be a couple that tap me on the shoulder and say, man, I could've used that \$50,000, so maybe you shouldn't have said that -- but for the benefit of our discussion, I would say that most of them are well beyond that. And to prosper and for them to grow, they will need access to traditional avenues, be it private equity, be it venture capital or nontraditional debt that are already established in the financial community but seem to be off limits to most of us.

We have been dealing with this issue -- our firm has been dealing with this issue for 10 years. We have all investors, private investors. A majority of them are African American. They want their money, just like any other investor. Now, when I've gone out and tried to supplement that capital, follow on that capital with other capital pools that are in this area -- be it the State or the City -- I feel like I'm being faced with a different set of circumstances. If these businesses are ever going to make it, I think that the appetite for this type of perspective on capital where hey, we don't, you know, we want to loan you the money has to kind of be discussed. Anybody that had to borrow their way to contracting I think is going to be challenged to be a growing business, one that can provide jobs, and one that can successfully put ourselves in the position to compete over the long time.

Some of the financing needs to be actual capital -- fixed capital, permanent capital - and it needs to be put in there in a position that the investors are getting returns that they would get elsewhere. It could be -- and I think that it's likely to be that if this were the case -- if you were allowed to have this perspective, some of the issues around apprenticeship and job creation and training could be a part of their revenue model. And maybe you

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wouldn't have to go out to several people and say, train people for jobs. This could be done by the entrepreneurs themselves.

So, if this is to work, I think that the capital situation has to be addressed, and the decision should be made but similarly-situated firms. I've been in business for myself probably 20 years. I've seen what happens when some people go for loans and some ask for capital, and I understand what goes into the decision more so than perhaps others. If that's done correctly, you will have firms that are successful that happen to be people of color and not because they're people of color. Thank you very much.

**Hales:** Thank you. I appreciate you being here. And if Steven was here, I think that he would say in terms of the community-minded bank that having the involvement of private equity and banks like Umpqua -- his bank -- in this effort, at the commission level is going to be really important. Because I think that one of the reasons why these problems have been so intractable is capital. So, I really appreciate you highlighting that. Thank you.

**Winters:** Thank you.

**Hales:** Other questions or comments? Thank you both very much. And the last three I want to call are Jeff Moreland, Orlando Simpson, and Cynthia Harris. Good morning.

**Jeff Moreland:** Good morning. Thank you for having us, Mayor Hales and Commissioners. My name is Jeff Moreland, for the record. I am the owner and president of Raimore Construction. We are a minority contractor located in Northeast Portland. We've been in business for roughly 14, 15 years. We employ anywhere from 20 to 30 people depending upon our workload, which 80% to 90% -- depending on the work, the amount -- are minority. So, there's a couple of things that we kind of have gone through and addressed in this. I'm in strong support of this commission, and I've been around for a long time now, and I'm very active in the minority community. First, from a contractor perspective, or just an advocate in the community itself. So, this commission I think is going to be critical to actually moving things forward for a number of reasons.

First of which is that I think that it provide clear program goals that can be applied consistently throughout the various departments and agencies. So, those goals are not necessarily interpreted individually by those different departments and agencies individually. So, we have a consistent, clear methodology in which we're moving forward on how the goals will be applied.

The next thing is -- that we talked about -- is the mechanism to access and analyze the data with the consistent clear methodology to adequately evaluate if those goals set are achieving the desired outcome. The commission will have the ability to provide some consistent accountability to the various departments or agencies with an opportunity to actually make changes while the projects are still going on versus always being a lessons learned. We typically go through these in the project, we're able to look at the project and realize that we did not get what we necessarily needed.

And then finally, one of the things is that the fact that it's collaborative. I see this for a change being a situation to where we will actually not necessarily be top-down as much as it is bottom-up driven. I'm a contractor, I'm a businessman, I'm degreed, I've worked as a high level executive for corporations prior to starting my business. I can run my own business. If I had the same level playing field, right, I'm a finance guy, so I have a good access to capital and I understand all those markets. My issue is being able to find work at the right margin.

When you start talking about the low bid -- one of the things that James mentioned - - it puts me in a precarious situation considering that I don't have years -- 50 years of capital resources at my disposal to be able to buy the necessary iron that I need -- meaning construction equipment -- to be able to do the work. And when you are operating in the state -- for example, in ODOT when companies are operating at margins of 5% to

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7%, there's absolutely no way that I can compete with that and be able to build my company and to be able to train my employees and the things that I need.

So, we have a very rigorous training program, we train our own apprentices. We're very committed to the African American and the minority community, so most of our workers tend to be in that category, and we train them ourselves. We've been able to do that by some of the support of some of the agencies like TriMet have been able to afford creative opportunities for us to be able to do that.

So, I just encourage you guys passing this ordinance, and then giving the commission all the support that you can. Thank you.

**Hales:** Thank you. Good morning, Cynthia.

**Cynthia Harris:** Good morning. My name is Cynthia Harris, and I'm an emerging business. I'm the CEO and president of Hatch Coaching, and I've received zero contracts for the past years. I did receive something from Children's Alliance and DHS. So, I'm still struggling, but I did discover something, a project CLIMB through PCC, and I'm applying for a scholarship to tighten my business.

So, I first want to thank you, Mayor, for joining the NAACP. Yay. I'm the third vice president of the NAACP, and my real goal is to make a difference. I'm here for people of color, but I'm also here as a collaborator for human beings -- that we would look at possibilities as humans to work together to make a difference, to give each other opportunities. So, what I've been doing for the past five years is I do a lot of volunteer work, but I would also like to get paid with my volunteer work. Right now, I'm volunteering with the birthing and midwives program, and I'm mentoring young people, and I'm making a difference. But I realize something -- you can't really live unless you have money and opportunities.

So, I'd like to support the ordinance through the community work that I do, through sitting on the gang task force, through doing my mentoring work, and the work that I do with landmark education which is a transformation technology which helps us to look at possibilities.

So, I would like to encourage us all to look at transformation, look at possibilities, and work together to make this a better city. One of the things I've noticed -- I've been here since 2006, and it was really clear to me that it was different. But what's different now is that there is a listening -- that we're all listening for each other. I would like for us to not only continue that listening, but to build in support and process and have communication that we can really help each other and lift each other up so that we can all have a good life. I want to thank you for this opportunity, and thank you for being the listening for the City.

**Hales:** Thank you. Good morning, Mr. Simpson.

**Orlando Simpson:** Good morning, Mayor Hales and members of the Council. My name is Orlando Simpson for the record. I am a small business owner here in Portland, Oregon -- actually, the first ever African American-owned integrated solid waste recycling company in the state of Oregon. So, I wanted to kind of articulate a bit about innovation, because I believe that myself and my father have established ourselves as pioneers in that regard for people of our community.

I am 100% onboard and in support of this ordinance, primarily because it's just going to provide the much-needed oversight and accountability in regards to construction for people of color. I believe that the City has a very strong commitment to sustainability, and that has spread and it's resonated around the world. And one area in regards to sustainability that we unfortunately have a hard time measuring is our social equity endeavors that we've invested a lot into, and I think that this is a perfect opportunity just with the information that has come from the team at Portland State and the things that

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have been articulated by Mr. Posey that this provides a platform with real-time data in that context to provide measurements of what we're doing on our social equity endeavors.

Back to the context of innovation, it also puts Portland in a great position when we start talking about just the growing populations of color and how that's affecting all metropolitan areas around the United States right now. It enables us for start having that dialogue about what we're doing differently, innovatively, and essentially, it adds more fruit to the table in terms of what we're doing in our local environment and our economy, as well as what we're doing for the individuals that make up that fabric in trying to assure that we have profitable, sustainable, outcomes for our people of color.

I just wanted to thank you guys for allowing me to be here today, and I was not prepared because I was uncertain that I was going to be here -- I just here to support the ordinance, and I'm looking forward to seeing it being passed. Thank you.

**Hales:** Thank you. Thank you all. I think what you've seen from these panels -- I think what we've all seen from these panels -- is that we've got a lot of sophisticated expertise in the community that we can call on to serve on this commission. And actually, I want to propose an amendment because the proposal here is to make this a commission that advises the whole City Council, not an advisory committee that advises the Commissioner-in-Charge. Each of us has the prerogative to create those kind of committees and appoint folks and have them advise us in our work and our portfolio, but of course, contracting spans out through the whole City, even though I'm the Commissioner-in-Charge of finance administration, every bureau or almost every bureau does some construction. So, this should be - as our other commissions -- one where I nominate and the rest of the Council approves appointments. So, I want to make that amendment that item 1a2 will say the Mayor may nominate up to seven voting members of the commission subject to approval of the Commissioner's appointments by the Council. So, I want to propose that amendment.

**Fish:** Second. Mayor, can I ask a question on the motion, which I support?

**Hales:** Please.

**Fish:** We've had a lot of different bodies we've appointed to recently. In some instances, individual Council members nominated someone. In some instances, the mayor consulted with the Council to come up with his slate of nominees -- and we tried other models. How do you intend to recruit and nominate the seven members of the commission?

**Hales:** I also obviously want to call on each of you to suggest appointees because again, this just won't work if it's only housed in my office, and that's why this methodology matters. I think over time we might want to think through and to some extent maybe regularize a little more how we do these commissions, but typically, if it's a commission like the Planning and Sustainability Commission, the Commissioner-in-Charge proposes people to serve and the whole Council votes on it. And that makes complete sense I think in this case, because again, it's an enterprise-wide function of advising how the City does construction, regardless of which bureau is doing it. So, I certainly want to solicit nominees from each of you, try to configure a package of seven initial members of this commission, and probably consider that all in one, one ordinance.

**Fish:** I appreciate that. And also, I know from the experience we had that I think pre-dates you on the Council -- when we did the last disparity study, there was a community-led oversight panel, some of the individuals we've heard from today, and they raised a number of the same concerns about barriers, and I would hope that we could potentially recruit someone who had that experience to help us follow through on the findings of the disparity study.

**Hales:** Good suggestion. I think that we've heard it here in the testimony today and we'll take public testimony next, but you know, none of us wants to be involved in a Groundhog

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Day operation here where we keep living the same thing over and over again like the guy in the movie. So, you know, we're trying to actually learn -- that's why the data matters so much -- then have real horsepower in this commission advising all of us about what, what's working, what's not working, what to change, what new tools to try like the ones that James was talking about in terms of the how we contract. So, I think that this gives us a chance to take this effort to another level of performance and then be continuously measuring how we do. So, let's take a vote on adopting the amendment, and then we'll take public testimony.

**Roll on amendment.**

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

**Fritz:** Mayor, I have another friendly amendment.

**Hales:** OK.

**Fritz:** I'm really impressed with the panel discussion you've had today and I recognize that Mayor Potter and Mayor Adams both had passion for this issue, as do you. I think forming the commission is one step. The other piece that will keep it to the forefront is regular reports to Council.

**Hales:** Mm-hmm.

**Fritz:** So, you do have that in number nine on page three of the ordinance, but I would suggest in addition to -- it says the commission shall submit periodic reports on utilization to the council. I'd like to add "at least annually."

**Hales:** OK, I think that is a friendly amendment. So unless there's any objection, we'll just make that change. Obviously, we want formal reports periodically and at least annually as the minimum, but having this on the dashboard means that we're going to have constant information on how we're doing, and I like that. OK, anyone signed up to speak?

**Moore-Love:** I show two people left, Charles Johnson and Tyrone Bailey.

**Hales:** Good morning.

**Charles Johnson:** Good morning, Commissioners. For the record, my name is Charles Johnson. I was glad to hear Amanda offer the friendly amendment, because obviously some behind the scenes work went into this and we already have a number of independent commissions, most frequently I attend the Human Rights Commission which meets monthly. Planning and Sustainability as had some fun encounters with us down at 1900 as we talk about what we are going to do with the reservoirs.

With this -- to make this amendment real, you not only have to fulfill the letters of the amendment, but you have to have your behind the scene conversations. Coming up on this agenda, we're going to have a million dollars or so for firms -- some people may have heard of, maybe you've heard of HDR -- and we need to make sure that these minority contractors are having you use your personal political capital so that there's face-to-face interaction with general contractors and real dialogue between parts of our community that don't have a lot of interaction.

So, in addition to strongly supporting this amendment and the development of this commission, I want to see each of you Commissioners make sure that lunches happen, that meetings happen in the City Hall and probably within a week -- as soon as we know who these commissioners are going to be -- we need to schedule the review so that Mr. Posey and other people who presented -- the president of the Urban League can proactively and quickly talk about shortcomings so that we don't have a review meeting in a year or 18 months where we say, oh, we're still at 7%. Or wow, congratulations to us, we got the MWESB -- the minority, women, and emerging small business -- participation all of the way up from 7% to 8%. That's not good enough.

You know, obviously any progress is helpful to those businesses, but please don't take the passing of this ordinance seriously, take this work seriously every day of your

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term. And I know for the most part that you do, but there's a lot on your plate. So, I encourage everyone in this room to frequently call and remind you and ask for casual status reports.

A few weeks ago, we talked about internal equity and the fact that the affirmative action reports and the minority, diversity reporting done internally within inside the bureaus sometimes doesn't get proper attention, that those reports sit on the shelves. We can play back the video next week if we needed to have the specific words. So, unfortunately it's a fight and a struggle and the people who are experiencing the most oppression need to hold the privileged feet to the fire and y'all need to be glad that they do. Thank you very much.

**Hales:** Good morning.

**Tyrone Bailey:** I apologize, I didn't come prepared.

**Hales:** Just put your name in the record, that's all.

**Bailey:** Tyrone Bailey. Thank you for being here, thank you all. I did briefly read some of the report there. I am basically a new entrepreneur in construction, mainly doing trucking. I have been doing this for three years with a whole lot more experience in the construction.

In the three years, I've had the challenge of even getting work with the City. And I believe I can go back with my records of doing bids and this and that, striving to get subcontract -- anything with doing some trucking work -- zero up to today of any City work. I think this piece here is important, really majorly important for myself as well, mainly because what I'm looking for with this here is after the fact. After we leave here today, several months on to when all of this good info is on the table and out there playing, some result that I'm actually going to have a closer possibility of working for one of the contracts, City contracts.

That's my goal. And it's not just myself. It's other ones it is just a handful of ones that I know have not gotten -- I mean have had a difficult to get that little City contracts. Even though they say in the industry mainly trucking is one of the main things that are used out there as far as minority -- trucking and traffic control -- but three years I've gone through meetings, meetings, and try to support the City and this and that and different programs and nothing. And it is mainly because of the way the system is right now needs to be changed.

**Hales:** Thank you. That's exactly why we're here, so thank you very much.

**Bailey:** Thank you.

**Hales:** Thank you both. Anyone else want to speak on this item? Again, I want to thank all of our presenters. This actually will come back for second reading and final approval by the Council next week. Any other comments before we close this item?

**Saltzman:** I'd just like to thank you, Mayor, for your leadership and this sounds like a great commission and I'm sure you'll nominate some excellent people and they will provide us with some useful guidance on how we overcome some daunting objectives. I mean, we have great goals, but that's always the problem -- they're just goals. And we don't have the tools to mandate things, but I think there's some creative options out there. The PSU report sounds like it has some very good positive suggestions, and I look forward to this commission processing those and bringing those to our attention. Thank you.

**Hales:** Thank you. Thank you all. We'll look forward to getting this finally approved next week and moving on quickly to appointments and putting a good group of people to work on this agenda. Thank you all very much. Second reading next week. Let's move on. Commissioner Fish has someone queued up on item 190.

**Fish:** Mayor, I think you have a consent item.

**Hales:** Let's see -- OK, let's take the consent, the pulled consent item first, thank you, and then we'll move to 190. Let's take 176, please.

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**Item 176.**

**Hales:** Someone wanted to speak on this item? Come on up.

**Steven Entwisle:** Good morning, Council, Mayor. My name is Steven Entwisle, I'm a former heavyweight boxing champion golden gloves here in Oregon and also representing individuals for justice, healing man sanctuary, and 100 million friends.

I am speaking on this issue today. This has to do with a continuing noise issue that we have in our city that is not being dealt with, at all -- it's been ignored. People are -- lives are being ruined, and the health is being ruined due to the City's ineptness to deal with noisy bars and 24-hour cafes.

Let me just give you an example real quick. How many folks in here that are left in here have ever been to a sidewalk cafe and sat down and had a beer or whatever? There's been a few, right? OK. That's fine and dandy until after 10 o'clock, especially if you have to drive a school bus in the morning.

Imagine this. Imagine somebody living in an apartment building and has to get up at 4 o'clock in the morning and drive a school bus. Your kids might be on that school bus. But if this City allows the bars and these businesses to keep up the neighbors and to ignore their noise complaints and to go ahead and actually protect themselves from getting prosecuted, fined, or so forth -- that is the case here, and that has been going on for year after year after year after year after year after year after year. And I've been experiencing this every night.

When is the City gonna wise up and put the sidewalk cafe inside after 10 o'clock? Why are they allowed to keep up the neighbors all night long every single day of the week? And you want me to drive your school kids to school. We have a problem here that is not being dealt with, and you're using all of the wrong forks for the salads. What's it going to take before somebody wises up and has the heart for the people that live in the neighborhoods that are being affected by all of this noise? We have -- anyway. I will be back on this issue. Thank you.

**Hales:** Thank you. Anyone else? Then roll call, please on that item.

**Moore-Love:** Need a motion to accept the report.

**Hales:** Sorry -- it is a report.

**Fish:** So moved.

**Hales:** Is there a second?

**Fritz:** Second.

**Hales:** Roll call.

**Item 176 Roll.**

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

**Hales:** I want to just note we are actually going to ask the board and the staff to look at our code. It's been a little while since we have. The City is getting denser and therefore getting louder. So, it's a real problem. We're also in our office working on something called a late-night activity permit. The state has regulation authority over bars and restaurants but we have some of our own and we haven't used it all. So, there are some tools we haven't used yet and we're looking into those.

Let's move if there is no objection to item number 190 because we have folks here that might not be able to stay. Could you read that?

**Item 190.**

**Hales:** Commissioner Fish.

**Fish:** Thank you, Mayor, very much for your courtesy. I want to bring forward David Shaff, the Director of the Water Bureau; and Eli Callison, the Bureau of Environmental Services property manager. We have a brief report to Council this morning on the new surplus property policy of both the Water Bureau and the Bureau of Environmental Services.

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And by way of context, a couple of years ago, we learned about a surplus Water Bureau property in Southwest Portland, the now infamous Freeman Tank property which was being sold to a private developer. Neighbors objected to the sale of the property and to the citywide surplus property policy that allowed the sale to go forward with what they viewed as inadequate public notice. After reviewing the contract of sale for the property, the City Attorney advised me that we had no choice but to honor the contract and to move forward. However, in conversations with the community and other stakeholders, we concluded that the policy needed to be updated and strengthened. So, I asked both bureaus to work with the community to find improvements to the policies with the primary goal of expanding community notice and building in reasonable time limits for people to participate in the process.

Today, we're going to do three things. First, briefly share an overview of the new policy with Council and preview some upcoming properties that will be coming to you for surplus designation; second, give you a sense of how this new policy has been working; and third, to seek your feedback for today and in the future for further modifications.

I want to take a moment at the outset to thank the Multnomah Neighborhood Association in particular for their partnership. David and I visited them last summer to present some of the draft improvements. They had, as you might imagine, a plethora of thoughtful and constructive suggestions from that draft which we incorporated into the current policy, which we consider a pilot process -- excuse me, a pilot surplus property policy. I want to turn it over to David Shaff, who will make a brief presentation, and then to Eli, and then we will recognize Moses Ross who is here to give the community perspective.

**David Shaff, Director, Water Bureau:** I'm David Shaff, I'm the Director of the Portland Water Bureau, and I'm going to do a quick outline of the actual policy itself which is on our website, and then I will do a very quick tour of the website that went live yesterday, and then I'll turn it over to Eli.

As Commissioner Fish noted, clearly, the Freeman Tank sale process did not work very well from the perspective of public process and information and communication and notice -- and that's basically what this new policy does. So, the first big step after the bureau has decided that a piece of property is surplus and the Commissioner has evaluated that and agrees with the recommendation is that we, the bureaus, will notify other City bureaus that a piece of property is surplus, not necessary for that bureau's operations, and is available to other cities for acquisition.

One of the important things that we noted with the Multnomah Neighborhood Association is that we're going to ask those bureaus that we communicate with to respond back in writing regarding their interest and that we will keep those. There is a scrivener's error in the policy. In number four, we left out the verb in the sentence. So, each City bureau be asked to respond. We left out the "asked" in there.

**Fritz:** Director Shaff, I believe there is another scrivener's error because the policy is to also notify the Council offices -- that we get notified so that we make sure our bureaus respond.

**Shaff:** I think we think of you as a City bureau.

**Fish:** We would be happy to put that --

**Fritz:** If you could clarify that, that's be great.

**Fish:** You thought you could preempt Commissioner Fritz in pointing out scrivener errors if you brought it to the table first -- [laughter] -- I think that was misguided.

**Shaff:** Once we have done that, we will do a number of things intended to be simultaneous in nature. We are going to notify public agencies -- so, the bureaus will have 10 days, and they can ask us for more time if they need it to determine whether or not they would like to

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consider that property. Once we have gone through that process, we will be notifying a number of public entities -- Metro, the county the property is located in, the state of Oregon, ODOT rail division is if meets certain criteria for being near a railroad -- as well as then the neighborhood coalitions, the neighborhood associations, the business associations in the area where the property is located. We will list it on our surplus property website. We've already gone ahead and done that. We have 22 properties that we've identified as properties that we no longer need for purposes of running our operations. All 22 of them are on this website now so that people can be looking at them and they can know that it is our intent to eventually dispose of them.

We will also then place an informational sign on the property. It doesn't say for sale, it will be a notice much like what you see in land use type of notifications that says that it is the City's intent or the bureau's intent to dispose of this property. And that will be posted for a minimum period of time -- 45 days, and if a neighborhood association is interested in having that posted longer, we have indicated that we are prepared to post it for a longer period of time up to an additional 45 days. We will also put a printed notice or advertisement in at least one of the community newspapers that reach residents in the area.

After that informational sign has been posted for the requisite period of time and there is no public agency that expressed an interest in acquiring the property, we'll come to you with a non-emergency ordinance on the regular Council agenda to have that piece of property declared surplus. And there are a number of things that we will be including in that ordinance. Once the Council has passed that ordinance, then we will proceed to sell the property. But there are a couple of limitations that we've agreed to there. We'll update our surplus property website. We'll place this time a for sale sign as opposed to a public notice sign. We will not accept -- it will be up for at least a minimum of 30 days, and we will not accept any offers for the property for at least that period of time. We will list on the RMLS website and other websites if appropriate, and then we will proceed to sell the property.

That's in general the pilot process. There are a couple of pieces of property, and I will preview one or two of them that it may not make any sense to do that with, and I have a couple of examples where they are -- we have little slices of properties that are surrounded by other owners and there is absolutely nothing you could do with that piece of property. So, I'll give you a good example in a minute.

So, let me walk you through our website -- and we have a link on the front page -- actually, I'm going to go to the front page. You can see in the features it says Water Bureau Surplus Property. You go to the website and it's basically a general information page, but I want to point out a couple of things.

We have a link to the process that I just outlined, and we've identified them in various stages. Then we have another link that asks for feedback. This is an email that will go directly to the property manager and our webmaster. So, if somebody has something that they want to suggest or a question that they want to direct to us, they can use that process. We have an automatic notification process and a link to that. I have signed up for this so that I can make sure that it's working, and I got a link today because one of those little slices of properties that I was just talking about got put up on the website yesterday. And then we have --

**Fish:** You can sign up for these notifications and you can also sign up for monthly billing.

**Shaff:** Yes, you can. Not on the same link, though.

And then we have links to both the BIBS, the internal City of Portland OMF website and Bureau of Environmental Services. And then we have links on the actual properties. So, for instance, I'm going to go to the particular property that I was talking about. If you'll

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look at that, you'll see the little yellow slice, it's a little piece of property that apparently we own. That's relatively new news to us. It's a slice of property right in the middle of the parking lot of the Skyline Tavern. And it's surrounded by asphalt or a road. In all likelihood, we are going to quit claim this to the owners of the Skyline Tavern who are interested in sell their property and that's a cloud on their title.

So, these are -- that's just an example of something where we probably wouldn't follow that process. There are a number of properties on here -- and I'll pull up one, the tennis court tank -- white are properties that you all had declared surplus back in 2010. There are seven properties total that you declared surplus in 2010 that we are going to go through this process over again so that we make sure that people know, here's the notice, this is our intent, we go back and talk to the various bureaus.

I picked this example deliberately because originally in 2010, all of the bureaus when we inquired said, no, we are not interested in acquiring this property. The Parks Bureau has expressed an interest now in potentially acquiring this piece of property. So, we're going to go through this entire process all over again with all of the properties that we'd originally declared surplus in 2010.

I think that will give you a general tour of the website. As I said, everything that we currently own that we do not believe we have any reason to continue owning is on that list. So, it's 22 properties right now. And as things change, as we dispose of those, we will remove them and as we identify other properties that perhaps we don't need, we will put those on the website. And then I'm going to link to the BES one and turn it over to Eli.

**Hales:** A quick question before you do because it is water related. Don't need a detailed engineering explanation now but actually when you look at that slide show, there is kind of a shocking number of tanks that you are selling. So, I assume that because of the construction of new tanks, particularly on Kelly Butte and Powell Butte, you don't need those in the system anymore and you can maintain fire flow and pressure without them? Is that what's going on?

**Shaff:** Yes, Mayor. A fair number of these tanks have never been connected to the system. So, I picked Richland tank. That's from the old Richland water district that was annexed 30 years ago. We've owned this property that length of time and have never connected this particular property to the system.

**Hales:** So, leftover from water districts in a lot of cases -- that makes sense. I wanted to make sure that water was still going to be there when the Fire Bureau needed it.

**Saltzman:** Good question.

**Fish:** Good question. And when we come to Council on any surplus designation, we'll want to have those kinds of robust discussions about are we being prudent in declaring surplus, might there be someday a back-up need of some kind -- but that ultimately is the council's decision.

**Hales:** Great. Good morning, Eli.

**Fish:** Thank you David. Eli?

**Eli Callison, Bureau of Environmental Services:** I want to run you quickly through a couple of properties that BES has taken partially through this surplus process. But before I get into that, I kind of want to put a caveat on that. I've been the BES property manager now for three months, so I've not been with these properties every step of the way. I'm going to give you a little of our experience as we deal with this.

We have two parcels. In contrary to Water Bureau, ours are more in an industrial area. The two parcels we have out required as part of the CSO project, so we have a 15-acre site right on the Willamette zone, heavy industrial; and then adjacent to that on 22nd and Naito, we have about a three-quarter acre site also zoned industrial. Both of these properties were, like I said, taken through this process, the public notification was put up

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last March -- excuse me, last May. We did not receive any feedback from the public on any of these properties with regards to any concerns. Pretty much all the feedback has been as soon as the posting went up, people wanted to buy it well before we were at the spot where we could go through that.

Both of these were placed surplus back in August. Since then, we're kind of at this point just getting the final engineering done to preserve the sewer infrastructure that we have underneath the sites, at which point we will be ready to post the site for sale and we'll be waiting the 30 days to acquire them.

Kind of briefly, as David mentioned, BES and Water have gone back and forth on this process. BES had some concerns initially about the length of time, particularly with regards to a business interest of being able to time the property sale with the market. But with the addition to the public notice either being extended instead of having an additional length, we're pretty happy with where it's at and we think that the process is enough to allow the public to have the input and that it can be extended as needed. But in the more residential areas, it makes a lot more sense to have that length of time.

**Fish:** Mayor, before we invite up Moses Ross, I want to comment when you asked me to lead both bureaus, part of our conversation was to find ways of creating uniform systems and policies. The first evidence of that was the joint CIP presentation the fall of your first year where we did it apples to apples and both bureaus used the same format. And I remember Commissioner Saltzman expressing to me the view that it was easier to follow when you had both bureaus presenting the information in the same manner.

This is another example of both bureaus getting together, coming up with a uniform policy with websites that have the same information and the same format. And because this is a pilot, we'll be soliciting on an ongoing basis feedback. If you have suggestions for how to improve both the presentation and the policy, we'll continue to refine it. But it's -- again, it's an example of two bureaus working at a very high level together to try to get this right. I appreciate both of their work.

And if you don't mind, I know we're backed up. I thought maybe we would have Moses Ross come up. He was our indispensable community partner, and we've asked him to say a few words and then we will take questions. Why don't you guys stick around?

**Hales:** Great. Good morning, Moses.

**Moses Ross:** Thank you very much for this invitation. Upon reviewing the website and reviewing the detail that you have presented in all of those properties, I found myself thinking about to when this issue first came to my attention at the Multnomah Neighborhood Association, and the residents that were living around the Freeman water tower had just heard about this issue, and they asked me to help them. I went and had to create my own list of those surplus properties, and also, in turn, reach out to the neighborhood association chairs at all of those properties to make them aware of the situation. So, I'm very appreciative of the effort that you have made to detail those properties at one location.

I think this is transparency that you're adopting will alleviate so many concerns. For instance, if this transparency had been available to my neighbors in Multnomah prior to Freeman, it would have been I think a lot smoother and we would not have had such a potential for contentiousness. So, thank you for listening to us and adopting many of our suggestions, if not all of those suggestions -- the transparency issue, the 90-day delay, 45-day delay -- that's imperative from the neighborhood association perspective to be able to organize and to be able to notify. So, I'm very appreciative.

**Hales:** Thank you.

**Fish:** Mayor, I'm really -- I want to publicly thank Moses Ross and the leadership of the neighborhood association. When he said this was a contentious process, he was using a

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euphemism. This not only sparked a lot of frustration at the neighborhood level, but it spawned a lawsuit and some very tough conversations. And I think the bureaus in reviewing these matters realized that we could do better. And the neighborhood had some really good suggestions, and we incorporated some of them, and we came to a meeting, we found out we hadn't gone far enough and we took further feedback. What we have now is a significantly enhanced policy that addresses the transparency issue and makes sure that all of the key stakeholders get the kind of in the that they need to be able to help us make the right decision.

We know we're not finished, and we'll continue to work with our friends at the coalitions and neighborhood level to get it right. But I mean, this is an example, when you talk about doing our best work in partnership with the community. What could be a better example than working with a group that sued us and expressed such displeasure with our work that we actually had to rethink our whole approach? And out of it comes a policy that we think greatly meets the public interest and gives us a chance to get a better outcome.

**Ross:** Absolutely.

**Fish:** So, how many times do you get to celebrate that? Moses, we want to thank you for your good work.

**Ross:** Thank you. Thank you for your good work. Appreciate it.

**Hales:** Thanks very much. Any other questions for the panel? Thank you all. Anyone else that wants to speak on this item?

**Moore-Love:** Mr. Lightning.

**Hales:** OK. Good morning.

**Lightning:** Good morning. My name is Lightning, I represent Lightning Watchdog X1. One of the concerns I've stressed on these surplus properties -- in my belief, anyway -- the public deserves to at least have an independent appraisal done on these properties to determine value. There's a lot of times that I see these properties being almost given away for nothing for the public good. The City is not philanthropist, they cannot be giving away properties when you have debt of over \$1 billion in transportation that needs to be addressed, \$500 million in parks, \$250 million in housing. You don't have anything to give away. You are buried in debt that you have to look at the overall asset and begin to understand you can't give these away at pennies on the dollar. I want to start seeing estimated values of \$250,000 or greater to have independent appraisals from outside companies to determine a value.

Another issue I have on these surplus properties -- I don't think the City is qualified to make the sale. I would like to have an independent brokerage company, maybe Grubb and Ellis, Coldwell Banker, very reputable companies to sell the properties if it is determined that the properties are over \$250,000. That separates the City from any conflict of interest, any possible relations with the potential buyer, ex-employee, ex-relative. It separates all of those conflicts.

We need to have that separation on these type of deals. We need to obtain the fullest possible market price that we can get. The City is in a tremendous amount of debt and needs to take care of the debt, and we cannot allow these existing assets to be given away at low values to certain developers that a lot of the public has stated in here today really was unaware of what was going on.

If you had an independent brokerage company handling that, independent appraisals handling that, this will never happen. The brokerage community is worth every dollar that you pay them on these type of transactions. And the reason is why they have the experience over years to get the highest and best price with the largest market base out there that can understand how to talk the language to sell these type of properties when you are dealing in million plus dollar properties.

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The public deserves to get full value for these properties. The public deserves to have these properties go back in and begin to pay down some of the debt in these different bureaus. I am at total disagreement in allowing the City to handle the sales and also have a suspicion on your overall values based upon your estimated values and not legitimate appraisals on these surplus properties. Thank you.

**Fish:** Mayor, once again, Lightning has focused in on two of the most important issues on this whole transaction. Thank you, Lightning. Paragraph six, sub-d of the pilot that's before you requires that when we come to Council for permission for surplus, we have an appraisal or other evidence of the market value of the property. And I think our intent is to seek an appraisal where appropriate, and a substantial property would require an appraisal. And if the Council does not -- thanks Lightning -- I will update [inaudible]. And if the Council doesn't think that that's sufficient, we'll do something beyond that.

And in terms of independent brokers, we completely agree with Lightning on this one. For example, terminal one, which is a 16-acre property in a prime industrial area -- that transaction will be handled by a professional commercial broker. And in fact, we've had a tremendous amount of interest that's been expressed to the broker already because it's highly desirable dirt, and it's precisely to keep that distance between the bureau and the marketplace.

We expect to make a significant premium on that property and I would be remiss if I didn't once again acknowledge that during Dan's tenure, there were some decisions that were made to acquire rather than to lease industrial property for the Big Pipe, and there was some criticism of the City for buying because there was an uncertainty about the future market conditions. It turns out that's like buying Berkshire Hathaway when it first hit the market. These properties are so valuable. We expect to be able to show tremendous value to ratepayers when we sell terminal one and some other properties. So, we agree with both points you made, Lightning, and one incorporating the policy and the other what we are in practice doing with our substantial properties.

**Lightning:** If I can respond real fast.

**Hales:** Sure.

**Lightning:** The term estimated value is of great concern to me. I want actual appraisals, actual sales comparable, income approaches. I want to see real data, not somebody throwing out an estimate. So, that's a real concern to me.

**Fish:** Policy says appraisal.

**Lightning:** OK.

**Fish:** So, we agree with you on that and we'll also be notifying Council of the broker we've selected to handle the transaction, and that will be at a public hearing where you can comment as well.

**Lightning:** OK. One other thing real fast. You said you might take surplus properties and allow other bureaus to have a say on that property. What I would like to see, if at all possible, is to take five bureaus -- the top bureaus that need the most money -- and every sale gone back into a fund that is equally distributed between the bureaus. Now, I know you can't do that, but I'd like the home charter to be taken a look at and have legal counsel maybe to discuss that to see if that can be done on that type of a surplus property. If you can take that property and give it to another bureau, then why can't you take funds and equally distribute it?

**Fish:** Let me be clear. I would be recalled and we'd have a new lawsuit and another petition drive if we gave it to another bureau. So, you've pointed out -- we are not giving it. All we're doing is giving a City bureau a chance to acquire it at market price. And if they don't want to acquire at market price, then it goes -- and the reason we're doing that, lightning, is because Commissioner Fritz may, for example, may come and say I want to

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add that piece to existing park. Or Commissioner Novick may come and say, this is part of a master plan for PBOT -- but they have to acquire it at market price. We're not transferring as a gift to any bureau.

**Lightning:** Based upon an appraisal. And again, that is public money doing that and the public should have a say on that and that's my point. Thank you.

**Hales:** No, you've made it. Thank you. Anyone else want to speak? Then motion to adopt the report, please.

**Novick:** So moved.

**Fritz:** Second.

**Hales:** Further discussion? Roll call.

**Item 190 Roll.**

**Fritz:** Congratulations, Commissioner Fish, for your diligence on this. It is indeed wonderful to see such consensus and good work to the Water Bureau and BES. Aye.

**Fish:** Thank you. I want to thank both of my bureaus for the hard work they have put into this, and in particular the time they spent with community members addressing the concerns.

In our jobs, sometimes despite our best efforts, we don't get it right. And we can either just accept that as a fact of life or we can learn from those missteps and improve what we do. And this is an example where we fell short of community expectations around one piece of property, but it caused us to re-evaluate our overall policy and the result is a much better policy. It's more transparent, it has better accountability measures, and equally important from the ratepayer point of view, this is likely to result in better prices for the property that we're selling.

So, I want to thank my team. We look forward to working with the City to look across all bureaus at a more robust surplus property policy. We welcome comments and feedback throughout, because we consider as a pilot and this is not -- we don't think this is the final version, so we can always improve. And I want to particularly thank Moses and Multnomah Neighborhood Association for all of the time they spent helping us getting it right, or at least better. Thank you. Aye.

**Saltzman:** Well, thank you, Commissioner Fish, and Multnomah Neighborhood Association, and Bureau of Environmental Services and Water Bureau for giving us a good policy that gives us a good framework for moving forward. Thank you. Aye.

**Novick:** Really appreciate the hard work of the bureaus and Commissioner Fish and of the Multnomah Neighborhood Association. And I'm particularly pleased that there is now peace between my colleague and my neighbors. Aye.

**Hales:** Very nice work, thank you. Aye.

**Item 183.**

**Hales:** OK, Captain Sheffer is standing by. I don't know if we have any questions about this, but come up and give us a quick picture of this, please. Small grant.

**Kelli Sheffer, Portland Police Bureau:** Good morning, still. Kelli Sheffer with the traffic division for the Portland Police Bureau, and with me are the two subject matter experts, Officer Brian Sweeney and Sharon White from PBOT who will speak to the grant.

**Brian Sweeney, Portland Police Bureau:** Good morning, Mayor and Commissioners. What this is it is something we've been doing for the last several years with PBOT already, but essentially it's five enforcement missions where we've already identified five different locations and five different dates where we'll do a traffic enforcement at a crosswalk. And Sharon can speak on how that will happen.

**Sharon White, Portland Bureau of Transportation:** So, thank you. Appreciate the opportunity, and also want to thank you for the time that you have served as a pedestrian and also, Commissioner Novick, thank you very much. The crosswalk enforcement action

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is a wonderful opportunity to strengthen our partnership with the Portland Police and PBOT. It has a very strong educational element, and our goal is to help improve safety for pedestrians but all roadway users.

Prior to each crosswalk enforcement action, we put together a media advisory and we notify the media that we're going to be doing it, we send it out to neighborhood associations and different community groups. We usually do that about three or four days ahead of the crosswalk enforcement action, and then a day or two before we visit each business within two or three blocks and tell them about the enforcement action and we talk to them about always watching for pedestrians, and these are what the fines are and some of the consequences.

Before we do the crosswalk enforcement action, the day of, about 15, 20 minutes prior to start, we put out signs that are about this high that say pedestrian crosswalk enforcement ahead and we have orange cone and a flag. And if I'm the walker, I always have on a light-colored jacket or light-colored pants or something so I'm definitely visible. And then during the enforcement action, whether I'm the walker or one of you or a designated walker, we always allow adequate time for the driver to stop -- or bicyclist, whomever is approaching us -- and we make good eye contact. So, it's not like jumping out in front of people, drivers or anything.

The police do a really awesome job. I don't take any responsibility for the enforcement or the warnings end of it, but they do a really great job. They give out the warnings and citations to pedestrians who are violating or doing something inappropriately, and then also to bicyclists and to drivers.

After completion of our crosswalk enforcement action, we collect the results of it from the Police Bureau, and oftentimes we have a breakdown of what the categories are like so many times failure to stop for a pedestrian, or not wearing a seatbelt, or talking on their cell phone, or what have you. Then we take that information, report it back to the media who had attended or requested the information, and we post it on our website and we share it with other community members that expressed interest.

I think all in all, it's a really great program. This allows us to do additional over-hours time for the police for their time and it helps us continue a program that I've been coordinating since 2004. And since that time, we've done 93 crosswalk enforcement actions that have resulted in 1638 violations -- or right around there -- and a little less than 500 warnings. So, I think it has been -- the community members seem to really appreciate it a lot. Business communities also appreciate it, and it's like I say a good opportunity for PBOT and Police to work together.

**Hales:** Thank you. Questions?

**Fritz:** That's astonishing that you get so many violations even with all of those warnings. Is the so-called decoy pedestrian -- is that a paid person or a volunteer?

**White:** Right now it's always been a City person.

**Hales:** That is why it is so inexpensive, it's using City Commissioners as volunteers -- [laughter]

**Fritz:** But I would have thought it could be even less expensive if it was always a volunteer rather than if it was a staff person taking time out of their other job.

**Hales:** Well, Commissioner Novick and I don't want to be greedy, so anybody that wants to volunteer, I bet they'll take you up on it.

**Fritz:** I would suspect neighborhood associations and others would be berry interested in doing that which could then stretch the dollars for the enforcement part even further.

**White:** That's something within -- Leah Treat and our active transportation that we're thinking about and enter into a conversation with police about.

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**Fritz:** In the olden days, the Willamette pedestrian coalition used to independently put these on, and there'd be 20 or so of us crossing the street back and forth. So, I know that there is a willingness of folks to do it.

**White:** Thank you.

**Hales:** Good point.

**Saltzman:** Is there some legal obligation why you have to warn people? I mean, I've never understood why we warn people ahead of time -- that and also on your cell phone texting things, why you post warnings you're going to be doing enforcements at this intersection. It seems counterintuitive to me to really curb illegal behavior.

**Sheffer:** Well, I think our emphasis would be to educate folks, to educate the public. So, that's where we're hoping to make impact. If we're educating, we're talking about it, and then on top of that they receive a citation, it wasn't because we weren't at least making an effort to educate what we're enforcing, whether it be texting while driving or the crosswalk issues that we're working on.

**Hales:** I think that's a good point. It's open to discussion about how much warning we give people that hey, we're really serious, don't violate the law now. No, actually, it's always illegal.

**Fritz:** Yeah. Having one time to be pulled over at not stopping entirely at a stop sign, I know that the heartbeat for seeing the lights come on was definitely enough to get me to comply forever after. So, the additional fine would have been more punishment than gaining compliance.

**Sweeney:** Most of citations that are issued -- they are also given the opportunity to take a class we have in Portland, the share the road safety course. And most of the education and the class is about how to get through these types of locations in the city -- not just pedestrian crosswalks, but stop signs and speeding and cell phone use. Most of the people that we contact are offered the class.

**Novick:** Commissioner Saltzman, I definitely understand your point but I want to underscore the Captain Sheffer's point that we take these opportunities to educate the general public beyond people that happen to be driving through that crosswalk enforcement action. So, it's a bit of a balance and I think we strike the balance reasonably.

**Hales:** Thank you. Other questions, discussion? Thank you all. Anyone else want to speak on this item? OK, then let's accept the grant. Roll call, please.

**Item 183 Roll.**

**Fritz:** Thank you for your work. Aye.

**Fish:** Aye.

**Saltzman:** Thank you. Aye.

**Novick:** I really appreciate Sharon's work and that of the Police Bureau. We've had residents come up to us on the sidewalk and thank us for doing this and making the neighborhood safer. I just wanted to note that recently Patrick Stewart -- otherwise known as Captain Picard of the Starship Enterprise -- was in town and he was asked what he liked about Portland and one of the things he said was that he really appreciated that motorists respect pedestrians at crosswalks. So, I realize we've got a lot of work left to do, we're not as safe as we should be, but I think it's great we were able to impress Captain Picard, particularly because he's been throughout the galaxy -- [laughter] -- and has seen behavior all over the place. Aye.

**Hales:** I think this program delivers a lot of teachable moments for very little investment, thanks to good work on your part. Well done. Thank you. Aye.

**Item 184.**

**Hales:** Mr. Auerbach.

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**Harry Auerbach, Chief Deputy City Attorney:** Good morning. Thank you, Mayor Hales and members of the Council. My name is Harry Auerbach, I'm Chief Deputy City Attorney. I'm back with another amicus resolution, this one on behalf of the freedom to marry.

Just very briefly, as you are doubtless all aware, the right of same-sex couples to marry has been litigated throughout the country generally in favor of upholding the right to marry with the exception of the Sixth Circuit Court of Appeals which encompasses several states in the midwest and southeast. And the United States Supreme Court has four cases out of the Sixth Circuit, which it has chosen to take for the purpose of answering the question whether the 14th Amendment to the federal constitution requires states to recognize same-sex marriages.

The Mayors for the Freedom to Marry, the United States Conference of Mayors, and individual mayors and cities are filing a brief as amicus curiae. We've been asked to join in that brief. And after consulting with your execs in the Mayor's Office, we're bringing you this resolution to authorize us to add Portland to that list.

Portland -- as I'm happy to say wherever I go -- has a proud history of being at the forefront of civil rights and particularly civil rights for same-sex couples starting with our enlargement of our civil rights ordinance back in the early '90s to include categories that were at that time excluded from protection under state law but which since then have been added. So, this is in keeping with our proud tradition, and we bring this to you for authorization.

**Hales:** Thank you. Questions for our City Attorney? Thank you very much, Harry. Anyone want to speak on this item?

**Moore-Love:** I have five signed up. The first three, please come on up.

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

**Charles Johnson:** Good morning, Commissioners. When I arrived, the sign-up sheet was blank. We certainly know that the sentiments of Basic Rights Oregon and the ACLU are with this and we're pleased to see that. Unlike minority contracting and some other civil rights issues, you didn't need any public pressure. The City Attorney's Office and diverse staff there came forward.

I would encourage you to take all of the man hours that you might be using to appeal -- however limited that appeal may be -- Judge Simon's ruling and transfer them over to this amicus curiae work and give up that appeal.

What we need to do is really concentrate on the fact that LGBTQ people have had great success getting the city to support their civil rights, and in other areas of the city, other minority communities are feeling less success. So, we need to look at what worked right here at the City Attorney's Office -- that this can come up with no public pressure and we need to find out through the Office of Equity and Human Rights how other minority communities can have instant satisfaction. Because what we've learned in the struggle for marriage equality' for gay, lesbian, bi, and trans people -- because there's still some work to be done in that area because people's government-assigned gender can and will in some jurisdictions, like the Sixth Circuit and Eleventh Circuit, can and will pose problems when trans people go and try to get their marriage rights even after the Supreme Court makes the right decision once our amicus brief is submitted and recognized by them.

So, thank you to the City Attorney's Office and 39 or so attorneys working there. And I want this Council to encourage them to always be mindful of national issues so that we can do more good things like this and maybe also talk about making sure that the state attorney general's office joins us. Thanks.

**Hales:** Thank you. Good morning.

**Michael Long:** Mr. Mayor, Commissioners, my name is Michael Long, I'm resident of South Portland, I'm also an attorney in Portland here. I'm the past president of the Portland

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Area Business Association, which is the LGBT chamber of commerce; and I'm also proud to serve on Represent Oregon and Portland specifically on the national board of governors for the Human Rights Campaign. I speak today in support of the resolution.

As you are all aware, the Windsor case and the Perry case focused the entire world on DOMA and on same-sex marriage. Although the Windsor decision was an amazing success for the LGBT community, the Perry case didn't get to the issues of same-sex marriage and ended at the standing area. Following those two Supreme Court decisions, what we found we saw the Prop 8 plaintiffs in California marry, as well as thousands of others of Californians. We saw a wave of amazing decisions from the federal courts and from the circuit court on specifically in support declaring the bans on same-sex marriage to be unconstitutional, including a powerful opinion written by our own Judge McShane in the instance at court here in Oregon on May 19th, 2014, which ushered in the second round you might say of same-sex marriage and marriage equality in Oregon. Yet recently, the Sixth Circuit opinion published what I would call a TED Talk opinion as to what the value is of the U.S. district courts and the circuit courts and whether they should be weighing in on this, which leads us to needing the Supreme Court to finally rule on marriage equality for the last time.

Today, City Council is deciding whether to approve a resolution which charges the City Attorneys with filing and/or and signing on as U.S. Conference of Mayors amicus brief. Your vote will not only broadcast to our people and LGBT people in Portland, but also to our youth. I was recently pleased to participate in HRC's national time to thrive conference which was held here last weekend. 550 people, educators, counselors working with LGBTQ youth that came here to learn about best practices. As they were here, they heard about Portland and what Portland is doing, and they now what support our community in Oregon has for LGBT. The youth listened to us, they listen to the leaders, they even listen to our politicians when they make a decision like this. And so, it's so important for your vote to resonate throughout our community, throughout Oregon and southwest Washington and into the community and actually internationally as they hear of the Portland City Council supporting this. I strongly encourage you to do that on behalf of all LGBTQ people in Oregon and southwest Washington.

**Hales:** Thank you.

**Long:** Thank you.

**Hales:** That was a great conference, it was really impressive. Good morning.

**Veronica Bernier:** Good morning, Mayor Charles Hales -- I guess I'm a little far back -- I'm a shorty, only 5'4". Good morning, Steve Novick. Glad you're back. Did you have a good cup of coffee? [laughs] Good. Nice to see you all sitting here smiling this morning after the little amazing event last night.

The beginning of Lent for the Catholics has aroused a lot of energy and support and emotionalism, and all of the other Christian churches here in the United States did celebrate Fat Tuesday with a lot of fanfare. We had fun and a lot of pancake suppers that were held at churches of our choice. When I mention churches of our choice, of course we know Portland has one of the largest church bases in the entire United States. The Interfaith Council has always come through in the past in support of everyone with regard to all nations, really. In spite of race, color, and creed, we always seem to come across and sit at those tables and have some mighty fine pot lucks, Commissioner Saltzman.

Speaking of pot lucks, there's another one scheduled, and I just want to mention something really briefly. I do support -- I'm a married woman and divorced, and I have children and grandchildren. I just have to say that even having been married in the church, I do support people who have different lifestyles because that is the way some people are

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and I think that in terms of all of the people in the United States, there are many, many different walks from many people.

I want to say that at the First Congregational Church, United Church of Christ, we do have a jazz concert coming up. I will put this up here so that you can see it. The jazz concert is this Sunday. If you would support that, I would really appreciate it. At that church, we have tables for LGBTQ and so on and so forth.

It doesn't matter about the initials, it's about what is important. I always remember in San Francisco, a long time ago, a lady named -- I think her name was Dove Martin or -- wrote a book about two lesbians living together, and I thought that is amazing. She wrote this book and sold it at a Methodist church in San Francisco. They have an open door to gay couples and same-sex couples. So, I generally support that even having been a married woman and pretty heterosexual myself. I think they all deserve your support. Thank you.

**Hales:** Thank you. Thank you all. Others who signed up? Anyone else on this? If not, let's take a roll call on this resolution, please.

**Item 184 Roll.**

**Fritz:** Mayor, thank you very much for having this on the regular agenda so I can individually vote an enthusiastic aye.

**Fish:** Yes, Charlie, thanks for bringing this forward. Barney Frank is speaking at Powell's at the end of March. He is the first member of Congress to take advantage of the Right to Marry in his home district, and we hope that this Supreme Court follows shortly thereafter with a resounding affirmance of what is happening in most of the circuits. Aye.

**Saltzman:** Thank you to the City Attorney's Office and the Mayor's Office for bringing this important amicus brief to our attention and pleased to support it. Aye.

**Novick:** Since Clarence Thomas has publically complained about the court taking up this issue, I think that heralds a good outcome. Aye.

**Hales:** This is one more time where it's great to be from Portland and we're all very proud to be from a city that has a long and consistent record of supporting rights for all, and this is an important one. I'm looking forward to a successful outcome of this -- I love that term -- "final" Supreme Court decision on this issue. Aye. Let's move on into the rest of the regular agenda.

**Item 185.**

**Hales:** Good morning. Or almost -- good afternoon.

**Christine Moody, Chief Procurement Officer, Office of Management and Finance:** Good morning, Mayor, Commissioners. Christine Moody, procurement services.

Since 2006, the payment gateway has become an essential means of conducting City business and receiving and processing electronic payments. Payments transaction volume has increased to the point that the City has obtained level one merchant status and the revenue process has grown at an annual rate of approximately 20%. All City-client revenue services communicate with the City's payment gateway via an application procedural interface that serves bureau-specific requirements based on the type of service.

The payment gateway is used by multiple City bureaus and is based on the type of services or transactions. It accommodates bureau specific requirements. Example of payments processed include utility bills, construction permits, ticketing for streetcar transportation, on-street parking, leaf fees, and art tax. The City has determined that emerging requirements merited evaluation of replacing the in-house developed custom solution with the standard commercial payment gateway system or service.

In August of 2014, the City issued a request for proposals for electronic payment system service and support, and on October 6th, 2014, one proposal was received. The

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proposal was reviewed, evaluated, and scored by a five-person evaluation committee that include representation from the minority evaluator program. The proposal from NIC Services, LLC was deemed responsive to the requirements of the solicitation and was recommended for awarding of a contract.

NIC Services has proposed the use of a certified woman-owned business for help desk, call center, customer support services. The City issued a notice of intent to award on December 19th, 2014 and no protests were received. You have before you an ordinance recommending authorization of a contract to NIC Services for a not-to-exceed value of \$7,500,000 for the five-year period. I will turn this over to Jennifer Cooperman, City Treasurer, to talk more about the project.

**Jennifer Cooperman, City Treasurer:** Good morning, everyone. So, as Christine described, the payment gateway was internally developed by BTS in 2006, and it's a heavily-used piece of software. It's highly customized, it's maintained within BTS, and it's been determined that the gateway is not PCI-compliant.

PCI compliance is something that the City is obligated to be because we accept credit cards. The payment cards that we accept -- Visa, MasterCard, Discover, American Express, and there's a fifth card that we don't accept but they participate in this framework as well -- those card brands have set a security framework that they call PCI compliance, payment card industry compliance. And as a vendor, as an entity that accepts those cards, we are obligated to be PCI-compliant. We are not PCI-compliant.

There are potential fines to the City that start in the five figures and rapidly escalate to the six-figure amount for not being compliant. Ultimately, past the fines, the card brands could come up us and say, "we don't want you to accept our cards."

Today, through the gateway -- the figures that I have for fiscal year '14, but we processed over nine million transactions a year that were valued at \$155 million a year. As Christine mentioned, we've experienced growth in the number of transactions on the 20% level per year. I know I carry three cards in my wallet. I use my cards, it's a matter of convenience. We need to provide a service for the City to accept those cards that is compliant with the card networks so that we will continue to be allowed to accept the cards.

The standards that the PCI council set becomes more stringent over time. We are in what's called the PCI version 3.0. It started at 1.0 back -- I'm not sure when -- in the early 2000s. Because the world is changing and there are hackers out there and all sorts of new risks, the PCI Council periodically issues new standards, and we are at the 3.0 standard. It's more stringent than what was in place in 2.0.

The 3.0 standard went into effect on January 1st of this year, and I'll predict that at some point we will be working with a version 4.0. So, it's a constantly-moving framework. We are given time to become compliant with it, but it gets tighter and tighter and more stringent all the time.

The gateway has been identified as something that is not compliant. We have indicated to our bank who has indicated to the card brands that we will reach compliance by the end of the calendar year this year. Remediating our gateway is a significant step in that direction, and the NIC payment engine -- NIC payment framework that we are looking to contract with is and will be a PCI-compliant framework for us.

I'm happy to answer any questions and we have with us Rick Nixon from BTS, our technology group, the e-commerce group within BTS that can also answer any questions that you might have.

**Hales:** Great, thank you. Questions?

**Fritz:** Did we go out to bid for asking for an outside vendor to do the work for us, or did we go out to bid asking for a system that we could install?

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**Cooperman:** Because we have such a customized gateway today, we went out and said these are the things that we need to be able to do, you vendors come back and tell us how you can help us do that. Either deliver us a total turnkey system, or deliver to us certain portions that we could incorporate into what we already do ourselves. Is that fair?

**Rick Nixon, Bureau of Technology Services:** That's correct. It was an all-encompassing request for the RFP to replace in whole the entire system with a fully-hosted solution or individual components as they would marry into our existing system.

**Fritz:** Has the Technology Oversight Committee looked into this?

**Cooperman:** This will be the -- we went to the TOC last year, last October to talk about the gateway. The TOC now will be overseeing the PCI remediation as a whole, the gateway being part of it. And we are presenting to them for the first time this coming Monday for the PCI project.

**Fritz:** I'm concerned that we only got one bid. How many contractors are there out there that do this kind of work?

**Cooperman:** So, we had an information session and there were 12 vendors who attended that information session. It was not required. And of those entities, one chose to submit a proposal. In our RFP we did have several requirements, and from one of the vendors that I spoke with afterwards and asked "how come you didn't choose to bid?" they said that they didn't feel that they could deliver all of the services that we wanted and that pulling together different vendors and different pieces to put together a complete solution they didn't feel would satisfy what we were looking for.

And in these requirements, we did ask for vendors that also work with level one merchants that we are. Let me take a sidestep for a second. The card brands rank merchants according to their volume of business. It is not the dollar volume, it is the number of transactions. You are a level one merchant -- which is the top tier -- if you process more than six million transactions a year. We process 9.5, 10 million. So, we are in the same category as a Target or any of the other large commercial organizations that are out there. So, we were looking for vendors who can handle the requirements of a level one merchant that we are.

**Fritz:** I am concerned about the complexity of our system. As we are finding with the ITAP vendors, in fact sometimes contractors aren't aware quite what they're getting into. I'm concerned about having just the one bid.

**Cooperman:** May I say -- NIC works exclusively with government entities. They have I think 2500 customers nationwide, some at the federal level, state level, municipal level. And not that payment from you and Target is any different than processing a payment for us for parking, but they're sensitive to government needs and government processes and government requirements.

**Fritz:** And how do we know that their cost per transaction is an industry standard?

**Cooperman:** We have looked at comparable contracts as part of the reference checking. We've looked at contracts that they have with other entities. And I've not actually -- I haven't seen that part, or I can't think of what it is right at the moment -- but a cents per transaction framework is the framework that they have traditionally been providing.

**Fritz:** And if I'm doing the math correctly, they're 10 cents per transaction -- 10 million transactions is about a million dollars a year, and yet the contract is for \$7.5 million over five years. Why the increase?

**Cooperman:** The City has a significant backlog of demand from bureaus to set up the ability for credit cards. We have factored that into our analysis. It is a ceiling amount. We do have some cushion in there because we don't know what the public is going to pull out of their wallet. We don't know if they're going to pull out coins to the pay meters or they're going to pull out a card for the meter. We don't pay unless we incur the transactions. So,

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it's a number to go into SAP, if you will, for when we book the contract, but we are not obligated to spend all of that money.

**Fritz:** My understanding is we are planning to pay for it with an increase in parking fees, is that --

**Novick:** Commissioner, if I may respond. PBOT -- because we have so many parking meter transactions -- is going to bear a large share of the cost. And yes, I was about to mention that given -- as you know -- PBOT doesn't have enough money to maintain the streets, we are going to look to raise additional money and we are likely to come forward with a proposal to raise meter rates.

I should add that there is a traffic management reason to do that anyway in the downtown. It's good parking/traffic management policy to have the cost of garage parking be slightly lower than the cost of on-street parking because you want to encourage people to go into garages rather than circle around looking for a place on the street and causing additional congestion. And right now, for example, if you're parking for three hours downtown, it's cheaper to park on the street than the garage, which is not good policy. So, we think that we are going to need to come forward with a proposal to raise meter rates. There's also a good public policy reason for doing so in addition to of course the public policy of having safe credit card transactions.

**Fritz:** I am curious about why we're doing the contracts without knowing how we're going to pay for it.

**Cooperman:** The way the fees go to NIC is that they look at the number of transactions that were incurred in the prior month, and they take it off the top, basically. There are no invoices that we have to pay, but if we have \$1.40 for an hour's worth of parking, and we're at eight cents, then they pass through \$1.32 to City.

**Fritz:** No, I get that, but the contract before us today is for \$7.5 million, which currently we don't have that.

**Hales:** Well, it's forgone revenue, transaction by transaction.

**Cooperman:** Over five years.

**Hales:** So, it's up to the bureaus and OMF and Budget Office to forecast revenue based on a number of conditions, including costs, right? So, it's not a budgeted item, we don't have to budget \$7.5 million to pay for this, it just comes off the top --

**Fritz:** Right. But as of now, a lot of it would come off of the top of PBOT's.

**Hales:** And that's why they're proposing a fare increase, a rate increase.

**Cooperman:** I think what you're saying is that if parking fees were not adjusted, then it would have to bump out something else in their budget.

**Fritz:** Yes. And I'm supportive of doing this. We have a budget process, we hear from the community, we hear from the businesses downtown to set parking fees, and that wasn't what was on the agenda today. So, I just want to make that clear that we are going to have to figure out how to pay for this and perhaps that could have been done at a different time.

**Hales:** Absolutely, but it's essentially no different than if the state comes to us and says yours PERS rate is going to be different next year and it gets loaded into the system up front. We don't have to budget for that but we have to recover the cost if we can. In this case -- in some cases we can by raising park fees or other fees as people buy stuff from us.

**Fritz:** We're going to be having another conversation this afternoon that is set to put pressure on -- or change things in this year's budget process. And so I'm just flagging for folks that this changes what we have been planning for when the City Budget Office brought forward their recommendations a few months ago.

My last question -- thank you for your patience -- how many staff are currently working on the gateway and what cost savings will we have by having them not do that?

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**Cooperman:** We have I believe .8 of an FTE, who is responsible for managing the City's gateway today. Once we outsource this, we will still need City staff to manage that gateway and manage the relationship with NIC. That person will need to set up new webpages to use the gateway for bureaus that have been wanting to accept cards, and that person will still need to manage the relationship that we have with our external PCI auditor. We're required to do that.

**Fritz:** Any internal cost savings?

**Cooperman:** No, but we will be compliant -- which today, we are not.

**Fritz:** Thank you.

**Hales:** Commissioner Saltzman, did you have questions?

**Saltzman:** As I understand it, the \$7.5 million is the top price. I mean, that's it. It says not-to-exceed.

**Cooperman:** It's a not-to-exceed --

**Saltzman:** It can't exceed \$7.5 million over five years.

**Cooperman:** At some point, we would have to come back to you if we were at the point where the payment to NIC is exceeding \$7.5 million.

**Hales:** At an annual rate of more than what we planned on. So, we'd have to be doing more transactions than you've planned on -- because it is eight cents per transaction. They don't stop charging us at the nth transaction, so you would have to come back. That's a good point.

**Saltzman:** I guess I'm just a little distressed about just one proposer. That sends out all sorts of red flags in my mind given our experience with software projects over the years. So, I don't know if there's anything you can say to allay my concern about that, but it makes me very nervous.

**Moody:** I think that Jennifer did do some outreach to see why we didn't get any other proposers. And just to kind of help you a little bit -- this was evaluated and it was a recommended award. Just because we get one proposal doesn't mean we have to award the contract. So, the evaluation committee does feel that this is a viable proposal and it's something that we should go forward with.

**Saltzman:** That helps. Thanks.

**Hales:** Other questions? Thank you all. Anyone signed up to speak on the item?

**Moore-Love:** Yes, we have one person, Joe Walsh.

**Joe Walsh:** My name is Joe Walsh, I represent individuals for justice. I really appreciate the questions coming from Commissioner Fritz on this. The one item that stood out to us also is the just one person or corporation coming back with a bid. We don't like that. We automatically have a reaction to that.

And it seems to me that -- this is a \$7 million contract, and I remember that Commissioner Fish, when it came to contracts, came to the decision that it would be a really good idea to bring anything over \$1 million, half a million -- OK, I stand corrected -- half million dollars to the Council. My point is that he saw that there was a problem here with perception -- just the perception of it.

So our question is if you have \$7.5 million that you're talking about, if you only get one bid, we should have something in our Charter or regulations or rules that say, you know what, we can't go forward on this because it's too much money involved. So, there's a cut-off point like Commissioner Fish did with the half million dollars -- that if it exceeds whatever number you decide on, a million dollars, then there has to be more than so many bids -- two, three -- or they go back to square one and they send it out again. Because this system here is perpetuating the same contracts coming back over and over and over again because they're qualified and they can do it. So, it leaves out a whole bunch of people. So, there's better ways of doing this. Maybe you need to break out the contract. Maybe you

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need to do your own subcontracting. Maybe you need to say, OK, if it is more than \$3 million or \$2 million, you have to have three bids or it ain't going anyplace.

**Hales:** Thanks.

**Walsh:** Thank you.

**Hales:** Anyone else? Then this is an emergency ordinance. Let's take a roll call vote, please.

**Item 185 Roll.**

**Fritz:** You know, it's an emergency, and I know that we have the need to do this, and it's really troubling for me that we only had the one bid. I don't have any way to gauge whether -- this isn't a -- it can't be something that's just us having this problem. There must be other jurisdictions. And is this company -- I don't really know that much about this company. So, I'm looking for guidance or more discussion. It's hard being the first one up to vote.

**Hales:** Want to wait to vote and see if Jennifer can reassure you any further?

**Cooperman:** You know, in an unrelated conversation with an unrelated entity, I asked about their interest in bidding -- it wasn't related to this -- and that entity that they're now a lot more careful -- they're resource-constrained, as are we. So, unless they think that there's a high likelihood of winning a bid, they're not putting the effort into responding to a proposal.

On the one hand, this is kind of a commodity-like process, but on the other hand, you need to have deep pockets and lots of wherewithal in order to provide this service because it's rather technical and it crosses over the line into finance as well. So, it's a marriage of finance and technology.

I can't say what was going on in the heads of the other entities, but we asked in our RFP and said you have to show that you can handle the level of business that we produce; you have to allow us the right to change our bank at any time; you have to allow us the right when we change our bank to give us stored data that you have. So, I don't know what other entities have been asking for, but we set some high standards because that's what our customer base in the City has been used to getting from a customized service.

If I sell my house, yeah, it might be nice to have 10 bids, but all I need is that one that gets me a successful sale and I can close and they have the money in the bank. And because they focus on e-commerce only with government, I'm comforted that they understand what we're looking for and what we need.

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

**Hales:** That helps?

**Fritz:** Yeah, because -- particularly on the six years I have been on the Council -- Treasurer Cooperman has been someone who is consistently shown herself to be very fiscally responsible, very attention-to-detail, and I trust you. So on that basis, I still have the misgiving about doing this before we've had the discussion with our community about the - - how to pay for it, but we'll figure out how to pay for it. Aye.

**Fish:** Thanks for a good discussion. We are in the process of encouraging a lot more people to pay their bills online or with credit cards, and so we have to make sure that we can give them confidence that their information is protected. We live in a world where I think we all have the experience of having to replace our debit card at an alarmingly regular basis because someone is doing transactions in some other part of the country that we're not physically located in. So, we have to have the integrity of the system. Appreciate the discussion. It's brought me to a point of confidence in moving forward. Aye.

**Saltzman:** I appreciate this discussion, and I trust that the Technology Oversight Committee will be intimately involved in the implementation of this award. Aye.

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**Novick:** Thank you, Jennifer; and thank you, Christine. It seems to me this really is an emergency. We need to take steps to protect the credit card information of our customers. We can't run the risk of imposing fines or even having the credit card companies say that we shouldn't be allowing the use of their credit cards in our parking meters and in other contexts. So, it will cost some money, but it absolutely needs to be done. And I have to say that I applauded Commissioner Fish's move and his bureau's move to go to monthly billing. Now, I re-applaud it because if there's monthly as opposed to trimonthly charges, then that will raise the number of credit card transactions that his bureaus will engage in which will raise the percentage of this total amount of this cost that they'll absorb. Aye.

**Fish:** Mayor, could I propose a friendly amendment? [laughter]

**Hales:** I think the buck just passed here. Aye. Good work.

**Item S-186.**

**Hales:** Any comments before we vote? Second reading, roll call.

**Item S-186 Roll.**

**Fritz:** Thank you, especially to Nancy Thorington who has sat through three hours of previous testimony to be here and who has done an amazing job on this project. Thank you very much. Jeff Fish was here earlier, he had to leave because the previous items took longer than scheduled but he was the chair of Development Review Advisory Committee. He along with the current chair Maryhelen Kincaid did an extraordinary job shepherding and indeed guiding this whole process. The other members of the subcommittee were Rob Humphrey, Claire Carder, Steve Heiteen, Caroline Dao from the Historic Landmarks Commission, and Gwen Millius from the Design Commission. We also appreciate Brandon Spencer-Hartle from Restore Oregon; Al Ellis from united neighbors for reform, and indeed many others from united neighbors for reform; and City staff from Development Services, Andy Peterson, Kareen Perkins, Jill Grenda; and my staff, Dora Perry; along with Shawn Wood from the Bureau of Planning and Sustainability.

So, this was a group effort. Many important issues were raised by community members that are now going to go to further discussion. The mayor and the Bureau of Planning and Sustainability will be looking at the issue of deconstruction -- not just of single family homes but of multifamily homes. Hopefully, Commissioner Saltzman and the Housing Bureau will be looking into the issue of should there be a surcharge on demolitions in order to help pay for affordable housing. And then, the Bureau of Planning and Sustainability again will be working with our DRAC subcommittee on a number of other issues following up from this process. So, still more work to be done, but definitely a good job done thus far. Thank you very much. Aye.

**Fish:** I want to start by thanking Commissioner Fritz for leading us through this discussion, which is complicated. I took a tour of my neighborhood recently and I noted that it's a neighborhood with large craftsman style houses and small bungalows adjacent to each other. And once upon a time as they were being built, we probably had the same conversation in this city about the juxtaposition of a small affordable bungalow next to a house three times its size which was significantly more expensive. In fact, I think one of the strengths of where I live the diversity of housing styles that all seem to coexist. We're going to have more not fewer of these discussions because of the urban growth boundary and because of our commitment to taking density where it can be accommodated. I think this is a good balance.

I will tell you though, Commissioner Fritz, I learned a lot from the discussion last time, and I particularly appreciated the feedback on health and safety issues. In fact, I asked the developer of a project not far from my house if I could see the asbestos and lead paint report. It turns out it exists and they were kind enough to fax it to me and they also furnished me with the follow-up report done by the certified company that was hired to

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remove the hazardous material. That's one issue where you've graciously agreed to give me a follow-up briefing, and I would like to at least make sure that you are confident that the different agencies of government responsible for this are aligned.

We realize that the state and federal government has a role, but I think we want to make sure that regardless of who has that role, we can tell a neighbor or a neighborhood that they're safe. I appreciate you willing to continue that discussion. I think this is a good first step and I appreciate the collaborative way in which you have brought us to this point. Aye.

**Saltzman:** I'd also like to thank Commissioner Fritz for her leadership on this very contentious issue, and thank the Bureau of Development Services and Jeff Fish and Maryhelen Kincaid and the rest of the committee for their advice, as well as United Neighborhoods for Reform. I think we've got a policy here that respects the need for more time to give neighbors perhaps an opportunity to acquire a house that may be worth saving, but it also respects the basic ownership rights of people who wish to sell their property and those who wish to buy it. I think it strikes a good compromise and we probably haven't seen last of this issue. Aye.

**Novick:** I totally agree. I really appreciate the work by Nancy Thorington and Jeff Fish and the DRAC and united neighbors for reform and Maryhelen Kincaid. I think this is a great way to address the notice and appeal issues. And I know there's other demolition related issues that we'll take up, but I think this is a tremendous first step. Thank you, Commissioner. Aye.

**Hales:** Thank you, Commissioner. Thank you, Nancy; thank you all that worked on this. This is an important piece of a multi-part strategy that we're all taking up to try to meter the amount of change and focus it where it's appropriate and try to focus it away from where it's inappropriate. We all quote the line from the Joni Mitchell on how we paved paradise to put up a parking lot. We're proud of the fact that we actually did it the other way around in Portland. But the line before that is "you don't know what you've got 'til it's gone." And what we've got in Portland is mile after mile of great old houses of -- as Commissioner Fish said -- a variety of scale. And I think we're in great danger of losing a lot of that if we don't get this right in a time of huge change and massive real estate pressure.

So, this is a piece of a strategy that will hopefully focus change where it's most tolerable. None of us likes change, but there are places where it's most tolerable and there are places where it just makes us wince. And I think we can do a better job, thanks to this work. And more to come of sorting that out and get it right and not having to mourn what we had that was gone. So, thank you very much. Good work. Aye.

**Item 187.**

**Hales:** Wow, Commissioner Fritz, this is fun.

**Fritz:** I know, wow. This is the first of many appearances about the parks bond. I'm going to have Kia Selley -- thank you for being here all morning -- to explain it.

**Kia Selley, Portland Parks and Recreation:** Thank you, Commissioner. Mr. Mayor and Commissioners, good morning -- I guess it's afternoon now, excuse me, good afternoon. For the record, my name is Kia Selley. I'm the planning development and asset manager for Portland Parks and Recreation. I'm here to request City Council approval of an amendment of the Parks and Recreation adopted budget for the current fiscal year to add appropriation for new staff positions and associated materials and services funding to support implementation of the parks replacement bond program.

With your approval, we will hire new staff for the replacement bond program including up to five capital project managers, a communications and community engagement staff person, and a project support person. These new positions would be funded entirely by the \$68 million replacement bond that was supported by Portland voters

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last November supporting projects at playgrounds, pools, Pioneer Courthouse Square, bridges and natural areas and accessibility projects just to name a few.

We want to show results as quickly as possible, and so to do that we're requesting this amendment by emergency ordinance so that we can immediately recruit for these positions and have new staff in place soon to begin project work. Commencing project work as quickly as possible will also save money due to escalating construction costs and ongoing maintenance needs of deteriorating assets, and acting quickly will help restore service to the community that's been diminished, such as building a new playground at Couch Park.

With these new positions, planning and design for over 15 bond-funded projects will begin this calendar year, with a total of 25 projects to be funded by the first bond issuance that is planned for later this year. Thank you.

**Hales:** Thank you. Questions for Kia?

**Saltzman:** How many capital projects managers are there currently?

**Selley:** We have a capital projects team that actually does projects that are funded by SDCs, urban renewal, and other sources of funds, and we have about eight people within that team. We will pluck a few people from that team that are very seasoned capital project managers to do a few specific projects because they have a certain set of specialized skills and abilities, but we are actually building a separate bond team and that's primarily because the bond program will run very differently, and we want do our best to keep finances separate from the rest of our capital funds.

**Saltzman:** But there's a need for seven full-time people --

**Selley:** That's correct.

**Saltzman:** In perpetuity? It's my favorite word from last week, "perpetuity."

**Selley:** So, the bond program right now -- because it's a \$16 million bond -- does have a finite amount of money obviously. What we're doing though is we think that we'll have at least six to seven years of full-time work for those people, and in order to recruit for good people, we want to make those full-time permanent positions. We have difficulty particularly in a good economy finding good people to do this kind of work when we offer limited term positions.

**Saltzman:** Thank you.

**Hales:** Great. Other questions for Kia? Anyone else want to speak on this item? OK. And then it's an emergency ordinance so let's have a roll call vote, please.

**Item 187 Roll.**

**Fritz:** Thanks very much to Kia Selley, Mike Abbaté, Jeff Shaffer and our entire team at parks; also Tim Crail and Patti Howard from my office; and to folks who helped pass the bond measure, particularly the voters of Portland that are reinvesting in our parks. Aye.

**Saltzman:** Aye. **Novick:** Aye. **Fish:** Aye.

**Hales:** These positions have a benefit beyond managing the good work, and that is it builds a capacity in the community that then is around for a while. There are a lot of storied names in Portland parks that have passed through the capital program over the years, names like Zari Santner, who brought the bond program the first time around in our lifetimes. You know, Mary Ann Cassin did some of that work even though she was already with the bureau. There was a couple that moved to Portland I think from New York named Richard Bosch and Janet Bebb who hired for a couple of these kinds of positions and they are still in Portland doing great work. So, one of the effects of this investment in physical capital is we're also investing in human capital, and those whether those people are still in the public sector or still in the City or going to Metro or working in the private sector are going to keep paying dividends to the city because we have talented, experienced Parks capital managers in town ready to do great stuff. We'll see where this story leads for the

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folks hired for these jobs, but it's going to be more good news, I think. Thank you very much. Proud day for parks. Aye.

**Item 188.**

**Hales:** Nice round number. Roll call.

**Item 188 Roll.**

**Fritz:** Another piece of good news for Parks. And thanks especially to Bob Sallinger of the East Multnomah Soil and Water Conservation District and the entire board. Aye.

**Fish:** Aye.

**Saltzman:** This is great news. Appreciate the East Multnomah Soil and Water Conservation District's generous contribution to Colwood Park. Aye.

**Novick:** Aye.

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

**Item 189.**

**Fritz:** Mayor Hales, I believe Commissioner Novick has a proposed amendment which I will second for the sake of discussion.

**Hales:** OK. Want to describe your amendment, Commissioner Novick?

**Novick:** Thank you, Commissioner. I'll pass it out. As I mentioned last week, I wanted to explore the possibility of having designated smoking areas in parks. Although I very much appreciate the instinct to get smoking out of the parks, and as a parks goer myself I would appreciate not having to move around to avoid clouds of smoke, I am somewhat concerned about the idea that people might not take their children or dogs to parks if they smoke and there's a complete smoking ban. I am also concerned that there may be instances where banning smoking in the park will result in a cluster of smokers immediately outside the park, which the University of Oregon found when they banned smoking on university property -- there were a bunch of people at a major entrance to the university all smoking and people had to walk through that.

I mentioned this to Commissioner Fritz -- the possibility of maybe having a petition system where people could petition the Parks Bureau to establish nonsmoking areas. She said that that raises a concern with the Parks Bureau that they may be dealing with tons of petitions and lots of public process and they just don't have the capacity for that. What I'm proposing today is that only neighborhood associations could petition for nonsmoking areas -- I'm sorry, for designated smoking areas in the parks within their ambit. So, that would limit instances where there's a request for a smoking area to where people are able to convince their neighborhood association that it's a good idea.

One thing I want to note is that Commissioner Fritz pointed out for many of our parks, there's not really one entrance point where people would all be clustered. But I think there are some examples where there are. For example -- I mean it's not just one -- but for Mt. Tabor Park, one major entrance point is the steps on 69th. And I used to go there a lot, and I think you'd be better off having a designated smoking area within the park rather than having people clustered on the steps so anyone going through the steps would have to go through that.

So, what I'm proposing specifically to add to subsection e of PCC 21.12.110 -- what's currently proposed is the director in consultation with the Commissioner-in-Charge in a manner consistent with the City's Human Resources administrative rules may establish designated smoking and tobacco use areas for Parks employees for whom there's no reasonably available non-Parks property where smoking and tobacco use is allowed. I would had the following: neighborhood associations may petition the Director to establish designated smoking and tobacco use areas at parks located at least partially within the boundary of the neighborhood association. The decision about a neighborhood

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association petition made by the Director in consultation with the Commissioner-in-Charge will be final.

**Hales:** Thank you. So, do we want to take any testimony on the amendment?

**Fritz:** I believe we're required to. I would first like to speak against the amendment that I seconded. I'm concerned mostly because we haven't asked any neighborhood association whether they want that responsibility and authority, and as the previous Commissioner-in-Charge of Neighborhood Involvement, I learned quickly not to do things about neighborhood associations without asking them.

Secondly, we think in Parks that it would require us to then have a process to consider and then we would be back in the same situation where we would have to designate the smoking area, we would have to decide where the smoking area would be, we would maybe have to provide some delineation of where this smoking area would be. So, when we were looking back and forward at doing this in a more general way last week, I don't think that this -- it would probably reduce the number of requests, but it doesn't get us back to the main issue which is healthy parks and healthy Portland.

What I would like to suggest, Commissioner, in lieu of this -- if a majority of the council doesn't support it -- is that we would like to monitor the situation and work with your office as we implement the policy starting in July, you know, have frequent discussions. We're always getting feedback from lots of people on how others use their parks. This hopefully won't be as contentious as dogs in parks, but if it's anything even half as contentious as dogs in parks, we get multiple emails and phone calls every week. So, we would be instantly aware of a problem and would work with you and your office and I would maybe return to Council after having discussed it with neighborhood associations.

**Fish:** Can I make a comment as well? And Steve, I wasn't here last week, I was in Houston. I appreciate that you've brought this issue forward for discussion. And I've thought a little bit about it and I just want to share with you why I can't support this amendment.

I feel very strongly about this issue of tobacco in our parks. I have the misfortune of having lost both my parents to preventable occurrences -- one a car accident, the other one to cancer. I think that it is reasonable for us to join the state and lots of other jurisdictions in saying we just would prefer you don't smoke in a park.

The concern that I have builds on something Commissioner Fritz has mentioned because I previously had the honor of being Commissioner-in-Charge of Parks Bureau, and that is once you open the door a little bit to something like this, there are some potential unintended consequences. And I'll give you an example. We currently don't have a policy that says we give discounts to nonprofits who rent our parks for doing god's work, but we have lots of groups that get a permit to do an event in the park. And I found that almost invariably, they would come to me asking for a discount. It was very, very difficult to look Governor Tia in the eye or any number of distinguished people saying, we're doing something great and we want you to reduce our fees. But what we found was that if we make an exception here and an exception there, it became an expectation. And then what we had done is open the floodgates, and we spent an inordinate amount of time fielding those requests. So, we took the position gently that we just didn't give those discounts, and we invited the council to come up with a subsidy if they felt strongly enough about it.

I have the same concern here. This is well intentioned. But what this is going to do is create the expectation that there's a back doorway of getting around the ban. It's going to impose additional responsibility on the Director and the Commissioner-in-Charge, and ultimately, you're going to have to come up with a whole system to manage this to avoid people feeling like you're doing this in an arbitrary way or in any way that's not thoughtful. I would respectfully say, let's hold the line where it is and then come back and see if this is

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a problem that needs addressed. I appreciate the sentiment behind it, but I think it does more harm than good.

**Hales:** Other comments? Steve, do you want to respond?

**Novick:** Yes. The neighborhood associations wouldn't have to come forward with these petitions. They would be free to reject any proposal to bring one forward. So, this is something that would only come forward if a neighborhood association was convinced it was a good idea in this specific instance. And I suspect those would be -- if they happen at all, they might not -- in cases where, for example, you have a clustering of smokers immediately outside a park which people in the neighborhood conclude is a greater problem than having a designated smoking area within the park. So, I doubt that it would be a hoard of petitions. They would be limited to 99 -- is it 99 or 98?

**Fritz:** 95.

**Novick:** 95 -- sorry -- neighborhood associations. I do very much appreciate Commissioner Fritz's commitment to monitoring the issue, and I hope that that means that if we hear from neighborhoods that there is a problem of smoking clustering that there may be ways to address, then we might take that issue up again. Thank you, Commissioner.

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

**Moore-Love:** Mr. Lightning wishes to.

**Hales:** Come on up. OK, who's on first?

**Lightning:** I'm Lightning. I represent Lightning Watchdog X1. You stated opening up the door can possibly create problems -- which I absolutely agree with you on this -- but there's two sides to every story. Correct me if I'm wrong -- the employees of the City Parks have a right to smoke in these parks. Is that correct? OK. You've corrected me on that. The golfers at certain events have a right to smoke in the parks.

**Fritz:** By a permit.

**Lightning:** OK, so that is through a permit. One of the issues I have also again on this is that being classified as a misdemeanor on this to where somebody smoking in a park -- it can possibly be considered criminal.

**Fritz:** May I?

**Lightning:** Absolutely.

**Fritz:** Because I suspect that may be the concern of the others who are about to testify --

**Fish:** Mayor, we're just taking testimony on the amendment, right?

**Hales:** Just on the amendment.

**Fritz:** It's supposed to be on the amendment, but I was going to say this anyway in my vote anyway. Park Rangers don't have the power to issue citations. In order for somebody to get a ticket for smoking in a park, they would have to call a police officer who would have to be available to come who would then issue the ticket and then the DA would have to prosecute that ticket. The DA -- we've never done that. So as a practical matter, we have not -- unlike dog off leashes -- we have not given the rangers the power to even issue fines. We will be enforcing this through education and we can do it through parks exclusions, but there's no jail time for a parks exclusion.

**Lightning:** So you're saying there will be no misdemeanors if you're caught smoking in the park where you could possibly have a judge say 30 days to you because you violated this three times in a row?

**Fritz:** It's possible because like any violation of City Code, it's a misdemeanor. Most items of City Code -- I've got the City Attorney nodding here -- most things in code are misdemeanors if you don't do them. But in practice, the Parks Rangers don't have the ability to issue a ticket.

**Lightning:** OK.

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**Fritz:** The police are far too busy to come on a complaint of smoking in a park. Even if they did issue a ticket, the DAs are far too busy to prosecute smoking in a park.

**Lightning:** I guess my position on Commissioner Novick -- what he's proposing on the amendment -- is I absolutely agree with him on what he's proposing only due to the fact that I don't smoke cigarettes. I know a lot of people do. It's currently legal at this time. And you're imposing something that a lot of people have gone to these parks for many, many years and they might not do that anymore. They might really get upset about this. Now, you're saying let's wait and see what happens. Well, I know there's going to be a lot of people upset about this. I would like to have a possibility on an amendment to where the neighborhood associations can join together and maybe submit something and have a designated area. I thought that is what should have been done from the beginning. And again, where do we stop from just smoking? Do we go after somebody carrying a can of Coke? Do we go after somebody parking their car that has fumes that annoys you and it's too close to you on a sidewalk? With where do we stop going after people on these type of issues? It's legal to drive. It's legal to smoke. It's legal to drink a can of Coke. But you want to impose it through all these parks right now and say, live healthier, I'm going to impose this and you don't even have a right to have a designated area. I disagree with you on that issue. Thank you.

**Hales:** Thank you. Who's next? Just on the amendment, please, Joe.

**Joe Walsh:** My name is Joe Walsh, I represent individuals for justice. The amendment -- it seems to us that allows a way of the neighborhood associations to contact the City Council and say, we want to do this event, and we want to apply for a permit for a smoking area very much like you would have with the golf courses. It's a little bit irritating to us that the golf courses are exempted by setting something up, that they could have a permit but the rest of the park systems you would make a misdemeanor.

I really appreciate the argument that all City violations are misdemeanors, however, you put it in there, you use the word misdemeanor. Now, here's an argument that you could get six months to a year in jail under a misdemeanor if the judge is really ticked off at you. That's what we don't want. You have a lot of homeless people in these parks. You have to figure out a way that you're not going to put them in jail. And if they have warrants on them they go into jail. If you say to me the Park Rangers do not have the authority -- and I agree with you, I don't think they do have the authority to write citations, that they have to get a police officer to do that -- then why put it in there?

The back of my shirt is accurate. It's very difficult to enforce this unless you hire 10,000 Rangers hanging from trees watching people chew tobacco or spitting. That's what you're doing. You're enacting something that's totally unenforceable. You can't do it without sending people to jail. Just tell people, don't smoke in the parks. That's what you should be doing. You should figure out a way to do a public relations campaign that says it's bad to smoke in parks.

As I said last week, I don't smoke. This is not a big thing for me. You're not going to get me because I don't smoke. But you watch, you come out of here tonight and look at the park with the feeding that's going on, and you will see people smoking in the park. You know who they are? They are the homeless. It's the last vice they have a you're going to take it away from them because the park rangers will use it as an excuse to hassle them. You can't smoke in this park, I'll call a cop on you, I'll put you in jail. Look, we got pictures of you smoking. Smoking!

**Hales:** Thanks, Joe.

**Walsh:** For god's sakes. Get real -- you know? Get government off our backs and this is on our backs.

**Hales:** We heard you.

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**Walsh:** I'm not even a smoker. Did I say that? I'm not even a smoker.

**Hales:** You did say that. Go ahead, Charles.

**Charles Johnson:** Good afternoon, Commissioners. Thank you. As for the amendment, one problem we have is that parks are very different in scope. Waterfront Park, the Tom McCall Waterfront is an area rented out for a significant amount of money by major event sponsors and they can financially accommodate possibly the idea of smoking. It's still a little unclear to me if that's even an option. If a golf course can have a smoking permitted event and Tom McCall Waterfront Park can't -- maybe we could get some clarity on that.

Also we have had conversations about enforcement here. Earlier, Commissioner Saltzman raised the issue of why don't we just ticket the idiots who try to hit pedestrians? Why do we have a massive warning sign public relations event, why don't we just ticket the offenders? This this case, we're saying don't ticket. The point is that there are people in this community who have a nicotine addiction and are at risk. Some of them are right across the street. You all, especially Police Commissioner Mayor Charlie Hales, will have to work really hard to make sure this doesn't become part of the sweeps. Regardless of what we do with the amendment making part of -- having a way to have neighborhood associations participate in smoking areas -- there's a congratulate risk that this legislation will be used in an unfair way so that when we see a transient homeless person on a park bench, they can be harassed out of the park then harassed off the sidewalk. And some of these people are harassed the point they become part of the suicide statistics or we finds them dead on our streets.

I love clean area. It's a little bit annoying to walk through a park and have a smoker in front of me. It's not as big of an issue across the street as it is when I'm in Forest Park. There's not great air quality in the park across street.

But whatever time and energy you put into finding an amendment that accommodates smoking with permits, I hope you'll also -- as we talked, Amanda raised important points about the fact that the DA is unlikely to prioritize this. The police are unlikely to prioritize this. But it's your job to make sure they don't prioritize it at all, that we just tell people it's a violation, please step out of the park area, but that we don't hound them. Thank you very much.

**Hales:** Thank you all. So, let's take a roll call vote on the amendment first.

**Roll on amendment.**

**Fritz:** Commissioner Novick, I greatly appreciate the collaborative way you brought up this amendment. We've had some discussions over the past week. I just can't do something that requires neighborhood associations to do things without having had their input into it. No.

**Fish:** No.

**Saltzman:** I appreciate your amendment, Commissioner Novick, but I do not intend to support the ban at all. No.

**Novick:** Aye.

**Hales:** Be open to maybe making a change like this later on. Let's keep it simple at the outset and then see if we need to modify. So, no. Therefore, as we haven't adopted the amendment, we're free to go ahead and take a roll call vote on the ordinance itself.

**Item 189 Roll.**

**Fritz:** Thank you for this really good discussion and thank you to Parks staff for bringing this forward, and indeed the Parks Board who are our citizen volunteers -- that the concept initiated with them. We have wildfires in our parks. In fact, it was pointed out to me after the hearing last week -- I was interested that we had a roomful of people and only five people testifying, so I went and talked to some of the folks. One lady said that her son is

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currently unable to use parks because of smokers that set off his asthma. So, we currently have people being excluded without meaning to because of health issues.

So, our parks are supposed to be about healthy behavior. And I was at OHSU when we went smoke-free first inside and then outside as well, and people adapt. People adapt at Autzen Stadium where for four hours or more you're watching a football game and you don't smoke, and you choose to go there because it's fun. I would like Portland's parks to follow the hundreds of jurisdictions across the nation where it's very clear that we will be asking people not to smoke in our parks.

We will be having a publicity campaign starting before July or right at the beginning of July. It'll be very low cost, I won't be asking for additional appropriations for this. As Commissioner Saltzman had me promise last week, we will not ask for more rangers for enforcement. This will be on the basis that once people know what the rules are, the vast majority of us follow them whether we agree with the rules or not. That's the spirit with which I offer this, and I really appreciate support. Aye.

**Fish:** When I was a kid, I remember being taken to a hockey game in New York City at Madison Square Garden. In those days, you could smoke at public events like that. Of course, the seats were the worst in the arena so we were up in the nosebleed section. What I remember though about the event was there was a cloud between us and the event -- a cloud of smoke. In those days, it was cigarettes and cigars and it was widely condoned. I also remember going home reeking of tobacco because the entire arena smelled.

My mother and father, my father and my stepmother both smoked a lot, and I was often in a car being driven to school, a captive audience into a car with a lot of smoke, and that was not my favorite experience. We've come a long way as a country in terms of the issue of smoking, and we've gotten real about the health hazards of smoking. I wish there had been a more robust public education campaign a generation ago, and it might have allowed my father to live long enough to see his grandchildren. But that's not the case.

We still are in a country where we allow people to market a deadly substance to people using false messages, and people do get addicted and they get addicted to something that kills them. We should not celebrate that.

Today, however, we're dealing with a very common sense adjustment to our law which is consistent I understand with what the state does and what many other cities and states, which is we're saying that you're not allowed to smoke in our parks. Parks are where families and children and older adults and young people come to congregate, and we're saying that if you have to smoke, do it somewhere else. It seems to me reasonable and common sense.

I note that we already have a prohibition in a number of places, and I spend a lot of time at Director Park and Pioneer Courthouse Square. My own experience is there are not people congregated outside of the park smoking causing negative impacts on others. Instead, we're allowed to use these spaces without having smoke -- and dangerous smoke.

Commissioner Fritz, you have brought this forward after a careful process of involving the Parks Board and careful evaluation of legislation. I think it's a common sense thing to do. I understand it's not popular in every quarter but I think these parks belong to all of us. I do not see it as unreasonable restriction on personal liberty to require that people not smoke in our parks. I'm pleased to support you today, and I vote aye.

**Saltzman:** Well, as I believe -- and as I did in my tenure as Parks Commissioner -- the Parks and Recreation bureau does have sufficient authority right now to ban smoking, as they have done at Pioneer Courthouse Square, at Director Park, and within 25 feet of any playgrounds. These are all actions taken when I was at the helm and when Commissioner

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Fish was at the helm, and I believe that's the proper approach: to take high density areas, high population density areas and implement bans there or implement bands on special events. But I think with 220 parks and natural areas -- all of them outdoors, last time I checked -- adding up to some 11,000 acres, that's simply unenforceable.

I believe that we are going to be setting up conflicts between our citizens and we are -- like it or not, whether it's a park ranger -- we are giving a pretext for police to hassle somebody for smoking. And we all know that pretext stops can often lead to bad things. We've seen enough of that in our history, I don't think we need to give another pretext here. I think we have sufficient number of acres of open space and natural areas that we can give people some space to be left alone. I think that's what people look for in our parks and natural areas -- is for solitude, to be left alone. I think we can do that and I think we can also ban smoking in the areas where it's going to impact high densities of people. I think that's the right balance to take. As I said, I think the Parks Bureau has sufficient authority right now to protect public health. No.

**Novick:** I very much appreciate the bureau's and the Commissioner's commitment to public health and to dissuading smoking and protecting park goers from having to wade through clouds of smoke. I'm very happy to support this proposal, I just would have been slightly happier if my amendment had been adopted. Aye.

**Hales:** Thank you, Commissioner, for bringing this forward. I'll just take a few seconds to tell a story about my father that might lighten the mood. This is an important change, and it's about how we share space and about an evolving understanding where it's OK to smoke. We think it's normal that you're not allowed to smoke in a workplace anymore, but that once wasn't true. Or you can't smoke in a public building, and that once wasn't true as well.

**Fish:** Airplanes.

**Hales:** Yeah, airplanes -- that was a very painful memory you brought up. My father was an avid nonsmoker in the era before it was possible to have a smoke-free workplace. He had a colleague who was at a drafting table immediately across from him who smoked a pipe, and my dad was enormously irritated by this and physically discomfited by it. And once when his colleague was out of the room, my dad chopped up rubber bands in very small pieces and mixed them into his colleague's pipe tobacco thinking it would make really unpleasant smoke when he came back. Well, as it turns out when you do that with rubber bands -- I don't recommend this, but you can try it if you want -- they don't just smolder, they go off like little skyrockets. [laughter] So, it was a spectacular end to his colleague smoking. So, perhaps what you're doing here is preventing people from taking the law into their own hands in spectacular and even violent ways. With that, maybe we can smile as we do this because I think it's good public policy, and I appreciate it. Aye. We have a couple more things to finish up, and then we will take a break.

**Item 191.**

**Fish:** Mayor, this is a second reading but we would be happy to give you a full presentation -- [laughter] -- if you'd like a refresher.

**Hales:** Let's not. Roll call, please.

**Item 191 Roll.**

**Fritz:** Thank you, Commissioner Fish, for your very comprehensive briefing last week. Aye.

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

**Item 192.**

**Hales:** Also a second reading. Roll call.

**Item 192 Roll.**

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**Fritz:** Thank you, Commissioner Fish, for your comprehensive response to the concerns that each of us raised last week. All my questions were answered. It does seem that this is going to be good for the planet, good for the ratepayers, and so definitely in the best interests of the city. Aye.

**Fish:** Thank you. I should also note, Commissioner, that this builds on the good work of my predecessor Dan Saltzman who challenged the bureau to think about ways of becoming more sustainable and using some of the byproducts to reduce our energy costs on site. I appreciate that you've identified the triple dividend of this particular project. I'm pleased to vote aye.

**Saltzman:** I want to thank Commissioner Fish and the Bureau of Environmental Services for their detailed answers to questions we had last week. While I'm excited about this idea of using biogas for transportation and I will support this, I do note we still are relying on in our cost benefit analysis a \$2 million grant I believe from the state, and then looking at an \$8 million capital cost to actually do the fueling stations. I want to make real sure we have from customers lined up to use that before we take those next steps where we find out whether we get the grant. And I know there will come back to Council to authorize construction. While I'm excited, I also have some trepidation about it, but it's a great project to move forward on. Aye.

**Novick:** Very impressed by this project. Aye.

**Hales:** Very innovative. Aye. Thank you.

**Item 193.**

**Novick:** Colleagues, in 2011 the City was awarded a grant in the amount of \$23 million from the U.S. Department of Transportation. The funds were used to relocate and reconstruct SW Moody Avenue between SW River Parkway and SW Gibbs Street. The project elevated the roadway 14 feet above the original grade, created three traffic lanes, dual streetcar tracks, pedestrian walkways and a bicycle cycle track, and we shifted the road to the west.

The purpose of this proposal is to vacate a portion of SW Moody Avenue north of the Ross Island Bridge. The petition was initiated by ZRZ Realty company for the purpose of eliminating existing excess right-of-way that existed after the realignment and to incorporate this land into that current and future development along property owned by ZRZ and 3030 Property LLC. I'll turn it over to Lance Lindahl for further elaboration and for questions.

**Lance Lindahl, Portland Bureau of Transportation:** Thank you, Commissioner Novick. Once again, excellent job in explaining the history behind this case that's been kicking around for couple of years. Just a couple other items to mention.

The City engineer's report, which was included as a reference, made mention of street vacation also on the south side of the Ross Island Bridge, and per the request of the petitioner, that was removed from this proposal. That may be coming forward at a later date. The grant radically transformed this area. It left some remnant parcels behind, and we're now hoping to return those to private ownership and put them back on the tax rolls.

**Novick:** Thank you. Any questions? Any public testimony on this item?

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

**Novick:** To be honest I forget. Is this -- [speaking simultaneously]

**Moore-Love:** It's a non-emergency, it'll go to a second reading.

**Novick:** OK, it'll go to second reading. We are recessed until 2 o'clock.

At 1:12 p.m., Council recessed.

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

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

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

**FEBRUARY 18, 2015 2:00 PM**

**Hales:** Welcome, everybody. We'll reconvene the council meeting for today. Would you call the roll, please?

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

**Hales:** Welcome, everyone. We have a single item on the council calendar this afternoon, we'll start that in a moment. Just a couple of ground rules. If you're here representing an organization, you need to let us know that under our lobbying rules. If you're here representing yourself, you need only to give us your name when you testify. We typically try to hold testimony to two minutes per person when it's in a large hearing like this and we have a lot of people, so try to be brief and to the point just so that we can hear everybody. And speaking of hearing everybody, we certainly don't have any problem with people indicating their support or opposition to their fellow citizens with a thumbs up or thumbs down or some other gesture like that, but we ask that we don't have vocal demonstrations in the chamber in favor or against our fellow citizens' point of view so that they can express that point of view without feeling intimidated. So, that's it in terms of ground rules. Would you please read the item?

**Item 194.**

**Hales:** Thank you. Let me make a couple of comments and turn it over to Commissioner Saltzman to do likewise, and other Council members may have opening comments as well. This is an opportunity I think for us as a City to do what we can with what we have where we are. Where we are is a city where the economy is doing really well, unemployment is down, job creation is up, average household income is even up. But for a lot of our fellow citizens, that's not the case. And in fact, there is a recent study that I keep citing to people that show that poverty has actually gotten more concentrated in Portland over the last 30 years rather than less. So, the national problems of income inequality and of really two economies we see very much here in Portland as well.

The cost of living here in Portland is going up in no small part because of pretty substantial increase in the cost of housing. And in fact, a number of studies say that people need to make at least \$15 an hour to just be able to keep up with those kinds of costs of living here in Portland. So that's why folks like the National Low Income Housing Coalition and the Alliance for a Just Society have supported this kind of public policy, because they see what's happening to the cost of just getting by.

We think that this is a good place for us as a City to make a stand and to make a start. We know that there are a lot of workers who won't be affected by this first step that we're taking as a City, and we know that there are more steps that we want to take particularly to deal with our seasonal and part-time workers as well. But what we can do, we think, with the funds that we have available as a City now is go this far, and that is to pay our own workers and our direct contractors at least \$15 an hour and then be ready to move on down that road as our resources allow us to do that. So, that's the theory behind my support for this and my co-sponsorship of it with Commissioner Saltzman. I'll turn it over to you, Dan, for your thoughts as well.

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**Saltzman:** Thank you, Mayor, and thank you all for being here today on this important issue of raising the minimum wage for working people. As we all know -- and we will hear more about shortly -- \$15 an hour is being recognized now as the wage floor for all U.S. workers, and it's where the climb out of a low-wage reality begins.

Over the past two years, I've listened and participated in many discussions and with citizens and activists regarding living wages and pay equity, and this hearing and accompanying resolution is a step at making sure your voices are being heard and that we are going to be taking some action in our upcoming budget. I've enjoyed working with those at 15 Now PDX, and I thank you for your passion and advocacy on this matter. While this resolution before the City Council today doesn't raise minimum wage for all Portlanders, it's a reasonable step that can be accomplished over the next year and -- as the mayor said -- within the resources we reasonably have to raise people's wages.

I was struck by testimony of a woman two weeks ago. She was actually in an exchange with Commissioner Fish about building heights, but she was talking about her past activism in New York City and she said, you know, you do what you can do. And that's what we're asking -- that's what I'm asking my colleagues here today, is to do what we can do, and that is to take a good solid first step towards raising the standard of living and the money in the pocket of many of our hard-working contract employees -- security, janitorial, and parking attendants.

So specifically, this resolution directs our Human Resources department to adjust the implementation of City Code Section 3.99, otherwise known as the Fair Wage Policy, to make certain workers under formal contracts with the City receive at a minimum \$15 an hour. As I said, for the most part they work at our City-owned facilities providing janitorial, security services, and parking services. It also directs the staff to make certain all full-time employees within the City of Portland make a minimum of \$15 an hour.

So Mayor, I'd now like to invite up our one invited panel, a four-person panel to address Council and then we can open it up to public testimony. I'd now like to invite up Justin Norton-Kertson of \$15 Now PDX. Saw a lot of Justin on the campaign trail last year. Mary King, a retired PSU economist; Sarah Kowaleski who is with Portland Parks and Recreation; and last but certainly not least, City Hall's own Mark Jefferies. Thank you for being here. Why don't we start with Justin and work our way down?

**Justin Norton-Kertson:** Thank you for the opportunity to make this presentation before the council. I'm Justin, a representative of 15 Now PDX. We want to thank Commissioner Saltzman for calling this hearing -- Commissioner Saltzman and Mayor Hales for their leadership on this issue. We'd like to thank your recognition that \$15 an hour is the bare minimum that a working person here in Portland and in the state of Oregon needs in order to not only get by, but to thrive and support their family. We also would like to thank Commissioner Fritz for her staunch advocacy for more full-time union jobs with benefits within the Parks department. It's a laudable goal and we fully support that goal and look forward to working with Commissioner Fritz and the council to make that happen.

We support the mayor's proposal and the resolution before the Council today. We see it as a work in progress. The Fair Wage Policy was first adopted back in 1998, thanks to a hard-fought campaign by Jobs with Justice. When first adopted, the policy provided a minimum wage of \$8 an hour plus an additional \$1.50 minimum for benefits to security guards, janitors, parking lot attendants, and other workers at companies that contract with the City.

Today, the policy's minimum wage is \$10.32 per hour plus an additional \$1.98 for benefits. This is not a living wage.

**Fritz:** Say that again, please.

**Norton-Kertson:** Yes -- \$10.32 in wage, \$1.98 in benefits.

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**Fritz:** Thank you very much.

**Norton-Kertson:** So, this is not a living wage. We applaud the mayor's announcement to move on this and raise the Fair Wage Policy for contract workers, but we need to ensure that it's \$15 in wages, not total compensation. While benefits like health insurance are important, workers cannot pay their rent or buy their groceries with these benefits. So, we need to ensure not only that workers have the benefits that they need but have the \$15 in wages that they need to get by.

We also strongly urge the Council to include in the revised Fair Wage Policy our proposal for a citizen review committee with representatives from the labor community. This committee will be tasked with ensuring companies who contract with the City comply with the Fair Wage Policy and actually pay their employees \$15 per hour. We also support the proposal by Mayor Hales to bring all permanent full-time City workers in Portland up to a \$15 minimum wage, and we applaud the mayor for going this step further than just the Fair Wage Policy.

But while we support raising the minimum wage to \$15 for any workers, we also emphatically fight for \$15 for all workers. While supporting the mayor's proposal, we have to recognize that it leaves behind some 2000 of the City employees who need a raise to 15 the most: so-called casual Parks workers. These workers already receive less than full-time hours and don't have any benefits. If anyone needs 15 now, it's them. Multnomah County has implemented a \$15 minimum wage for all County employees, and we need our City Council here in Portland to be real leaders on this issue and dedicate itself to implementing 15 for all City workers.

We call on the council to form a contingent worker task force, not just to assess the appropriate level of compensation for these casual workers, but to create and implement a concrete plan for creating more full-time jobs covered under the currently proposed \$15 minimum wage for City workers; to redefine casual to be more accurate and limited in its use; and to raise the minimum wage for all City workers to 15, regardless of their classification or the number of hours that they work.

For too long, the City has relied on this so-called casual contingent work force, particularly within the Parks department. Without having to pay decent wages, full-time hours, benefits, the City leaves thousands of its employees behind and living in poverty. No one who works should live in poverty, and our tax dollars should not be used to pay poverty wages.

All of the other departments in the City have benefited from this unethical overreliance on a low-wage contingent work force within the Parks department. Commissioner Fritz has been working hard to try to end that by creating more full-time jobs. We have been working hard to try to raise wages. It's time that the City Council and the City work together to make both happen.

**Hales:** Thank you.

**Saltzman:** Thank you. [applause]

**Hales:** Please, folks -- hands. Welcome.

**Mary King:** Thank you. Mayor Hales, City Commissioners. I'm Mary King, I'm a labor economist and professor emeritus at Portland State economics department, and I very much appreciate the opportunity to address you today on an extremely important topic, city wage policy.

As you know, nationally, our minimum wage policy is a disgrace. The federal minimum wage hit peak value in 1968 at \$1.60 an hour. That's the equivalent of nearly \$11 an hour now. In Oregon, we feel pretty good to have a minimum wage of \$9.25, but that's only 85% of what the federal minimum was 50 years ago adjusted for inflation. Low-wage Americans earned considerably more in 1968, even though our GDP per capita was just

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over half of today's -- again, adjusted for inflation. So as a nation, we're nearly twice as wealthy per person as we were 50 years ago, but our federal minimum wage is much less as a direct result of national policy. And our nation is worse off for it. We suffer more inequality, more poverty, more homelessness, more despair.

Locally, we have the ability to do something about it. The City of Portland plays a critical role in our economy as an employer, as a steward of our tax dollars, as a public expression of our values, and as a model for sustainable economic policies. We can set a much-needed floor to hold up wages and living standards for families in the community. One of the terrible outcomes of low pay is child homelessness. The Oregon Department of Education recently reported that more than 10% of the students in the Reynolds District lack a permanent home, and that's the case for more than 1200 students in the Portland Public School District.

You may have seen the recent PSU study by Sheila Martin and Elizabeth Morehead, titled *Where the Ends Don't Meet in 2014, Measuring Poverty and Self-Sufficiency Among Oregon's Families*. The report shows that \$15 an hour is not quite sufficient to keep a parent and two kids in Multnomah County from having to rely on public subsidies, even if both kids are in school and the family has no child care expenses. One adult, a teenager, and another school-aged child need at least \$16.50 an hour, full-time, year-round, to live independently.

So, \$15 an hour is by no means extravagant for the positions covered by Portland's Fair Wage Policy, or really for any City worker. What's more, there's a cold-blooded economic case for employers to pay higher wages than they have to. There's a payoff to employers who pay relatively higher wages, or the term economists use is who pay "efficiency wages." Employers gain from employee loyalty and willingness to work harder and be more productive, as well as from lower turnover with its reduced recruiting, hiring, and training costs.

All of us in the community benefit from higher wages at the bottom. It's not an accident that the higher wage states and nations are the most prosperous. Higher wages at the bottom give kids the security they need to succeed and join the mainstream. Local businesses prosper when families have enough to keep up with their rent and other expenses. People who earn less than \$15 an hour have to spend nearly every penny they make, and that money is spent locally.

For all of these reasons, I strongly support the City of Portland in this initiative to amend our Fair Wage Policy to set a new wage floor of \$15 an hour, and I very much look forward to our ability to extend that to all Portland workers. Thank you.

**Hales:** Thank you. Welcome.

**Sarah Kowaleski, Portland Parks and Recreation:** Good afternoon, Mayor Hales, Commissioners and members of the public whom I serve. My name is Sarah Kowaleski. I moved to Portland about five years ago out of love for its green spaces and award-winning parks system. I now feel lucky enough to work for Portland Parks and Rec at Multnomah Arts Center, where I have worked for the last five years.

At Multnomah Arts Center, I found a niche coordinating arts workshops. I also book our community's important life events: weddings, anniversaries, birthdays. I approve scholarships and make spending decisions for my center. I am also one of the so-called seasonal or casual employees. I ration my 1200 hours year-round, and like many others, I am living in poverty. I am counted on by my supervisors -- one whom is here today -- but what I did not count on in my years of service is that I would struggle to feed myself. I currently depend on food stamps and I have sought the help of food pantries more than a couple of times. My student loans are also in deferment.

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I come to you today because what I see is a budget problem with a human cost. The cost is that there are two types of Rec workers systemwide doing the same job: coordinating programs, approving scholarships, and making staffing decisions. One type of Rec worker is hour-capped, low wage, and a casual employee. The other type of Rec worker is full-time with a fair wage and generous benefits. I fall into the first category, and my case is hardly the worse.

I agree with your desire, Commissioner Fritz, to award workers who have shown commitment and service with full-time jobs. However, we can't run Rec or contract services with full-time positions alone. What we could and should do is convert casual jobs to permanent stable positions with a living wage: a minimum of \$15 or higher for all workers, whether full-time or part-time.

I suggest this as I aspire for the best, most functional Rec system, a place where I can continue to serve my community; a place where our programs and the employees behind them can flourish. I support 15 Now and it is called for 15 for contract workers, City workers -- and ideally, all workers. To paraphrase the State Senator Chip Shields, who supports 15, we are asking for 15 because we want a chance and not charity.

**Hales:** Thank you very much. Mark, welcome.

**Kowaleski:** Thank you.

**Mark Jefferies:** Good afternoon, Mayor Hales and Commissioners. My name is Mark Jeffries, and I'm a janitor here at Portland City Hall and a member of the Service Employees International Union Local 49. I've been working here for close to three and a half years, and for PHC Northwest for over 12 years. I'm proud of the work my coworker and I do, and we appreciate the support and recognition we receive from the people here.

This afternoon, I want to voice my support for a \$15 an hour minimum wage increase for the City workers and contractors. I know of janitors with large families who struggle to make ends meet. We janitors work physically demanding jobs and should be compensated accordingly. With the extra income, my wife and I can choose to put more money towards retirement. A \$15 an hour wage would help with maintenance and unexpected repair costs, such as the recent work performed on our car that cost us over \$2000. Extra income could also be used to help offset our contributions to our daughter's community college education. My daughter is employed and rents an apartment and my wife has an office job in the private sector, and our combined income allows us to get by alright. However, we would have had strong financial challenges without the City's commitment to using a union contractor and our union standing up for working families.

So along with my coworkers, union members, and City employees, I look forward to this beneficial wage increase. Thank you for listening to me on this important issue.

**Hales:** Thank you.

**Saltzman:** Thank you all.

**Fritz:** Thank you all for being here. Colleagues, I would like to bring to your attention again what Sarah Kowaleski said -- she would not be covered by this policy. And when she met with me along with other 15 Now supporters in my office, I asked, wouldn't she prefer to have a full-time job with benefits? She said, of course, but this is the first step. And I want us all to remember Ms. Kowaleski, who is on food stamps -- she is our City employee, and we need to be sure that we do right by our City employees and everybody else that we employ. So, thank you all for your testimony, it's really helpful.

**Norton-Kertson:** Thank you, Commissioner Fritz.

**Kowaleski:** Thank you.

**Jefferies:** Thank you.

**Hales:** Thank you. [applause] OK, let's take public --

**Fritz:** Actually -- I have questions.

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**Hales:** Oh, go ahead. And amendments probably ought to come up soon, too.

**Fritz:** Yes. So, the ordinance title is to receive pay at -- to receive \$15 per hour pay. Is it the sponsor's intent that the pay would be \$15 and then benefits on top of that?

**Saltzman:** I think that's the correct answer, yes.

**Fritz:** OK. And do we have an estimate for how much that would cost?

**Hales:** I think we do. Who do we have here from the Budget Office? I think it's -- there's Andrew. Come on up, Andrew.

**Andrew Scott, Director, City Budget Office:** Do we have any representatives from OMF?

**Hales:** OMF not here. [inaudible] Anna is here.

**Fritz:** I'm gonna have questions for you, too, Ms. Kanwit.

**Scott:** OMF did the costing, that's the only reason why I would invite them up. I'm Andrew Scott, City Budget Director. And again, the costing was done by OMF, but the estimate right now for the policy written as between \$1 million and \$1.1 million. The bulk of that is for the contract employees, and then a smaller amount for the City workers.

**Fritz:** It's less than \$50,000 for the City workers, right?

**Anna Kanwit, Director, Bureau of Human Resources:** The estimate for just the pay alone for the City workers who are currently on payroll is about \$47,000. We do have a number of positions that are vacant that haven't been filled yet. So, that cost could actually go up as we fill those positions.

The other piece of it that is very difficult to estimate is whether there will be any increased cost due to compression in some of those classifications.

**Fritz:** Right, so --

**Kanwit:** So, base-wise of the people who are in that right now that we have on payroll, it is about \$47,000.

**Fritz:** Right. So, it is about \$1 million for the contracted workers, less than \$100,000 for the City workers. And I want to explain what you just said for those who might be watching at home about compression. We try very hard in the City to pay fair wages for equal work, and so if somebody is currently at \$12 an hour and somebody else is at \$14 an hour, with this policy, do we pay both \$15 an hour or do we pay the second one \$17 an hour? That's a question I have for the sponsor as to whether that's factored in to the \$1.1 million estimate?

**Kanwit:** It's factored into the overall estimate of the cost for current City employees because again, if the positions were filled -- there was kind of a ballpark of anywhere between \$60,000 to \$90,000, \$100,000 -- very much a ballpark.

**Fritz:** So it's factored in for the City but not for the contracts -- we don't know as far as compression for the contracts?

**Kanwit:** Bryant would have to answer that question. I don't know for the contracts that the City has. But we did an estimate from the Budget Office of going up to \$100,000 for City employees only. That does include a guesstimate on compression.

**Fritz:** OK. And before I leave budget -- remind us all, Andrew, how much do we have in ongoing funding in the upcoming budget discussion?

**Scott:** The current forecast is \$4.6 million ongoing. That forecast will be updated in April when we have new business license and inflation numbers.

**Fritz:** Thank you.

**Bryant Enge, Office of Management and Finance:** I'm Bryant Enge with the Office of Management and Finance. Commissioner Fritz, at this time we have not included the estimate in terms of the compression. We believe that the contract will have to be negotiated with the union, and so we have not anticipated in terms of what the compression costs would be.

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**Fritz:** So, at this point, we're looking at a minimum of \$1.1 million?

**Enge:** Correct.

**Fritz:** Thank you. And Ms. Kanwit, in the resolution as written, there's an item that asks you to set a work plan to develop for assessing seasonal work and the appropriate level of compensation. When do you think you might be able to start such a task force?

**Kanwit:** And I'm sorry, I failed to introduce myself the first time around -- Anna Kanwit, I'm the Director of Bureau of Human Resources. We could put together the task force to put together a work plan within the next few months. The concern I had -- and this was a discussion I had with Commissioner Saltzman's Office -- in terms of actually implementing that plan and doing the assessment the plan envisions, I don't currently have the staff to do that because we have another major compensation project that we're working on. The plan, you know, we would start on relatively soon and have to Council for review, but implementation of that plan -- to be really honest about it, I don't think we could really start that for a year or so.

**Fritz:** Thank you. Does anybody else have any questions for this panel? And then I'll have some amendments.

**Fish:** I have one. Thank you. So, you've cost out what this resolution could cost the City, and we've got a range. My understanding is we have contracts with third parties that require them to maintain a floor under our Fair Wage Policy. So, to what extent does this action trigger an obligation of some third party to also raise wages that provides a benefit to employees that we're not paying for directly?

**Enge:** Commissioner Fish, we have just learned that there is an obligation pursuant to an agreement between the City and Clean and Safe. And so we're going to do additional analysis in terms of what it may mean in terms of both the City --

**Fish:** Could you for the record describe what Clean and Safe is?

**Enge:** Clean and Safe is a group of workers that we see in the downtown area that are responsible for keeping our downtown sidewalks clean.

**Fish:** So, in addition to stadium attendants, parking attendants, parking garage security patrol, there's now a fourth category of people who may benefit from this action and that's Clean and Safe workers.

**Enge:** That's correct.

**Fish:** And what's the nature of our relationship with Clean and Safe?

**Enge:** It's a third-party contract. Basically, it's my understanding, that these contracts with Clean and Safe, subcontractors to Clean and Safe are required to follow the City's Fair Wage Policy.

**Hales:** But the contractor and subcontractor?

**Enge:** The subcontractor, yeah.

**Fish:** Are any of those positions represented?

**Enge:** Again, I'm not sure. I would have to look into that, Commissioner Fish.

**Fish:** OK. And under your current understanding of those agreements, is that an obligation of us, them, or some combination?

**Enge:** Additional research needs to be done in order for me to answer that question, Commissioner Fish.

**Fish:** So, the good news is this action may end up lifting essentially more than we have quantified to date. Question mark is, who pays for what?

**Enge:** That's correct.

**Fish:** Are we -- in the resolution before us, are we binding ourselves in any way to the outcome of that discussion?

**Enge:** I am not --

**Fish:** Does the language of this resolution compel us to resolve that one way or another?

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**Enge:** I'm not sure.

**Saltzman:** I think the resolution is to set the clear signal to everybody listening and everybody that works for the City that this is the direction we want to go. There's going to have to be details flushed out between now and when we adopt the budget July 1st.

**Hales:** Yeah, I mean, the resolution directs policy. It doesn't automatically amend contracts.

**Fish:** I guess since what we're trying to do is fully quantify the scope of beneficiary and the cost and not have any confusion about who is responsible for those costs. I understand what we're doing is setting the framework, but when do you think you could report back to Council on the question of Clean and Safe so we know what the legal issues are and what Council options are?

**Enge:** Commissioner Fish, I believe we can do the analysis in the next couple of weeks.

**Fish:** And is that the only other category that we know of that's not currently identified in this resolution where there could be a direct or indirect impact of the 15 --

**Enge:** Commissioner --

**Hales:** I think it's -- aren't there two? Clean and Safe and Portland Mall Management, both of which are assessment districts administered by a third party that might or might not be subject to our Fair Wage Policy.

**Enge:** And that's the piece where I have to do some additional analysis.

**Fish:** I just want to be clear, we're identifying categories of employees that may benefit from this action but we're not by this action -- you're not asking us to resolve the question of how those wage increases are funded?

**Enge:** What I'm going to be doing next is to --

**Fish:** Today, you're not asking us today to decide that question.

**Enge:** Right.

**Fish:** You're going to come back to us and report who these other employees are that may benefit from a bump in our Fair Wage Policy, and then pursuant to the agreement, who pays for that.

**Enge:** Correct, based on the agreement.

**Fish:** OK.

**Fritz:** Mayor, I have some amendments to introduce. First, to delete the paragraph that starts "whereas the Portland City Council recognizes the unique nature of seasonal employees and directs OMF and the Bureau of Human Resources to develop a project work plan." I would like to delete that because I can't wait 18 months before getting working on this. Instead, I'd volunteer to delete that work and substitute "be it further resolved the Council directs the Parks Commissioner to create a task force with members appointed by the Mayor and each Commissioner to assess seasonal, recreational, and apprenticeship work with the appropriate compensation. The task force shall complete its work so that Council can consider appropriate compensation in the 2016-2017 budget process." [applause] That's my first amendment.

**Hales:** You want to take these separately?

**Fritz:** I want to take them separately, yeah. So, you are moving that amendment. I'll second that.

**Fritz:** Thank you.

**Hales:** Further discussion about that amendment?

**Fish:** I have some questions. Let's put them all on the table first.

**Hales:** OK, let's put them on the table and then we can take action on them.

**Fritz:** The second one is to clarify that the proposal on the table today -- as I understand it from talking with the mayor -- is for full-time workers in both the City and our formal contracts. So, to add -- to clarify that in the now therefore be it resolved, the first one,

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“Portland City Council directs the Office of Management and Finance to amend the City of Portland’s Fair Wage Policy” so then insert “full-time employees performing work under formal service contracts entered into the City receive \$15 per hour”.

**Hales:** You’re moving that. I’ll second that.

**Fritz:** Thank you. Third amendment is to specify that this additional money that the taxpayers will be paying for the purpose of paying our good contracts employees \$15 an hour is to get to the employees intact and that we will not be paying additional overhead to the -- when we renegotiate the contracts with G4S and other community partners that are employers for these folks, that there will not be any additional work for G4S and others, so all the additional money goes directly to the workers and we should not be paying anymore additional overhead. The third amendment is to add, “be it further resolved that additional compensation will not result in additional overhead charges by the contractor with existing contracts.”

**Hales:** Is there a second?

**Novick:** Second.

**Hales:** OK.

**Fritz:** And then the final one -- not the final one, it’s the final one you have written down and I then have another one. We just found out about the wording of this resolution last week, and so I apologize that we haven’t had all of these out for public review before now. It’s again to specify that we’re talking about City of Portland workers in full-time budgeted positions. So, “be it for the resolved that BHR will make certain that all City of Portland employees in full-time budgeted positions that are in the classified service will be at minimum paid at \$15 per hour.”

**Hales:** Second for that?

**Novick:** Second.

**Fish:** So, they’re all on the table for discussion?

**Hales:** Where would you like to start?

**Fish:** Anna looks like she might want to add some guidance first, then I have some questions of the sponsor.

**Kanwit:** Thank you, Commissioner. Just one comment on the full-time designation for the City employees. For the hourly wage for the employees and budgeted positions, which is our regular employees and classified service, their wage rate doesn’t depend on whether they’re working full-time or part-time. Those wage rates are set either through a non-represented pay range or through the pay set in collective bargaining agreements. And so whether somebody works part-time or full-time, their hourly wage would be the same. So, the full-time designation doesn’t work very well for the regular City employees.

**Fritz:** Are there any regular City employees that work part-time in budgeted positions that make less than \$15 an hour?

**Kanwit:** I don’t know that. Probably not, but that’s pretty much a guess. We haven’t gone to look at the individual employee schedules. But we do have part-time employees in regular budgeted positions, and they make the same hourly wage. Of course, their annual salary is less because they’re not working full-time.

**Fritz:** Given the questions that have already been raised -- and I’m sure they’re be others that will come up in testimony -- perhaps we won’t be voting on this resolution today, we might be able to put that off. But as I say, I was making these amendments without the benefit of having to -- being able to talk with you. The intent, Commissioner Fish, is that we’re fair for all of our part-time employees, and I prefer the term part-time rather than seasonal or casual, because -- as Sarah mentioned -- many of our employees work year-round and they’re not casual or seasonal at all, they’re just only allowed to work 1200 hours -- that’s why I’m using the term part-time.

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**Fish:** Wearing the hat I used to wear doing labor and employment law, one of the questions I would have is, is the language we're using in this consistent with how we're using it in all of our personnel matters so that we all are clear what we're talking about? Perhaps we can flesh that out. I have a question to the sponsor about the first amendment -- not the first amendment -- [laughter]

**Hales:** Not that First Amendment.

**Fish:** This first amendment!

**Fritz:** I have the right to speak, sir. [laughter]

**Fish:** Your first amendment. And that has to do with be it further resolved. I have two comments. The way this is structured is that the Parks Commissioner would be responsible for doing the task force and reporting to Council. And so, let me pose two considerations.

The first is you have eloquently made the case that this is a citywide concern, this is not just a Parks concern. And in fact, I think sometimes this debate points out the limitations of a commission style form of government. We should all be concerned about this issue, not just the person charged today with being Commissioner-in-Charge. So, to say that it is your responsibility to do it strikes me as somewhat inconsistent with the way we treat citywide issues when they normally come up. That's number one.

And number two, the last time I checked the Charter, the mayor decides who's the Parks Commissioner. And so, while you are the Parks Commissioner today, there is no guarantee you will be the Parks Commissioner tomorrow. In light of that, do you think in a perfect world it's better to have this function and this responsibility -- and I support the amendment, the thrust of the amendment -- but do you think it strengthens or weakens your hand or our hand to have it placed in OMF, or BHR and used citywide, or delegated to a single Commissioner who will serve at the pleasure of the mayor?

**Fritz:** Thank you for the question. We could substitute Commissioner Fritz for the Parks Commissioner, if you prefer to. I mean, frankly, we're in the middle of implementing a bond measure, so it would be difficult -- anyway, that's a separate issue. I volunteered because I am committed to getting this done. The vast majority of the workers are in Parks; there's 2000 or more part-time workers in Parks, and I've demonstrated both with the task force on sick time and the task force that we just did on demolitions that I can get a public process done and get to a result in a short time frame, which is what we have between now and the next budget cycle. So, I'm committing to it because I know I can get it done.

**Hales:** Refresh my memory -- and it may help to clarify the effect of this -- are there -- I'm not sure what you meant by apprenticeship work, so I want to flesh that one out in particular -- but are there seasonal or rec -- you meant seasonal and/or recreational and/or apprenticeship, right? You don't have to be all three, you don't have to be seasonal and recreational and apprentice? You meant any of those things.

**Fritz:** Right.

**Hales:** Do we have seasonal employees in other bureaus? I think we do in maintenance.

**Fritz:** We do. Obviously, Commissioner Novick -- as the amendment says, each Commissioner would appoint people to be on the task force. So, if you have bureaus that -

**Hales:** You volunteered to lead it but you want people from other bureaus.

**Fritz:** Absolutely. It's essential.

**Hales:** And then apprenticeship obviously is running across many bureaus.

**Fritz:** Yes, and that's a recognition that some of our City jobs -- and indeed some jobs in our community -- really are starter jobs, they are learning jobs. They are truly seasonal -- aquatics instructors in parks who in their college summers come back -- they may come back three or four years because they love working for Parks, but they're not supporting a

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family and not intending to make a career out of being a summer Parks aquatics instructor. And it's important for us to continue to have some jobs that are truly starter jobs and that people who want a full-time job to raise a family are not going to want to hone in on those jobs. That was -- and this was actually suggested by Felisa Hagins at SEIU -- to use that term apprenticeship, that that's what we should -- we in Parks look upon many of our programs as starter jobs. We're the greatest of employer of youth in our city, and we have a lot of programs within Parks that are really not intended to be \$15 an hour jobs.

**Hales:** Right.

**Fritz:** But the task force would look at which are appropriate for that and which actually are more like part-time employees which are more like seasonal employees.

**Fish:** Because this potentially raises collective bargaining issues, legal issues, classifications issues -- we are after all doing a class comp, we're pressing to do the pay equity piece, so there's a lot of pieces. I want to make sure -- I have great confidence in Commissioner Fritz's ability lead this effort because I've seen her lead the other two task force to success. What I want to make sure we avoid, however, is reinforcing a siloed look at this so that we're not looking at it system wide. It seems to me for this to work, it'd have to be a commitment from legal, HR, and our labor team to be task force participants so that we're looking out for all of the citywide issues. And also we need the independent Budget Office, since the premise of this work is a recommendation that comes to Council that we can fund. And so we have to figure out how we fund it.

So, I applaud Commissioner Fritz for taking this on top of everything else she's got. I want to make sure the -- because I believe this is a citywide concern -- that we structure it in such a way that you get the citywide staffing and support you need if, in fact, it is going to be housed in your office.

**Fritz:** Thank you, Commissioner. I know Anna Kanwit --

**Hales:** Anna looks like she may have a reaction.

**Kanwit:** I mean, obviously we are very happy to participate in this. It's a matter of workload issue if we're taking a lead on it. And I agree with you -- HR and City Attorneys, etc., obviously would be involved in this. Just one comment -- and it may be to just forestall other things that people may say.

For the City, we have some apprenticeship programs, but they are BOLI-approved through some of our unions. So, that is a unique term that we use for what I would consider a sort of genuine apprenticeship program for some of our trades. The other thing -- I think as you alluded to, Commissioner Fritz -- we do have other training programs. For example, the program in the Fire Bureau which is also intended to bring in people who are economically disadvantaged that can't afford to get the EMS certificates they need to become a firefighter. It's intentionally a training program that is a lower wage rate but leads to be a regular firefighter. So, we have some programs like that that I think are similar to ones that you mentioned where they're intentionally a different kind of program where we're looking to create career pathways, but entry-level positions for people, you know, really coming out of high school that don't need a college degree or even a community college degree to do some of these jobs.

**Fish:** Andrew, can I add another consideration? Because it looks like we're heading in the right direction here, but I want to make sure that the process is set up to succeed.

When the mayor was elected, he set up some specific task forces to look at issues - - Commissioner Novick and I looked at span of control. Now, when those were launched, we had a lot of other people around the table helping us, including we had a full-time staff person from your office guiding the process. We had input from HR, legal -- because the issues were complicated; and we also had a budget which allowed us to get consulting services because there were some technical issues.

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So, I want to make sure if Commissioner Fritz is taking the lead on something that's a citywide effort that she has the resources, both staff and budget, to get the job done and that it is not being seen as just another thing that her office takes on, because I think that would be unfair.

**Fritz:** Thank you.

**Hales:** Yeah, I certainly agree with that, and obviously the folks that report to me through OMF need to be made available to this process, and I'll make sure of that folks like Anna who have a very direct stake in HR policy need to be involved.

Do any of you have any concerns about the language of the amendments that we have in front of us? In other words, do we have the right words on the page for the policy intention that Commissioner Fritz has articulated here? Returning to the question of full-time in the fourth item, do we mean to include the words full-time?

**Fritz:** Well, perhaps we could -- I hope we're not going to vote on this today, because it's a lot of --

**Hales:** Right, we ought to at least adopt the amendments with the understanding that we might do more wordsmithing later.

**Fritz:** Yes.

**Hales:** But I want to make sure that for the sake of the community discussion we're about to start here that we at least know what we're proposing.

**Fritz:** I heard the concern about -- I think we understand that we're at least -- I think we should vote on the amendments to put them on the table, because I'd like to be really clear that we are talking about full-time positions both in the contracts and in the City.

**Hales:** Is that already with you to have it stated that way for now?

**Kanwit:** I think that's fine. I think we can address the wage rate issue. We've been using terms interchangeably -- full-time, budgeted positions -- and we tend to use them the same, even though technically you can have again a part-time person in what's considered a full-time budgeted position.

**Hales:** I see.

**Kanwit:** So, it's -- I think generally we mean the same thing and would have time to make sure that the wording is more accurate.

**Fish:** Anna, Commissioner Fritz has trained me to look -- scrub the details in these things. So, if we are going to make the language changes in the second and fourth amendment, which inserts the full-time, do they have a fiscal impact?

**Kanwit:** I can't speak to the contracting. It would not -- that shouldn't have a fiscal impact when we're talking about City employees because, again, the wage rate should be uniform regardless of someone's work schedule. It's really driven by the position that they're in, not their work schedule. As a practical matter, the way we costed it -- we costed it assuming that the people in these positions are working full-time. We don't know whether or not they are or not, but the costing takes that in effect. So, we haven't under-costed that.

**Fish:** Commissioner Fritz, since we don't have the benefit of a public involvement sheet on these, is it your sense that the insertion of full-time in those two paragraphs has a fiscal impact?

**Fritz:** Yes, I think it probably would reduce the fiscal impact.

**Fish:** Reduce it?

**Hales:** By restricting it to full-time. OK. Any further discussion?

**Novick:** Actually, Mr. Mayor, I did want to put on the table informally or formally sort of an alternative task force amendment that was suggested by Laborers 483 that sort of gets at the same issues -- it may sort of address Commissioner Fish's issue -- and I just wanted to mention the language that they suggested which is "be it further resolved, the Council will create contingent worker task force to review and analyze the definition of casual and

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other types of employments written in HR AR 3.03 with an eye towards equity and fairness by December 1, 2015. The task force will make recommendations at a Council work session to clarify the definition of casual workers and limit the use of the casual category of employment.”

It’s my understanding now that Laborers would be OK with the slightly different timeline than Commissioner Fritz suggested, but they still would like to have language like this about taking a look at the definition of casual.

**Hales:** OK. Well, my sense is that’s encompassed by what we have in front of us here. And that this -- also this timeline is a little more realistic.

**Fritz:** Even I can’t do it by September.

**Hales:** So, I -- my feeling is this accomplishes that purpose. I’m not sure what a contingent worker is. I know what a part-time worker is.

**Novick:** I think that part of their goal was to take a look at the definition of casual with an eye towards possibly changing it.

**Fritz:** That’s the intent of my resolution. The task force would definitely do that.

**Novick:** OK.

**Fish:** So, I think we have the legislative history. Colleagues, since we have four amendments -- Mayor, I would propose we adopt them as a package.

**Hales:** I’m comfortable with that. I don’t personally have any reason to pull them apart because I support all four. So, anybody have any difference with that? We will take that as a single motion to adopt the amendments in front of us and therefore will conduct a public hearing on the ordinance as amended. Roll call on that, please.

**Roll on amendments.**

**Fritz:** Aye. **Fish:** Aye. **Saltzman:** Aye.

**Novick:** Commissioner Fish, I have to note that I just checked the Vegas odds and Commissioner Fritz is a one to 40,000 favorite to be Parks Commissioner tomorrow. Aye. [laughter]

**Hales:** I think I can improve those odds; she’ll be the Parks Commissioner tomorrow. Aye.

**Fritz:** And Mayor Hales, just one final comment. With these amendments, we’ve clarified that we are talking about essentially full-time positions. There is still the major problem raised by Sarah and others about our part-time workers, seasonal workers, casual workers. So, I’m going to be proposing an amendment to the budget that Parks submitted - - I wasn’t aware that there was a willingness on the mayor’s part to look at increased compensation to our City workers. And so, the way the budget direction came to Parks and to other bureaus was if we wanted to propose new ongoing money, we had to propose cuts elsewhere in our own budgets. And the Parks Budget Advisory Committee decided we had a couple of those that we just have to do, but that by and large, we were not going to propose new ongoing money.

Now that we’re done with complying with your instructions -- [laughter] -- I’m going to be adding -- sorry, Andrew is shuddering -- I am going to be adding a proposal to raise the seasonal maintenance workers who are covered by Laborers 483 to get \$15 per hour starting in their second year of employment. And that will be a request that will be considered during the budget, along with all of our other requests, but I wanted to announce that because I for one am not thinking if we adopt this that we’re done with the whole discussion. We already have some requests in the Parks budget to change 489’s seasonal rangers to full-time rangers and we have a request to change some of the maintenance workers to full-time workers. In addition to that, I think, until we can right-size the work force in Parks and other bureaus that rely on temporary workers to actually do full-time work, I believe we need to make a down payment on that. But I do believe that

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that should be part of the weighing and balancing in the budget process rather than an amendment that I'm going to put on the table today.

**Hales:** Good. And please, obviously, get that proposal to me soon. Andrew and I and his team will be spending way too much time together over the next several months -- way too much time together from their standpoint -- but I think what I'm trying to do in the mayor's proposed budget this year is capture what I believe is Council intent to start with this and then start making steady progress. And we don't have to wait for next year to start making progress, we'll see how much progress we can make this year against the larger agenda of fair compensation for all employees, and addressing the really gnarly issues involved in Parks, because Parks Bureau a strange animal from that standpoint in that most of the rest of our work force are full-time employees in roughly 40 hour shifts. Parks is all over the map because of the nature of the work. So, you have to pick that apart. That is why it's appropriate for you to lead this work on the Council's behalf. It affects other bureaus, but it doesn't affect the bureaus as much as it affects Parks.

**Fritz:** Thank you.

**Hales:** OK, are we squared away? So, we'll be calling on each of you obviously a lot. There are some answers we probably need more quickly than others like the impact on those two contracts for Clean and Safe and PMMI before we take further action on the resolution. OK. Now with that, let's take public testimony.

**Moore-Love:** We have 32 people signed up. Did you want to take people with children or disabilities first? OK, if we have anybody with special needs or needs to leave early due to children.

**Hales:** Good afternoon, welcome.

\*\*\*\*\* **Anderson:** My name is [inaudible] I represent BSHC which is [inaudible] holdings corporation, and I'm a public representative for a company in the near future, and I would like to put our name down for support for 15 and beyond. We're looking at maybe \$30 an hour in the near future for the bigger companies. So, we just want to put our name down as support for 15. Because we -- me myself and everybody in here needs 15 just to make ends meet. We're all struggling. The handicaps struggling, and I'm here to say that we're out there, you just need to come to us and say we support you, go for your \$15 an hour job and don't step in our way because we are going to run right over you.

**Hales:** Thanks very much. Mr. Walsh?

**Joe Walsh:** My name is Joe Walsh, I represent individuals for justice. Very quickly, I would just like to congratulate all of you for tackling this. It's complicated, you have a lot to think about, and I congratulate all of you for trying. And that's basically what we ask of you -- to try. If you succeed, we will cheer you. If you fail, we will cheer you for trying.

You're trying and \$15 an hour is not the maximum people should be paid, it's the compromise. The maximum is about \$22 an hour -- a legitimate wage -- \$15 an hour is a compromise. So, think of it in those terms and don't try to make the sausage over and over and over again. Just say, we want the sausage, and work from there. That's what you were doing a little while ago, you were getting into so much nitty-gritty that I got nervous that you would not be able to do this. And don't lose the opportunity to send a message to all of the other cities around the country that Portland pays its citizens well, and we pay them a living wage. That's something to be really proud of. So, I congratulate you again. We will fight again tomorrow, but today I congratulate you and thank you. [laughter]

**Hales:** Thank you, Joe. Very nice, thank you. OK. Next folks?

**Moore-Love:** We'll take four at a time.

**Hales:** Good afternoon, welcome. You can go first. Who's first? Go ahead.

**Dana Carstensen:** Good afternoon. My name is Dana Carstensen, and I'm a union representative for Laborers Local 483.

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Approximately 1800 workers at the City of Portland earn less than \$15 an hour and wouldn't benefit from a resolution that only applies to full-time benefited positions. This is after your resolution, of course. Instead the workers are "casual" -- quote and unquote -- workers limited to 1200 per year without benefits and they are defined by the City's HR as positions that occur, terminate, and recur periodically or regularly.

At 7.5 months of the year, these employees can work 40 hours a week without benefits or the security of a stable employment. At 12 months of the year, it's about 23 hours a week without benefits or stability. Local 483 believes that the mayor's commitment to a living wage of \$15 an hour with full-time employees is admirable, but to truly be a living wage resolution, it must impact all workers. These workers are the hearts and faces of the City of Portland. They're in all of the communities and they are part of the communities. Even though these 1800 are primarily employed by the bureau of Parks and Rec, it is the responsibility of all to tackle this issue.

Today, we and the Commissioners have an opportunity to do the right thing. In addition to the mayor's proposal of \$15 an hour for full-time City workers, it should create a contingent workers task force beginning July 1st, 2015 of the new budget cycle to recommend a process for converting casual positions to permanent positions, and a commitment to true neutrality during a democratic union organizing, which includes no costly obstruction activities from all departments, including HR and legal.

483 suggests the following things for the task force. Review and analyze the definition of casual and other types of employments written by HR AR 3.03 and by September 2015, make recommendations to the definitions to ensure casual workers is truly casual. Using the City audit for numbers, hours, and length of service in casual workers, make recommendations to limit the use of casual category of employment, but November 2015, recommend a timeline and process for converting full-time casual positions to permanent budget employment. By November 2015, recommend a timeline and process for converting part-time casual positions to budget employment. Finally, ensure equitable and fair standards for truly casual and temporary workers.

In closing, these workers and public servants deserve better, and we have an opportunity to create a better future for not only them but ourselves and our communities, both of whom benefit greatly from the hard work and dedication from those workers. They deserve a fair shot. I would also like to say 483 is in support of those amendments, so congrats.

**Hales:** Thank you very much. Thanks. Who's next?

**Scott Gibson:** I'm going to be showing a short video.

**Hales:** OK.

**Gibson:** My name is Scott Gibson, I work for Laborers Local 483, which clearly represents Parks and Recreation workers. Hopefully, I'll be starting this in just a second. [video playing]

\*\*\*\*: Hey, Jenny! What are you doing here? Is this your day off?

\*\*\*\*: Yeah, from this and the other job.

\*\*\*\*: It's great to see you outside of Mt. Scott. You guys at Portland Parks and Rec rock.

\*\*\*\*: We've got 15 centers and a crazy amount of programs. Rec serves more people than you think.

\*\*\*\*: I've been taking piano lessons with the same teacher since I was six. I'm learning jazz and blues now. It's awesome.

\*\*\*\*: I rent basketball courts with my buddies at Mt. Scott during the winter. It's awesome to play and not have to freeze our butts off outside.

\*\*\*\*: I dance at East Portland Community Center every Saturday, and my toddler learned how to swim there. We love it.

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\*\*\*\*: This is so much fun. It must be great to work in Rec.

\*\*\*\*: Kind of. It really depends on who you are.

\*\*\*\*: I'm supposed to have a college degree, work multiple short shifts, develop curricula, and commit to the entire school year. I mean, really? \$12 an hour with no benefits with those kind of qualifications?

\*\*\*\*: I get paid by the City but need food stamps from the State to feed my family. I love my work, I wish it wasn't making me poor.

\*\*\*\*: I'm classified as a seasonal worker although I've been working at the front desk full-time hours for 12 years. None of our customers would ever think I'm seasonal. I've seen a lot of them grow up.

\*\*\*\*: Hold on -- seasonal workers?

\*\*\*\*: There are over a thousand so-called seasonal employees on payroll at the Rec centers. Some of them truly work a season, a lot of them work year-round. These "seasonals" teach courses, plan events, set up rentals, do marketing and graphic design. Some of them oversee entire programs.

\*\*\*\*: Get out. There are at least some full-time people working there, right?

\*\*\*\*: Sure, there are about 100 coordinators -- but they have the work load of at least two times as many people. So, seasonal folks without benefits or job security are running these programs. Nobody -- not the part or full-timers -- are happy with this. It's just not fair.

\*\*\*\*: I'm shocked. What can I do to help?

\*\*\*\*: When the community backs up the Rec workers, then we have a fair shot.

\*\*\*\*: Whoa, did you --

\*\*\*\*: Woo!

\*\*\*\*: Yeah!

\*\*\*\*: Wouldn't it be great if Parks and Rec worked together like a team, too? Visit our campaign page on the Laborers Local 483 website where you'll find more ways to support us. [end of video]

**Gibson:** Thank you. That was made by one of our members.

**Hales:** Thank you, well done. [applause] Great. Welcome.

**Eric Dash:** Hi, my name is Eric Dash. I'm a permanent and full-time -- what you're calling a permanent and full-time employee. This is my twenty-eighth year working for the Portland Parks and Recreation as a permanent full-time employee, and there were seven years before that. And as such, I've met a lot of the other employees for Parks over the years -- in trainings and other centers and in meetings and so on as well as my own center, which is Multnomah Arts Center where I work now -- in fact, where I've been working the whole time.

And I work cooperatively with the so-called -- what I've been hearing bandied about -- the seasonal and casual employees, and neither word could be further from the truth with these people. They don't take their jobs casually at all, they take their jobs as seriously as I take my job. And as far as seasonal goes, there are people who have worked there for decades. There's nothing seasonal about them at all. And most of them work year-round, in fact, pretty much all of them work year-round and they've have done it for many years. They are people who support their families, pay their expenses, make their way through their lives, just like the rest of us full-timers do. This is their primary or only source of income -- just like the full-timers, permanent ones.

And they're vital, completely vital for the success of our programs. They shouldn't be thought in any way that they're extra or lesser at all. They work at least as hard as those of us who work more behind the scenes. They are on the front lines. They are serving the citizens of Portland directly every day. And more than anyone else, they are

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the face of Portland Parks and Recreation. Those whom I work -- they serve with dedication, hard work, and enthusiasm all of the time.

In addition, as you just heard in this video, many of them are given particular responsibilities. These are people who do payroll, they handle the promotion of our programs, they hire teachers, they build programs, they even do training of the other workers, including training some of the full-time permanent workers. They're extremely crucial and it would be a big mistake to underestimate how crucial they are, and I think it would also be a big mistake to somehow separate them.

I can't see any reason for separating them from this \$15 an hour proposal. They're workers just like the rest of us with somehow different names, the seasonal name and they deserve no less respect than the permanent workers. They already have virtually no benefits compared to the permanent workers, hour is are restricted, they will make noticeably less per hour even if they come to make that minimum of \$15 an hour. It's already in my opinion a shame and an embarrassment for the City of Portland to have them on payroll the way they are.

I think most of us here are proud to live in a city like Portland. I believe we should take away this blot, and it's a big injustice and it is in your power to change that and to make it right. It may be in some sense a little bit innovative, but not much anymore. This sort of thing is sweeping the country, and innovative is not something that has ever scared us before here.

It also is smart and the financially responsible thing to do. I spent over 15 of my years at Multnomah Arts Center in charge of hiring our office staff, and I can tell you to attract and keep the best -- and the best is what the people, the citizens of Portland want to have serving them -- it's important to be able to offer a reasonable pay, and we haven't been able to do that. It's been very difficult. \$8 an hour is not reasonable. \$11 an hour is not reasonable. It's a travesty that some of our hard workers working just as hard as everyone else -- so-called permanent workers -- still must be on food stamps.

I've gotten to know the work of all of you slightly through my years of service to the City and as a citizen, and I know you to be people of courage and conscience who are in the position you are primarily because you care about people and you care about our city. You are not people who easily shy away from doing the right thing, especially if it is coincidentally the morally right thing as well. Please take that step here. Please don't put it off. I know that we can't always do everything immediately, but there's no reason to separate this group of workers out from the so-called permanent full-time workers. Please let your basic sense of fairness and decency lead you, and please be sure that the minimum pay applies to permanent and seasonal workers alike.

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

**Eben Pullman:** Hello, my name is Eben Pullman. I am going to read a statement from John Talbot. John Talbot is a member of AFSCME Local 88, which I'm a representative of. He had to return to work.

My name is John Talbot, and I'm a proud member of AFSCME Local 88, an even prouder member of AFSCME Local 88-1 representing workers at the Central City Concern. I applaud you, Mayor Hales, for opening the discussion for a living wage of \$15 an hour to be offered to City workers and employers of City contractors.

Recently, the members of AFSCME Local 3135 at Home Forward signed off on a wage on November 1st, 2013, and then members of AFSCME Local 8 settled a contract with the County for a more livable wage at \$15 hour. Now, it's your turn, Mr. Mayor and Council members, to show the same consideration to members in Local 189 and to all other City workers.

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I look to City leadership as a guide to what is needed as a productive member of the community, much as my employer will look to this move as a way of following suit. As you OK the wage for City workers, I ask that you not forget us at Local 88-1. As I'm sure you are aware, Central City Concern is a wrap-around agency that provides many services that save the City both money and reputation 24/7. Central City Concern management is a great employer, offers all that they can for my sisters and brothers. They depend upon donations, grants, and funding to balance the needs of their clients and workers. I know that Central City would like nothing better than to follow the lead of the City when you OK the \$15 an hour wage. I also know this cannot be a reality unless funding to the company is increased.

The City needs to look further down the road by expanding the coverage of Fair Wage Policy to other groups that receive substantial funding from the City and County. Without the City providing additional funding to nonprofits like Central City, the wage is only a dream for 165 tax-paying and voting sisters and brothers of Local 88-1. The only way for CCC to provide a living wage without a reduction in services is for this to happen.

I hear the member who has to decide between diapers or dinner, and she wants the wage. I have heard the member that tells me that providing food boxes for clients while wondering when they would be getting theirs and wants the wage. I hear the member that while making enough for health insurance for themselves is unable to provide it for a family member and wants the wage to protect themselves -- both them and their family.

City workers, contracted employees for workers and nonprofits that get funding from the City are all doing the same work of the City in supporting the people however we can. We are fighting poverty, addiction, mental illness, homelessness shoulder to shoulder with you. I ask that you help in ensuring that all of my brothers and sisters do not have to live in poverty today. Thank you.

**Hales:** Thank you.

**Gibson:** One thing I forgot is to thank you.

**Hales:** Thank you all. Welcome. Who would like to be first?

**Icarus Jacoby Smith:** I'll go. Thank you, Mayor Hales and Commissioners, for listening. My name is Icarus Smith. I work as a facilities maintenance tech and class instructor at Mt. Scott Community Center for the City's Bureau of Parks and Recreation, which I'm told is one of the best park systems in the U.S.

I love working for Parks. It gives me the opportunity to serve my community in a variety of different ways, and working in a positive, health-conscious environment has helped me improve my own life immensely. Unfortunately, working in this position comes with a great many difficulties. My hourly wage is only \$10 an hour and will top out at \$11. I am allowed to work only 1200 hours in the year, and I receive no benefits. No health insurance, not a single day of paid vacation leave, not even a discounted bus pass. However, some of the responsibilities required of me are not what I would consider entry level responsibilities. I've had to do everything from creating class curriculums to event promotion, teen mentoring and drug counseling, to more dangerous jobs like picking up dirty needles and dealing with potentially dangerous visitors. All of these duties are required of all Parks employees, regardless of classification and pay grade, in order to maintain a safe and functioning community space.

Many of our jobs are designed so that we are expected to be at the center five days a week. Even though we are only working 1200 hours a year, it feels like a full-time position because of the frequency in which we are required to be there. Some part-time employees will simply work 40 hours until their 1200 annually-allotted hours run out and then go on unemployment for the remainder of the year at the cost of the taxpayers, not to mention the cost of their coworkers to find themselves struggling to cover shifts because

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some of the work force suddenly disappears sometime around mid-October. This practice is commonplace and has even been recommended by some supervisors as a viable way to maintain an income for the remainder of the year.

This is the situation a lot of us so-called casual Parks employees find ourselves in. We love our jobs and want to continue to help make Portland Parks one of the best park systems in the U.S., but we find ourselves increasingly floundering, financially speaking. I'd like to think that our patrons, Portland citizens that utilize and appreciate our parks and facilities, want to know that their City is taken care of their employees, that it is paying them a living wage. In fact, I think that a lot of people would be surprised if they knew exactly how impoverished some of us actually are. Part-time workers are an integral part of Parks, and I think it's time our wages reflect that. Raising the minimum wage would if nothing else allow for us low-wage workers to live with dignity and work with pride. Thank you.

**Fritz:** Mr. Smith, what do you do for health insurance?

**Smith:** I am on Medicaid.

**Fritz:** Thank you. Thank you for the work that you do.

**Smith:** Thank you.

**Hales:** Thank you. Welcome.

**Linda Sponer:** Good afternoon, Mayor Hales and Commissioners. My name is Linda Sponer, and I have been a security officer at the Portland Building for five years and I am also a proud member of SEIU Local 49. I am here today because of you and my union.

I am currently undergoing chemotherapy. Before security officers organized SEIU Local 49 two years ago, all of my wages would go to cover medical expenses. As minimum wage workers, security officers are accustomed to not expect any wage increases, let alone the dream of affordable health care coverage. Without the City's commitment to using union contractors and without the Mayor and Commissioner supporting security officers during the first union contract bargaining and without my union, I would not have been able to afford the cost of my health care and I would not be alive today.

As a union security officer, after taxes I currently take home 1560 a month. My utilities including gas, water, electricity, cable, phones, garbage service cost me about \$570 a month. Each month, I pay \$109 car insurance, \$150 for medicine, and we pay \$1100 for rent. I want to point out that my husband and I only pay \$1100 for rent because our daughter is our landlord. Market value rent for my home could easily be upwards of \$1700 a month. After paying all of my bills, I have a mere \$439 left for food and other activities.

If I was renting a house at Portland's expensive rental prices, I would not have anything to eat. As you can see, I am very excited by the Mayor and Commissioner's proposal. The extra income would mean I could afford to give gifts to my grandchild, and I might be able to afford to pay my daughter a full rental price. The City has proven that time and time again they will step up for working class in our community. From passing mandatory sick days to standing with security officers as we organize our union to improve standards, I have no doubt that this initiative will also pass.

I would also like to thank the mayor for leading on this issue, the commissioners for supporting the raise, and everyone else that worked on initiative. I appreciate you having me here and letting me share my story. This raise will make an immediate, real, meaningful impact on my family, my coworkers, and myself. Thank you.

**Hales:** Thank you. Hope you're doing well.

**Sponer:** I'm doing well, thank you.

**Joe Rastatter:** Good afternoon, everyone. My name is Joe Rastatter, I'm a member of St. Francis of Assisi Church, I'm of UNITE HERE Local 8, I'm co-chair of the Jobs with Justice

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faith labor committee, and this Sunday I'm scheduled to sell beer at the Timbers game and it will be my forty-ninth year working by commission at Civic Stadium.

I'm not doing very well these days. I've lost my smile. I've turned again to practicing my faith -- Father Jack, please pray for me. And according to Catholic teaching, before I speak to you what I'm required to do is ask of what I'm going to say, is it kind, is it true, is it necessary? Well the kind and true is to let you know I believe in you and your desire to be useful and just. If our sense of justice is for government to not keep adding to the abundance of the one percent but rather to lift up and protect those who have little, it is necessary to say we have a long way to go.

Yes, I support the 15 Now plan but I fear it will be too gradual and not inclusive enough. The private-public partnership at Civic Stadium started 15 years ago and it has a fair wage ordinance, but it became unfair a year later when the concessionaire workers -- the majority, by the way -- who worked there were separated by the deal and when the temp workers were brought in. And even before then, there's an incredible provision in it that allows the operator to pay minimum wage while this fair wage part is subsidized by the City.

Any customer of Moda or Providence Health system -- and my family was one -- who had a necessary procedure denied or delayed must be outraged to know that millions from these companies go directly into the pocket of the billionaire families of Allen and Paulsen for naming rights. These billionaires pay Walmart wages as they operate their sports facilities on our City property.

So, I say we have a long way to go. We have a long way to go in dealing with climate devastation and in creating living wage green jobs. We have a long way to go in dealing with housing and real estate development with our growing population. You know that's where the money is, and that's where justice needs to be. Enough for now. Thank you.

**Hales:** Thank you. Father, welcome. Push the button on the base of that. There you go.

**Jack Mosbrucker:** My name's Father Jack Mosbrucker, I'm a priest with the Archdiocese of Portland and also a member of the Jobs with Justice faith labor committee. I've lived in Portland most of my life. Even when I haven't been here, it's still been my home. And over those some 70 years, I've seen many changes in this city. Some of them very good. One of the changes that I applaud is that Portland has been called a livable community.

But I think too often we have thought it as a livable community by pointing to bike paths and green spaces and accessibility, and certain things like that. And that's true. But it's also difficult, a difficult city. A difficult city for those who struggle with economic insecurity. The stories that I've heard from so many people are stories about economic difficulty that they experience. Simply put, they don't have enough money. That's the bottom line. They don't have enough money not only for food, they don't have enough money for housing, for paying perhaps their college debt, let alone enough money for the opportunity for a future -- a future that says you can have a family, you can maybe have a home. That's tragic.

People come to the job market and what do they have? They have the talents and skills of their hands and their head. That's all they have. And if they can't make enough money on those talents and skills that they have, if they aren't adequately compensated for them, that's a way of society simply rejecting them as persons. That's the bottom line, that's the only way I can say it.

Often, if they are at a poverty level, they are being devalued as useful members of society which as they say is an indignity for them as persons. For these people, Portland is not livable if they're constantly on the economic edge. Portland is not livable if they have to

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work two to three jobs to survive economically and can't even enjoy the other livable things. Portland is not livable if there's no economic future.

And so, the foundation of Portland is really the community of people -- the people are Portland. The people who create stable, secure families who are here and building something -- they are creating that livable Portland. And your opportunity is to enable that to move forward, to enable them to have a more livable future, a more livable city, so that they can have some kind of security and move on. I think that's opportunity is in your hands today.

**Hales:** Thank you. Thanks very much. Good to see you. Thank you all. Good afternoon, welcome.

**Anne McDonnell:** Hi, thank you. Thank you for having this hearing today. My name is Anne McDonnell. I am a member of Laborers Local 483 and I work at the Oregon Zoo. I was going to come here and speak to you as a low-wage worker, but after seven years at the Oregon Zoo, I found a new position in the horticulture department, which I absolutely love. I was making less than \$15 an hour, and now I'm making more than \$15 an hour. And the difference there is incredible. I feel it immediately. I haven't even got my first paycheck yet, but when I wake up and get out of bed at 5 o'clock in the morning for my 6 o'clock shift, I know that I'm exhausted but I'm going to be able to pay rent this month. I don't have to -- I'm not worried about paying rent this month. I can't tell you what that feels like. I know I'm going to have enough left over for bills and then groceries afterwards after this paycheck, which is unusual for me.

When I get my next paycheck, I'm going to get my first new pair of shoes in over a year. I'm going to go to a local salon and get my first hair cut in over a year. I'm going to take my dog to the vet. These are simple day-to-day things that anyone who's making a living wage takes for granted, but most of us really struggle with. I'm going to be able to put some aside for savings. I'm going to pay off my credit card pretty soon and I'm going to be able to visit my family. It's really great.

I'm working full-time now -- it's a temporary position. I could be at my other position at the Zoo, one pays 12, the other pays 13, this one is over 19. And so I -- once my hours run out, I'm not scared because I will have enough to put aside for savings.

Just really quickly, when I'm so excited I see my peers at the Zoo and you know I tell them how great it is, I feel really guilty because I know how hard they work. I've been there with them. Food people, we have janitors at the zoo, security guards -- and I know how hard they work, and they deserve it too. They're temporary, their hours are capped, they're seasonal, all of these -- this terminology that kind of holds people down, and I know that they deserve better. And so even though I've gotten my step up a little bit, I want to see the people around me who I know are working hard and who've earned it, too, to actually being seeing that enjoying the benefits as well.

**Hales:** Thank you.

**Fritz:** So, let me get this straight. You said you're still limited to the number of hours you can work a year.

**McDonnell:** Yeah, I'm still classified as temporary.

**Fritz:** It's really great to hear your joy in earning more than \$15 an hour. And still, Metro needs to step up, too, and do the same look at the so-called seasonals at the Zoo because you shouldn't have to worry about saving on \$19 an hour for those months when your hours have run out. Thank you very much for coming today.

**McDonnell:** Absolutely, thank you. And I know Metro sees you as leaders, because our union was able to bargain earned sick days thanks to the work that you've done. If the City can do it, Metro can do it, too.

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**Fritz:** And that's good you got that. Of course now we're lobbying at the state level for earned sick leave for everybody, which would then be a right. Because you're employed by Metro, they weren't governed by the local law even though you work in the city of Portland. So, hopefully that will be another benefit and something you don't have to worry about.

**Hales:** Thank you. Thanks very much. Please, welcome.

**Chris Ferlazzo:** My name's Chris Ferlazzo, I'm the acting director of Portland Jobs with Justice. As you heard Justin describe earlier, we've been working on these issues, but this issue in particular for a long time. We were instrumental in getting your predecessors to pass this ordinance. And I guess I'm a little sad that it hasn't kept up. That was certainly not the intention, but I applaud the efforts. Thank you for taking this up today.

I'm mostly glad to hear you all saying this is just a start because I very much agree. Workers need more than \$15 an hour. They need health care. They need decent schedules. They need the right to form a union. They need a lot of things to be able to get by. So, I'm glad that you all see this as a first start. I'm also glad to hear a lot of talk about expanding this to cover the seasonal and part-time at the Parks, but I especially want to lift up I think they're called grantees at Central City Concern and TPI, because it sounds like those folks will not be covered by this and I don't think that's any of your intentions. We're excited about this national movement to raise wages to \$15 Now and glad to see Portland leading. So thanks again.

**Hales:** Thank you. Welcome.

**Nick Caleb:** Nick Caleb. Thanks for having this hearing today, especially Commissioner Saltzman and Charlie Hales for making this happen. It's a really important issue to start talking about this. Also, thank you, Commissioner Fritz, for advocating so much for Parks employees, I know that they really appreciate it. Making these two issues coming together -- paying people the right wages and having full-time jobs is very important, so we want to support.

Also, thanks for laying the grounds work so well at the beginning of this hearing because Portland is really in crisis right now, especially for young people. I'm 31. I work two part-time jobs right now. One is adjunct professor. I'm also an attorney. I can barely afford to live in the city and I'm now going on my second year without health care. And I'm lucky, actually, in the wages that I make here. People are suffering greatly. And part of the reason is what you laid at the beginning -- the housing market is going insane right now. And the City is partially responsible for that as well.

We've been drawing people to this city for a long time on this sort of Portland is weird brand -- it's an affordable, livable community. And because we've been so successful that that, we've drawn so many people in that it's not an affordable community for people anymore. So, there's a responsibility at City Hall that we have to addressing affordable housing issues as well. Of course, the state makes our job a little bit difficult with preempting us on minimum wage issues, rent control -- if that was even an option to be used -- and also inclusionary zoning. But that doesn't mean that we don't have policy options. Actually, around the country there's quite a few really innovative attempts at city councils making policy to address these things. Jackson, Mississippi is a community to look at very closely; and also Richmond, California have been looking at some really impressive things to do.

Please be aware that this is a crisis. People feel it really, really hard and deep, and we need you to act very strongly on policy to protect people that are really vulnerable in this community. Thank you very much.

**Hales:** Thank you. Welcome.

**Tim Norgren:** Hi, my name's Tim Norgren, and I work with the Laborers 320, although I don't represent them here, I hear they're backing this up in spirit anyway. I'm here on my

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own volition because I believe that raising the minimum wage and skipping that benefit cliff is a wise idea.

I think about minimum wage workplaces, I think of that photo that went viral at the Wal-Mart table where they were collecting donations so that Wal-Mart associates could have a good Thanksgiving because they couldn't afford the food. Similar, I work at the Dalles in a minimum wage warehouse as a temporary worker when the economy went down -- I was laid off for a while -- and there was people stealing food out of other people's lunch boxes even though it was Christmastime, got overtime and the whole bit. There's still people stealing food, and I noticed my boss wasn't as upset when I asked about the stealing issue as when I came and made this announcement that, hey, everybody, you can get food stamps. If you're working 40 hours a week at minimum wage, you're eligible for food stamps, sign up for them. She hushed that up. She didn't like it. She was embarrassed. It was a dirty little secret.

And it really is a dirty little secret, because companies don't like to admit this -- that they are being subsidized -- because it just doesn't happen. The thing is that companies are not people. They're not embarrassed, they're institutions and they don't really have to have any integrity, they just have to have their bottom line covered. So, it's up to the institutions to impose that integrity on them. One good way to do that is going to be to raise the minimum wage not just here but all around. I think this is a great first step.

I think with the City contracts, the opportunity here is to show integrity as an employer and also obviously improve the lives of the employees here, we're going to cut down dependence on social assistance, and we're going to provide an example for the corporations out there that aren't covering this. A lot of times we give tax breaks to the wealthy so we can win their business so we can even have bad jobs like Wal-Mart. We'll take the jobs, we need them, we'll these high-risk projects like the export facilities that -- they kill people, they jeopardize economies down the gorge where I live, they further globalization and outsourcing just so we can get some tax income, we can get a short-term fix. We need the money.

\$15 standard would set a precedent that would allow us to move from desperate decisions like those to sustaining ourselves from the bottom up. I think we're doing a great thing if we take the first step on that, and I hope that we'll continue to move forward into the community. I'd like to see the whole community do what SeaTac did, take it on to the corporations and so forth. Thanks a lot.

**Hales:** Thank you, thank you all. Welcome.

**Toby Green:** Good afternoon. My name is Toby Green, and I am a member of LIUNA 483 and public employee organizer for the Northwest Regional Organizing Council. Today, I speak for myself as a lifelong Portlander. I'm speaking to the proposed raising of the minimum wage for contract workers and creation of a contingent worker task force.

To understand why I'm speaking in support of these two proposals, it must be understood how I view the fight for 15 movement as a Portlander. The fight for 15 has raised the fundamental question that the two pieces speak to. The question is, should people who work live in poverty? As we have heard in testimony today, it's quite clear the actual costs of people who live in poverty.

In Portland over the past 20 years, the private sector has seen a high influx of young, educated workers migrate to Portland. They come from all over the United States -- Houston, Texas; Tampa Bay, Florida. They come with the hope and dream of a new life. Quickly, they become submerged in low-paying jobs until the time comes for them to either pack up and go home or they can accept their life here struggling to get by.

Parks, as has been said, has greatly benefited from many workers who work in these positions, specifically in Rec. For many years, this has been an unknown known, but

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it has been an accepted norm. So, it's with great pride that I champion support what I perceive as Commissioner Fritz's call to action in Parks. To hear a City Commissioner of Parks speak candidly of this issue and making sure it isn't swept under the rug is refreshing and frankly, it's above reproach.

In Parks, we see a long-standing problem of underfunding. My analogy about Parks is that it's a \$150 million bureau providing \$300 million in service. It's time we re-think Parks. Instead of thinking of it as just places to go, things to do, we should think of it as the first level of public safety. Right now, as we have spoken, how many domestic disputes have been stopped? So, I champion this Council and the work that's going on, but let us look for new funding solutions. This has been an under-funded bureau for too long. I support a contingent worker task force. Thank you.

**Hales:** Thank you. Afternoon.

**Shamus Cooke:** My name is Shamus Cook, I'm a 15 Now volunteer and I'm also social worker. I work for child welfare in East County. As such, I've seen the effects of poverty on families and children, and it's devastating. But today, we have the unique opportunity -- Council does -- to actually put the weight behind the movement for 15, and I think that is a great first step and hopefully not the last step Council takes towards this movement.

I really want to talk about the budget and the question is, can the City afford to pay all of its workers -- seasonal part-time, whatever -- \$15 an hour? The answer is yes. But how? Mr. Novick showed us how. His office commissioned a poll that said the majority of people in Portland support taxing the wealthy. So, there you go, you have a mandate. [applause] So, with this mandate we ask you to be creative and bold, innovative on how you tax the wealthy so we can fund services and pay for wages.

Lastly, I think about, I fantasize about how powerful it would be to have Council go to Salem and support the statewide measure for \$15 minimum wage. And if you were public champions, it would make a huge impression on the movement and we would thank you forever. Thank you. [laughter]

**Hales:** Thank you.

**Fritz:** Without new revenue, we do not have the money, so it would be a little hypocritical of us to go to Salem to ask the state to do something that we actually couldn't do if they told us to do it tomorrow. So I think -- I appreciate the sentiment that we do need to look at revenue sources as well. We already taxed as much as we can under the property tax system. We just had a fairly well-publicized discussion on how to pay for roads and didn't quite come up with an end point as yet on how to do that. So, I appreciate the Mayor leading on this. We all need to recognize there's a set amount of money. We're not allowed to go into debt. We have to plan for the next five years.

**Cooke:** By being creative and raising revenue. That's what I'm asking you to do today.

**Fritz:** That's my point. We can't just do that.

**Cooke:** You can be creative and put forth ideas. The city would appreciate you doing that.

**Hales:** Thank you. Welcome.

**Robby Schaul:** Hello, good afternoon. My name is Robby Schaul. I'm 35 years old. I'm currently an out of work seasonal maintenance worker. I've been with the City for seven years. I'm also a member of members 483. I support the -- sorry.

**Hales:** That's OK.

**Schaul:** I apologize, I don't usually speak in front of people. I work in a garden, actually, I work in the dirt. I work with plants. If you have any rose questions, I'm the one to ask -- [laughter]

I'm really speaking today because there's a lot of people that are seasonal maintenance workers and they would be afraid to speak in a venue like this. They would

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be afraid to lose their jobs, they would be afraid of repercussions. Though I'm afraid of those things too, I can deal through it a little bit better.

I would like to see seasonal maintenance workers receive a livable wage to help them make it through the winter months, through their off season, to give them peace of mind for expenses through the year and for self-respect -- that they're doing the best work they can and being better compensated for it.

I usually try to save up as much money as I can for when I do get laid off, and then I kind of float through those months. It's a little difficult sometimes, but I know that a lot of people are on unemployment and they have families to provide for and it's difficult for them too to give up different things. So, that's all I got. Thank you all for listening.

**Fritz:** Robby, thank you. Thank you for also for briefing me in my office. And colleagues, I will also say Mr. Schaul was very eloquent in my office. It is terrifying to be in front of folks. I feel that way, too. Thank you. You've got support in the back there. Could you tell my colleagues -- you said you worked the Rose Garden. That that's our 100-year-old Rose Garden next year. You've worked that for seven years.

**Schaul:** Yes.

**Fritz:** And what are the terms of your employment? You don't make \$15 an hour?

**Schaul:** I make 14.18.

**Fritz:** After seven years. And you're only allowed to work 1200 hours, is that right?

**Schaul:** I believe it was moved to 1400 hours.

**Fritz:** Don't you get any benefits, right?

**Schaul:** No, we do get benefits. I think it's after 28 hours of work per month, there's a cap. I would have to look at that again. We do have medical benefits, vision, and dental.

**Fritz:** And that's because you're a member of Local 483.

**Schaul:** Yes.

**Fritz:** Thank you for reminding me of that.

**Hales:** You know, you said something else that I just wanna --- you obviously are courageous and willing to come speak, and we appreciate that. One thing I'm always reassuring folks that work in the City to do -- and I want to do it again in this moment just because you raised the issue -- and that is, we have five people here who want to hear from our work force, and no one will ever be punished for speaking out in this City. That's not the way we roll here, whether it's at the Council level or in our bureaus. I think we just have to every now and then say that right out loud.

And frankly, if you think it's sometimes difficult to get people in the Parks Bureau to speak up, try getting police officers to do that. But I even tell them that. Because even though we have a chain of command, it's always OK for people that work in this organization to talk to those of us who are responsible for leading it. So, if I can express that message here for the five of us, I hope you can express it when you have a chance to talk to your colleagues in the Parks Bureau this summer, this spring and say, hey, we got the message that it's always OK either through your union or as an individual to talk to the folks in charge of about policy and budgets. Never should anyone feel intimidated. It may be hard to speak in public, but you should never be worried about repercussions.

**Fish:** Mayor, can I just add one comment to that? I have the utility bureaus and we're leading a search for a new director. So, we invited a group of employees to come in and help us define what we were looking for, what the qualities we're looking for, how the job description should be structured. I noticed about halfway through the exercise that a lot of the comments people were making could be construed as being critical of existing leadership or past leadership. And then I realized that that was the magic of that gathering, that people felt confident and comfortable to say what they thought was missing. And if

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they thought what was missing was leadership at the commission level, they had the right to say that. If they thought it was something else --

But we specifically structured this so that the employees of the bureau had a say in the selection of a new leader. And I want to echo what the mayor has said. If anyone believes that because they've exercised their right to speak and comment on things before Council that there's been retaliation, that should be brought directly to a Commissioner or Mayor or to someone else, and that has no place in our city.

**Hales:** Thank you. Welcome.

**Matty Meme Ellison:** Good afternoon, Council. I'm Matty Meme Ellison, a white middle class transwoman and daughter of teacher Quaker parents. I started working at the Oregon Zoo four years ago. And when I got there, it was a rude awakening to realize just how the bubble of economic security that my teacher parents with union jobs had -- just how out of reach that was for so many of my coworkers and that definitely, poverty wages harm the ability of workers to perform as well as they'd like to.

When a single mom has to jump through hoops of red tape to get rent assistance -- that makes it hard. When I was working at the Zoo and I first heard about the fight for 15, I was despairing and told one of my coworkers, "it seems too good to be true." And he said, you know, we just have to sell one more hamburger per hour per employee and we would make up the cost of that raise. 15 could change the lives of a lot of workers a lot, and it wouldn't change your budget as much as you think. Thank you.

**Hales:** Thank you. Thank you all. Welcome.

**Matt Marino:** I'm Matt, I work as a canvasser in Portland. I've been a low wage worker since I began working full-time a decade ago. In the Mayor's State of the City speech, he called paying workers \$15 an hour the right thing to do. But the Mayor's plan leaves out many more workers than it will help.

What's right for some workers is right for the Parks department. Taxpayer dollars should not fund poverty wages. Charlie Hales has attempted to take a whole heap of credit for doing next to nothing. If this is a cynical ploy to garner labor support for a reelection bid, then I'm here to say that activists in this community are not fooled.

No working Oregonian should live in poverty. A city as affluent as Portland can find the means to provide a living wage for its workers if workers are given proper consideration.

It is shameful that such an institution would exploit the same people it claims to represent. Today, we rally behind the banner for 15 and demand justice. Thank you.

**Hales:** Thank you. Welcome.

**Gerry Mohr:** My name is Gerry Mohr, I'm a member of Socialist Alternative, and I'm a facility custodian here in Portland at a well-known nonprofit. I make after two years there 13.26 an hour, and I work 32 hours a week plus Sunday mornings at a church where I make 10.50 an hour.

Altogether, I'm cashing paychecks totaling around \$1400 or so every month. After rent and bills, I have about \$100 a week to cover gas, food, and everything else. This is what a lot of us call making a living. This is doing a lot better than some of the City workers we've heard testimony from already. When we're underpaid for the kind of jobs that nobody else seems to want to do, when we're kept scheduled below a number of hours to make a budget look better, we rightly feel chiseled.

It's time to set an example and stop chiseling workers with low pay and schedules nobody can afford to live here on.

**Hales:** Thank you. Welcome.

**Mark Vorpahl:** Hi, my name is Mark Vorpahl. I'm a proud member of SEIU Local 49 and I work at Emanuel Legacy Hospital where many of my coworkers are earning under 15 and

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living in poverty. And if you know the work they do and the impact on the community, these are people on the front lines of making sure our patients are safe, that rooms are clean, that things are sanitized. You don't want somebody doing this kind of physically exhausting and mentally very stressful work -- and they're living in poverty. That's just not right.

Now, I want to thank the Mayor and Commissioners for putting forward this proposal for lifting the wage up to 15 for some of the City employees. While it's not going to directly immediately affect my coworkers, I think it's -- first of all, it really demonstrates that there has been a real grassroots effort and an ever-widening unity to start reversing what we're experiencing as part of a low wage economy and start pushing it up to \$15, and that's going to help my coworkers and that's going to help me as well.

Just some other things -- I'm also very glad to hear that you're talking about -- I don't know exactly how you plan to do it -- but addressing the issue of casual workers in Parks and Recreation. Because it just wouldn't be right if they didn't get a raise, too. They deserve it, they've been doing the work. They do the same work, they ought to get it. I'm glad you're taking that seriously.

Finally, you've put some wind in the sails in terms of building a statewide \$15 minimum wage movement, and I think that is the most important thing. I mean, it's wonderful what this is going to do in terms of improving people's lives, but we need the statewide. That is great.

As we address more of these issues I think that the thing to keep in mind is that what we do is not just simply a question of a fixed budget or something, it's a question of what are our political priorities -- who do we value? Do we value the health of our working class communities? Or are we going to put money elsewhere? I think hopefully this is demonstrating a swing in the right direction. That is, supporting people that actually do the labor to make this a livable city.

**Hales:** Thank you. Welcome.

**Laurie King:** Hi, my name is Laurie King and I'm with Portland Jobs with Justice. It's good to be here today. I'm very happy that you're in the middle of a process that will raise wages for contract workers in the City of Portland. I strongly support the position of 15 an hour, articulated by Justin and articulated by many today.

For Jobs with Justice, it's so encouraging to see that a nationwide movement is growing for a \$15 minimum wage. This is only a beginning, because \$15 an hour isn't really that much of a wage, and it doesn't address health care, stable scheduling, involuntary part-time work, union rights, but it's a significant increase and it's grabbed the attention of low wage workers. Many people. It has given hope to many that we can resist the economy's uber race to the bottom.

In the last 40 years, we have been living in a time -- I've lived through it -- living in a time where the power of the corporate elites has grown rapidly, and we're seeing new generations of workers, especially young people of color, just not able to make it -- not able to afford to have a family, to have health care, to go to school, even to just get by. This is something of course not caused by the Portland City Council. It's a big trend happening, and knowing you, you're upset and saddened by these trends as well.

But I simply want to say to you that we ever more need you ever more to be strong advocates, problem solvers with us -- not ever gate keepers but problem solvers with us to fight for \$15 for all City workers, including seasonal and part-time workers, including the AFSCME workers, County workers, and we need you to think creatively and critically about the budget, the Portland budget, the City budget that sets 55% of the general fund for police and has tax subsidies for real estate projects that may not be priorities.

We need you to be critical and look at these things and to think also as Shamus said about setting progressive taxes in the City. We have to have as a priority in our

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passion changing around the direction that the economy is going and we need you as allies. Thank you.

**Hales:** Thank you very much, thank you all. Good afternoon.

**Jamie Partridge:** Good afternoon, Mayors and Commissioners. Thank you so much for your proposal for the resolution. I'm with Jamie Partridge with 15 Now and we're very excited about this step forward in producing a \$15 wage for a number of workers contracting with City and City workers.

We encourage you to step out and declare your support for the \$15 movement citywide, statewide. I would suggest that with the bill before the state legislature which has a three-year phase-in that you can do this in three years. You can raise the workers of the City to 15 in three years. Of course, there have been several options suggested, not only the 4.6 million ongoing surplus but other creative ways of raising revenue, and taxing wealth and taxing income is something that the City can do and is not doing.

In any case, we're appreciative of the piece -- the new amendments that would include a task force starting with the 2016-2017 budget process -- I guess that would be October -- that would take into consideration the analysis of the casual and part-time workers and including raising to 15 seasonal maintenance workers. That was another part of the resolution. Then we're happy about that. We're happy to -- [beeping] -- is that my time?

**Hales:** Keep going, Jamie.

**Partridge:** OK. We're not happy with the change to full-time only workers. Part-time workers need 15, they probably need 15 more than full-time workers because you can't live part-time on 15. We're certainly supportive of including -- as the folks from Central City Concern and Transition Projects suggested -- those nonprofits would get grants from the City be included in the Fair Wage Policy, and the workers at Civic Stadium and the Rose Quarter are not only included, but there's an enforcement mechanism which hasn't been in place as a couple folks have suggested. We're suggesting a citizens review board that would help enforce the Fair Wage Policy.

Again, we support the suggestion of a more effective neutrality toward union organizing in the task force. I think that's everything. Thank you very much.

**Hales:** Thank you. Welcome.

**Melissa Vollono:** Hi. My name is Melissa Vollono, a branch organizer with Socialist Alternative here in Portland. Thank you for the chance to speak today.

I hope the City Council and especially the mayor realizes the truly historic opportunity that lies before them today and in the future. Since Seattle City Council member Kshama Sawant and Socialist Alternative first launched the 15 Now campaign in Seattle, this has had a transformative effect on the mood of the working class in this country. We have seen mass mobilization of working class people fighting for 15 from Portland to San Francisco to Mobile, Alabama, to most recently Minneapolis, where this passed Sunday night. City Council member Alondra Cano, a Democrat, gave her full public endorsement for a \$15 minimum wage.

As the council has heard today, working people are suffering now. This is not some abstract notion that needs to be debated. You just had a City worker testify to the council that she requires food stamps to eat. If that's not a crisis, I don't know what is.

This kind of dismal economic reality doesn't just impact low wage workers themselves. When workers are forced to go on social services, the repercussions are felt throughout the local economy. From an increase in the homeless population to mental health issues to the dismal condition of our city streets and by extension, a community that resists taxation as a matter of survival.

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We appreciate the City Council taking up this issue and hope that it continues to work fast and with full resources at its disposal. Just on the subject of revenue that Commissioner Fritz spoke about in response to Shamus Cooke -- if the present economic system requires working people to live in poverty, then maybe we need a new system. [applause]

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

**Alex Anderson:** Hi. My name is Alex Anderson, I'm a graduated biologist. I'm here to represent myself, Oregon state-licensed CNAs, and all City workers.

While working the required clinical hours in order to be able to apply to graduate school as a physician assistant, I have discovered that CNAs must be working under the license of a Registered Nurse, which means there are no options for work. One such agency in Portland that is private sector hires their CNAs with an estimated 20 CNAs to one registered nurse, whereas 70% of wages go toward the company and 30% to the worker. There are other agencies here in Portland that operate with 83% of the earnings going to the company and 16% to the worker.

These conditions are poverty wages, and they put all CNAs at risk for homelessness monthly because there are no caps on rental costs, there are no guarantees that shifts are offered beyond a week's time out. Over 3000 hours of work have been accumulated by myself before one hour of sick time was allowed.

**Fritz:** In the city of Portland?

**Anderson:** Within the state -- but mostly within the city, yes.

**Fritz:** If that's the case, you're under the Portland sick time ordinance. You accrue one hour per 30 hour worked. If that's not happening, you should contact the Bureau of Labor and Industry.

**Anderson:** OK.

**Fritz:** Thank you for bringing that to my attention.

**Anderson:** Thank you. The state at previous meetings for 15 Now has requested that the City of Portland lead the way. But the three years lead-in time is too long when we face monthly occurrences of possible homelessness.

Mr. Mayor, City Council members, thank you for hearing us today. In less than two years, we have elections. There are qualified candidates poised to sit in those chairs and ready to work to make \$15 an hour for all workers a reality. Our City workers know our value, know our capacity, and know our power. These conditions go beyond poverty, it demonstrates exploitation. Thank you.

**Hales:** Thank you. Mr. Wheaton, welcome.

**Rob Wheaton:** Thank you, Mayor. My name is Rob Wheaton, I'm with AFSCME Council 75. I would like to thank you for putting this forward, I think it's a great ordinance. We urge your support and we think it's a great first step. I'm looking at a list of the people that it will impact, and I know it's going to make a huge difference for at least six of our members. So, it's going to be big for them and we really, really appreciate it.

However, on the other hand, it is just the first step and I appreciate that we're working on moving forward on these other employees that will be left out. This is the list of people that will be left out: 1800 employees. [applause] To give you an idea of who the employees are -- I've heard several times from Parks officials that they're mostly lifeguards, they're young.

Well, first of all, we don't think that carries any merit. I think people that are young are just as deserving of \$15 an hour, as well as anyone else but also it's been borne out by the facts. According to the Office of Equity and Human Rights, 70% of the casual work force is over 20 years old. Shockingly, 60% of the casual work force is women, is composed of women, as opposed to the standard work force. When you remove those

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casual employees, the work force is actually 67% male when you look at all of the employees, subtracting out the casual employees.

Finally, there's one other group that it leaves out, and these are members of Local 88. They are members of AFSCME, people that we represent, and that is the people over at Central City Concern and Transition Projects and other grant-funded organizations. We can simply require as a condition of the grant that these employers follow the fair wage ordinance, and we would urge you to do this as soon as possible.

These employees are doing hard work for the City of Portland. They are running the sobering station, so basically handling our drunks that come out of our bars. They're working in the detox facility at Hooper, dealing with people recovering from heroin addiction and other addiction services. They are janitors, they are female treatment assistants helping people with young children that have been born to drug-addicted parents, as well as in Transition Projects, Inc. they are really taking care of our homeless people.

These people really deserve this money there are 20 of 27 positions at Central City Concern that start at less than \$15 an hour. Some of these positions after 25 years of employment never reach \$15 an hour. 25 years. So, we would encourage you to not only apply this ordinance to contractors but also to anybody receiving public dollars. Thank you very much, and thank you for doing this.

**Fritz:** Mr. Wheaton, on that dashboard you have from the Office of Equity and Human Rights, does it note how many of our so-called casual folks are of communities of color?

**Wheaton:** Yes, it does, actually. It is 71% white, and the remaining is broken up, as opposed to the regular work force which is 81% white. So, there is definitely a disproportionate representation of people of color in the casual work force as compared to the regular work force. I think we need improvement on those numbers, though, I want to underscore that.

**Fritz:** We're certainly working on that part, too. Thank you very much for bringing that to our attention.

**Hales:** Let me call on you, Rob -- and others too, but you in particular -- because there's going to be subsequent phases of this work. Obviously, we're going to pass -- I believe we're going to pass -- a version of this resolution, probably the one we have in front of us right now. We're going to do what we can do in the first phase of the work.

We've heard a lot of testimony about how we should move faster and farther and actually have no one up here -- I don't believe -- who doesn't want to move faster and farther. But if I can take a phrase from you, in the present economic system that we're in, we can't deficit spend. We can only spend money that we actually have. And as you know, I'm now working on my third budget. One of my jobs as Mayor is to propose the budget and we as a community and a Council discuss it.

In my first budget in 2013, we cut 155 full-time positions in the City budget because we had to balance our books. About 50 of those came from the Police Bureau, 26 from the Fire Bureau, we fortunately got a short-term federal grant to cover those 26 firefighter positions for two years. And then we did cut some positions in Parks. Last year's budget, we added back one position in the Police Bureau, none in the Fire Bureau and a few in Parks -- I don't remember the number. It was a handful, not a lot.

My point is we're still net less workers than we had in 2012 on a balanced books basis. Commissioner Fritz has quite rightly and very clearly raised this issue of part-time workers, and it's come up here as well. And again, none of us is interested in going slowly for slowly's sake, but I'm looking for ideas for how we move faster. They include new revenue -- I heard that, and Commissioner Novick and I have been demonstrating how popular ideas for new revenue actually are. [laughter] We're not going to stop talking about

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it because we need it, but it doesn't exactly fall out of the sky politically when one brings up the subject.

So, I want to call on you and ask other organizations to help us think through -- along with the task force that Commissioner Fritz is going to be assembling -- how do we keep going here? Part of the answer is going to be the better economy is giving us a better budget. The forecast says we're not going to have another year like 2013 any time soon, and I'm really happy about that. But it's not getting better so fast that we're going to simply be able to solve the problem with cash flow. So, we're looking for creative ideas from the activist community as well as from our own budget folks like the folks we've heard from today about how we do this. But the rules are that 90% or better -- I think it's 93% 00 of the general funds budget goes to police, fire, and parks. And most of the cost of those three bureaus' budgets is payroll.

So, it's a difficult box that we're in. Box is getting bigger, I like that, but it isn't infinite. Your thoughts about how we get creative -- not just that we should but how -- I'm very interested in hearing. I'm really happy that I get to preside over bigger budgets for as far as the eye can see, but they are not that much bigger. So, for what it's worth -- now and later, yes, please -- now and later we want to call on you for ideas.

**Vollono:** Has the City Council ever reexamined the tax breaks you give to businesses for coming here?

**Hales:** We don't basically give tax breaks for businesses coming here. We use urban renewal money from tax increment districts that has to be spent in that district on projects - - usually public works projects -- in that district. The conventional wisdom is we write checks to business. Not true. It almost never is the case. The only time the City is involved in a direct subsidy to business is in what's called an enterprise zone, and I don't think we've done one in at least three years.

So, it's mostly money in and money out for personnel in our budget. Urban renewal is another whole subject, and I don't want to take up the time here, but it's not like we have a choice between paying people more or building the Pearl District. That's not a choice. We can decide not to build a Pearl District, but it doesn't give us more to pay people. And in fact, what we're doing later this month is putting \$800 million that used to go to urban renewal districts back into the tax bases of the City and the County and the schools so it pays for more workers. So, we're happy about that. But again, there's a conventional wisdom that what we're doing for business in the City budget costs workers. It's not. That may be the case at the federal level, not here.

**Vollono:** And increasing taxes on the wealthy in this city?

**Hales:** Well, that subject has come up in the chamber over the last year. We brought that up as one of the options for how we could pay for taking care of our roads and streets, because we actually had been considering an income tax proposal as one of the options. We're going to get back to that subject this June when the legislature gets done talking about transportation.

**Vollono:** I would hope that the City Council would reach out to 15 Now. There's a lot of really smart people -- people that know what they're talking about -- when you move forward with these ideas.

**Hales:** We will. That's the invitation I want to give to you. We really want your ideas and for you to roll up your sleeves and work with us on those, please.

**Wheaton:** Absolutely.

**Hales:** Thank you.

**Partridge:** I would add it's not only just a question of revenue -- and there have been some ideas about that -- but also a question of priorities. When you talk about police, fire, and parks, I think that you've been getting a lot of feedback from a number of Portlanders

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about the value of the police department, and you might consider cuts in the police department. [applause]

**Hales:** We did --

**Partridge:** And folks have put forward a lot of evidence that the police department is not as helpful -- [speaking simultaneously]

**Hales:** We can talk more about those in our discussions.

**Novick:** Actually, Mayor, if I may for a moment, Jamie. I personally proposed some cuts in the Police Bureau, but I want to underscore what the mayor said which is those are jobs, too. You may be able to make some cuts based on attrition, but it's still a matter of jobs.

\*\*\*\*\*: Free the horses.

**Hales:** That subject has come up too. [laughter] Thank you.

**Partridge:** Priorities.

**Hales:** [laughs] Free the horses -- somebody did the other day. Bill, you're up.

**Fish:** Bill, last but not least.

**Moore-Love:** He's in the next group.

**Hales:** OK. Charles as well.

**Moore-Love:** I've got Ted, Greg, Romeo and Bob right now.

**Hales:** Charles, come on up, you're on first.

**Charles Johnson:** OK, great. Obviously, the problem has been fairly competently addressed. My name is Charles Johnson for the record. However, in our hope to get \$15 now for people who have jobs, we have overlooked a side issue that is part of that conversation about who is really earning what.

Some of these people we're talking about giving \$15 now to have zero health care and some have valuable health care. For some reason, Tina Kotek is not signed on to help us rectify the healthcare situation, so I hope that in the Mayor's office while we look at state issues that relate to 15 now and income tax that Jackie Dingfelder and Gail Shibley will also be in touch with Ms. Kotek about Senate Bill 631 and how we make sure people who are not getting 15 now still have the same basic human right health care that people that have managed to find jobs have.

That would actually help the City. There are people you're paying hopefully more than \$15 an hour to whose job is to figure out which City employees are going to be in uncovered groups to save the taxpayers a little money so that people can be sick. When we talk about living wage, we're talking about living, not dying, not staying home being sick. I'm glad that Commissioner Fritz, when we had the testimony about people working in health care not getting proper accrual of their sick time, pointed out that the system is -- 15 now is a resistance movement to a predatory system of exploiting labor. That's all there is to it.

The testimony was out here from the beginning that if the minimum wage had kept track with equity from its origin we wouldn't even be talking about 15 now, we would be talking about 20 now. 22, 27. So let's remember that while we're passing this as the Mayor just noted pit's part of a real campaign for worker dignity so that sick workers and their families and children don't have to try to figure out how they are going to deal with pediatric cancer on \$15 an hour because they only got a raise, they didn't get a real living wage. Thank you.

**Hales:** Thank you. Welcome.

**Ted Pyle:** I want to focus on the message that's been sent to the --

**Hales:** Just put your name in the record.

**Pyle:** Ted Pyle. Being sent to the private sector that constantly plays the workers off against one another for lower and lower wages and no benefits, abuses all these part-time things and other considerations calling work

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“entry level” and people are doing it well into their 50s and 60s, but mostly it’s just that we’re raising a whole generation of people who don’t have health care, who don’t have retirements, who are working these part-time jobs, and in the ends it’s the government -- city, county and federal -- who will have to support these people who don’t have the benefits of the previous generation.

So, the best way to help the imbalance in wealth is to pay the bottom because they’ll spend the money and they will use it immediately and it goes right along with the fact the feeding of the top hasn’t helped the bottom. So a 15 an hour is a good start, and eventually -- I mean, all these things are going to have to be solved by legislation because there’s only what, 10%, 12% union representation -- so the only people that can defend the working people against being abused further and having to be subsidized by the government in the future is the legal system -- city, state, and federal.

**Hales:** Yeah, good point. Thank you. Mr. Sosa, welcome.

**Romeo Sosa:** Thank you. Good afternoon, City Commissioners and Mayor. My name is Romeo Sosa, and I work for VOZ Worker Rights Education Project and also we operate the Martin Luther King Jr. worker center, which the City helped us to open in 2008. Since that, we have connected about 25,000 people with jobs.

When we first opened the worker center, we collectively established \$10 an hour. Three years ago, we raised to \$12 an hour, and we started a conversation to raise to \$15 an hour. I hear that part-time workers or temporary, seasonal workers wouldn’t want to be excluded in that. If the City cannot do it we will do it, but I think together we can do the City of Portland fair and to create like a \$15 an hour altogether. I’ll be proud to see if you pass that resolution. Also, I can’t wait [indistinguishable] in other states, we would like to see it. All workers want to be paid at least \$15 an hour. Thank you.

**Hales:** Thank you. Welcome.

**Bill Michtom:** I’m Bill Michtom, I’ve lived here a long time, I come here to shoot my mouth of every so often. I wanted to start by recommending the living wage calculator website -- very useful. Good data. [Livingwage.mit.edu](http://Livingwage.mit.edu).

I wanted to speak to a few things. First of all, the idea that there are starter jobs. A lot of people have talked about fast food jobs being all for teenagers -- starter jobs. Except, only 30% of fast food jobs are held by people in their teens. Another 30% are people under 24 -- 20 to 24. Basically in our economy, there are no starter jobs. People are living on starter jobs -- or trying to.

Second, anybody who works should be getting \$15 an hour unless perhaps it’s a 13-year-old doing babysitting. And even then. Our minimum wage now -- we have one of the highest in the country -- is \$9.25. The lowest living wage for a single person in this city -- thank you, MIT -- is \$9.42 an hour. So, the idea that you can live on a minimum wage is obviously nonsense. It’s more than nonsense, it’s cruel nonsense.

We’re talking about ideas -- actually let me back up for a minute. One of the people who spoke earlier talked about getting \$10 an hour now. I remember my first \$10 an hour job. It was 1977. \$10 an hour in 1977 is now \$39. So, that affordable job of \$10 an hour -- which it was -- should be \$39 an hour now at our current cost of living.

Finally, in terms of ideas for more money, more revenue. The City has to lobby Salem, and one of the things it does when it lobbies Salem is say, you need to go lobby the federal government. 55% of our federal budget goes into killing people. This is not a good use of our resources -- [applause] -- and there are lots of other ideas I am sure that the people have been before you can help you can. Lobbying is a really big one. Put pressure on our congressional representatives, and let’s get real money.

I just want to also follow up quickly by saying let’s stomp on private employers. They have to start paying minimum wage -- a living wage, I mean. A minimum living wage,

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which is barely \$15 an hour. A single person with one child needs to make over \$19 an hour to have a living wage. Once again, thank you, MIT, and thank you all of you for listening.

**Hales:** Thank you. Anyone else want to speak on this item that has not come up? Please, come on up.

**LaQuida Landford:** Good afternoon, Mayor, Commissioners. I always wait until last because I think I always have to run off at some point in time. But there was a lot of very good points --

**Hales:** Just your name in the record --

**Landford:** Oh, I'm sorry. LaQuida Landford. There were a lot of very good points that brought me here today. I returned back to Portland just about a year ago and I lived here for 10 years probably from 19 to 28, and always thought this was a great city to live in. My family lives here, my sister is raising my two-year-old niece here. My mom who was on drugs in California for many years lives here and she's doing well. And so, really believe in a lot of the values Portland has to offer to the people of Portland.

We're also talking about \$15 an hour now, how we want to be creative, and I think at this time we are in lobbying session -- you know, banning the box because we are also talking about people of color. I sat in this room and looked around as I do always, and I'm like, I'm kind of the only one and I'm going to speak about what I can. But it would be my first step would be like to ban the box. Also, offer knowledge workshops to the community going forward business-wise as we talk about community development and economic development and the construction sector. And also not having it look like well, you're cleaning up as our safety environment auditors -- there's just a bunch of different things that can lead into this but also with apprenticeship programs and also giving kids the opportunity, teens that are going to jail to defense halls, to have them be able to be responsible because they are having kids at a younger age to look at responsibility at such a young age and to be looked at as the youth that they want to be looked at as the youth that they want to be looked at and given that opportunity at a really young age.

I really do support this \$15 an hour movement. And also at a period of time where you don't -- for me it would be an apprenticeship program -- you don't just come in at \$15 an hour but you work your way up into a year and a half to two years dependent on what the position is and how you can move forward and also as everything goes with affordability of homes and just teaching those responsibilities for our community. So, that was one of the things that I wanted to talk about.

Also quickly -- Transition Projects is how I'm able to have rent today. Central City Concern is where I'm employed at today. Home Forward is where I sit on the board at. All of these community opportunities have given me fruitfulness -- given me the opportunity to look at the fruitfulness of my life at 38 years old today. And so I'm really excited about being a part of any change in our community and to continue being that role model for our young people and also share any ideas that I can. And I do have many more that I would like to share with you, Mayor, and Ms. Amanda, if possible.

**Hales:** Please do. Thank you.

**Steven Entwisle:** Good afternoon, City Council, Mayor. My name is Steven Entwisle, former boxing champion, heavy weight division golden gloves here at regional. Also, representing healing man's sanctuary and 100 million friends.

Anyway, been here for 55 years. Not million years, but 55 years. I've seen a lot of things come and go. But what I've seen that stayed a lot is a lot of wealth. There's a lot of wealth that comes to Portland and stays. Not to disrespect any of it -- I mean I'm sure, you know, it's all legit -- but I don't see the amount of wealth versus being able to get at least a pertinent amount of revenue in order to just get basic things done.

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These are hard times right now. This is no joke for people out there. There are 300 people jumping off of bridges every year in this town. It's crazy. It's nothing to be proud of. I don't see that you guys are working hard enough to stop that.

Everything is a lifeline for homeless. Everything, including the parks. When you take that away, then you're going to see a real large jump in suicide rates. That's not going to be good. I don't think you're trying hard enough to find ways to get to the huge amounts of wealth that are in this city to make it benefit those that really need it the most. I see a lot of protection of that, on the other hand. It's only going to create injury along the run. Thank you.

**Hales:** Thank you. Good afternoon. Just push the button on the base of the microphone there. There you go.

**Judith Pullman:** Good afternoon. For the record, I'm Judith Pullman, and I also work for Parks. I've been working there five and a half years. I make five different rates depending on what I do in my center. Now, I currently make over \$15 an hour from my main coordinating work that I do to coordinate a program, but if I move to a different position or help out in a different sector, I make 12.50 an hour. And then if I'm sick, I also make my lower rate, \$12.50 per hour, even if I'm scheduled to do my other coordinating job.

**Fritz:** Talk to me about that.

**Pullman:** OK, I can talk to you about that.

**Fish:** That doesn't make any sense. If you're scheduled, I think you're eligible for the pay -

**Fritz:** That's not correct, so I'll make -- thank you for bringing that to my attention.

**Pullman:** OK. And it's happened to a few other workers in my center.

**Fritz:** I'll make sure that we fix that, thank you for letting me know.

**Fish:** You don't default to a lower rate just because you're sick if you're scheduled.

**Pullman:** That's what we said.

**Fish:** What's your community center?

**Pullman:** I work at the Multnomah Arts Center as well.

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

**Pullman:** Yes.

**Hales:** OK. That's something to look into, thank you.

**Pullman:** Yes. So I'm here in support of a lot of my fellow workers. There are three represented -- actually four represented workers at my center, and there are three other people who coordinate large scale programs who are not represented, some people who do smaller coordinating duties. But we all work really hard, and we all feel bought into the system but not taken care of by the system that we love. And I know our community really supports us and would love to see us being cared for by the work that we do. So, thank you. This is very valuable. Your work makes a big difference and your attention.

**Hales:** Thank you. Same to you. We appreciate you bringing these issues to us as well.

**Fritz:** Is there a reason you're not represented?

**Pullman:** Well, I've heard from my supervisor that that's due to budgetary concerns, that there's not room to add on.

**Hales:** The reason you're not represented in the union, you mean?

**Pullman:** Oh -- we're trying. We're trying. Mainly because I believe there are only so many represented positions to have at each center. That's the logic even though there are more programs than represented positions.

**Fritz:** Right. That's full-time and part-time issue that we will definitely look into. We did have a really good success when the Rangers organized and joined Local 483. Then there was a comparative study done so that seasonal rangers no longer make all that much less than full-time rangers, and so that's why I have a budget request in this year for \$80,000 --

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only \$80,000 would move six seasonal positions into full-time positions because we've already closed that gap. From my mind -- as a long time and continued union member -- I believe that organizing as a union is a really good thing.

**Pullman:** Fabulous.

**Fritz:** I hope that you can continue the work with Local 483 who have been doing great works within Parks, and we appreciate the partnership. Thank you for coming today to tell us [inaudible].

**Pullman:** Thank you. We also appreciate you guys making the statement that workers are safe to speak -- a lot of people are very scared because this is our livelihood.

**Hales:** Yeah, I'm glad we got a chance to talk about that. People should feel they can do what you and others have done here today any time on any issue.

**Pullman:** Thank you.

**Hales:** That's the rule here, and hopefully people will know that and be assured of that.

**Fritz:** Not only safe but delighting your Commissioner that everybody was here. I want to assure my colleagues that I did not organize all these Parks workers to come. I really appreciate the fact that --

\*\*\*\*\*: Why not?

**Fritz:** Frankly, Erica Askin in 483 got ahead of me.

**Fish:** The public records request for your emails will settle that question. [laughter]

**Fritz:** Thank you very much for being here.

**Hales:** Thank you. Actually, let's have a little moment for discussion here. But I think given that we've adopted the amendments, I'm not sure there's reason to wait to adopt the underlying resolution.

**Fritz:** Except that we wanted to wordsmith the fulltime bit. I think we do need to find out the monetary cost of the amendments we have adopted plus --

**Saltzman:** I don't think any of those -- I mean, we're setting policy. I don't think any of those things stand in the way before now when we adopt the budget.

**Fish:** This is a resolution.

**Saltzman:** Yeah, this is a resolution, I say we vote on it. [applause]

**Fish:** And I think if there's further modifications, I would entertain a subsequent resolution, but I think it would be a nice way close this hearing to actually cast a vote.

**Fritz:** As long as the sponsors want to come back and have another hearing on another -- the advantage of not doing that -- it's obvious that we are going to pass this or something very similar to this. The advantage of continuing the hearing or closing public testimony and then moving the vote out is we give our staff that were here four hours ago and are not here now the opportunity to wordsmith without then having another public hearing on the amendments.

**Hales:** Let me offer another suggestion. I think this is a fairly discrete issue. We have other follow-on work to do. I think I agree with Commissioner Saltzman, I'd prefer to vote on this today and then if there's a need to make any amendments to our financial policy that includes this prior to doing the budget, I can come back to the council with another resolution that says we need to make these word changes in our Fair Wage Policy and those word changes in some other Council policy. But this is a resolution that directs policy. It's not appropriating rating money. It's going to obviously have a big influence on what I put in the budget.

But because of the budget timeline, I think I'd like to get this done today again with an understanding that if there's a word or two we need to change later on, we can do that. Also, it gives you the authority to proceed with the task force as soon as you're ready. So again, I believe in measuring twice and cutting once, but I don't think there's that much at issue here in terms of changing words later on.

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We've got the full-time -- in other words let me say this differently. We may make this ordinance more liberal over time but I can't imagine that we need to tighten it down any more.

**Fritz:** In general when Anna Kanwit tells me there's an issue -- a labor -- an issue with wording, I tend to respect her.

**Hales:** Let me see if Josh has an opinion about that.

**Fritz:** It's a nonbinding resolution, so I suppose --

**Hales:** Right, it's a resolution crafting financial policy. Josh, do you see any reason we can't adopt it as amended today? What do you think? Obviously, there's no rush, we could do it later.

**Fish:** Josh, you're an at-will employee. If you're wrong on this -- [laughter] -- you're offering an opinion in a public setting, so tread lightly on this.

**Josh Alpert, Office of Mayor Charlie Hales:** I actually don't believe there's a reason not do it with the caveat that there are a couple of tweaks I think that will need to get made. Whether it's done on consent later, I think can be done. I talked briefly with Anna when she left, and she's already hard at work trying to figure out some of those questions that came up earlier. I really do think it's a Council decision.

**Fish:** Mayor, you have the prerogative -- if it comes back for technical fix, you have the prerogative as a chair to remind people the only testimony we're taking is on the technical fix, not on the whole issue.

**Hales:** Right. I mean, we've had a lot of testimony on the substance of the issue. People know what we're doing, which is we're addressing our full-time workers and our contractors and we're setting up a process to deal with our part-time and seasonal workers. The substance of that isn't going to change. And you're right, if we have to wordsmith a couple of things on consent later on to make our staff happy, I'm always happy to do that.

**Fritz:** OK.

**Hales:** Everyone content with that? Good, then let's take a roll call on the resolution, please.

#### **Item 194 Roll.**

**Fritz:** Thank you to everybody who was here earlier, and thank you especially to those of you who remain at this hour especially since we said we weren't going to vote on it; Jobs with Justice, of which I've been a longtime supporter; and 15 Now for pushing this livable wage. And I agree that even \$15 an hour is not enough to live and raise a family on.

Thanks to Commissioner Saltzman and Mayor Hales for highlighting this issue, and to my colleagues for understanding that we collectively have a problem. And if there's one hesitation -- yes, we need to do what we can when we can. One of my guiding principles since when I was on the Planning Commission I learned from Ernie Bonner, who was one of the great leaders of Portland and who was previously on the Cleveland planning commission. He taught me a principle that we should always make decisions to give more choices to people who have fewer choices. And so that has been always the principle, and in this case it really is the seasonal workers, the seasonal so-called part-time workers who have the fewest choices, who have the worst working conditions.

So, many of the people who will benefit from this who are custodians here at City Hall, many of them are my dear friends, I certainly appreciate the work that they do. The security staff have been tremendous. I have been a longtime supporter of SEIU and the other unions in the community. Those folks all deserve \$15 an hour. The people who most need it are not getting it under this ordinance, under this resolution.

As an employer who is not -- who has just heard not only are my employees are on food stamps, they are also on Medicaid, I hope those of you who have previously been

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Parks Commissioner and those who will in the future -- [laughter] -- because hopefully we all get a turn -- it's a great bureau to be a part of, partly because of the wonderful workers, some of whom we heard from today, people who are totally dedicated to serving the public, who love their jobs, who make their points in such a constructive manner. I'm just honored to lead the bureau and I'm also -- it's not OK with me that we do not support our workers in the manner that they deserve. I know that Mayor Hales is very committed to that as former Parks Commissioner himself to addressing that wrong. Since this is a step in the right direction, I will vote aye. [applause]

**Fish:** In a former life, Mayor, I had the honor of representing healthcare workers. Healthcare workers in New York organized because they were working in hospitals in low wage jobs, and they weren't eligible for health insurance. And so they couldn't afford to get health care in the place of where they worked. It took a great labor movement and coalition that changed that and to change the whole industry of lower wage workers in a hospital setting.

I was thinking about our history in this area. Richard Nixon -- that noted radical -- once proposed a negative income tax where he wanted to create an income floor for Americans, and of course that went nowhere. Hubert Humphrey once propose a full employment act, and we know that didn't go very far. We've had eloquent testimony today about the diminishing power of the federal minimum wage and what it doesn't provide.

Today, we're taking a modest first step but an important step, and an important symbolic step. And I was very proud at the State of the City the Mayor delayed this a City priority. Let me begin by saying to the Mayor and Commissioner Saltzman, thank you for making this day possible and moving us forward. Bill, if you applaud one more time you'll have to be removed. [laughter]

I want to thank my friend Amanda Fritz for relentlessly focusing on the needs of seasonal contingent workers at the Parks Bureau. When a number of years ago Mayor Adams asked me to create a new Housing Bureau, one of the things that I learned as we went through all the complexity of creating Housing Bureau is that City workers who worked on housing were not represented. People may forget that, but there was a time when employees of the former Bureau of Housing and Community Development were not represented.

There were a lot of thorny legal and labor issues that had to be resolved when we brought PDC workers over and we created a new unit, but the one thing I was very proud of is this City put no obstacle, no road block in the way of employees exercising their right of free choice. And today, the employees of the Housing Bureau are represented because they chose to be represented and the City consistent with its policy did not interfere with that right.

Commissioner Fritz wants us to work as a Council to address an inequity at the Parks Bureau and raise the working conditions of people who are tireless public service who give great service but are not treated as regular full-time employees. And she has my full support and I know she has the support of this Council.

We heard time and time again, the principal barrier is a question of cost. Well, I've sat on this Council when we had no way to pay for Portland-Milwaukie light rail, and we funded it. I've been on this Council when we've taken on big, bold initiatives with no clear way to fund it and we found a way. The reason we will someday solve this challenge is because Commissioner Fritz will not let this issue go until it's resolved. So Amanda, thank you.

By the way, there are four current and former Parks Commissioners on this dais, so I think you have a leg up. The mayor has also committed not to change bureau assignments for the foreseeable future -- [laughter]

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**Hales:** Just hers! [laughs]

**Fish:** I think it's likely that -- well, I started two task force 15 minutes ago. I'm going to claim the same privilege.

One last thing. We're not here today because all of a sudden any of us woke up and said, let's take on the \$15 crusade. We're here because a whole community coalition insisted that this happen. Let's be clear. And it started when Dan and I were running for reelection last year, a year and a half ago. It was framed for that election cycle. It continued with the lobbying of this mayor and this Council, and Charlie spoke to that eloquently in an interview he did recently about the number of groups and coalitions that came and said, now is the time. So we're here because the community has spoken. And this is a first step, this is not solving the global problem, but it's an important symbol issue step and this Council is committing to doing more work. So, I thank everybody.

Finally, when we talk about a livable city, we often get caught up in physical manifestations of livable city and it's what people talk about. It's our beautiful parks, it's nature, it's the beautiful downtown. It's place. And I like place as much as anyone else, but when I think of a livable city, I think of affordable homes, quality schools, universal healthcare and living wages. Now, that's a livable community and that's what we should recommit to today in going forward. So, thank you to the sponsors and to all of our colleagues. Today, I'm proud to cast an aye vote. [applause]

**Saltzman:** Well, I want to thank Matt Grumm in my office for helping us pick up the challenge from Jobs for Justice and \$15 an hour PDX Now to have this hearing. I'm pleased to say as a result of this hearing, we're about to pass into law an increase for our contract employees starting July 1st, and maybe down the road our seasonal Parks employees too. It may take a while to get there, but I think there's a will, and where there's a will there's a way.

So, I'm really happy that we are doing this today. This is really a way of really supporting Portland families and wage-earners who work hard. I mean, our security, our janitorial, our parking attendants are in some of the lowest paid positions and they are supporting families, as we heard today very eloquently from many of our contract employees and they deserve to have an effective wage increase of \$15 an hour effective July 1st. And 15 may not be the right number, but I'll tell you when you consider right now our federal wage is less than \$10 an hour, it seems 15 sounds pretty good from where most wage earners in this country are looking at for minimum wage. It's a good start, it's a good day, and I'm pleased to vote aye. [applause]

**Novick:** Just a few comments. One is that we are today essentially committing to spend a significant portion of the limited additional ongoing funds that we'll have over the next five years to raise wages of people who aren't making enough money, and I'm very proud of that. I am also very disappointed that we don't have the resources at this point to raise the wages of every City employee -- part and full-time -- to \$15 an hour, and I'm very much in agreement with those who said the fact that you're part-time doesn't mean you don't need \$15 an hour. In fact, if you're trying to live on part-time work, you need the raise at least as somebody working full-time.

In responding to Bill's comment about getting the federal government to cut the defense budget. Unfortunately, with the current configuration of Congress, that's probably not realistic. However, I do sometimes wish that we were the federal government because then we could just cut the V22 Osprey or some other weapons system and use that for things like raising wages. Instead, we're a city where I'm reduced to doing things like proposing cutting the mounted patrol in order to raise a little bit more money. Although I'm not the biggest fan of the mounted patrol, they are a lot more appealing than the V22 Osprey.

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Commissioner Fish said that he was here when we didn't have the money to fund light rail and yet we did it. Problem is that we did it at the expense of money for transportation maintenance and safety projects. That's not the reason we're in a budget hole on transportation -- it's a small fraction of the reason -- but the truth is we didn't really find the money. And finding additional money is difficult. We've heard talk about taxing the rich, which I'm pretty much always for, but it's not the easiest thing to do -- even in Portland.

One idea that we might ask the legislature to consider I think is we have -- the property tax system that provides a lot of our funding is regressive both because of inequities from neighborhood to neighborhood that are caused by measure 47 and 50, but also because the cost of housing is not proportional generally to income. People who make 50 times as much as the median income don't normally live in houses that cost 50 times as much as people with median incomes. Maybe we could get the legislature to consider sending something out to the voters to authorize some sort of luxury tax on housing that would cost more than \$500,000, say.

Another thing that I think we should think about as a City is in Germany, wages are high, and healthcare costs are much lower than they are here. We spend more on healthcare than any other industrialized nation. Maybe there's an opportunity for the City and its unions -- a very active labor management benefits committee -- to sit down and plot a future where we manage to figure out a way to spend less on healthcare and more on wages.

I'm very proud of this Council which has committed to raising wages of its employees. It's difficult to see where we get the money now. We all need to work together to figure out creative ways as people have said of ensuring we get the additional money because it pains me to think that we've got City employees that are working part-time but that's their whole job and they're making less than \$15 an hour. I'm very proud to be in this Council today. I'm proud to take this action but it is not nearly enough. Aye.

**Hales:** Well, I just appreciate this hearing very much; the advocates here in the room and elsewhere in the community that have raised this issue; the people here in City government including Josh Alpert, who is as usual sitting quietly in the background but has put a great deal of work into this and many other good ideas around here; and my Council colleagues.

It's always interesting when you hear descriptions of Portland politics sometimes in this room or sometimes in the community, I actually in the course of a day often hear us criticized as a liberal city and a conservative city in the same day. And maybe that's a point of view of the observers, but actually I think it's because those labels don't really fit all that well. The words I use all the time in trying to describe Portland is that we practice localism and communitarianism.

Localism because we actually believe we're responsible for the people of this place and this place, and that's why we put so much attention over the years into the quality of place in Portland. We didn't wait for somebody else to do that. In some cases, we actually had to battle other governments, no, we will not build a freeway through Southeast Portland. We prefer light rail instead. In some cases, we've had help from other governments, like we actually like an urban growth boundary and we mean it and we'll keep it and we'll respect it.

And then we're communitarian because we actually think about each other. One of the stories that I've told from when I was running for office is that I kept running into people in old neighborhoods who said, you know, my sidewalk and street need a little work but before you get to me, go take care of the people that don't have a street yet. You know, I

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love that about Portland -- that people actually think about their neighbors -- all of them -- here.

So I think what we're doing here today is an expression of those traits, that we as a City have a habit of trying to put our values into what we actually do -- into how we spend money, into how we run our bureaus, into how we provide services, how we take care of our workers. And I think that those are really healthy things about us as a city.

While I hope that eventually there's forward motion on lots of things in Congress, I don't think we're going to wait for it in Portland, we're going to keep trying do things locally. We hope and expect that the good and progressive legislature that we have in Salem will help on some of these issues, not just wages but also sick leave and transportation and a lot of other things that need -- mental health -- that need state help for what we want to try to do locally.

But again, I think we think about our community. We think locally, and then we actually try to put our values into action. We're doing that here today. And I'm very proud of that. There is a lot more work to do.

Commissioner Fritz has run straight at the problem of the part-time and seasonal workers in Parks Bureau. That problem has been around a long time, probably as long as any of us who have served as Parks Commissioners. I think it's probably gotten bigger over time because the number and diversity of services that the Park Bureau provides has gotten greater, and we have more community centers and places in which those services are offered. So, we have a big issue there to take on, and I appreciate you, Amanda, for raising it up. And as Commissioner Fish said, I don't think you'll let us stop talking about it even if we wanted to.

This is a very good start to a body of work that's going to continue. It's going to continue on the Parks Bureau, it's going to continue for how we get this finished in our own work force and then try to express those same values into how the private sector operates in the City. I've encouraged private sector folks to follow our lead. I hope some of them start to do that.

As somebody who worked in the private sector for 10 years, I happened to stumble into working for a company that had this belief that if we took care of our workers, we would prosper. And it turned out to be true. It's not just true in the private sector, it's true here as well in our workers in the City and our contractors that provide the services are our most valuable asset.

This is the ways to recognize that, to start putting those values into practice with dollar signs behind them. I'm very proud of the work. I know we have a lot more to do and I look forward to doing it with all of you, aye. Thank you very much. We're recessed until tomorrow at 2:00. Thank you. [applause]

At 4:57 p.m., Council recessed.

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

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

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

**FEBRUARY 19, 2015      2:00 PM**

**Hales:** Good afternoon, everyone. Welcome to the February 19th meeting of the Portland City Council. Would you please call the roll, Karla?

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

**Hales:** Before we begin, Portland lost one of our heroes this week. We're very sad about the sudden death of Jerome Kersey, one of our great Portland Trail Blazers and someone who has been an important part of our community life. In fact, the most recent time I saw Jerome was just a few weeks ago when, characteristically, he was out giving his time to help young men in our community learn the sport of basketball. So if we could, let's begin today's discussion with a moment of silence for Jerome Kersey. [moment of silence] Thank you very much. OK, we have item 195 to take up first.

**Item 195.**

**Hales:** Mr. Van Orden is here with a staff presentation.

**Paul Van Orden, Noise Control Officer, Office of Neighborhood Involvement:** Thank you, City Council. Paul Van Orden, Noise Control Officer for the city with ONI.

Today, for variance number 3501908 on the docket, the variance for Andersen Construction, staff would recommend that we grant the appeal from the neighbors regarding the removal of Sunday work from the conditions of the noise variance that we had approved. And in this case, you may recall from our past hearings that the construction company has been amenable to removing their 10 dates of Sunday work. So, on one level it may be a moot discussion, but staff thinks it would be appropriate to grant the appeal.

During our last dialogue, Council had directed ONI staff to meet with the appellant, Mr. David Vanadia; Gwenn Seemel; and Maryhelen Kincaid; along with Assistant Chief Day and Chad Stover from the Mayor's Office to explore some potential improvements to the concerns in the Pearl for construction noise. As a result of that discussion, Assistant Chief Day had committed to working with dispatch to ensure that we had special reports and records of what was happening with construction noise forwarded to the Noise Office so we could potentially move forward with enforcement action based on officers' observations.

Theresa Marchetti in ONI had followed up with dispatch with the Police Bureau to see if we had had any noise complaints on which we could act, and to date, the Noise Office does not have any record of complaints in the Pearl with which we can move forward with a violation or examine a potential record of concerns. I think there may be one date that the neighbors had a concern that they did not get the response that they wanted from dispatch, but I don't have a record to really comment on that particular element.

The other component of our last discussion was a request from Council that we explore improvements to notification with the community in regards to our noise variances. Our initial attempts to improve that system definitely had some good critique from Maryhelen Kincaid, who's here today.

Our first attempts were to post a list of variances, and that was a little bit confusing because it was citywide -- still fairly short because we're not processing a lot of noise variances this time of year, we're not really in our busy season. And what we decided to

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switch to is we're now using a system where we post our variances every day when I sign off on those -- the internal noise officer variances -- and Kathy posts them up online and then on Fridays she sends a reminder link to the neighborhood offices that they can find those on ONI's website.

We had some dialogues with Maryhelen about that, and it was clear that even within the coalition offices, since this was so new, there was confusion about where that information could be found and where they wanted us to email that over to the coalition offices. As of today, I've made some calls and we're going to fine tune who within each of the offices gets that link.

So, for instance in Southeast Uplift, we are spending it to one particular staffer and the main person in charge has asked that I send them directly to her. So, we're making some fine tuning and changes to that to ensure at least our initial system is received in the coalition offices and they have an opportunity to disseminate it.

More importantly, what we're doing right now is not searchable and not very usable by a citizen, so the long term goal within ONI is -- in moving from BDS over to ONI, we have increased our intake in noise variances a bit, probably primarily because of the increase in construction work. We think we have some money there to help get someone in to help create a system that's more searchable in the coming months so that if a citizen wants to look up their particular neighborhood, a street, a particular project, then they would have that capacity. Right now, what we're doing is just getting the variances up so that if someone calls us, we can give them a link to the particular variance and they can just pull it up online. But until we have something that's more searchable, it's not the most usable system currently.

I would also like to report to the council that one of the big items that we examined over the last several hearings on this concept was the idea of what an appropriate venue for review for noise variances is in terms of, should the most rudimentary variances always come to City Council? And I think that we'll see within the dialogue of potential code changes coming down the pike in the next several months from the Noise Review Board that the chair has expressed a willingness to explore this question of, what is an appropriate venue of review for the noise variances? And they will be undertaking a dialogue of, are there more basic variances that make more sense to go back to the Noise Review Board or to the code hearings office?

So, I think that's been a very valuable dialogue because the city is changing, we process between 550 to 600 variances annually, and it may be an appropriate question to explore and bring back to council in terms of venue of review with the Hearings Office or the Noise Review Board for more basic noise review variances while likely maintaining the most complex noise variances coming back to City Council, like the Milwaukie light rail projects with TriMet and other large projects. That's the general information I wanted to bring back to Council. You may have some questions that I could answer.

**Hales:** Questions for Paul? Again, your recommendation is that we grant the appeal and that in effect the request of the appeal has been granted or has been assured, and that by granting the appeal we enshrine that understanding between the appellant and the construction company.

**Van Orden:** Yes. And I think the important note for Council is it just reinforces the tone that what I'm attempting to do as the Noise Control Officer is see what opportunities we have to reinforce the tone that Sundays are a day for respite -- not for any particular religious reasons, but because it is a day that is commonly accepted as a day when citizens would expect a rest from construction. I will do my due diligence to carry that over into other variances that I review, as well as the dialogue we've had here about issues in the Pearl.

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**Hales:** Any other questions for Paul? Thank you. We wouldn't normally open the record at this point for more testimony. We have conducted a hearing. I might give Mr. Vanadia a moment to just briefly come up, and I know Maryhelen Kincaid wanted to. Did you want to speak, Maryhelen? Again, I don't want to re-litigate the hearing, but before we take an action on Mr. Van Orden's recommendation I'll give you a minute or two to add any thoughts for us, please.

**David Vanadia:** Thank you. I'm David Vanadia, I just have a little thing that I wrote that I'd like to read. It's not very long. I would like to clear up any confusion for people watching at home, and then I would like to talk about the events that happened since our last meeting and I'd like to propose a solution.

Title 18's policy statement says it's the intent of the city council to minimize exposure of citizens to the potential negative physiological and psychological effects of excessive noise; and protect, promote, and preserve the public health, safety and welfare. It is the intent of the city council to control the level of noise in a manner that promotes the use, value, and enjoyment of property; conduct of business; sleep and repose; and reduces unnecessary and excessive sound in the environment.

Title 18 bureau action states that all city bureaus shall to the fullest extent consistent with their authorities under other titles administered by them carry out their programs in such a manner as to further the provisions of this title, and shall cooperate to the fullest extent in enforcing the provisions of this title.

Finally, Title 18 authority of enforcement says, this title shall be enforced by the Office of Neighborhood Involvement and by the Bureau of Police. Duly authorized agents of either of these bureaus should have citation authority for purposes of enforcing this title.

So, this title of course is Title 18, Portland's Noise Control. One month ago, Andersen Construction agreed to not work on Sundays, days which citizens should already have off. So, Andersen gave up something they shouldn't have been granted in the first place and something they claim they never planned to use.

One month ago, David Sweet, the Noise Board chair said he would restrict construction from companies that had logged complaints, yet at the past two Noise Board meetings, he ignored citizen testimony from several different residences and granted multiple construction variances, regardless -- sometimes without authority.

One month ago, Chad Stover from the Mayor's office committed to having the City Attorney look into noise ordinance -- whatever that meant. We never heard from him again.

One month ago, Assistant Chief Bob Day committed to try having officers actually respond to noise complaint calls and write special reports, but he refused to do enforcement because noise ordinance confuses police.

The Office of Neighborhood Involvement didn't make any commitment. Theresa Marchetti labeled it a 30-day trial period. Since we last met, City agents have promised to try to meet the absolute minimum agreements of Title 18 temporarily. From what I can tell, this has been going on for years. Meanwhile, we have what looks like six 5:00 a.m. starts happening at the Andersen Unico site this week. Five of those days are to erect their tower crane, despite the fact that Andersen does not have a variance for crane activity. Perhaps that's the reason why they scheduled the work after today's hearing, I don't know. We expect at least another 30 5:00 a.m. variance-granted starts from them this year alone, and that's not counting any other construction activity in our neighborhood.

My wife Gwenn and I have invested countless hours. We've communicated with neighbors, developers, construction workers, law enforcement, Noise Board members, City liaisons, building managers, the Noise Office, and finally with you, the members of the city council. Over the past year, we have made many suggestions about how to improve livability with regard to construction noise.

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Despite the extreme resistance we've encountered, we haven't given up. In fact, we've come up with a solution that is simple and provides immediate, effective, balanced, and equitable resolution. Here it is. When there are three or more construction sites within a two-block radius and a noise-receiving residence exists and predates the construction within that same radius, the area shall be deemed a concentration area inside which no work shall take place from 6:00 p.m. on Fridays until Monday morning. We call this no-work weekends.

Here are the benefits. One, there's variances. Variance work can still happen Mondays through Fridays as needed. Construction companies have told us they need at least a three-day window to plan for variance work. With no-work weekends, they still have five days to variance-granted large volume concrete pours, crane erection, jumps, and dismantling.

Livability. At the February Noise Board meeting, an ODOT construction representative who was applying for a variance told the board his workers have better morale and are more productive when they have time off on the weekends. In fact, my wife received an angry response this week from an Andersen employee because she e-mailed him on a Sunday. So, we know construction workers value their repose as much as we do.

Enforcement. Local police can be informed of a concentration area by the Noise Office and can easily and effectively enforce no-work weekends in that area without confusion or hesitation because there are clear and solid boundaries.

And notification -- did I mention notification? Basically, we all agree notification is broken. Construction companies won't or don't notify neighbors and neighbors can't track construction activity, especially when there's three or more sights in an area. In a concentration area, ongoing company notification requirements would be dropped because the city would announce to the residents that they're in a concentration area, which will be noisy during the week and quiet over the no-work weekends. This sets up realistic yet fair expectations.

As far as equity goes, using standard ordinance hours and with no-work weekends enacted, developers and construction companies still have 55 legal workable hours per week, with an additional 30 hours at hand should they apply for a noise variance, bringing the total to 85 available noise-producing work hours per week. If you feel hesitant about taking weekend hours away from construction companies, consider that construction workers often start around 6:00 a.m. each day for staging, removal of fencing, setting up equipment, driving forklifts, receiving deliveries, warming up generator engines, emptying trash dumpsters, or similar such noisy pre-construction activity. In the warm months when residents have their windows open, the frequency of early starts increase as workers begin to avoid the sun.

Remember, you heard about this in October from a citizen who said she woke up at 5:00 a.m. every morning last summer and put in ear plugs so she could get attempt to get another hour of sleep. An average 6:00 a.m. daily start means companies are stealing six hours a week from residents, and that's not counting variance workdays. That's time taken from the neighborhood that never gets returned to residents in any way. What are six hours of your time worth? How about six hours of your time per week over the course -- temporary course -- of two to four years?

Since the City won't post an officer in the neighborhood to enforce in the way police park roadside to enforce speed limits, it is my belief these unlawful early morning starts would be more tolerable with no-work weekends enacted because residents in a concentration area would have a well-deserved weekly break from the constant compromise of construction noise, dirt, and congestion.

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Developers and construction companies might not like the sound of no-work weekends, but I'd like to remind them that it's just temporary and it only happens if there are too many construction sites surrounding people's homes and damaging their livability. After all, if developers and construction companies don't like having to accommodate neighboring homes, they probably shouldn't be building in a densely-populated urban area anyway.

Please, don't continue to put this off for another four months while promising to do something that's already supposed to be getting done. Let's do something today. Experiment in my neighborhood, and we'll find out if it works. Or try it in Paul's neighborhood, and see how they like it. Or, let's do it all over Portland. Maybe we could enact an emergency ordinance. Portland's true office of neighborhood involvement is right here in this chamber, and we're here, we're active, and we're involved. Will you please try this, at least for 30 days?

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

**Maryhelen Kincaid:** But wait -- I was going to say -- there's more. I think David aptly described the situation that they're living in, and one of the things that he's asking for is to do something different.

In 2001, there was a noise task force -- and Mayor Hales, you were on the commission -- and the cover letter from Margaret Mahoney says, we're now working on implementation of the recommendations. Many of those recommendations are the ones that he's asking for. They were asked for about pile drivers, about noise, about better notification, about education. Those weren't implemented. There's been 13 years they've had an opportunity to implement these things, so I'm suggesting -- and I'm going to base this on my good luck -- people have said skill -- but good luck with the demolition committee that I was able to bring diverse people into the room, we conversed and were able to convince them. We didn't have to hire a high-paid consultant. We had staff people. I think there are some staff people in different bureaus or within ONI that we could bring results. There's nobody that's not wanting to do this. You heard from Paul that he's eager. I was glad that he listened and mentioned my name on a number of suggestions that they're working on.

Notification is broken. It's kind of screwy. Why notify people in a way that's only going to make them more frustrated and mad? I think it's time to try something different, because this isn't just about the Pearl. It's going to happen on Division, it's going to happen on Fremont, it's happening on Williams. Spoke with some North Portland people today that are concerned about Lombard and the noise and the density kinds of buildings that are happening there. What's going to happen to the neighborhoods that abut up to that?

So, I think this is an opportunity to do a good thing. Sure, maybe we'll make recommendations and they won't work. That's happening kind of with the demolition. I don't think -- you will hear Paul say things that he's issued more citations -- I don't think that's a good thing. If people are getting issued citations, they obviously don't know the rules are, and if we can educate them to the rules, we don't have to issue citations and you don't have to get neighbors angry.

He mentioned about the police notification. Well, if people don't know they can complain to the police -- and prior to this they didn't -- and nobody has told them they could, of course nobody has called the police. That only makes sense. If I don't know that I could do that, I wouldn't.

He spoke about the coalition offices. They weren't even informed that they were getting this information. I checked with them for like three weeks in a row and they didn't get it. Paul said he talked to people today. That's a really good improvement, because I

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talked to them Tuesday and gave them that same information. But they're not that well-equipped if they get it on Friday. Most of the coalition office are very short-staffed and closed. And so, that information is not going to get to anybody until Monday, so the entire weekend.

I suggest the same notification that BDS uses for land use reviews. Just model that behavior. The technology is there, the system is there, there's a best practice of how those people get notice.

A variance gets posted. I don't know what the best venue for granting variances are, but I think smart people in a room could probably determine that for review. I mean, public works appeals panel looks at people that are appealing infrastructure development and there's a citizen panel and some staff -- maybe something similar to that.

I think it's time to revisit some of the recommendations that were made 13 years ago, but there's also new ways because we're 13 years further down the pike and there's also going to be again the whole density issue is going to create these kind of problems in different parts of the neighborhood, and I don't think you want to keep seeing people coming in and appealing variances to noise because they don't like it if we don't find a good solution.

My suggestion is -- and I'm willing to help with this, even though I don't want to have to keep coming back and saying this -- I think we could do it. I think we could put appeal panel together. I'm willing to work with whoever you decide can be the lead person on this, because it's going to take I think a couple bureaus and some bright minds in those bureaus to bring some ideas together so that we can make it better for residents in the Pearl and those people that might be affected further down the road. I'd like to see -- if anything comes out of this appeal -- that the recommendation is that, yes, grant the appeal, but that's not going to solve all the other inherent problems and there's skills that can be utilized in other places to make this situation better. That's how I came into this. That's my whole goal and recommendation. Thank you for allowing me to say that.

**Hales:** Thank you both. Any questions for either for Mr. Vanadia or our amazing volunteer, Maryhelen? Thank you both.

**Fish:** Mayor, I make a motion to accept the appeal as was presented by Paul.

**Frits:** Second. And Mayor, I'd like to ask, what do you see as the next step?

**Hales:** Yeah, let's take roll call on the motion to grant the appeal, but I think we do need to review our code. I think this case and the situation in general that you've helped highlight has illustrated that we've got some problems in the code as it now stands, and there are places where I think our code needs to be stronger and you've come up with a creative suggestion here. I'm not sure if that's where it will end up, but it's a good one. But I think between Paul Van Orden and the Noise Review Board and staff in my office we would be prepared to support that kind of consortium effort, call on some people like Maryhelen who are willing to help.

**Kincaid:** One thing I forgot to mention -- I just saw it in my notes and I forgot what J.D. meant. Jackie Dingfelder has been instrumental in helping try to bring these things together. I think she has the wherewithal to help guide it as well. I don't know if sees watching us on TV, she might slap me if she hears me saying that --

**Hales:** I think both Jackie and Chad are prepared to work on this.

**Kincaid:** I would just like to see some sort of action that says, yes, form a committee and we can move forward. Because otherwise, we'll be 13 more years down the road with recommendations that are not implemented.

**Fritz:** That's your intent, Mayor?

**Hales:** That is my intent. Is that a good idea? OK, thank you. We will proceed. Let's take a roll call on the motion to grant the appeal.

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**Item 195 Roll.**

**Fritz:** Thank you, Mr. Vanadia; and Gwenn, your wife; and all of the neighbors who testified on this. It's been a while; we've come to a good conclusion. I appreciate the work of Paul Van Orden and the Noise Office in the Office of Neighborhood Involvement. With the direction from the mayor that he's going to form the task force and with the understanding from the Noise Office that they should be very reluctant to grant more variances on Sundays at least and certainly give due consideration I think to Saturdays as well until we get a new policy, I'm glad to support the motion. Aye.

**Fish:** I think this has been a very good discussion. I appreciate that we're moving forward to address the underlying issues. As I mentioned to Maryhelen earlier, today having an active construction site next to my house has been an educational experience, and I think there are a number of issues we need to get right and better. Aye.

**Saltzman:** I will support granting this appeal. I do strongly believe that we need to provide our residents some certainty about when they can count on quiet zones or quiet times, so I like your suggestion of a no-work weekend. And I think that's something that this committee will consider along with a lot of the other good ideas that came forward in 2001 that didn't get implemented. But it's very important, probably more important today than in 2001, given the growing population of our city and growing density. So, we need to learn to be good neighbors with each other. Aye.

**Novick:** I really appreciate that people are bringing thoughtfulness and creativity to this issue, and I think it's been demonstrated -- Maryhelen Kincaid can solve any problems no matter how knotty, so I'm glad she's stepping forward to do that. I'm actually going to vote against granting the appeal, because sort of a process-y reason, which is that if we change the rules, we should change the rules. But my tendency would be to defer to our citizen boards like the Noise Advisory Board. I think they are the most appropriate venue to resolve these disputes until such time as we choose to change the rules. In light of that, I would vote to deny the appeal.

**Hales:** Sometimes, we learn from contested cases where the system needs improvement, and I think that's been the case here. I appreciate your perseverance in bringing this issue to us in a particular case. But again, I want to call on talented staff -- not only in the bureau but also in my office -- to work with folks in the community that want to dig into this. I do need to go back and read that document from 2001 and see what remains on that list. I'm not interested in a shelf study again, so we should come up with things we want to actually change and change them.

I reflected on this again the other day when I was running for mayor three years ago, there were two cranes on the horizon anywhere in Portland, and they were both for public works projects. Now, there are a lot more, and some are pretty close to each other, and some close to people that moved in before the cranes were there. We had a recession in between 2001 and now, and maybe lulled us into a false sense of security that the rules that we had would be sufficient for a boom. We're in a boom now, and we're going to be in one for a while, so Mr. Sweet and others who serve on this board are going to probably be busy. But I think the question is going to be, busy with what rules? So, we'll work on that. Thank you. Aye. Let's take the next -- if you would read the next three items, please.

**Item 196.**

**Item 197.**

**Item 198.**

**Hales:** Thank you. Let me first set the stage again for those that maybe -- I don't think there's anyone is here that's new to this discussion, but we wanted to set this up as two clearly articulated alternatives for the council, given that to my mind -- and I think in all our minds -- current arrangement that we've had for our work with the Federal Bureau of

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Investigation on terrorist issues has not been satisfactory in that we didn't have the level of participation that some asked for, we didn't have the level of clarity and communication back to the City that I would expect. So, we tried to put this on the table before the council in an obvious and clear dichotomy and then let the community come in and give us their opinions. And we've certainly heard from a lot of people on this issue, and heard some strong feelings.

I have to tell you, this has probably the most one of the most difficult decisions for me to address while I've been on the council this team. The first time around, when this came before the council, I voted against participating. And there are very good reasons for that opinion. In fact, there are things that still weigh strongly in my mind towards not participating. And there's also now some very strong and compelling arguments on the other side, and I want to take the prerogative of the chair and in a moment take up first number 197, which is the memorandum to participate. Because I believe in my own mind after weighing all this that we should participate, but that we should with some very clear caveats and understandings among ourselves.

Let me start. And again, I'll go ahead and make my statement now at the outset rather than waiting to the end when I vote. As I said, there's strong feelings on both sides of this issue and in my own heart and my own mind. There are two words that I think my dilemma about this issue have revolved around. One is ashamed, the other is appalled.

I'm ashamed as an American that we have been involved in wars without justification, in prisons without trials, and in torture. I hate to even say those words. I have not too much trouble making decisions in this job, but sometimes, I'm up late at night. And lately when I've been up late at night, I have been watching Ken Burns' series about World War II. And the moral clarity that we as a country had at the ends of that war contrasts so appallingly -- again that word -- with what we have done lately in the world that it makes it very difficult for me to contemplate cooperating with the federal government, because I think much of what has been done unfortunately in the last several administrations has cost us moral authority in the world and violates principles that I really believe in as an American. So, I am ashamed. And many federal agencies have been complicit in those wrongs, including the FBI.

The other word is appalled. And I'm appalled by the radical evil that is loose in the world today. I'm appalled at what has happened to innocent people. We were all appalled on September 11th when our country was attacked, and that was an attack by terrorists on symbols of American power that murdered a lot of innocent people. Maybe there were some of us here in Portland who could've thought then, well, that was an attack on the symbols of American power, it may not affect us here in Portland. But most recently, the attacks in Paris and Copenhagen and Boston are incidents in which people -- we called them terrorists -- attacked their own communities and murdered their neighbors. And I think any conceit that we might be exempt from that radical evil here is unfortunately removed by what happened in those places.

So, that's the dilemma that faces me and each of us as members of this Council. And I know we've all agonized over this decision. We've also heard from the community about the downside of participating in any kind of arrangement with the FBI because again, a fear, legitimate fear, based on historical injustice and recent mistakes and misconduct in this and other federal agencies. We've heard from the Muslim community on both sides of this issue -- some who see the value in joining and some who don't want us to join -- and a real cry for us to develop a sound relationship with this and each of the communities in our city. So, I think we've all heard and taken to heart those concerns.

A couple of things that pull me towards the reluctant decision that we should participate in this partnership with the Federal Bureau of Investigation. One, we already do

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on many other fronts. We have cooperative arrangements with the FBI on child exploitation, on human trafficking, on bank robbery, on gangs. We work with the FBI constantly, and that's a natural and normal thing in a metropolitan area that's part of a country with a state line close by. And the same thing is true of course in other areas of criminal activity, like terrorism.

So, the question is, will we be safer if we share information or will we be less safe because people will fear our relationship with the FBI? And I think there's some things that we can do in this arrangement and some people that we can rely on that again make this a marginally justifiable decision. One is I have complete confidence in Larry O'Dea as my Police Chief and as our Police Chief, and as somebody who reflects Portland's values. This man is all about the relationship between the Police Bureau and our community, and I do believe that he completely reflects our values about civil liberties and trust as the basis for policing. So, I know that I can rely on him.

Then, I've asked him for some things if we were to make this decision, and he's enthusiastically agrees this is what we should do. And that is, if we decide to join the Joint Terrorism Task Force, the Chief of Police and I are going to sit down with the officers who would be assigned to this work and personally instruct them in what is expected and required of them if we do. One is that they will follow the law and they will follow our policies as a city and that they will follow the values of the community that they serve. And if there ever comes a moment when their values and those instructions conflict with working in cooperation with the Federal Bureau of Investigation, they are not only encouraged, they are required to come to the chain of command for which they work -- the Chief of Police for the city of Portland, and the Police Commissioner for the city of Portland -- and to let us know that there's a conflict between what they are being asked to do and what Portlanders would want them to do and how they would want them to do it. And that their performance as a Portland police officer and their future as a Portland police officer will be assured by sticking to our values if there's ever a conflict. I believe that if we give those instructions to the right officers that they'll be followed.

Secondly, you've heard my criticism -- and I've heard a lot of people's criticisms of the Federal Bureau of Investigation. I do believe that Greg Bretzing, the current special agent in charge for Portland, is a man of integrity and someone who will be honest with me. I've met this man, I've spoken with him, I've questioned him closely, and I believe he personally -- I'm not talking about the organization, I'm talking about him personally -- I believe that he personally is someone who will be truthful with me and who is a person of integrity. And if you can't believe that in any business, then you're going to have a difficult time doing your job. So, I believe that we can rely on that.

And further, we're going to make sure there are safeguards in place and they're here in terms of our officers seeking legal advice from the City Attorney about Oregon law, about our City Attorney periodically training these officers, and about me as the Commissioner-in-Charge of the Police Bureau under a nondisclosure agreement getting much more complete information about what our officers are doing. My standard will be, if I'm not sure that our officers are performing in ways that we as a city would want them, then I'll come back to this Council with the opposite resolution and ask that we withdraw.

But I think given what's loose in the world and what's been the harm that's already done to innocent people in places like Boston that as your Police Commissioner, this is the right decision for me in good conscience to make. So, that's why I will support on this controlled basis for now with these people this arrangement. So, that's my suggestion to us as a Council for what we do today. Again, we'll take a vote on both these for that matter -- but my recommendation is we vote on 197, appeared if we approve it, 198.

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**Fritz:** So -- question, Mayor. What happens when the person assigned to be in charge of the FBI here is a different person?

**Hales:** I will want to very carefully take that person's measure and see if I still have that same level of confidence. Because this is partly personal for me. I do rely on Chief Larry O'Dea, and I believe in his values. As I said --

**Fritz:** I'm talking about the FBI --

**Hales:** No, I know -- and I've gotten to know Greg Bretzing a little. And as I said, my instincts tell me I'm dealing with a person of integrity who will tell me the truth and who understands what Portland expects in this arrangement. If I ever have reason to question that assessment about him or about his successor, then it will be time to reconsider.

**Fish:** Mayor Hales, you've exercised the prerogative of the chair, so we're taking up 197 first. You've also exercised the prerogative of the chair of essentially casting the first vote.

**Hales:** Yes.

**Fish:** So, do you intend to cast the vote and then go back to the regular order?

**Hales:** Yes.

**Fish:** I would support that.

**Hales:** OK. Would the council like more discussion before we take a roll call on 197? Then let's do, please.

#### **Item 197 Roll.**

**Fritz:** We had an opportunity here today to create more confidence within our community. I don't believe with this action that we are doing that. Everyone here on this Council and everybody here in this chamber is committed to public safety here in this city, the question is, how do we best get there? Kayse Jama of the Center for Intercultural Organizing said at the hearing that we could pursue a different strategy, one that relies on the community rather than suspecting the community. He talked of the Somali youth that he works with and said that the way to win hearts and minds is not targeting them and making them feel like they are suspects.

I grew up in England during the IRA bombings. That was back in the '60s and '70s - long before people in this country felt unsafe going to a grocery store or pub or place of travel. I was in Europe the summer of 2001, and I was really pleased to see the dog sniffing guns at the airport in Paris found the little metal statue my son had in his carry-on suitcase and were able to dig it out and find out it was a little statue, not a gun. And in railway stations, I was very used to looking around to see whether there were any unattached belongings, because I had a friend in grade school whose brother was killed by the IRA in Ireland, and we had the center of Manchester blown up. Manchester is about the same distance as Salem is from here to my hometown.

And yet, we relied on community to make sure that when people were about to do bad things that we found out about it, and there were a number of terrorist activities which were dissuaded because people could trust the police to be working to keep everybody safe. We have a lot of trust issues, and to me, that's the most urgent need that we have here. Yes, there are threats from terrorism. There are also threats from our community members not being able to trust us, their elected officials, and not being able to trust their government. So, no, I don't support this.

**Fish:** Thank you. Because of the seriousness of this issue, I have written down my remarks and I would ask people's indulgence for the formality.

Today, I vote aye on Council number 197 to fully rejoin the Joint Terrorism Task Force. Why? Because I believe that we can strengthen public safety and security without sacrificing Oregon values. In 2011, following a lengthy and thoughtful community-wide debate, I supported a compromise approach: the Portland Police Bureau would rejoin the

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JTTF on an as-needed basis. In spite of the best efforts of all involved, it did not work out as planned.

As City Commissioner, I take very seriously my duty to keep Portlanders safe -- all Portlanders. Since 2011, the world has become an even more dangerous place. We have been witness to senseless violence, both domestic and foreign. And as the mayor reminds us, recent terror attacks in Boston, Paris, and Copenhagen are stark reminders that freedom requires vigilance at home and abroad.

Every other major city in America -- including New York and San Francisco -- participates in the JTTF. As former and current police chiefs and U.S. Attorneys explained to me, we are safer when local, state, and federal law enforcement share information and talk to each other on a regular basis. When our trained Portland police officers are at the table, they help guide investigations consistent with our values.

As a former civil rights lawyer, I also take very seriously my responsibility to protect our cherished constitutional freedoms and liberties. At a recent Council hearing, critics of the JTTF raised concerns about the erosion of constitutionally-protected privacy, the legacy of the FBI, and our ability to ensure compliance with Oregon law prohibiting the random collection of data on Oregonians outside of a criminal investigation. These are important concerns, and we must enter any new relationship with our eyes wide open.

We do not have to sacrifice accountability in order to participate in the JTTF. Police Chief Larry O'Dea has stated his preference to post two highly-trained police officers with the JTTF, supervised by a sergeant, and all reporting to the chief and the mayor. The chief has secret clearance, while the mayor can access all relevant information under the terms of the standard nondisclosure agreement.

The City Attorney would provide regular legal advice to the chief and the mayor, as well as training on Oregon law to Portland police officers. I believe this ensures the proper chain of command.

Effective community policing is based on strong relationships between community members and federal, state, and local law enforcement partners. Portland police officers already work closely and effectively with federal law enforcement in numerous task forces. The mayor alluded to them, and they include the FBI child exploitation task force, safe streets task force, and the high-intensity drug trafficking task force. The task force model strengthens community policing by coordinating multiple resources to focus on some of our most difficult public safety issues. Whether we are addressing the national problem of child sex trafficking or domestic terrorism, I believe we are stronger when we all work together.

Finally, today's JTTF is supervised by the Obama Justice Department -- not Bush, Cheney, or Ashcroft. Speaking to the JTTF in New York, our President said, quote, together your success in thwarting terrorist attacks, the strong intelligence you've gathered, and the hard-nose investigations you've pursued has proved to be a model for law enforcement officials across the country.

I believe the time has come to fully join with the JTTF. Portlanders rightly expect that protecting their safety is a fundamental responsibility of their mayor and the city council. And I believe we can meet that responsibility and safeguard civil liberties by joining the JTTF. Aye.

**Saltzman:** I want to start out by saying I appreciate the discussion we've had here today. I do believe that we should participate in the Joint Terrorism Task Force, and that it helps fulfill the obligation each one of us has on this dais to keep Portlanders safe.

We are one city among hundreds in the United States, and we must do our part to prevent terrorism here and abroad. Certainly, the events of the last five or six weeks -- people being murdered for no good reason other than they were in the wrong place at the wrong time or because they happen to share my faith of being Jewish. In Paris, four

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people murdered because they're Jewish. In Copenhagen, one person murdered because they are Jewish. It should come as no surprise to those of us who are Jewish feel maybe we feel like we're always looking over our shoulder, because throughout our history we have suffered. Right or left, anti-Semitism is alive and well in this world, and synagogues in Portland spend an ungodly amount on security for Saturday services or special events. And so, I feel every day a sense of insecurity and I feel that we owe it to every citizen who is Jewish, every resident of the city regardless of their faith -- we must participate with our federal resources, with our other law enforcement agencies to ensure Portlanders are safe. And as I said, it's not just Portlanders. What can happen here in Portland can have ramifications in Chicago, Los Angeles, or New York. We're only as good as our weakest link, and Portland should not be that weak link.

I believe -- there's some question whether our police officers rightly understand the Oregon constitution, state law, federal law. I would argue nobody possesses more encyclopedic knowledge of state, local, and federal laws than our police officers. That's what their job is, is to understand the laws and their knowledge of them is encyclopedic. I think with the directions that Mayor Hales and Chief O'Dea will give to the two officers assigned -- that's only going to be more the case. They're going to be watching out for our civil liberties, maybe sure Oregon law, Oregon constitution, and civil rights are respected.

So, I think this is what it's all about. It's about working together to keep all of us safer. And I want to laud the mayor for looking at this position closely enough and having the courage, frankly, and the will to reverse a decision you made earlier in your career and find this is -- times have changed, circumstances have changed, we live in a much more dangerous environment, and we need to act on behalf of safety of all of us. I'm very pleased to vote aye.

**Novick:** I think I've wrestled with this as much as the mayor has, and as a consequence, I fear I'm going to make one of my longest votes. Like Commissioner Fish, on this occasion, I'm actually going to read a statement.

I do not dismiss the threat of terrorism. I once tried a case in the courthouse next to the Oklahoma City federal building that was subsequently blown up by domestic terrorists. I think that in the abstract, the idea of local law enforcement with their broader and deeper knowledge of community working with the FBI on this and other issues is a good one. I have met with special agent in charge Greg Bretzing and his leadership staff, and I think they are good, well-intentioned people. I was impressed by the argument that if we have police in the JTTF, they are in position to raise concerns about FBI operations that seem inconsistent with Portland values, and I'm very encouraged by what the mayor just said about the conversations that he expects to have with anyone who is assigned to the JTTF.

In short, I think there are strong arguments for joining the JTTF. I also think there is a strong argument against joining the JTTF. One of the main arguments for having Portland police in the JTTF is the police have a broader knowledge of our community and stronger relationships in the community. But we have heard from representatives of some communities in our city that joining the JTTF would weaken the relationship they have with the police, and formally leaving the JTTF would strengthen those relationships.

We received a letter very recently that was signed by leaders of the Islamic Center of Portland, the Islamic Society of Greater Portland, [indistinguishable] education and cultural organization, the Muslim Community Center of Portland, the Oregon Muslim Citizen Alliance, the Islamic Community Center of Hillsboro, the Oregon Islamic Chaplains Organization, and the Muslim Educational Trust and Islamic Social Services of Oregon State. And I would like to read the letter.

Mayor Hales and Portland City Commissioners, we the undersigned represent Portland area mosques, Muslim organizations, community groups that serve

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predominantly Muslim American constituents. We are also members of the committee to establish the Shura Council of Oregon and Southwest Washington, an interfaith coordinating body concerned with political, social, economic, and cultural matters affecting Muslim Americans residing the greater Portland metro area.

We understand that the Portland City Council is considering whether to rejoin the Joint Terrorism Task Force. We fully support all law enforcement efforts to prevent and prosecute act of terrorism within our country, that is why our community organizations have participated in and supported involvement in the FBI's citizen advisory council and the Arab and Muslim Portland Police Advisory Council, formed in 2001 by former Police Chief Kroeker and Dr. Nohad Toulan.

No community has been more affected by terrorism than ours. The majority of victims of acts of terrorism committed in the name of Islam have been Muslim. Moreover, acts of terrorism in the United States and abroad have resulted in Islamophobic hate crimes against Muslims in the community, including arson attacks at our places of worship and execution-style murders such as has occurred in North Carolina recently. At this time, however, we firmly believe that local law enforcement participation in the JTTF is counterproductive to the city's most important law enforcement mission, which is the prevention of crime to community and local law enforcement partnerships.

As individual organizations, we have been engaging with and will continue to engage with federal law enforcement to prevent acts of terrorism in our community. However, because of the gross mishandling of a number of high profile cases by federal authorities affecting Muslims in the Portland area and the systematic profiling and surveillance of Muslims nationally, we believe that the city's participation in the JTTF may actually discourage members of our community from reporting suspected criminal activity.

We believe crime prevention in Portland is better served by strengthening and fostering ties between local law enforcement and Muslim organizations. Therefore, we request the Portland City Council discontinue the ties between the Portland Police Bureau and JTTF. The Portland Police Bureau should reestablish ties with AMPAC and the Shura Council, which is in its formative stage.

Now, I know that not all Muslims in the Portland area feel the same way. I received a letter from a Somali Council of Oregon urging us to join the JTTF, and I know the FBI may take issue with some of the statements in that letter. But I cannot ignore the fact that the leaders of numerous organizations in the Muslim community say that many Muslims do not trust the FBI and will trust the Portland police less if we join the JTTF. I do not want to take the risk that people might not warn us of real potential threats because they don't trust us.

I'm encouraged by the message of these Muslim and Arab leaders are interested in reviving AMPAC, especially with withdrawal from the JTTF, and I think we should take them up on that and I hope they will be willing to do that even if we join the JTTF. If my view had prevailed today, I would not have expected to be necessarily the last time we would take up this issue. As I said, I was very impressed with Special Agent in Charge Bretzing, and I suspect he will be working to strengthen the FBI's relationships with communities throughout Portland, including the Arab and Muslim communities. And I can imagine that a year or two from now, it might be possible for Portland police to join the JTTF without raising these concerns from the Muslim community.

I also want to reiterate that this has been a very difficult decision for me, and I have been reading letters and making phone calls up to today. A couple of hours ago, I had a conversation with Laura Dugan, a criminology professor at the University of Maryland and former colleague of my wife's who is also a member of the National Center for the Study of

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Terrorism and their response to terrorism. And she said that other things being equal, she would recommend being part of the JTTF.

When I told her about the opinions of a significant segment of the Muslim community, she said, well, the community relationships are critically important. Although she did say that even if we're not in the JTTF, we could participate in disaster preparedness exercises with the FBI which she said that the fact that Boston police have done that repeatedly in Boston made a big difference in the aftermath of the Boston Marathon bombing. So, I think this is an extremely difficult decision. I really appreciate what the mayor said about how help intends the city to operate if we join the JTTF, but I respectfully vote nay. [applause]

**Hales:** Thank you -- let's move on. Let's move on to 198. We do need to take action on 198 given that 197 has passed.

**Item 198 Roll.**

**Fritz:** Mayor, before you take the roll call, I was wondering, did others on the Council know how you planned to vote today?

**Hales:** No, I don't believe so.

**Fritz:** Because I didn't. So, I haven't really looked through the details of the memorandum. I think that there should be additional comments or ability to look into the memorandum, because I think that most people in the community were focused on in or out, rather than the details of the memorandum.

**Hales:** I don't mind setting that over for a week. I don't think there's any reason -- Chief, any reason that we can't wait a week on the memorandum itself? OK.

**Fritz:** And take comments if anyone in the community would like to comment?

**Fish:** We had a hearing, Mayor.

**Hales:** Yeah, we had a hearing on all three.

**Fritz:** Yes, but people had three minutes to talk about all three.

**Hales:** Then I'll leave the record open on the ordinance itself and if people want to write to each of us about that, fine. And again, give the council an opportunity to look through the memorandum itself to make sure it captures both the spirit and the substance of what we talked about here today.

**Fritz:** Thank you.

**Hales:** I will continue that for one week. If there's no objection, I'll return 196 to my office.

**Fish:** Mayor, in light of the interest this issue this has generated, could we put this on at a time certain next Wednesday or Thursday so that anyone who chooses to come has some certainty of a time?

**Hales:** OK. What's available, Karla?

**Moore-Love:** We could do next Thursday the 26th, at 3:30.

**Hales:** That work? OK, that's ordered. We're adjourned until next week. Thank you all very much.

At 3:03 p.m., Council adjourned.