



CITY OF
PORTLAND, OREGON

**OFFICIAL
 MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **4TH DAY OF MARCH, 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; Linly Rees, Deputy City Attorney; and Jim Wood, Sergeant at Arms.

Item No. 237 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS		Disposition:
231	Request of Patty Burkett to address Council regarding Human Trafficking (Communication)	PLACED ON FILE
232	Request of Mike Summers to address Council regarding homeless issues (Communication)	PLACED ON FILE
233	Request of Craig Rogers to address Council regarding Street Fund (Communication)	PLACED ON FILE
234	Request of Michael Blas to address Council regarding proposal to help everyone (Communication)	PLACED ON FILE
235	Request of Mike O'Callaghan to address Council regarding City Attorneys (Communication)	PLACED ON FILE
TIMES CERTAIN		
*236	TIME CERTAIN: 9:30 AM – Approve funding in an amount of \$1,955,509 to REACH Allen Fremont, LLC to acquire and rehabilitate the Allen Fremont Plaza (Ordinance introduced by Commissioner Saltzman) 20 minutes requested (Y-5)	187040
CONSENT AGENDA – NO DISCUSSION Mayor Charlie Hales		

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237	Appoint Linda Bauer to the Adjustment Committee for a term to expire March 3, 2019 (Report) Motion to accept the report: Moved by Fish and seconded by Fritz. (Y-5)	CONFIRMED
Office of Management and Finance		
*238	Pay claim of Ana Guadalupe Mora in the sum of \$10,000 involving the Police Bureau (Ordinance) (Y-5)	187034
Commissioner Nick Fish Position No. 2 Bureau of Environmental Services		
239	Authorize the Director of the Bureau of Environmental Services or designee and the City Attorney to reimburse four property owners affected by the SW 86th Avenue Pump Station construction in the total amount of \$47,012 (Second Reading Agenda 211) (Y-5)	187035
Water Bureau		
240	Authorize an agreement with Roger R. and Kathleen M. Harrison in the amount of \$128,500 to acquire a 17-acre conservation and stream enhancement easement and to fund improvements to the easement acreage (Second Reading Agenda 212) (Y-5)	187036
Commissioner Dan Saltzman Position No. 3		
241	Approve allocation of \$5,000 annually of Portland Children's Levy revenues to fund event sponsorships (Second Reading Agenda 213) (Y-5)	187037
Commissioner Steve Novick Position No. 4 Bureau of Transportation		
*242	Authorize a contract with EcoNorthwest for the Local Transportation Infrastructure Fee project in the amount of \$154,380 (Ordinance) (Y-5)	187038
*243	Authorize a contract with the lowest responsible bidder for the Killingsworth Phase II project (Ordinance) (Y-5)	187039
REGULAR AGENDA Commissioner Nick Fish Position No. 2		

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Bureau of Environmental Services		
244	Amend contract with Brown and Caldwell, Inc. for additional work and compensation for the SW 86th Ave Pump Station and Appurtenances Project No. E09051 for \$316,194 (Ordinance; amend Contract No. 30002215) 15 minutes requested	PASSED TO SECOND READING MARCH 11, 2015 AT 9:30 AM
245	Authorize a contract with lowest responsible bidder for the construction of the SE Hawthorne-Salmon Sewer Reconstruction and Green Streets Project No. E08668 for \$4,590,000 (Ordinance) 10 minutes requested	PASSED TO SECOND READING MARCH 11, 2015 AT 9:30 AM
Water Bureau		
246	Authorize a contract with Rafftelis Financial Consultants, Inc. for the Water Bureau Cost Allocation Audit Project in the amount of \$169,490 (Ordinance) 10 minutes requested	PASSED TO SECOND READING MARCH 11, 2015 AT 9:30 AM
Commissioner Dan Saltzman Position No. 3 Portland Fire & Rescue		
*247	Authorize application to the Oregon Office of State Fire Marshal for a grant in the amount of \$86,000 for Highway Emergency Response Specialist training for the Portland Fire & Rescue HazMat Team and Flammable Liquids Bulk Storage Specialty Training for Station 24 (Ordinance) (Y-5)	187041
Commissioner Steve Novick Position No. 4 Bureau of Transportation		
*248	Authorize contracts as required with Pavement Services, Inc. and GeoDesign, Inc. for on-call pavement testing and analysis of city streets (Ordinance) (Y-5)	187042
249	Grant Bureau of Transportation Regulatory Program designated employees authority to issue civil penalties in the enforcement of Private-For-Hire Transportation and other regulations under their jurisdiction (Second Reading Agenda 220; add Code Section 16.10.660) (Y-5)	187043

At 11:40 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **4TH DAY OF MARCH, 2015** AT 2:00 P.M.

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

Commissioner Fritz arrived at 2:02 p.m.

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

<p>250 TIME CERTAIN: 2:00 PM – Appeal of Northwest District Association against Design Commission’s decision to approve with conditions the Tess O’Brien Apartments at 1953 NW Overton and 1950 NW Pettygrove Streets (Hearing; LU 14-220722 DZ AD) 1 hour requested</p> <p>Motion to deny appeal and uphold Design Commission’s decision; staff to prepare Findings for March 25, 2015 at 10:45 am Time Certain: Moved by Saltzman and seconded by Novick. (Y-4; Fish absent)</p>	<p>Disposition:</p> <p>TENTATIVELY DENY APPEAL AND UPHOLD DESIGN COMMISSION DECISION; PREPARE FINDINGS FOR MARCH 25, 2015 AT 10:45 AM TIME CERTAIN</p>
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At 3:23 p.m., Council recessed.

March 5, 2015

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **5TH DAY OF MARCH, 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.

The meeting recessed at 3:20 p.m. and reconvened at 3:32 p.m.

<p>251 TIME CERTAIN: 2:00 PM – Adopt the West Quadrant Plan as direction for updating the Central City Plan (Previous Agenda 223; Resolution introduced by Mayor Hales) 3 hours requested</p> <p>#1 Motion to approve for consideration the Consent List – Package A amendments: Moved by Fish seconded by Novick.</p> <p>#2 Motion to approve for consideration Fish and Wildlife Habitat amendments Items 7 through 11– Package B: Moved by Fish seconded by Fritz.</p> <p>#3 Motion to approve for consideration Waterfront Park amendments Items 18, 22, 24 and 57– Package C: Moved by Fritz seconded by Novick.</p> <p>#4 Motion to approve for consideration Pearl Heights amendment Item 42 – Package E: Moved by Saltzman and seconded by Fish. (This motion became a part of the Consent List – Package A)</p> <p>#5 Motion to approve for consideration Pearl Heights amendment Item 43 – Package E: Moved by Fritz and seconded by Fish.</p> <p>#6 Motion to approve for consideration to add Item A. New Central City-wide Action: Regional Center: Economy and Innovation to the Consent List: Moved by Fish and seconded by Saltzman.</p> <p>#7 Motion to approve for consideration to add Item B. Amend Central City-wide Housing and Neighborhoods Policy on Housing Affordability (page 43): Moved by Fish and seconded by Saltzman.</p> <p>#8 Motion to approve for consideration to add Item E. Move Downtown Transportation Action TR12 on Central Eastside traffic on Naito Parkway (page 68) to Central City-wide Transportation Section: Moved by Saltzman and seconded by Fish.</p>	<p>Disposition:</p> <p>(continued next page)</p>
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(251 Continued)

ROLL CALLS FROM MARCH 5, 2015:

#1 Consent Package: Y-4, N-1 Fritz.

#2 Items 7 through 11 Habitat Restoration: Y-5.

#3 Item 18 Waterfront Park Master Plan: Y-4, N-1 Saltzman.

#4 Item 22 Waterfront Park: Y-4, N-1 Saltzman.

#5 Item 24 Native Plantings in Waterfront Park: Y-4, N-1 Saltzman.

#6 Item 57 Greenway Trail: Y-5.

#7 Item 43 Pearl Heights: Y-1 Fritz, N-4.

Roll call on Resolution: (Y-4; N-1 Fritz)

At 5:07 p.m., Council adjourned.

37115
AS AMENDED

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.

MARCH 4, 2015 9:30 AM

Hales: Good morning, everyone, and welcome to the March 4th meeting of the Portland City Council. Would you please call the roll?

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

Hales: Before we start the formal calendar this morning, we have a proclamation. And I think we have Debbie Caselton and Meghann Fertal from our Women's Affinity Group here -- come on up. We have a proclamation and I would bet some comments on the importance of this proclamation from a couple of women that work in this organization and advocate for opportunity for everybody.

It says, whereas, residents of this region know that its greatness and success is a direct result of all residents regardless of gender making creative, intelligent, and revolutionary contributions to society; and whereas, women have been historically underrepresented yet have played and continue to play important roles internationally, nationally, regionally and locally in furthering knowledge and promoting positive social change; and whereas, to foster the next generation of women, the City of Portland seeks to encourage and support professional, educational, and social opportunities for women in order to ensure that opportunities that may not have existed in the past are available in the present and into the future; and whereas, Women's History Month is a time for all Portlanders to remember the stories and teachings of the many women who made and continue to make improvements for the livability of the city, region, and world; and whereas, during Women's History Month, all Americans are encouraged to reflect on past victories and struggles of women to create a society where our daughters can reach their full potential, unobstructed by gender; now, therefore, I, Charlie Hales, Mayor of the City of Portland, Oregon, the City of Roses, do hereby proclaim March 1 through 31, 2015 to be Women's History Month in Portland and encourage all citizens to observe this month. Congratulations on this observance, and welcome. Good morning.

Meghann Fertal, Revenue Division, Bureau of Revenue and Financial Services:

Thank you. Good morning, Mayor Hales and Council. My name is Meghann Fertal. I'm an employee for the Revenue Division for the Bureau of Revenue and Financial Services, and I recently accepted the honor of being the chair for the Women's Affinity Group for the City. Thank you so much for having us here today and formally proclaiming and celebrating Women's History for March.

The Women's Affinity Group for the City of Portland has organized a variety of events, starting with our kick-off breakfast -- that was yesterday here in City Hall -- and we'll have social hours, craft events, and panels to remind and educate City staff on the roles of women in creating the city that we live in today.

For 2015, the national theme of Women's History Month is weaving the stories of women's lives and presenting the opportunity to weave women's stories individually and collectively into the central fabric of our nation's history.

I have a few events that I wanted to share with you today. We'll be holding three panels that highlight female City employees. The first is a police panel featuring the women of the Portland Police Bureau tomorrow, Thursday, March 5th; another panel featuring women leaders in our government, which will be Wednesday, March 11th; and

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the final panel featuring women in Portland Fire and Rescue, and that will be on Tuesday, March 24th. We will also be holding a story slam event on Tuesday, March 17th, and encourage all City employees to come and share personal or professional victories focusing on themselves as a woman or an amazing woman in their lives.

Lastly, I want to encourage you and all City employees to nominate female mentors, leaders, exceptional co-workers for the Wonder Woman awards. For me personally, it's a very important event. It's very significant, it's very special. It's important to say thank you. It's important to recognize others for their hard work, their dedication, and their talent. And the Wonder Woman awards do just that. So, the nominated women will be honored Tuesday, March 31st, and all of the events I spoke about will be from 12:00 to 1:00 at the Portland Building's second floor auditorium. I look forward to seeing you all there.

Hales: Great, thank you.

Debbie Caselton, Bureau of Environmental Services: Council and Mayor Hales, I am Debbie Caselton. I work in the communications division for the Bureau of Environmental Services, and I also volunteer my time to chair the Diverse and Empowered Employees of Portland -- as you know as DEEP -- for the past nine years.

DEEP's mission is dedicated to enhancing a work environment that is inclusive and supportive of the City of Portland's diverse workforce that is committed to quality public service. I want to share some numbers with you all.

Portland, Oregon's population is 50% female. The City of Portland employees are 41% female, and 35% of the managers and supervisors are female. Commissioner Fritz's office is made up of 71% women. Commissioner Fish's is 44%. Commissioner Saltzman, yours is 64% women. Commissioner Novick, yours is 62% women. And Mayor Hales, your office is made up of 66% women. I think it's a good example of leaders leading by example.

There are approximately 10 bureaus in the City that are led by women. Of those 10, here are the top three percentages of women-led organizations and the high percentage of women employees. The Bureau of Housing is 73% female workers. The Emergency Communications is 67%, and Planning and Sustainability is 63%. The top three bureaus with higher percentages of women employees that have male bureau directors are Fire and Police Disability and Retirement at 94%; and Revenue and Financial Services with 64%, and Parks at 57%.

The two bureaus with the lowest percentage are the Fire Bureau and Bureau of Transportation. Historically, these two bureaus have been male-led, however, both have newly-appointed female leaders. Chief Janssens and Leah Treat both work very hard to recruit women into the predominantly male organizations. Chief Janssens has been a standout leader by example in working with young women in Portland in Fire and Rescue's fire camp for girls between 16 and 19.

Now, onto the wage gap. Nationally, women typically make only 78.3 cents for every dollar a man makes. In Oregon, women make 81 cents to the dollar, and African American women and Latinas make even less than that, with African American women 64 cents to the dollar and Latina women at 56 cents to the dollar of white men. Washington D.C. women fare best at 91.3 cents for every dollar, and you can learn more about that at the whitehouse.gov about equal pay for women.

I just want to say that both Meghann and I would like to thank you for the opportunity for proclaiming March as Women's History Month. It is valuable both personally and professionally to educate, discuss, thank, honor, and grow from the events that occur during this empowering month. Thank you.

Hales: Thank you. I don't think that I had a chance to tell you this story, but last year during the Women's History Month, we had a national conference here of this organization

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called the Women in Transportation Seminar, which of course has a chapter here in Portland. One of the reasons that they came to Portland is because we have had such an active chapter.

So, I got to do what I often get to do with the visiting conference -- you know, welcome to Portland -- and so I had a little fun with it. Some of our bureau directors were there -- or quite a few people from PBOT were there, but I started off, and I said, "welcome to Portland, the only city in the country with a woman transportation director." And I paused. Well, that's not true, of course, as my friend Robin Hutcheson from Salt Lake was there -- and a bunch of cities have women directors.

But then I just went down the list: "and a woman Planning Director, and a woman Emergency Management Director, and a woman City Attorney," and went through the whole list. And of course at the end, I said, "and wait for it -- a woman's fire chief. Top that, Minneapolis." [laughter] So, all you other upstart progressive cities -- [laughter]

But it was fun because the reason that the conference was here was because of the professional advocacy of women, particularly in PBOT but also in TriMet and some of the other organizations doing this kind of peer support work. The reason that WTS came wasn't because of the list of bureau directors -- though they enjoyed hearing about it -- but because of the work of professional women within this organization and those others had really advanced into a field -- engineering, where women had been really underrepresented -- have made a lot of progress, thanks to that work. So thanks for what you are doing.

Casleton: Thank you.

Fish: Mayor, I want to throw in a comment if I can. First, I want to brag on Debbie. When BES does a project -- typically in combination with PBOT -- we send out a newsletter to the affected community, and Debbie is often the person who signs the front page. She's come up with a model that has a personal note from her with her phone number and her contact information to personalize the relationships between the people we serve and the bureau. And recently, she sat down with Elders in Action and they gave us additional pointers about how to improve the communication, including font size, the shading, the way information is organized. So, I want to thank you for that.

Debbie, as you know, my wife teaches Women's History at Portland State, and she worked with Melody Rose to set up a program that honored women in leadership, and it led to the archives of people like Gretchen Kafoury being placed at PSU and it led to the autobiography of Senator Gordly and many other projects. But to your point about women in leadership, I just want to offer an observation.

There are many ways in which we can strengthen opportunities for women to serve in leadership. We have a program in our office where we reach out to PSU's women leadership program and say, "could you send us qualified candidates?" So, that's one way of getting that pipeline.

But the other one is when we do searches for key leadership positions, making sure that there are no barriers that prevent any qualified applicant. The last two directors of the Housing Bureau were outstanding women leaders. But they weren't chosen based on their gender, they were chosen as the outstanding people to lead the bureau in a process which did not put any barriers in their way.

Once upon a time, my law school had less than 50% of the class graduating class that was female. And one of the barriers that they identified was that women were choosing to have families and come back to law school at a later age, and they were considered non-traditional candidates because they were coming in their 40s and 50s. Law schools were routinely saying "we don't want students that are older, we want younger students." Why? Because the longer time you practice and built up your practice and your

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earnings, the more likely you are to be a better donor to that law school over time, right? But that was saying to women who chose to take a timeout and chose to raise a family that they were not valued as much as any other candidate.

Today, Northeastern Law School is 60% of the graduating class is female. So, remove the barriers and allow women to compete equally with everyone else. So, that's important. I think we have a lot of work to do both on pay equity and removing barriers, but it should not be the exception that the most qualified person selected to lead a bureau or to be a chief of staff or to serve in some other senior position is a woman. It should be the norm, not the exception. Thank you for your good work.

Caselton: I agree. Thank you.

Fritz: Thank you very much. I have to reflect that it will be a great day when we can have Women's History Month or Black History Month and think, "gosh, weren't they strange back then?" Now what you're telling us is of course not news to us, and it's helpful to be reminded of those numbers.

A couple days ago in the New York Times, there was an article that started, "fewer large companies are run by women than by men named John. A sure indicator that the glass ceiling remains firmly in place in corporate America. Amongst chief executives in Standard and Poor 1500 firms, for each woman, there are four men named John, Robert, William, or James."

Caselton: Wow.

Fritz: We've got a ways to go. Thank you very much for your help.

Caselton: Thank you.

Hales: Other comments? Thank you both. [applause] [photo taken] We'll now move into the regular calendar.

We have communications items up front, where folks get to come in and talk on a subject of their choosing and we'll move into the regular calendar. If you are here to speak on a calendar item, we typically allow three minutes for citizen testimony and ask that we be civil to our fellow citizens, even if we don't agree with them. If you are here as a lobbyist representing an organization, please disclose that because it's required under our code. Let's start with item 231.

Item 231.

Moore-Love: She called and is not able to make it.

Item 232.

Hales: Mr. Summers, good morning.

Mike Summers: Good morning. For the record, I'm Mike Summers. I live at Right 2 Dream Too.

Imagine, if you will, a world where it is illegal to sit down. Could you survive if there were no place to fall asleep, store your belongings, or sit or stand still? For homeless people across America, these circumstances are an ordinary part of daily life. In America, people are criminalized on a daily basis for just trying to survive. Sitting, standing, sleeping, and eating in public in many cities in the U.S. are illegal. According to the National Law Center on Homeless and Poverty, homeless people are criminalized -- let's see -- punished for being in public, even when they have no alternatives.

Homelessness is caused by a severe shortage of affordable housing and fewer emergency shelter beds than homeless people. Despite a lack of affordable housing and shelter space, many cities have chosen to criminally punish people living on the street for doing what any human being must do to survive.

In Portland for example, there used to be a sit-lie ordinance that made it illegal for people to sit or lie on the sidewalk. There is still a law that makes it illegal to cover yourself if you are lying in a park or public space. Other laws affecting homelessness include

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camping in public, sleeping in public, laws against panhandling, sleeping in a vehicle, and food sharing. These laws are against the very constitution that everyone has, against people's basic human rights as afforded by the United Nations.

I would like to read from the Declaration of Human Rights put out by the Human Rights Resource Center at the University of Minnesota. Article 24. Everyone has the right to rest and leisure, including reasonable limitation of working hours and public holidays with pay. The part that I want to bring emphasis to is the right to rest and leisure.

Article 25 states that everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family, including food sharing, housing, medical care, and necessary social services and the right to security in the event of unemployment, sickness, disability, widowhood, old age, and the lack of livelihood in circumstances beyond his control.

In three states, Homeless Bill of Rights have been passed. These states are Rhode Island, Connecticut, and Illinois. Rhode Island was the first state in the nation to pass a Homeless Bill of Rights, ensuring that no one is discriminated against based on their housing status. For the first time, basic rights as the right to vote, to access gainful employment or gain housing can't be denied because someone lives in a shelter or a street corner as the address.

Oregon is trying to pass a very similar law that will allow people to shelter themselves, cover themselves, and sleep in a vehicle that is legally parked. Our bill is Senate Bill 629, and it's backed by Senator Chip Shields.

Hales: You've used your time, so I want you to wrap up soon.

Summers: OK. Basically, I was going to just give some ideas, but I think that the one or two that I could give you that I would be more than happy to back is a housing first model that pairs people with housing. And then if there's any other issues, that those issues get resolved after getting them housed.

The other thing that I would say -- and I heard Commissioner Fish ask this question about inclusionary zoning laws. I would like to see the ban lifted for inclusionary zoning laws.

Hales: Yes, we would too.

Fish: That made its way into the City's legislative agenda.

Summers: Oh, good.

Fish: And the legislature is -- and Commissioner Saltzman went down and testified on behalf of the City, and we anticipate the preemption will be lifted and we will then later this year have a chance to take that issue up. It is a priority at the City, and we think it's gonna happen.

Summers: I do believe that it does need to happen because I think our stock of affordable housing -- and I do mean truly affordable housing -- we don't have enough housing to put every homeless person in an apartment or a house. So, that is one of the main solutions I could come up with. I know it's a temporary thing.

The other thing is I think we need more places like Right 2 Dream Too to get stability in people's lives to where -- once they're stable, they can go out and look for employment or housing or the services that they do need. Thank you.

Hales: Thank you. Thanks very much for being here. [applause]

Item 233.

Hales: Good morning, Mr. Rogers.

Craig Rogers: Mayor, Commissioners. Craig Rogers, here in Portland. I would first like to say that I had the pleasure of being down here a week ago when the young lady recited her poem, and you should all be very proud that you are all part of that. It's hard for young people to learn how to navigate this life, this culture, and the arts and so forth help them

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have high self-esteem and be proud of themselves. And I'm proud of you for helping young people get there.

I also want to mention that I was here while Streetcar gave their presentation. And when the gentleman here at the table said we have nothing to hide -- well, that's because of the Auditor's report. I really suggest that you continue to take a close look, encourage your managers to take a look and watch where the money goes.

Now it's budget time, and that's kind of where the rubber meets the road, and we've been having the problem now for 20 years funding the streets, to where now apparently it's 12.5 million we're in the hole each month. That's a pretty deep hole. I think that we need to start climbing out of that. You know what they say, if we keep doing the same thing over and over again -- what it is -- we all know that.

Basically, I feel that it comes down to priorities versus limited funds. And we need to really take a look at that really close so maybe we can change something here so, you know, we don't end up with front page, Sunday paper three-page articles, "the politics of potholes." I think that we really need to get serious about this, have a come to Jesus meeting, and start to resolve some of these problems.

I was getting my hair cut down in the Pearl, a place called the Throne, and I was down there getting ready to leave and a lady comes in -- and she's promoting the Pearl, and she's a very prominent person in promoting the Pearl. And I asked her if she knew about the street fee. Oh yeah, she knew more about it -- more than most people. She whipped out her phone right here and showed me a picture where she just stepped off a curb a week before and she stepped into a pothole and twisted her ankle. She took a picture of it, and it meant that much to her that the streets are in disrepair. So, let's do something good here. We have something -- an opportunity. Let's take it. That's all that I have to say.

Hales: Thank you. Appreciate that. Thank you very much.

Item 234.

Moore-Love: He also has called and will be rescheduling.

Hales: Alright.

Item 235.

Hales: Good morning. Come on up.

Mike O'Callaghan: Beautiful sunshiny day out there, but I want to start off with fun stuff. I dropped off a thing on a program that I did in Alaska in the '70s and '80s, because this bicycle program is getting stalled. We can set it up quickly. Another thing -- Amanda, this might fall in your zone -- could you please let us have this seawall walkway instead of giving it to commercial interests repeatedly? Could you please close Naito Parkway and move them half a block on Naito Parkway, give up half the grass, and then we get -- during the summer -- this is our crown jewel. Come on, all the people want to use it.

And I apologize for when I talked to you earlier about getting no response. Indeed, I found out -- I'm in litigation with you -- I found out through discovery, boy, I got some pretty high responses. You weren't here, Charlie, but I had a box out here -- two by two by six that I sat on to show how cheap housing could be. \$49.66. Called it a Cadillac shack. Caught the police stealing it and videotaped it, and then found out in discovery that it was the Chief of Police that had told City Hall security to call the police to steal it. And indeed, the police and their conferencing went up to the Mayor's Office, and the mayor apparently told them to give it back to me. So, I do see a response in the City Hall.

I also see a response from the City Hall through the City Attorney's Office. Indeed, Dave Woboril came out and arrested me with a policeman -- arrested me for a warrant that wasn't valid. What is a City Attorney doing going out arresting somebody? Another -- Jim Rice, the City Attorney here -- he also was involved in the sweep and property I was living

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on 306 [indistinguishable]. He represented himself as the DA to the police. He also represented somebody as a property owner who is not a property owner so that they could sweep me off the place where I was living.

Now, in continuation of this, the sweep along that just happened where I got swept out -- and it shows how much energy you guys are putting toward this. So I'm sorry that the gentleman that spoke to wanting to be housed, but this is where the City puts its energy. And so I just wanted to make it clear that the City is responsive to me but in a most egregious way. Thank you.

Hales: Thank you. So, let's move onto the consent calendar, and we have I think one item we're going to pull off, 237. Anything else to pull off of the consent? If not, then let's take a roll call on the balance of the consent calendar.

Roll on consent agenda.

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

Hales: And we'd like to take 237 out of order and before our time certain.

Item 237.

Hales: Commissioner Fritz.

Fritz: Thank you, Mayor. And if I could ask Ms. Bauer please to come forward. I've been waiting a long time for this.

Ms. Bauer has been a very active land use volunteer in the Pleasant Valley neighborhood for longer than I've been participating in City government issues, and so I'm delighted that her schedule now allows her to accept this huge responsibility to join the Adjustment Committee. I just wanted to thank you for your service over many years and tell you that I'm very excited that you're going to be serving on the Adjustment Committee.

Linda Bauer: Thank you. And thank all of you, City Council, for the appointment.

Hales: Thanks, Linda. We appreciate you. It takes a huge amount of time to serve on these committees, and we appreciate your commitment. Thank you. Anyone else want to speak on this item? Thank you, Linda. Let's take a roll call vote on the acceptance of that report, please.

Moore-Love: We need a motion to accept.

Fish: So moved.

Fritz: Second.

Item 237 Roll.

Fritz: Well again, thank you. And for those who may not be aware, Pleasant Valley is in outer Southeast Portland, so it's particularly wonderful to have somebody who has to come a long way to downtown for the meetings, and I very much appreciate it. Aye.

Fish: Mayor and colleagues, I probably get more emails from Linda Bauer than anyone else here, and that's because she is a tireless watchdog of the City's utilities -- public utilities. And as a result of her vigilance, we've actually discovered from time to time things that we did that we shouldn't have done, and we've corrected that.

And just to make a comment about her leadership style, a week or two ago I got another email from her in which she extended a compliment for the way one of my bureaus had dealt with surplus property. And so I really appreciate -- that's a sign of a really effective citizen advocate. Keep your feet to the fire, but when there's a win, make sure that the people doing the work -- the employees -- know that their work is appreciated. So, I appreciate you, Linda, and this is a great assignment for you. Aye.

Saltzman: Thank you, Linda, for all your service to the City, and we appreciate you serving on the Adjustment Committee. Aye.

Novick: Thank you, Linda. Aye.

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Hales: Unlike Commissioner Fritz, I might have been involved in neighborhood advocacy as long as Linda. I'm not sure, but it's been a long time, and we appreciate your commitment. Aye. Let's move onto our time certain item.

Item 236.

Hales: Commissioner Saltzman.

Saltzman: Thank you, Mayor. Earlier this year, Portland was named one of the most rapidly gentrifying cities in America. While no part of the city is immune from this, few have felt its impacts as much as North and Northeast Portland. One month ago, we unanimously approved a plan to address longstanding issues of housing opportunity in North and Northeast Portland that was inspired by Mayor Hales -- issues that have transformed the racial and demographics profile of these neighborhoods and have made it especially hard for the elderly to remain in place in their neighborhoods near family, community, places of worship, and other essential services.

Throughout the process of tackling displacement and gentrification in North and Northeast Portland, we have heard time and again from the community about the need to support the elderly to help them age in place with dignity and safety. While this Council item that we are considering today predates the North/Northeast initiative, it nonetheless captures the spirit of that work.

Since 1997, the Allen Fremont Plaza has provided affordable housing to low income seniors from in and around Northeast Portland's Boise neighborhood. Decades ago, when revitalization efforts first started to take shape in inner Northeast, the General Baptist Convention of the Northeast, a consortium of African American Baptist churches, partnered with JM Woolley and Associates to develop land the convention owned for affordable housing. Their goal was to serve older African Americans and other seniors who attended their churches and who needed affordable housing to remain in the neighborhood. It was the first project done by an African American nonprofit sponsor group in Oregon.

More than two years ago, the General Baptist Convention approached REACH Community Development to buy the building and preserve the affordable housing for current and future elderly tenants.

The Portland Housing Bureau with the item before us today is proposing to invest nearly \$2 million towards the 4.15 million redevelopment and acquisition cost and in doing so, it will extend the affordability of senior housing and a rapidly-gentrifying neighborhood through the year 2075.

To talk more about this project, Housing Bureau Director Traci Manning; Pastor J.W. Matt Hennessee of the Baptist Convention and senior pastor of the Vancouver Avenue First Baptist Church; and Dan Valliere, CEO of REACH Community Development. Welcome. And Traci, you're first.

Traci Manning, Director, Housing Bureau: Thank you, Commissioner, City Council. Traci Manning, the female bureau director of the Portland Housing Bureau -- [laughter] -- I had no idea, how cool.

So, this project was selected for funding by the bureau in a competitive process. Normally, an investment of this size actually doesn't come to City Council, but for the funding structure, which is atypical. It's a loan product -- actually, a grant product that you approved for us a bit ago. It's in alignment with the recommendation of the Auditor's report regarding our loan products in that we have a grant product. So, normally this would not come to you. This product means that it does, and I'm really glad that it does. While it is our intention to very rarely recommend a use of this product -- and frankly, all of the projects that we bring you for funding people have put a lot of work into and are really wonderful.

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I am here to commend this project and this partnership to you over and above the -- both partners have done extraordinary things to make this really important building, and Pastor Hennessee will describe the tenants so you clearly understand how important this is to this community. They've put a lot into it.

I'm just going to roll off a few of the reasons why we are recommending that you approve what we call an equity gap structure, which is effectively a grant for this project. It will not put off much cash flow because REACH Community Development has agreed to lower the income requirements for the building, which is suitable for the tenants that are currently living there. REACH is not requesting a developer fee. They're adding resident services, contributing to \$100,000 cash to the project.

NOAH, which is a consortium of private lenders, is also putting up is a really unusual structure for them, allowing for cash flow dependent payments on the loan. And General Baptist Convention, which has been an outstanding steward of this building, is accepting less than appraised value and has been working incredibly hard to make sure this building got put into good hands. So, I will let them talk a lot more about why we're making this recommendation today.

J.W. Matt Hennessee: Thank you very much, Mr. Mayor, to each of you as Commissioners. It's a pleasure to be here today. For the record, my name is J.W. Matt Hennessee, the senior pastor of the Vancouver Avenue First Baptist Church in Portland, and also the president and chair of the board of the GBC, Inc. We have been in partnership to go for -- as Traci mentioned and Commissioner Saltzman has mentioned -- since 1997. I've been the chair of the board since 2009. And in our understanding of what we wanted to do, we were able to achieve the things that we set out to do in 1997.

Many of the people who were a part of our original agreement are now gone, but those who came afterwards felt the same way. Very important to have affordable housing for seniors in inner Northeast Portland and be able to do that in a 64-unit complex where the majority of the people are really -- their rents are between 30% and 47% of MFI. And in this case, what we know is that the lower end is related more to those who have certificates. The general sweet spot is around 40%, meaning that they are able to pay rents somewhere between \$450 and \$550 per month.

We knew from the beginning that we were going to make some decisions about rent structure and do it in such a way that it would maintain as many people as possible. The demographics are 70% of the members of the Allen Fremont community are African American. It's also the case that we have been -- that their average annual income is \$13,500. It's also the case that because of those decisions, we've been blessed with about a 92% average occupancy rate, which I would say is pretty significant given the kind of work that we're in.

Our nonprofit corporation has never generated revenues or profits from many of the activities or enterprises. We've been able to pay for our general partner responsibilities and expenses over the last 18 years through a co-development fee that was funded out of the original transaction in 1997. Anticipating that these fees would be exhausted about 2014 and the partnership -- the general partners who were there in the beginning would be on their way because of the expiration of the tax credits.

We made a decision as a board in late 2011 that it would be best for us to sell the property because of our own incapacity to do the greater work that we think needs to be done there. But we wanted to make sure to sell it not just to any other high bidder, but really to sell it to another nonprofit affordable housing developer whose main focus was to develop and operate quality, affordable, and rentable housing, and would have the financial capacity to continue to operate it the way that we intended from the beginning.

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We're blessed to have worked with Jeana Woolley for all these years, she's done a great job. We have been blessed to work with REACH. And even though Dan is not a female, he's done a really great job as the leader of REACH -- I want that to be clear. We have really enjoyed the relationship with him and his staff, and also to understand that many of the very things that were important to us are also important to them. We did not want to walk away from our residents and see an owner literally come in and the majority of the community there would be displaced. We really wanted to see an opportunity where they could be maintained for many years to come. That is the approach that REACH has taken.

We are delighted today for the partnership that has been able to be developed here between REACH and the Portland Housing Bureau. We're grateful to you for the great work that you have been willing to do, and I can assure you that we've done our part to make sure that this building that's 18 years old that when you walk in it does not feel like an 18-year-old building. It's been maintained well. It has been a great community that lives there. We are excited about this day and really excited about the opportunity that we have before us. And our encouragement there is for you to give your blessing so that this legacy may continue. If there are any other questions you may have of me, I will be here to answer them. Thank you so much.

Hales: Thank you.

Dan Valliere: Thank you, and thank you Council, for allowing us to come here today for this. I would like to introduce Jessica Woodruff, who is in the audience here, too. She's the housing development director at REACH. I'm the speaker today, but she's done a lot of the heavy lifting. And then the project manager at REACH, Leah Greenwood. And then you already heard Jeana Woolley on the GBC side, who has been instrumental to make this happen. So, it's a privilege for me to be able to be the speaker about such an important project.

So, why is REACH taking on this challenge? The simple answer is organizations are most sustainable when they stay focused on what they do best, and preserving affordable housing for the long-term is one of the things that REACH tries to do best. It's been part of who we've been since we've been -- since we were founded in 1982. And as several of you know actually know very well because of your past involvement and even involvement on the board in some cases, in the '80s and '90s, REACH preserved hundreds of units of affordable housing in inner Southeast Portland, and all that housing remains today affordable. So, that's vital housing; it's some of the last affordable housing in inner Southeast.

We're now also doing some of that same work in Northeast Portland, and have been for several years. We're currently the long-term owner and steward for several properties nearby. This one in Northeast Portland, such as McCuller Crossing apartments, Walnut Park apartments, and Albina Corner apartments; and the City of Portland and PHB has been a huge partner on making those happen. So again, this is just part of what we do.

I will also say another reason we're taking this on is this is more than a financial transaction, it really is a mission transaction. We were inspired from the beginning to see what GBC had already accomplished, and that -- more than anything, really -- pushed us to look hard at what can we do beyond what we might normally do. And you know, we quickly understood in talking to Pastor Hennessee and Jeana and others the importance of Allen Fremont Plaza because it's in one of the most rapidly-changing parts of the neighborhoods and is one of the few options left for very low income elders, as you heard. Also, GBC has taken impeccable care of the building, and you do not always see that after

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15 years. So that just showed the level of commitment that they've had all along, and that was a huge thing for us.

And then lastly -- you heard it referenced, but I cannot say this enough -- the rents that GBC maintained, the rent levels they maintained in this building are well below what you would see even in other affordable tax credit finance projects. You do not see this very often. So, that also struck us -- that this was unique. Now, that was why decided to do it.

That being said, that was also the challenge. How are we going to maintain these rents? They're very low, and that's a good thing. Average about \$525 a month for a one bedroom. So that meant that we were going to have to be creative on the financing.

You heard it mentioned, but I really want to call out the Network for Affordable Housing, NOAH. They're based here in Portland and they pool funds from several banks. They also have gone beyond what they normally do and have offered terms on the financing that I won't go into the detail but that is impressive and beyond what they do, even for us. So a really unique thing that allowed us to stretch the budget farther. So, that is critical to making this happen.

And then REACH, as you heard, putting in \$100,000 cash of our own, not charging for our development staff time this year that we've been working on it -- but it all comes back to GBC agreeing to even do this sale at a price that's well below the appraised value. Even with the affordability restrictions on it, it's still well below what the value would be. So, you know, that's what made this possible, quite honestly.

It's truly a team effort. Your support will have a tremendous long-time impact on Northeast Portland. Thanks for considering it today, thanks for your leadership, and I encourage you to continue to take initiative to help lock in affordability wherever you can as you move forward. It's needed now more than ever. Thanks.

Manning: Thank you. So, just a moment to commend my staff. Siobain Beddow, she's with us today hiding in the back but one of the many people that worked to make this happen; and Jeana Woolley can't be called out enough -- she has shepherded this building from the beginning.

So your action today will add 47 years of affordability covenant to this project, which is extraordinary. And I would say, as Commissioner Saltzman noted, even though this project was awarded prior to the work that we brought to you in North and Northeast Portland, it is right in the heart of the mission of what you've challenged us to accomplish in that part of town. So, thank you very much for your attention this morning.

Saltzman: Thank you all.

Hales: Thank you. Questions for this panel?

Fish: A couple. We have this kind of gathering, we have to ask you some questions. So, first question is on the equity gap contribution. Traci, the City sometimes puts grants into projects, sometimes puts loans and gets the money back. Could you just explain the difference and why this project qualifies for a grant?

Manning: Right. We exceedingly rarely put grants into projects. What we typically do is loan the money in and we may have a portion of it that is a regular debt service payment not unlike a mortgage, and then a portion is what we call cash flow dependent. So over time, if the building needs change either because the revenue goes up or because there's extraordinary expenses, the repayment to the City is able to take those changes into account in order to maintain the kind of affordability that this project does.

Specifically, an equity gap structure requires that the project exceptionally further the goals and objectives of Portland's comprehensive housing plan. And it's that word "exceptionally" that was designed to give you the flexibility to approve this kind of project that is truly different than our normal structure.

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Fish: And just to underscore perhaps the most remarkable part of what you're asking us to approve is for an investment of just under \$2 million of community development block grants, you are able to secure 60-year covenants on 64 units of at-risk housing in an area that's rapidly gentrifying. So, I don't -- I'm trying to imagine another time you've come back to us with a better leverage and a better deal for the taxpayers.

The other thing is the accompanying paperwork makes clear this was done through a competitive process, but I think it's worth celebrating because this project had to compete against every other project that came in. So, this is the best of the best. Could you just take a moment to explain the NOFA process?

Manning: Sure. So our typical process is putting money out the door -- obviously, we have extraordinary need in our community and very limited resources. And so, one of the things we do to get the most public benefit per public dollar is create a competitive process. It is as transparent, clear, and competitive as we can make it. My goal I always say is to fund the very best projects that are out there. We have extraordinary development capacity in our community. Unfortunately, what that means is every competitive process, we get a number of great projects that frankly we'd be happy to fund and can't. So, that process is generally annual. We are a little low on funds this year outside of North/Northeast, so we haven't had a NOFA process recently. This was from the last process.

Fish: Thank you.

Hales: Thank you all. Thanks very much. So there are others that want to speak? Jeana? Others here that would like to speak on this item? Anyone else that would like to testify?

Moore-Love: We have two people signed up, Mr. Lightning and Joe Walsh.

Hales: Come on up, please. Good morning.

Lightning: Good morning. I would like to say thank you and congratulations to GBC. I think you've accomplished what you wanted to do on this project.

Hales: Oh, Lightning, put your name for the record, please.

Lightning: My name is Lightning, I represent Lightning Watchdog X.

One of the concerns that I have has nothing to do with GBC at this time, it's on the grant that's being approved. As you know, I've stated many times I don't think that we have ample resources to be doing grants, but in this situation, I do approve of this grant. But I would like also a condition possibly put in. I'd like to see a percentage of the grant paid back in the event of a sale if REACH ever sells the property.

The reason why I do that is to kind of recoup some of the money. If somebody gets a grant, that's a great day. I mean, they're getting a grant, they don't have to pay it back. I'm just saying if REACH decides to sell it down the line, there should be a percentage of that grant paid back. Whether it's 25%, 50% -- we know the property is going to appreciate. Who knows where it's going to be in the future? So that's one of the concerns that I have. I just want to see money recouped and funded back to the City, which I think is a reasonable thing to ask upon the sale.

I noticed the unit price on this -- you know, we're talking maybe a \$4,200,000 project with the rehab included. So, we're talking probably around a \$60,000 per unit price average with the rehab. Without the rehab, let's say 2 million, we're talking about a unit price of 30,000. Again, to GBC, as many units as you can provide at this unit price please do it. This is a great opportunity for REACH. And provide more units if you possibly can. So again, I'm not questioning GBC, I'm questioning the grant possibly being paid back at a certain percentage. I know it is a grant, but upon a sale just a percentage paid back.

And again, to keep these unit prices low, I have no concerns whatever, and you're locking in the affordable housing. Again, I do commend all parties involved on that. So overall, I agree on the grant going to GBC. In fact, in my opinion, they should get the full

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appraised value but that's something for me to be concerned about, and I think that that would be more reasonable on this transaction. Thank you.

Hales: Thank you. Mr. Walsh, good morning.

Joe Walsh: Good morning. My name is Joe Walsh, I represent individuals for justice. When we looked at this, we saw -- and please correct me if I'm wrong on this because activists really like to be proven wrong, believe it or not. We see one nonprofit buying property from another nonprofit under value and supplemented by the City. Now, which part of that are we wrong on?

Hales: I don't think you are wrong on any of it.

Walsh: OK. It seems to us that we get very nervous when nonprofits come to you and have some money. We think nonprofits should be self-sustaining and if they're not, they should go under. When government gets involved in nonprofits, there is a negative effect on that because anybody that contributes to another person or entity likes to know what's going on with their money. We get very nervous when nonprofits get government grants, government loans. We would prefer loans so you would get the money back because you really are nothing with taxpayer money here. So, we would ask -- to say the same thing as Mr. Lightning said -- make sure that you are guaranteed that these rents are going to be low. Kept low by statute, by ordinance, by regulations, by not just somebody's word, not somebody's reputation. It's by rule or ordinance or whatever you want to do. But if you have 40 or 60 units and they are low income, 10 years from now, I want to be here -- well, five years from now, I want to come back to you and say, "hey, those rents are skyrocketing. Why is that?" And I don't want you to say to me, "Joe, I'm sorry. We had no statute to lean on."

So, that's what we're asking you. We're asking you to make sure -- very sure -- that these rents do not skyrocket after this sale goes through because you are messing with taxpayers' money on this one -- two million dollars' worth, and if you do it right, great. If you do it wrong, it's going to be noisy. Thank you.

Hales: Thanks. Anyone else? Further discussion? Anything else? Let's take a roll call and vote; it's an emergency ordinance.

Item 236 Roll.

Fritz: Thank you all very much for your partnership. I particularly appreciate the General Baptist Convention, which started this project with the best goals and has shown true to those goals and now is passing it off to another nonprofit.

My understanding is that the contract does guarantee the affordability for 60 years. A week or so ago, we were talking about changes in the Central Eastside Industrial urban renewal district, which now is projected to start paying back in 2051. And I calculated I would have been 93. And I've been thinking about that -- well, this will go just 2075, there's no way that I'm going to be here in 2075 unless modern medicine becomes a whole lot better in the next 10 years or so. So, it's good to know that this project is going to live past any of us and that it's going to continue to fulfill the purposes of the Baptist church and our community.

It's absolutely worth spending taxpayers' money on this, and it's absolutely the best thing to do as a grant rather than a loan because it's fulfilling our goals, too. Thank you very much. Aye.

Fish: I mentioned to Commissioner Saltzman that I wanted to see if I could embarrass him in my comments. So, you'll be the judge.

I think on the face of it, this is one of the most promising and comprehensive asks that we have had in a long time. Because if you look at it, all of the values that this Council has articulated and defends are represented in this proposal. And because Dan and Traci chose to bring it to Council and educate us about this, let's take this moment to celebrate

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that moment and celebrate what leadership looks like with Dan Saltzman and Traci Manning.

First of all, this was awarded through a competitive process, and it is through a competitive process that we can ensure that the taxpayers that we're getting the best possible project. So, we should celebrate that.

Second, we are targeting people that need our help -- folks that otherwise in this market would not have another option. And they wouldn't just be displaced, they would likely be on the street. So, targeting low income families and individuals and investing in their success is a core value of this Council.

Number three, we are preserving units, which in our world with limited resources, preservation is just as valuable as new construction -- and in many cases, it's less expensive. So, we better be preserving units, and REACH has a distinguished history of helping us preserve units across the City.

Number four, the leverage on this. Our public investment is leveraging other kinds of financing so the overall benefit to the public is well beyond just the City's contribution. That's another example of a good stewardship of limited dollars.

Commissioner Fritz mentioned the 60-year affordability covenant. That has been a requirement of all of our preservation in the last 10 years, and that is -- to Joe Walsh's point -- that is locked into a regulatory agreement. There are no ifs, buts, or ands. It is a legal enforceable document, and that is for 60 years. And 60 years considered in the industry pushing the envelope very far. That is a very ambitious goal, and I think that the Bureau is to be graduated.

With respect to equity gap contribution and the complexity of that thing, I think it's just worth noting that sometimes we are criticized for not recycling dollars. But there are some projects that if we don't put money in by way of a contribution, they just won't happen. And we cannot be so inflexible that we don't seize those opportunities at the same time that we're looking to recycle our limited dollars.

And finally, as the good pastor reminds us, almost 80% of the people we're serving are African Americans who have worked hard, helped make this community what it is, and would be at risk of being displaced if they did not have this home. Hopefully, all of them worship at a certain church around the corner, Pastor. [laughter]

And finally, to those who raised the question about accountability generally, I want to note that the Housing Bureau has a housing investment committee that scrubs all these deals and that has recommended to us that we fund this. If that weren't enough, the fact that REACH CDC is the partner is like the icing on the cake.

Dan is the successor to a great tradition of executive directors going back to a guy named Ed McNamara and then most recently Dee Walsh, and we know what REACH is capable of because we partnered with them so many times.

Jeana Woolley is here, and the only thing I would say about Jeana is I think that she has a son at some Ivy League school I've heard of and who is maybe graduating this year. *****: Next year.

Fish: Next year! And is to be congratulated. And finally, just a little plug since it's budget time.

Traci said that we don't have enough money to do as much of this as we would like. So let's be clear, Mayor and colleagues, this is what success looks like. And what the bureau has told us is the only thing that prevents them from doing more of this is resources. So I hope as we go into the budget season, whether it's Commissioner Saltzman's ask to fund the HIF or other requests to put additional resources into the pot -- or frankly, as we do the end game on North Macadam and the amendments, let's make sure that this high-performing bureau has the resources to bring more deals like this to us.

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This is a proud day, and I want to thank Dan, I want to thank Traci, and I want to thank our partners. We wish you the best success. Aye.

Saltzman: Well, I want to thank the quality partners in this project, Jeana Woolley, JM Woolley and Associates, REACH Community Development, Portland Housing Bureau, and the General Baptist Convention. I think I was approached shortly after I became the Housing Commissioner by the principals I just listed about this project, and it had a lot of appeal. As I told them, we do things competitively, but my instincts told me this would be something that would probably rise to the top because of the attributes of preserving affordable units for low income, largely African American seniors.

And that's what we have before us today, and this is a proud investment that we are making in the long-term affordability in an area of Portland that is undergoing rapid, rapid change. So, this is a great project, and I'm really pleased to support this investment. Aye.

Novick: Thank you to GBC and REACH and PHB. Good to see you again, Pastor Hennessee -- it's been too long.

I was just doing some math here -- which is always dangerous, of course -- but we are putting in about \$2 million in order to preserve affordability for 63 units for 47 years, and I think that comes out to about \$675 per unit per year to preserve affordability, and that to me sounds like a bargain. I am very pleased to vote aye.

Hales: This is the perfect storm of good people doing a great thing. So, thank you. Really, really wonderfully done. And I think that it's just a privilege for all of us to approve your good work and to send this excellent deal on its way to inking and completion. You know, the people that actually are going to see the best benefit of this now will be a whole series of REACH property managers who will watch happy seniors come home for a really long time. And that's going to be a great job, Dan, for your property manager and their successors because there is nothing better than coming home, and that's what these folks are going to get to do. Well done. Thank you. Aye. Done, thank you very much. Alright, let's move on to the regular agenda.

Item 244.

Hales: Commissioner Fish.

Fish: Thank you, Mayor. I'm gonna introduce Scott Gibson, who will make the presentation, but to summarize -- this ordinance if approved would increase the amount of the design contract with Brown and Caldwell to address a number of construction issues that have come up during the course of the SW 86th Avenue pump station project that require additional design. Scott, welcome.

Scott Gibson, Bureau of Environmental Services: Thank you and good morning. As the commissioner said, my name is Scott Gibson, I'm a principal engineer with the Bureau of Environmental Services, and with me today is Mr. Dan Hebert. He's a senior engineer who oversees our pump station and engineering program, as well as the project manager for this contract and project. As the commissioner said, we are here requesting additional authorization to amend our contract with Brown and Caldwell to increase the scope and the cost for their work on the SW 86th Avenue pump station.

This amendment will increase their level of effort in support of the construction phase -- that's the first thing that I wanted you to know, the pump station is in construction currently, and our current request is associated with their support for those construction activities. It will also add a design task required by recent negotiations with Tualatin Hills Parks and Rec to do some mitigation on the adjacent trail to the pump station.

I'll lead off with the discussion of this project, its history, and how we have addressed the changes to date, and then Dan will present the current proposed amendment, and we'll both be available for questions.

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The City of Portland owns and operates the Fanno pump station. This station is located west of the city limits in unincorporated Washington County. The neighborhood there is known as the Garden Home neighborhood, and the station is just west and south of the Portland Golf Club and it's adjacent to the Tualatin Hills nature trail -- it's a heavily-used trail.

The station pumps wastewater from a combination of City of Portland and Clean Water Services customers. It's pumped up over the West Hills where it flows down into the collection system, and north to the Columbia Boulevard Wastewater Treatment Plant.

The existing Fanno pump station has a current pumping capacity of 24 cubic feet per second. Our modeling analysis has showed that we would need to pump at 47 cubic feet per second in order to meet all the needs at that station. So, our plan is to build a new pump station existing to the adjacent one which would provide that 23 cubic feet per second capacity.

At this time, I'd like to talk a bit about some of the project challenges. The first challenge is the need to meet a schedule that was outlined in our agreement with the Department of Environmental Quality and Clean Water Services. And without the ability to adjust the schedule and response to change, options for how we have proceeded has been limited and that's been a drive for the amendments that I will describe.

Also, we were also faced with the challenges faced with major construction in a residential neighborhood. In this case, homes are very close to the construction, and also the Fanno Creek trail, and accommodations for homeowners and trail users were difficult to identify when we started the design process. And incorporating these needs as they have been identified has been a major -- a second driver for change in this.

Finally, a series of other BES projects in the vicinity have created both construction fatigue by residents and an organized opposition to our project and to the negative impacts on the neighborhoods. So, that's all challenged our ability to move forward in a responsible way.

In this photo, you can see the project under construction as well as the close proximity of the homes and the neighbors. The white roofs are residential single family homes. Many of these are [indistinguishable] style, the slab on gray '50s, -- what do they call them -- atomic ranch style houses, and there's some unique challenges with those that we've been addressing. And also along the north side, the trail runs immediately north of the project.

You can see the existing pump station, and our current pump station is under construction.

In the first of these photos, we see the access road, which is SW 86th Avenue -- that has come up in one of the amendments I will describe. And in the remaining photos, you can see the construction activities along with the timber sound wall that we constructed to mitigate noise. The residents, as we said, are very close to the construction, we've worked very hard with them to minimize our impacts on their life and as we go forward.

In June of 2012, we executed our first amendment. It was signed by the purchasing agent and it increased the amount by \$412,000, or 22% of the original amount. This change was driven by the land use requirements we received from Washington County, and we needed additional services to help address those.

The second driver was the existing pump station at that time was suffering from some maintenance issues. We have four pumps [indistinguishable] at that existing pump station. At one point approaching the winter, we had two pumps out of service due to moisture failures and seals. So at that time, we decided we needed to replace the pumps in the pump station and we added the design of that work to the Brown and Caldwell

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contract, and ultimately ended up adding the construction phase of that work to our existing contract with J.W. Fowler for the new pump station.

Amendment two was executed in December 2012. It was authorized by Council ordinance. It increased the amount by \$297,000, an additional 16%. At this time, we're responding to issues again in the existing pump station, where we have vibration and pressure surges, transient surges at the headers, and we were relying on Brown and Caldwell to help us understand and analyze what was going on and come up with mitigations. And actually, they recommended that we construct a temporary buried surge tank once again on the existing pump station, and we amended the contract to allow for design of that facility. That facility was constructed and is now in service.

Amendment three -- once again, authorized by ordinance -- in June of 2013, increase the amount by 359,000 or another 19%. This was associated with additional work and compensation needed to address SW 86th Avenue, which I showed in the slide. As a part of our land use, Washington County required that we bring that substandard street up to County standards. We needed design services to do that, and we amended the contract with Brown and Caldwell to do that. And that has been designed, but not contracted.

We also had -- we're going through the final building permit with Washington County, and we had an increase in the number of building permits that was also included in that amendment. We had over 55 building and trade permits that we needed to apply for and that process ran long.

Finally, the fourth amendment, which was approved in February of 2014, was for \$164,000, increase by 9%. And this was -- essentially, we had a failure on an existing force main once again with the existing bump station. And because Brown and Caldwell was there and working, we asked them to design a repair to a manufactured man-way, and they implemented that repair as well.

One of the reasons why I brought up the schedule constraints was that there are options -- there would have been options to go to additional or alternative engineering firms, but at the time, Brown and Caldwell was the firm with the expertise. They were performing extremely well, and because of the schedule deadlines, we thought the best option was to amend their contract.

These were approved by the Council in the past, and Dan's here to talk about the current status and our current request.

Dan Hebert, Bureau of Environmental Services: Thank you, Scott. Again, my name is Dan Hebert, I'm the senior engineer in charge of the pump station engineering section and the project manager for this particular project. Right now, as Scott mentioned, the project is in construction. We're about 55% complete -- or we were in the middle of January when I started preparing the presentation.

The public improvements on SW 86th and SW 84th -- as Scott mentioned -- with the permit requirement, those are done and approved with the County and permitted, but we don't have them under contract with the construction at this point. We haven't decided whether it's going to be a change order to the existing contract or whether it'll be a new contract at some point in time. We have until the July 1st of 2016 to get that work completed.

The most recent change -- again, we have been in discussions with Tualatin Hills Park and Recreation District for a number of years over several projects related to the Fanno basin pump station project. The most recent change is there's a portion of the work on the SW 86th Avenue pump station project that's in a large diversion manhole west of the creek, and the only access to that is through the Fanno Creek trail. And so we negotiated an easement with Tualatin Hills Parks and Rec to use that trail for construction

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purposes. And one of the compensations for that use was the agreement to design and upgrade that trail to their current standards, so we needed to get that design work done.

There's also some permitting work required for that because there's two wetlands areas adjacent to the trail, and a few trees would have to be removed that are under the jurisdiction of Washington County and Clean Water Services, so that process will take a bit of time to achieve. Again, the easement was only finalized just about six weeks ago, so we've added that work as a proposed new task in this amendment number five. L

Last one here about engineering support for construction services. This has been a large project and a very constrained site, and a very highly technical project, a high pressure pump station that involves serious pumping and fairly large motors. And while the contractors perform very well, it required an awful lot of coordination on proposed changes they've made that Brown and Caldwell has to go back and change some of the design work.

A good example of that is we have a 60-inch diameter pipe that was designed to be installed in a trenchless technology inside of a casing pipe, and the contractor proposed an alternative method that we had to go back through Brown and Caldwell and the technical engineer to redesign that whole process to achieve the savings that the contractor proposed for that piece of the project.

Again, so those were the things that came up, and we've had a challenge in trying to get a number of the equipment submittals approved, and has taken some time -- as many as six or seven re-submittals on the more intricate equipment or the larger pumps in particular are still in that process. So, it's been a higher effort than when the scope of the contract with B and C was negotiated originally.

Again, I've talked about adding the new task 11 for the Fanno Creek trail.

The proposed amendment amount is \$316,194, which is 17% of the original contract amount. And if it's approved, the authorized amount for the contract will be \$3,412,374 -- which, with all five amendments together, represents 83.3% of the original contract amount.

Just a few dollar facts about the contract, the construction contract with J.W. Fowler. The contract amount is a little over 56.6 million. Through January, we've spent about 8.6 million on the project. Change orders on the project are really very low for a project of this size and the complexity. Approved change orders are just over a tenth of 1%, and right now, the total change order exposure is 1.5% on the projects. We're very pleased with it.

Right now, if the Council approves going forward with this amendment, B and C's cost for construction services -- or actually for all phases of the project will be 2,934,000. Construction services -- that is about 620,000, roughly 4% of the construction cost.

And if the decision is not to approve or go forward with the amendment, I will have some challenges to deal with in that we'll have to dial back Brown and Caldwell's construction support services to only those services absolutely required to comply with permit requirements, since they are the engineer of record on the project. And we would have to severely limit the scope of their services during startup testing of this project -- probably in December of this year, which is going to be fairly an intricate task to start it up and integrate it with the existing pump station, which is the plan.

And I would -- we would need to execute -- select the consultant and execute a separate PT agreement for the trail design that we're obligated to do. I should have put request instead of recommendation on this slide. So, the request is to authorize amendment number give to contract with Brown and Caldwell.

Hales: Great, thank you. A couple questions -- others may have some, too. Obviously a big, complicated, expensive, pretty significant investment project. What's the useful life of

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this new pump station once it's done? I understand pumps and those things have to be replaced, but we're actually building a new structures replacing the previous one. What do you estimate is the useful life of this investment?

Hebert: Well, the useful life of the pump station equipment is roughly 50 years. The buildings -- if they're maintained properly, the useful life is much longer than that, and it depends on the level of maintenance and the structures. The way the City bureau generally maintains their pump stations -- the physical life is indefinite, with some significant remodels on about a 40 to 50-year cycle, as the electronics and control systems are the ones that change most often. And actually, custom sewage pumps in this size range have a predicted service life -- without, you know, severe problems -- somewhere in the range of 50 years.

Hales: That's great. You know, we've had a number of projects both from Water and BES lately that are in effect reconfiguring the system a bit. I assume that our system planning work in Water and BES is fully attached to our comp plan work in the sense of how much growth we're going to have in the development over a very long period -- at least the planning period of the next iteration of the comp plan? So that in terms of what capacity we'll need in the water and stormwater systems is as expected properly synced up with what the Bureau of Planning and Sustainability is doing?

Gibson: Yeah, and Dan actually modified the basically infrastructure portion of those plans as a part of this project very early in the project. We're very in-sync with the future land use projections, and like I said, we went through the process of modifying that plan to accommodate -- to address our needs in this area.

Fish: Mayor, we are scheduled next week -- I think it's the 12th or something, I forget when, but the rate hearing review process that we'll do -- and I hope that at the appropriate time with both the bureau directors there, you pose that question. I think that that's essential for understanding the five-year capital spending plan and also just the priorities for capital spending within the bureau. And I think also it's something that the public would benefit from hearing the answer to.

Hales: OK, thank you. Other questions? Thank you both very much.

Hebert: Thank you.

Hales: Anyone want to speak on this Item?

Moore-Love: Joe Walsh requested to speak.

Joe Walsh: For the record, my name is Joe Walsh. I represent individuals for justice. I just have a couple of questions -- maybe your staff can answer.

It seems in the presentation that this project has been going on to 1989, is that accurate? In the presentation, they used the year 1989 and then they went through the historical background of how much we had to increase in order to do the modifications. So, it seems if we go back to 1989. If that's accurate or close to being accurate -- our point is when the prime contractor is given the contract -- let me finish first -- when they are given the contract, does that ever change or are they locked in?

So, suppose you want to build a pump station and you go in and you estimate, well, OK, it's going to take five years to do this. But now you're into 10 or 15 years, do the same contractors roll over, or are they opened up to further bids?

Our concern is that if you look through that presentation, there's a constant increase of hundreds of thousands -- and in some cases, millions of dollars -- that are involved in this thing. And it never goes down, it always goes up. So, when you're doing construction, say, in a pumping station, things go wrong. No problem with that. Anybody that's ever changed a washer in an old sink knows things go wrong. However, I would like to have an answer to that question about the prime contractor.

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And second, we go very nervous when we see these things going up and up and up and up over the years. And if this thing has been going on that long, how is the relationship with the neighbors? I get really annoyed if somebody is doing construction outside our place and it's two days. If this has been going on since 1989, you must have new neighbors every six months moving into this place.

So, anyway, that's a question there. And also, we're concerned about the constant up going. And also, we're concerned if the prime contractor has a lock on this thing, then that excludes other contractors coming in and trying to do some work. So, we're worried about that. Thank you.

Hales: Thank you.

Fish: So Scott, could you come back for a second? And I'll walk you through the questions that Mr. Walsh has posed. And they're all good questions -- let me take a crack at framing them and then ask you to respond. So, when did this project first begin?

Gibson: The design contract with Brown and Caldwell was executed in 2011, August of 2011. Can you remember when the NTP for Fowler was?

Hebert: The construction contractor, Fowler, their notice received was in July of 2013.

Fish: So, that clarifies that it doesn't go back to 1989 but to 2011. And there's a contractor and there is a company providing engineering and design services. Could you just identify them both?

Hebert: Sure. The engineering design services contractor is Brown and Caldwell, Incorporated. The construction contractor is J.W. Fowler.

Fish: OK. So, this particular ordinance seeks additional funding to pay Brown and Fowler - - excuse me, Brown and Caldwell --

Hebert: That's correct.

Fish: To provide some services. Correct?

Hebert: Yeah, the bulk of this proposed amendment is to provide additional services during construction to support our construction services and construction inspection services.

Fish: Now, Mr. Walsh asked about the prime contractor. Where do we stand in terms of the cost of what we're paying the prime contractor on this contract?

Hebert: The prime contractor, that's the \$15 million -- let me go back to this slide. The construction contract -- Fowler's bid was \$15,632,000. It's slide 15. And so, right now we have a total change order exposure on that for things that we know about halfway through the project of about \$240,000, which is about 1.5%.

Fish: So, if nothing else changes, it may be that we're as much as 1-2% above the contract amount that we'd be paying J.W. Fowler.

Hebert: For the construction contract, that's right.

Fish: That's the \$15 million contract.

Hebert: Correct.

Fish: That's not what's before us today, it is for the services of a second company. And Mr. Walsh also asked about the relationship with the neighborhood -- we could spend a whole day on that, Scott.

Gibson: Yeah.

Fish: But the reality is there have been impacts that we've been trying to mitigate. Could you just give a concise answer to that question?

Gibson: We're doing our best to work with the neighbors and doing everything we can to minimize our impact there. Last week, I think, you approved some mitigation for immediately adjacent neighbors. They were individually crafted plans to work with our construction and say, an autistic child, a man who had a studio -- so we've done a lot -- an audio recording studio -- so, we've made some improvements to help minimize our impact

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to them. And that activity has been an ongoing. And it's been a major source of these changes to continue to revise our project to make it as compatible as possible.

That said, we have been in -- we have been out there doing construction and it has been challenging, and so far it's gone well with this contract, but there has been a series of other BES projects under separate contracts that have been underway for six, seven years now.

Fish: We're in Washington County, we're subject to a different set of regulatory requirements, there is a residential area abutting, there is a natural challenge and tension of having a pump in a residential area. There are things like vibrations and other things we have been trying to mitigate. Mr. Walsh raises a good point. In fact, Council has authorized on more than one occasion some mitigation funds to address the concerns of neighbors. So --

Hebert: One thing I would add there that Scott didn't talk about is Debbie Caselton is involved as the public outreach director or person on this project. And we've also -- they formed a citizens advisory committee that meets regularly of citizens in the neighborhood to talk about the project and offer guidance and suggestions for things that might help them. So, that's another step we have taken on the project.

Hales: OK, great. Any other questions? Thanks very much. This moves to second reading next week.

Item 245.

Hales: Commissioner Fish.

Fish: Mayor, I'm pleased to welcome back Scott Gibson. It's been awhile since he joined us. Today, the ordinance before us would authorize the Bureau of Environmental Services to contract with the lowest responsible bidder for construction of the SW Hawthorne-Salmon Sewer Reconstruction and Green Streets Project.

This project will replace aging sewers and add nearly two dozen green street planters to manage the stormwater and keep the runoff out of our sewer system. This is an example of how coupling traditional pipe construction with green infrastructure can actually reduce construction costs, make the sewer system work more efficiently, protect watershed health, and save ratepayer dollars. Scott, could you give us a brief overview?

Scott Gibson, Bureau of Environmental Services: Yes, thank you. As the Commissioner said, my name is Scott Gibson, and with me today is Bill Owen. Bill Owen is the senior engineer, he's our program manager for Tabor to the River program that was conceived under Mayor Sam Adams, and he will give us a brief overview of the project and his request.

Bill Owen: Good morning. This project is located in Southeast Portland, located between 41st Avenue, 50th Avenue, and Clay Street, and almost Belmont to the north. This work includes both sewer replacements for approximately 7000 feet of pipe in this area as shown on this slide, as well as 23 green street facilities that we've identified.

This particular project was crafted in a pre-design project that finished in 2007 as part of the Integrated Taggart D Pre-design Report that was the foundation of the Tabor to the River program. In that report as part of the analysis, we identified just over 110 properties that have a higher risk of sewer back-ups, as well as approximately 20 manholes that have a higher risk of street flooding based on the storms that we used for our designs.

This particular project was incorporated with several other projects in the Tabor to the River program to the goals that Commissioner Fish outlined just moments ago. This particular project, as I mentioned, focuses on relieving sewer back-ups in this area as well as addressing structurally-deficient pipes that are in this -- within the project limits. These segments are at the end of their design life and could fail and so it needed to be

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addressed. What's not noted on this slide is that we also are addressing some sewer extensions that have been identified as part of the non-conforming sewer program.

Just like the rest of the Tabor to the River program, we look for opportunities where surface infiltration facilities or green street facilities can be used where effective to reduce stormwater coming into the combined sewer system, and it could be cost effective to implement these using service life costs rather than just construction costs, so it could be cost effective over the long term.

One particular piece I wanted to highlight about this project is work along SW Hawthorne. There are just over five blocks of work between 41st and 49th Avenues that will need to be doing some pipe work in this area. It's divided into three sections in our plans.

Section one is towards 41st Avenue, which is a signalized intersection. In this area, we need to replace some manholes with larger manholes and reassigning the pipe towards the center of the streets. In doing so, we need to remove quite a bit of trolley tracks that have been paved over over the years.

Section two also requires some movement of the pipe to a more traditional location towards the center of the street. Currently, it's closer to north side where there's a 30-inch water transmission line. So, we prefer not to have our assets colocated in that area. That section -- section two -- we have been able to develop a traffic control plan that allows continuous one-lane of traffic in each direction during construction and as a result, we can do the work during normal business hours or normal construction hours.

Section three is closest to SW 49th Avenue on Hawthorne and is also a signalized intersection. Similar type of work there. We have to move the sewer towards the center of the streets. We end up removing a pedestrian traffic island for safety, which we will need to rebuild. But in this area of Hawthorne, there are more traditional curb extensions, concrete curb extensions that narrows SW Hawthorne in this area. And as a result, it's more difficult to have two-way traffic continuous during that period.

As a result, we recognize that sections one and two would be challenging to construct without affecting businesses significantly. Debbie Caselton also is the public outreach specialist in this project, as well as in the previous one, and through her work and our coordination with PBOT and others, we did an extensive public outreach to examine what options they would prefer in order to complete the work in sections one and three, which is nearest the signalized intersections at 41st and 49th Avenues.

The three options we gave the public to respond to included just doing work during the days. That would involve up to nine weeks of construction. Option two involved both daytime and nighttime work in these areas but just doing one of those segments at a time. That would be approximately six weeks of construction. And option three would be both day and nighttime work -- so, 24 hour work, just like option two -- but the contractor would have to work at both sites at the same time -- so, simultaneously.

The results of that outreach effort -- we had just over 1200 respondents, which is depicted on the map you have here primarily in green -- selected option three, which meant the general community in this area preferred for us to come in, do our work as quickly as possible, and be able to get out. And so, 88% of those respondents responded in that manner, so that's how we finished our design and submitted our noise variance accordingly.

Hales: That's interesting, I'm kind of surprised by that. I don't know if you were, but I am.

Owen: Another feature I wanted to highlight on this project dealt with tree mitigation. There are cases -- when we build green street facilities, we have to remove existing trees. And when we do that, we have to mitigate for that loss. SE Hawthorne is deficient in tree canopy relative to other areas of the city, and so we explored some options with our

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partners in Urban Forestry, in the Transportation Bureau, and others to find out if there is a way we could increase the canopy along SE Hawthorne as part of this mitigation project.

So, this particular slide -- and I apologize if it's a little difficult to read -- but the slide indicates that we will have two tree wells that we will be building in the street just past the curb where we'd be putting a tree in each location. This is the location on the south side of Hawthorne between 46th and 47th Avenues. And as part of the planting of those trees, we can address the mitigation needs as long as other trees will be planted for this project.

In order to complete this type of design, we made sure that we reached out individually to each of the businesses along this block to see if they were comfortable with this arrangement, and they were. So, we decided to go ahead and finish this design and this is the result.

Next steps -- we plan to advertise later this month. The ordinance request indicate that the project will be -- engineer's estimate is \$4,590,000, and the level of confidence is optimal for that estimate. The purchasing agent will be back to report regarding the lowest responsible bidder and bid for the project. Our current schedule is the construction notice to proceed will be issued in July of this year and our estimated contract period is 12 months. Thank you for your attention.

Hales: Thank you. Other questions?

Fish: I have a couple of questions -- and I appreciate the level of detail you've given us about the public outreach. I share the mayor's I guess surprise at the outcome. Was there a difference of opinion between the businesses and the residents?

Owen: Let me go back to that slide, if I could. The short answer is no. Our initial outreach suggested that the residents -- so this was the second round of outreach we did for this project in this area. In the first round of outreach, the residents were not as comfortable doing nighttime work but the businesses were mixed about that -- the hour of the date to do construction work -- depending on the type of business they had. But the second round of outreach -- when we laid out the duration, the type of work that was going to be done -- generally, both residents and the businesses responded that they prefer doing -- for us to come in, do our work, and get out as quickly as we can.

Fish: So, you identify 130 businesses on this strip, and my recollection is they include small restaurants, medium-sized restaurants, there's a new grocery store --

Hales: Famous chocolate shop.

Fish: Famous chocolate. And it has become a very hot destination, particularly in the evening, because of all of the restaurants. And are you satisfied that we have an adequate plan that we've developed with PBOT to address the parking and the circulation so that the folks who are running their businesses -- the pizza place, there's a Tex-Mex -- there's some very, very hot places up and down that stretch which means a lot of traffic. Are you satisfied that we have a plan for transportation and parking?

Owen: I am satisfied with that. But your point is noted and I will be sure that we circle back with Debbie and others as we move through to be sure that we continue to communicate with those business owners to accommodate their needs the best we can.

Fish: And I'm guessing we brought Venture Portland in on this? We've had some --

Hales: The Hawthorne business association --

Fish: Or the Hawthorne business association?

Owen: Yes, sir.

Fish: OK. I think if the start date is not -- if under the best of scenario, you get a bid, we move forward -- you're looking at starting mid to late summer, correct?

Owen: Hopefully mid-summer, that's correct.

Fish: That gives us a little more time to make sure we've done all of the outreach to both the business district and to Venture Portland. I also want to make sure that whatever

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construction schedule we have doesn't interfere with whatever they're doing for a summer festival. And that has in the past created some challenges, so we're going to want to make sure that the day that has been selected for the Hawthorne festival --

Hales: Street fair.

Fish: Street fair -- where they shut down a portion of Hawthorne -- that we take that into consideration because we're going to be creating a significant back-up on Hawthorne if what you face crossing Cesar Chavez is a single lane, and a single lane that presumably -- a single lane each way or a single lane that alternates?

Owen: During section two, it'll be a single lane each way.

Fish: That's going to have a -- I mean, Hawthorne is already backed up quite a bit, as I can attest, late in the afternoon -- this will have a significant impact. We're going to want to be sure that it doesn't have an adverse impact what they're going to do with the business association, and we'll take another look, make sure that the business district and Venture Portland have done the proper outreach to the businesses. Because it's great to do it, I understand the logic of doing this as quickly as possible. But if it's going during the day and at night, it's going to have a significant impact on commerce and we just need to make sure that we --

Hales: Yeah.

Owen: I agree with you. We'll make sure to follow through on that. I'll note that the summer festival date has been set and it's in our bid books. So, the contractors will be aware of it and so we'll keep an eye on it.

Gibson: Are they precluded to do work during that period?

Owen: They're precluded to do work during that period as well as during the holidays.

Hales: OK. So there's black-out period for that. The night work -- is that on Hawthorne alone or side streets?

Owen: Hawthorne alone.

Hales: OK. So the back-up beepers will be audible but maybe won't keep everybody in the neighborhood awake.

Owen: Correct. And things like cutting into trolley tracks won't be allowed at night.

Hales: Well, I appreciate this discussion. We've had a lot of these kind of projects around the city lately, but this is probably the one -- at least in the last two years -- the one, there is a lot going on in this area, as you described. This work has been going on in my neighborhood for the last year or so. It's worked out well, by the way -- it's been well-managed. But I think just in terms of the concentration of activity, like Commissioner Fish was talking about, this one is going to be a challenge.

Fish: And Steve and I have experience most recently with Division Street, where --

Hales: That's true.

Fish: Going the extra mile and making sure that we've factored in the holiday shopping season, any unique promotional things that are being done, the festival that the business district is running or neighborhood association, and then making sure that the circulatory patterns -- if people are being diverted for any reason, making sure that we thought through the best circulation that doesn't adversely impact a business or a particular resident. This is not a science, it's an art, but this is one -- another one again where I think the close working relationship between PBOT and BES will be very important.

Novick: I have two questions. One is, have you talked to the private utilities to see if see if they're planning to do any work in that neighborhood around that same time that could be coordinated?

Owen: Yes, sir, we have spoken with the public utilities there. It turns out we were able to avoid any conflicts with those utilities with a couple of exceptions. One is at 41st Avenue,

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and that's the signalized site. CenturyLink will be doing some work on their vaults there just prior to our construction in that area.

Gibson: And Commissioner Novick, if you're talking about a broader enterprise or Citywide look to see if there -- that they have their own needs that they would want to accomplish at the same time -- I know that's a focus of ongoing and innovation grants and other activities. I don't know that we pose that question to them. But we have notified them that the project is coming numerous times in an attempt to make sure that everybody knows what we're doing and we're coordinating for locations. That's what Mr. Owen has described.

Fish: Commissioner Novick, maybe this is one where we can do an informal test drive of the collaboration that we're working on, where we do some additional outreach to see -- and the theory would be if we are going to dig up the streets and there's a utility that wants to come along and piggy back on that work, let's do that so we don't have to dig up the street twice. Perhaps we can do this on an informal basis and check with some of the utilities that might like to do some work in that area.

Novick: Second question is one that I think people in most neighborhoods in Portland would be concerned about but particularly this neighborhood -- can you assure us that the project will be gluten-free? [laughter]

Owen: I'm sorry, I can't.

Fish: By the way, just conceptually -- you know, when we did the Division Street project, there was always that tension between the level of bioswales and the design location and the impact on parking.

Gibson: Mh-hmm.

Fish: I assume that we've had the same discussion here. Can you give us a sense of how you've reconciled the two competing needs of both managing stormwater on site and preserving adequate parking space for the businesses?

Owen: I can. So, we were keenly aware of that tension. And you'll notice on this particular slide here that I brought up again, the curb extensions which are the green street facilities that take up space where parking would have existed are located at least two blocks away from Hawthorne in either direction for this project. You will see there are a number of black rectangles on this slide which indicates those are planters, which are facilities that are behind the curb and do not affect parking. So, that was one of the chief things that we were keeping in the back of our minds even before 30% of the design had been finished.

Fish: Thank you.

Hales: Great, thanks. Other questions? Thank you both. Appreciate the presentations. Thank you. And that is an ordinance but it's not an emergency ordinance, so it comes back for second reading next week.

Moore-Love: I didn't have a sign-up sheet -- I don't know if there's anyone that wanted to testify.

Hales: I'm sorry, I didn't call for any testimony. Didn't think we had any. OK, thank you, comes back for second reading.

Item 246.

Hales: Commissioner Fish.

Fish: Thank you. Cecelia is here to walk us through this. Here's just the brief comments I've been furnished.

Mayor and colleagues, through wholesale contracts, the City provides water to 20 cities, water districts, and companies with almost 400,000 customers. This is in addition to the approximately 570,000 City customers.

In 2006, the City and its regional wholesale customers signed the wholesale water sales agreement for long-term water purchases. Terms of the agreement are explicit about

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rate setting. Wholesale customers worked closely with City staff and consultants to develop a rate setting model consistent with the terms of the agreement.

The wholesale water sales agreements between the City and its wholesale customers require a third party audit of cost allocation at least once every five years to assure that the cost allocation is consistent with the terms of the agreement. The allocation of costs to wholesale customers then informs annual wholesale rate-setting. That's a mouthful. Cecelia, did I miss anything?

Cecelia Huynh, Water Bureau: No. I'm Cecelia Huynh, the Water Bureau's finance director. As Commissioner Fish mentioned, I'm here to request authorization to contract with Raftelis Financial Consultants to perform a cost allocation audit. The bureau administers the wholesale contracts -- or the water sales agreements that Commissioner Fish alluded to -- that were signed in 2006.

The agreement is very specific and it does require a third party to perform a cost allocation to ensure that our costs are allocated according to the contract -- to the water sales agreement -- which is the basis of establishing the wholesale rates. So this is close and dear to their hearts.

This is the second audit that will be conducted. Our wholesale customers are stakeholders in this project. They were a part of the selection committee, and they were involved in negotiating the contract as well. They also cost share in this project, which we have included in the wholesale rates that they are paying. I'll take questions.

Hales: Thank you. Any questions?

Fritz: My understanding is that the subcontractor is an emerging small business.

Huynh: Yes.

Fritz: Is Raftelis Financial an emerging small business?

Huynh: That's the primary consultant. The sub is Randy Hawley Engineering.

Fritz: Right. Could you tell us about that?

Huynh: Randy Hawley is a retired Water Bureau employee. He was our operations manager that managed our [indistinguishable] system, and they have basically teamed up with Raftelis Consultants. Randy will primarily be doing a lot of the engineering work on this project. A key part of this project is understanding how we deliver the water to our wholesale customers because that is the basis of how costs will be allocated.

Fritz: And how long has Mr. Hawley been retired?

Huynh: It's been a while -- I want to say at least five years.

Fritz: Thank you. Were there any of the other two firms that bid on the contract that had minority or women subcontractors or partners?

Huynh: I don't recall. I'll have to go back and look at the proposals.

Fritz: Thank you. Will there be a report back to Council?

Huynh: If you like, certainly, but --

Hales: What are you looking for, Commissioner?

Fish: We will provide any report that the council wishes on any subject that we're presenting. So, what's your desire?

Fritz: Well, it's an audit project, so I'm just interested to know what they find.

Fish: Oh, in terms of the actual work product that then informs the rate setting.

Fritz: Yeah.

Fish: Yes, we'll make sure that work product is furnished to all Council.

Fritz: Thank you.

Hales: Thank you. Any other questions? Thank you. Anyone want to speak on this item? If not, then it passes to second reading. Thank you.

Item 247.

Hales: Commissioner Saltzman.

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Saltzman: Thank you, Mayor. This is an important grant operation and we have emergency operations division chief Jim Forquer here to answer any questions.

Hales: Good morning, Jim.

Jim Forquer, Portland Fire and Rescue: Good morning, Mayor, Commissioners.

Fish: Jim, is there any reason we should not authorize this application? [laughter]

Forquer: Absolutely not.

Hales: Why Station 24? Is that just because they're closest to the tank farms?

Forquer: Station 24 is the station that houses our current flammable liquids capability with the apparatus and they also receive special ship board firefighting training. They're the most likely folks that would be able to bring apparatus to the tank farms and the bulk storage facilities.

Hales: Yeah, OK. Training we hope we don't need.

Forquer: Absolutely.

Hales: But might need to have. Might come in handy if there was ever say an oil train fire.

Forquer: Yeah, I think there were two train derailments in Oregon as recently as yesterday. Nothing significant, but it is a very real risk.

Hales: Yeah. Other questions for Jim? Thank you. Thank you very much. Thanks, Jim. Anyone want to speak on this item?

Moore-Love: Mr. Lightning is requesting to.

Hales: OK, come on up.

Lightning: My name is Lightning, I represent Lightning Watchdog X. One of the biggest concerns I have is just that -- and possibly this training can apply in that direction -- I have a real concern on that Pembina propane storage facility, and I wanted to see any type of information provided, what may happen in the event that a facility like that if an accident does occur.

We've talked about on that facility on the blast zone areas, and I haven't really seen a whole lot of data pertaining to what the blast zone area would be, say, talking about Pembina. I would like to maybe see more data pertaining to that and get a better understanding on if it would actually affect all of the way within the city parameters in the event an accident was to occur. Because I've heard a lot of different conflicting statements and seen different studies, but I haven't heard anything from the local fire marshal or any of the fire department on those type of issues. And we're talking, you know, a \$500 million project that's being discussed at this time, and I just would like to see some type of information or have some understanding on the effects of that propane storage facility and what the public needs to be aware of at this time. Thank you.

Hales: Thank you. Alright. This is an emergency ordinance, let's take a roll call vote.

Item 247 Roll.

Fritz: Aye.

Fish: Thank you, Jim. Aye.

Saltzman: Thanks, Chief. Aye.

Novick: Aye.

Hales: We will get that safety analysis on the Pembina case, by the way, but this is about liquids and they require specialized training. Aye.

Item 248.

Hales: Commissioner Novick.

Novick: Colleagues, we do visual inspections of pavement to determine if we need to do grinding and repaving, and if we do less a than two inch grind and pave, that is something that we normally do in-house and we can tell basically through visual inspection that is what we need.

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If we conclude through visual inspection that we need more than a two inch grind and pave, then we contract that out. And we know from experience that if we know it is more than two inches, we might not necessarily know for sure whether it's three or four or five without doing additional inspections and testing. And we used to do that testing in-house. Found it was not cost effective, so now that's work that we contract out. And I will turn it over to Mr. Liles to elaborate.

Todd Liles, Portland Bureau of Transportation: Thank you. Todd Liles, supervisor with the Bureau of Transportation.

As described in the ordinance, PBOT requires professional services to support implementation of our capital improvement program. An example of design data that feeds into the capital improvement program is our pavement management system. As part of that system, PBOT tests our pavements to verify design assumptions prior to letting construction contracts out to bid for pavement rehab. These are our grind and overlay projects, otherwise known as our contract paving work.

In addition to the physical deflection testing, PBOT performs visual distress evaluations which is tracked in our street saver database. We can categorize pavements as good, fair, or in poor condition. These pavements have a service life of a known deterioration rate that is measured.

We test our pavements according to industry standard practices using what's called a falling weight deflectometer. We test for structural deficiencies in the existing roadway and we use these to test to confirm our pavement design. Pavement testing occurs in our street plan. For a three-inch grind and greater, testing is an important step in determining the right design because as you know, the cost of testing and rehab multiplies with increased thickness.

PBOT does not own a falling weight deflectometer -- it's very expensive to own and maintain -- nor do we have the expertise in operating the equipment or interpreting the data. Therefore, PBOT is requesting the use of these on-call services contract to perform the work. We've been doing pavement testing with these types of contracts for more than 10 years.

Our outreach efforts, which are included in the impact statement, include posting the RFP at the OAMI website -- the Oregon Association of Minority Entrepreneurs; the NAMCO, the National Association of Minority Contractors of Oregon; researching the state's OMWESB website for certified firms and candidates; contacting ODOT and Wash DOT for other potential firms -- both those DOTs before their own work; and contacting the Oregon Asphalt and Pavement Association for other potential firms. We publish an advertisement in the DJC, post an advertisement on the LAPs PDX website, which is the Lateral Agile Partnerships, an online small business consortium for MWESBs. We also post it on the Procurement Services online project calendar. Through this effort, we didn't identify any additional firms.

Using an open and competitive Procurement Services process, PBOT received two proposals. The public process consisted of a selection committee, including a representative from the minority evaluators program who evaluated the firms based on the performance in the criteria of the RFP. Again, this is very specialized type of work. Only a few companies in the Northwest provide these types of services.

Of the two firms selected, Pavement Services is an ESB; GeoDesign is a non-certified firm. These two firms are the same firms that have performed the work on the recent expired contract. And as you can see in the handout at the bottom table in attached Exhibit B, the recent 2009 to 2014 performance achieved a total MWESB utilization of 56% -- this is in the yellow box at the bottom.

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The table at the top represents the contract paving, the current contract proposal for MWESB utilization based on a hypothetical million dollar contract. Again, PSI being an ESB, the total utilization is estimated at about 47%.

As you are aware, on-call services contracts for engineering services facilitate long-range planning, increased control, and provide for an uninterrupted supply of needed services in addition to saving time and money by reducing the cost due to repetitive selection process.

This ordinance would authorize a three year contract to two individual firms, PSI and GeoDesign, Incorporated in the amount not to exceed \$500,000 each. Money would only be spent when authorized in the budget for capital improvement or contract paving work.

Currently, an emergency exists because we have two firms on assignment producing reports awaiting PBOT's review comments. Their existing contracts expired at the end of the last year. We thought it would be better to go out for new contracts whether than come to City Council for an amendment. At this point, do you have any questions?

Hales: I don't believe so. Thank you.

Novick: Thank you.

Hales: And this is an emergency ordinance. Let's see if there is any public testimony and then take a roll call. Come on up.

Moore-Love: Mr. Walsh.

Joe Walsh: For the record, my name is Joe Walsh. I represent individuals for justice.

We would prefer that you keep this in-house whenever possible. The last part of the presentation was that some specialized requirements in this contract that only two corporations or companies have the qualifications to do it. We would ask you to have staff look at that again and see what parts we could break off and either do in house or put out for bids in the local area.

We don't particularly like contracting out when we have this huge problem right now, and every time you talk about roads or streets everybody's hair goes up. Because we're in this debate right now of what we can do, how we can do it, and what money is available.

Talking about \$500,000, \$1 million here, \$500,000 there, pretty soon you're talking about serious money. We're suggesting if in-house you can do some of this stuff, then do it. It keeps our employees busy and I like that. I like employees who are busy. And contracting out is sometimes just too easy.

Also, the limitations on the expertise bothers us. It makes us nervous because a lot of times we go to corporations that have been around for a while that are friendly with others that they know they're going to do a good job, blah, blah, blah, blah, blah. However, when you do that you exclude a lot of other companies that may be run by women, may be run by minorities, may be run by people that need work. So this again is something that should be re-looked at very carefully. Thank you.

Hales: Thanks. Anyone else? Then let's take a roll call vote, please.

Item 248 Roll.

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

Item 249.

Hales: Roll call, please.

Item 249 Roll.

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

Novick: Thank you. Aye.

Hales: Aye. And we are recessed until 2:00 p.m.

At 11:40 a.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

MARCH 4, 2015 2:00 PM

Hales: We will come back to order for our afternoon session. Would you please call the roll, Karla?

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

Hales: Would you please read the item that we have this afternoon?

Item 250.

Hales: This is a quasi-judicial land use hearing. So before we turn it over to the City Attorney for procedural instructions, we need to check to see if any of us have potential conflicts of interest or ex parte contacts to report.

Novick: I did discuss the project with Mr. Kehoe back in December before the decision was made and the appeal was filed.

Hales: Any others? Anyone have any questions about the Council members -- about our objectivity for this case? If not, then Kathryn, would you walk us through the procedure, please?

Kathryn Beaumont, Chief Deputy City Attorney: Good afternoon. I have several announcements I'm required to make by state law. These concern the kind of hearing we're having today, the order of testimony, and some guidelines for presenting testimony.

First, this is an on-the-record hearing, which means you must limit your testimony to material and issues in the record. Secondly, in terms of the order of testimony, we'll begin with a staff report by Bureau of Development Services staff for approximately 10 minutes.

Following the staff report, the City Council will hear from interested persons in the following order. The appellant will go first and will have 10 minutes to present the appellant's case. Following the appellant, persons who support the appeal will go next. Each person will have three minutes to speak to the council. The applicant will then have 15 minutes to address the City Council and rebut the appellant's presentation. If there's no -- well, in this case, the council will hear testimony from supporters of the applicant for three minutes each.

Finally, the appellant will have five minutes to rebut the presentation of the applicant and the council may then close the hearing and deliberate and take a vote on the appeal. If the vote is a tentative vote, the council will set a future date for the adoption of findings and a final vote on the appeal. If the council takes a final vote today, that will conclude the matter before the City Council.

Finally, as to guidelines for those who will be addressing the Council today. Again, this is an on-the-record hearing and the hearing is to decide only if the Design Commission made the correct decision based on the evidence that was presented to the Commission. This means you must limit your remarks to arguments based on the record compiled by the Commission. You may refer to evidence that was previously submitted to the Design Commission, but you may not submit new evidence today. If your argument includes new evidence or issues, you may be interrupted and reminded that you must limit your testimony to the record. The council will not consider the new information and it will be rejected in the council's final decision.

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If you believe someone who addressed City Council today improperly presented new evidence or presented a legal argument that relies on evidence that's not in the record, you may object to that argument.

Finally, under state law, only issues that were raised before the Design Commission may be raised in this appeal to the City Council. If you believe another person has raised issues today that were not raised before the Commission, you may object to the council's consideration of that issue. That concludes the statements I need to make.

Hales: Thank you very much. Questions? Then let's have the staff report, please. Good afternoon.

Staci Monroe, Bureau of Development Services: Good afternoon. My name is Staci Monroe with Bureau of Development Services, land use services. I'm here to provide the staff presentation for the appeal of the Design Commission decision for approval for the Tess O'Brien Apartments.

I'll briefly get you acquainted with the proposal. It was for two six-story building about 67 feet tall; 123 residential units, one which was live-work; a large outdoor courtyard between the buildings a little over 6200 square feet in size; 153 bike parking spaces for residents both within the building and in the courtyard. The building is composed of brick, stucco, precast stone, storefront system, aluminum storefront and vinyl windows, and other detailing. No parking was provided, as none is required within the Northwest Plan District; and no loading was provided on the site. An adjustment was requested to that development standard.

The image on this screen -- the property is highlighted in red. The zoning of the property is central employment zone, EXD, with a design overlay. It's located within the Northwest Plan District. Within this district, there is a 45-foot height limit. However, within the bonus area A of the district, which is indicated with the blue outline on the screen -- which this property resides in -- there is an increase to 75 feet in height if over 50 of the floor area of the building is residential. You may also receive the maximum 5 to 1 FAR in the district within this subarea with an additional 1 to 1 FAR if the majority of the building has residential component.

The property is located within the Northwest Pedestrian District, and its frontages on Pettygrove and Overton are both local service streets. Here is an image, an aerial of the vicinity. The property again is highlighted in red. The site consists of two tax lots that share an internal or rear property line. Together, they total about 18,000 square feet. Again, they're bounded by Pettygrove and Overton with the additional boundaries of 19th and 20th. The remainder of the block is developed -- as well as the surrounding area -- with older one and two-story industrial and commercial buildings and residences, older and multi-story residential buildings as well as some newer six-story development.

On this enlarged area of the site, you begin to kind of see how the block is developed. The abutting conditions of the northern portion of the lot on Pettygrove is bound by a six-story building to the left -- which was approved in 2010 -- and a four-story older residential apartment building to the east. For the south portion of the site, it is flanked with two one-story structures on the west and the east sides. One I believe has an office or residential use, and the other one has an industrial use with a surface parking lot.

Another item to note at the southeast corner of the block, which is in the right-hand side of the screen -- the Design Commission approved a six-story building back in January on the same block.

So, these are some images of the existing conditions along the Pettygrove frontage. The image in the center of the screen are the existing conditions, which is a surface parking lot. The images on either side of that represent the existing development, the newer six-story building on the right and the older four-story residential building on the left.

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The images on the bottom of the screen show the predominant commercial characteristics of the street, which include buildings at the street lot lines, storefront conditions, and active ground floor uses. You can also see the predominance of the brick and stucco materials and the more pedestrian-scaled element, such as the canopies.

These are some context images of the Overton frontage. Again, the southern portion of the site is represented by the image in the center of the screen. It's got surface parking and an industrial building. On both sides of that image, you'll see the existing conditions, the smaller single story residential structure -- which I'm not sure is occupied by residential, it could be a commercial use at this time -- and on the right side of the screen, the industrial building.

Again, at the bottom you'll see the more residential characteristics in the existing development. These characteristics have setbacks, residential stoops, covered porches, and landscaping. And those elements differ from the other frontage on Pettygrove.

On the right side of the screen you'll see an image of the recently-approved six-story structure at 19th and Overton that was approved by the Commission about two months ago.

On the right is a site plan. As you can see, building masses are focused on the street edge, both along Pettygrove and Overton. The building has zero side setbacks and zero street setbacks except for the southern building on Overton where there is a five-foot setback to allow an entry sequence with residential stoops to those units within that ground floor.

As you can tell by the green overlay on this site plan, that is the outdoor space and it occupies about a third of the site, which preserves it for a generously-sized outdoor amenity space. As the neighboring properties redevelop, this depth and size of the courtyard ensures that the open space will remain viable as a central component in the middle of this block.

These are elevations of the building. This is the final product after four hearings with the Design Commission. On the left side is the Overton building, it's the larger of the two. It's about 100 feet wide and contains the most units. This building differs from the other building in that it has residential units at the ground level, and these units have a vertical separation of about three feet from the adjacent sidewalk and a horizontal separation of about five feet, which allows some buffer and privacy within those units from that adjacent public space.

The building on the right is the Pettygrove building, it's the smaller of the two. Its frontage on Pettygrove is more consistent with the commercial nature of that street. The residential unit was converted to a live-work unit with a storefront system, as you can see in the center bay of that building.

Over the course of the design review process -- as I mentioned, this is the final product. The project significantly improved in terms of the quality of the materials, the ground level transitions, the detailing and the finer-scaled elements, and the overall composition, particularly on the street.

This project went through a Type 3 design review with an adjustment. The approval criteria that staff and the Design Commission based the approval on were the community design guidelines as well as the adjustment approval criteria for the loading space. The land use review appeal findings must find a nexus to relevant design guidelines or modification approval criteria have been met.

The appellant states that specifically, community design guideline D7 -- blending into the neighborhood -- has not been met. An additional component of the statement is that a procedure error in the design review process occurred.

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Regarding the first part of the appeal -- the community design guidelines D7 -- this reads or seeks to reduce the impact of new development on established neighborhoods by incorporating elements of nearby, quality buildings such as building details, massing, proportions, and materials. The appellant's statement states the combination of the height of the buildings and the fact they're built up to the side property lines with no setback suggest that little has been done to reduce the impact on the adjacent development. It is suggested that at least six-foot side yard setbacks are provided and the height of the Overton building is reduced in order to meet this guideline.

The Commission during their review and numerous hearings concluded D7 had been met -- blending into the neighborhood -- along with the planned character area statement by the buildings meeting the parameters of -- the infill development parameters that reinforce the block massing that's prevalent in the area. Typically, 100-foot building widths are in the area. This building is less than that with 80 on the northern building and 100 on the south. The maximum height is 75 feet. This building is 67 feet. The buildings are both broken down into distinct wall planes that are no greater to 50 to 100 feet. These are much smaller in 22 and 37 feet wide.

Additional aspects of the project helped to meet those guidelines and have this project blend into the character of the neighborhood as well as into its immediate surroundings by having high quality materials such as brick and stucco, which are the predominant materials in the area. It included finer-scaled details like canopies; lights; precast stone surrounds, which are very common in residential developments in the area; cornice lines; and recessed windows. And particularly, it responded to the different frontages, as you can see in the images on the screen. On the image on the left -- the Pettygrove frontage -- you can see it's got a more commercial character that responds to the more unique character of that frontage on Pettygrove with a storefront condition and a zero setback. And on the image on the right -- again, the Overton building has a more residential character with a setback of a building, vertical separation of the residential units, and residential characteristics such as landscape areas and landings and stoops.

This project had four formal design review hearings beginning on November 6th. At this hearing, a tentative vote of denial occurred, which was nonbinding since there was no staff report supporting that denial. After the first hearing, the applicant decided to make some changes in an effort to seek an approval for the project. As such, they signed an extension to extend the process. In general, at each hearing the project made improvement, and each hearing -- [beeping] -- I'll wrap it up in one minute.

The neighborhood association was very involved and they participated in the hearings and provided testimony at those hearings. Some of their concerns did align with the Design Commission, which in the end contributed to the improvements particularly along the ground level, as evident in the final design.

The final approval of the project occurred January of this year. At this hearing is when the neighborhood association testified with the massing concerns that is part of the appeal today. In response to that, the Design Commission did make a statement, and I'll read that into the record.

They stated that the fundamentals of the zoning allowances -- in particular, height and setback -- were put into place with the neighborhood's involvement in order to achieve housing and density goals. Discussions about the intensity of future developments are currently underway and nearing its end with the comprehensive plan, and now is the time to get involved in that process with BPS if these are concerns of the neighborhood.

The final decision was mailed on the 21st of this year, and staff received the appeal on February 4th.

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The options before Council today are to deny the appeal and uphold the Design Commission's decision to approve the Tess O'Brien Apartments with conditions; to deny the appeal and uphold the Design Commission's decision to approve the Tess O'Brien Apartments and add conditions to modify the approval; or to grant the appeal and overturn the Design Commission's decision which would thereby deny the project. And that's the end of my presentation.

Hales: OK. Questions for staff? Slightly off topic and maybe we'll hear testimony about this, but -- the adjacent building on Pettygrove, the six-story building appears to have been designed with no expectation that there would be a zero lot line building next door, even though that's what the site is zoned for. I'm looking at the side wall of the six-story building --

Monroe: You're talking about the six-story building on Pettygrove, is that correct?

Hales: Yeah. It just seems strange to me that the Design Commission would have approved a design for that building that had windows all along the wall where the future building was expected. It's not so much a problem of this application as a head-scratcher about a previous one on my part. Any light you can throw on that question -- or Tim?

Monroe: The planner who did that review is in the room.

Hales: Ah -- [laughter]

Tim Heron, Bureau of Development Services: Bonus. Tim Heron, Bureau of Development Services. Yes, we did that review -- it was during 2009, I believe. It was the developer's prerogative to pull the building back and add windows, and I think it had to do the floorplan for the residential units. Knowing that it was a zero lot line development, they had that option. And we fully knew another building could occur to the east that could also have the zero lot line development.

In contrast, this project worked with a north-south egress window and east-west double-loaded corridor, so they took advantage of the plaza, which is internal to both these buildings; and the street fronts, which is a unique kind of schism of the site plan.

Hales: So there aren't windows on the side walls in the proposed buildings, right?

Heron: Correct. One of them has a recess for the hallway, is that correct, Staci? I don't want to misspeak.

Monroe: There are windows in the court, at the corridor --

Hales: The courtyards.

Heron: Right. And that's light in the hallways, those would not be for bedroom per se.

Hales: OK. Thank you. Other questions for staff? Thank you. Thanks, Tim. OK. We may have more questions of you later, but let's go ahead and call on the appellant. Good afternoon.

Gustavo Cruz: Good afternoon. My name is Gustavo Cruz and I live at 2224 NW Johnson Street. I'm the president of the Northwest District Association, or the NWDA, and I'm testifying today in that capacity along with other NWDA representatives.

We are here today because our neighborhood association voted to appeal the Design Commission's approval of the Tess O'Brien Apartments project. As you consider this appeal, I hope you will reflect on the unique qualities of our neighborhood and the trends affecting them. An improved local economy has spurred rapid development, and as a city, we've become increasingly concerned about affordability and how new development will alter the fabric of our neighborhoods. The recent trend toward demolitions reflects a push for increased density and at times, this trend has conflicted with values like the desire to retain the historic character of our neighborhoods. Several active corridors in Portland are now virtually unrecognizable from their appearance just two or three years ago.

In this case, in addition to concerns over procedural issues that will be addressed separately, we feel the proposed Tess O'Brien Apartments project is incompatible with the

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existing neighborhood because of its mass and scale. This project includes two six-story apartment buildings to be built mid-block on NW Overton and NW Pettygrove Streets between NW 19th and 20th Avenues. There will be 123 residential units with no parking, and the apartments will be built virtually to the edge of the property lines.

The building on the Overton side towers over its neighbors and the residences across the street, while the building on the Pettygrove side occupies virtually the entire footprint with only a 10-inch separation from the four-story building to the east. The applicant will argue there's already a large apartment building at NW 20th and Pettygrove, so it would be unfair and inconsistent not to allow this development to go forward. However, we encourage you to consider what is referred to as the fine grain pattern of development in the neighborhood.

In other words, just because a six-story building may be acceptable at one corner of a block, that does not necessarily mean that a similar structure would be appropriate on the other side of the block or even a few blocks away. Each development should be considered in its immediate context and judged on its ability to blend into the neighborhood. We feel that this project does not satisfy that criteria. Thank you for your time and conversation.

Steve Pinger: Good afternoon, I'm Steve Pinger. I live at 2669 NW Savior Street. I'm representing the Northwest District Association.

There have been several documents that have been submitted to you: the three sets of testimony from the hearings in November, December, and January and a brief regarding our appeal that was submitted last Friday. Hopefully, you've had a chance to review those. I wanted to focus specifically on a couple of broad items regarding what the NWDA feel this appeal is about, a little bit of the background, and then focus in on what we feel is the specific guideline that is in question here, which is guideline D7 and its intent. Try and keep this fairly brief.

What this appeal is about -- well, it's about a proposed apartment building, two buildings being proposed mid-block in a transition area of the Northwest District Association. But more broadly, we feel that the appeal is also about the intent and purview of the discretionary design review process, and secondly, how in established neighborhoods the transition from existing patterns of development to new higher density patterns of development is to be managed. And I think this is -- can generally be considered to be an issue throughout the city.

A little background on some of this. Staci has already gone through in her report, so I'll try to go fairly quickly, but this project got off to a rocky start. The project was originally submitted and accepted as a Type 2 procedure when I think it's previously-stated the evaluation was well above the Type 3 threshold. The November 6th Design Commission hearing -- the staff report concluded that all the relevant guidelines of the project have been met, and recommended approval of the project. The Commission, upon their review however, voted unanimously to reject the staff report and deny approval of the proposed project.

In our testimony, the NWDA expressed its position that the three guidelines were not met by the proposal at that time: the D7 guideline regarding the need for more compatible scale of the buildings in relationship to the neighboring buildings, the D8 guideline regarding the need for clear composition of building facades, and the E3 guideline regarding the need for a less awkward relationship between the residential units on the ground floor and the directly adjacent public sidewalk. Several hearings later in our testimony at the January 15th hearing in which the project was ultimately approved, the NWDA commended the project team for their response to these issues, and the improvements to the building design. And truly, the building evolved considerably to a

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much, much better project. We felt the buildings now met the standards for guidelines D8 and E3, but we did not feel and do not feel however, that the buildings as proposed meet guideline D7.

So, guideline D7 -- I think this has already been identified -- refers to reducing the impact of new development on established neighborhoods. And doing so -- amongst other things -- by incorporating massing, proportion, and materials. We feel this is the fundamental question that is at play here.

I also feel the D7 guideline -- the compatible massing provision of this guideline is the relevant guideline in this situation in which significant increases in the density of development are being proposed, and most importantly, where there are additional considerations and values to be weighed other than simply what massing is allowed.

In this instance, the combination of the height of the buildings and that they are built to the property lines with no setbacks suggest that little has been done to reduce the impact of the new development.

In brief -- in a kind of diagrammatic representation of the existing conditions and the proposed conditions -- on the right of this screen is the proposed six-story development at zero setback from the adjacent property. Generally speaking, too close to the adjacent buildings, too tall.

On Pettygrove Street, similarly there is an adjacent six-story building, so the issue of the height of the building is not a question but its relationship to the neighboring building to the east, the three and a half story apartment building, which it will be built directly up to or within 10 inches of.

This is a diagrammatic depiction of the proposed massing from overhead to the south showing the pair of six-story buildings. This would be a depiction of a conceivable compatible massing showing side yard provisions at both buildings, potentially lower height on the Overton frontage that was identified as having I think what has been referred to significantly different characteristics than the Pettygrove Street, amongst them being a much smaller scale of development all the way along the street.

So, as I said, back to the larger questions at hand. Discretionary design review -- at the December 6th hearing, the disparity between the staff report's assessment of this project and the Design Commission's was far too great. The guidelines we believe need to be applied more rigorously. They're not intended to be decorative. They're not intended to simply deal with facade materials and sizes of windows, but to establish the proposed project's general appropriateness with regard to scale and compatibility. And we feel that the staff did not take this into consideration in their recommendation to the Commission. In discretionary design review, the application of design guideline is not constrained to what is simply allowable.

Secondly, how to manage the transition between existing patterns of development and new more dense patterns of development? This is an issue that is throughout the City and we'll be dealing with on an ongoing basis.

But the NWDA is appealing the Commission's decision on this proposal because it felt that the application of the provisions of this specific guideline have citywide applications on how this transition is handled and can be achieved with some level of grace. Design guideline D7 envisioned the necessity for mediating the transition between development patterns and would not have been written the way it was had the intention been otherwise. The NWDA therefore is asking Council to direct BDS to apply this guideline effectively and for its intended purpose. Thank you.

Hales: Questions? I have one, which is -- or maybe more than one -- but there's some -- this block is a bit of a hodgepodge, if you don't mind me calling it that. There's some undeveloped -- or rather, there's some low-scale industrial property on the block that has

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not yet been subject to redevelopment. I assume you expect that that will be subject to redevelopment, right? Some metal buildings and other existing industrial development that I assume is going to give way to something anticipated in the plan and the code. What would you expect to see in terms of scale on the adjacent parcels?

Pinger: My own position would be that it's relative to the sequence of development. I think that to me what D7 suggests is that there is a progression in the transition between the existing patterns of development --

Hales: But the pattern of development on this block is there's going to be six-story buildings on diagonally opposite corners unless the other building is appealed.

Pinger: Very true. I mean, I think our position -- and I think it's exemplified here -- is that the relationship of the building on Pettygrove and its height and bulk is not really the same as our view to the building on Overton where the smaller scale buildings to the west are probably not at play for redevelopment.

Hales: OK. And then the other question I would have is that -- it's not directly germane to the approval criteria -- I don't think it is -- but the Con-way redevelopment is one block away and begins with 67-foot heights at the nearest corner and transitions up through 150-foot heights at the farthest extent of the master plan. Wouldn't a six-story building be compatible with the intended pattern of development in the rest of that part of the neighborhood?

Pinger: It would be -- and I was involved in the Con-way master plan, I think as you know. And again, our position is that if do you the other direction -- the Alphabet Historic District is two blocks away, and this is truly a transitional zone trying to mediate between these two patterns of development. So, I think that's really the question that we're trying to bring forward is how we can do this gracefully because it seems as though there's plenty of examples of rather drastic juxtapositions and awkward relationships that aren't going to go away soon.

Hales: So, if the council were to grant your appeal or otherwise go in that direction, what would satisfy you would be a shorter building on the Overton side? Is that what you're seeking?

Pinger: I think there's probably several different approaches that could be taken, but the things that seem to be in question here -- the height of the Overton building and the lack of side yards on both buildings.

Hales: But the issues of materials and form of the building you're less concerned about at this point?

Pinger: Absolutely. Our concern at this juncture is really compatible massing. I think the project team has done a terrific job at bringing the building forward and evolving it into a much -- into a good project.

Hales: Other questions?

Fritz: Following up on that, if there were a five-foot side setback, what would you envision the use of that being?

Pinger: Light and air.

Fritz: Well it wouldn't be though, because if it was -- there wouldn't be that much light and air getting down between two tall buildings in a five-foot setback.

Pinger: I would imagine at the southern building on the western side, it's very much a question of light and air and the juxtaposition to the smaller frame buildings. On the northern building -- the larger building that was built a few years ago -- is six feet off the property line with windows and openings into the units. And you know, I certainly agree -- I think part of our question here is, what is allowable? What should be approved? And yes, you can -- it's allowable to build to the property line. But is that in the general public interest to approve that?

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Cruz: On the other side, I would just add -- on the northern side of the block -- that building -- to its east there's a smaller three and half story building. It's only 10 inches apart from the proposed building. I was looking at that building today, and there are meters on that side of the older building. I mean, I think they're going to have to be moved or some new meters will have to be purchased there that are a bit smaller because literally, they will not fit within 10 inches. And who knows what they'll do as far as access goes? They'll probably just have to move all the meters somewhere else. But it's really awkward and I think it looks bad.

Pinger: And there's --

Hales: The brick -- the smaller brick apartment --

Cruz: Exactly, yeah.

Pinger: And there are also windows in those -- on the side walls. And granted, they're on the property line so the expectation that those windows would not at some point be covered is questionable. But again, should we allow that?

Hales: OK. Other questions? Thank you very much. Are there individuals signed up in support of the appeal in addition to these -- ?

Moore-Love: I have one person signed up, Ron Walters.

Hales: Anyone else? Come on up. Good afternoon. Welcome.

Ron Walters: Thank you. My name is Ron Walters, I live at 2057 NW Overton Street, about a block from the proposed development.

During the design review process, I testified on behalf of NWDA as well as personally when NWDA did not have sufficient meeting notice to develop testimony that abides by public meeting rules. My testimony today is once again personal, so I can candidly share my personal experience regarding the troubling procedures that I perceived during the design review process.

First, I wholeheartedly agree with NWDA's concerns about the height massing and general incompatibility of the Tess O'Brien Apartments with our existing and future neighborhood. However, my greater concern is the design review process was flawed.

I was the sole NWDA representative that attended the first Design Commission hearing on November 6th. At that hearing, Design Commission was deeply concerned about many aspects of the proposed design, including those raised by NWDA with the developer as well as at and prior to the November 6th hearing. As the hearing proceeded, it became increasingly clear that Design Commission was not going to approve this application. Chairperson Millius encouraged the applicant to consider seeking a continuance on three separate occasions.

On all three occasions, the applicant declined. In fact, they ultimately insisted on a vote, and Design Commission voted to unanimously deny the application. I was surprised the applicant didn't seek a continuance, which would have provided all parties additional time to find common ground. I believe everyone was caught off guard. As far as I've been able to determine, the situation is unprecedented.

In any case, Mr. Heron said the record would be kept open so that the BDS staff report could be updated to reflect the denial. So from a layperson's perspective, the Design Commission did not offer continuance at the November 6th hearing, they voted to deny the application.

On November 13th -- a full week after the Design Commission decision -- the applicant filed a request for an extension of the 120-day timeline requirement, which BDS says triggers a continuance. I fail to understand that logic or the administrative procedure as why an extension request after Design Commission has already decided to deny an application would trigger a continuance and essentially vacate the Design Commission's decision.

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From my perspective, BDS should simply not issue a continuance on behalf of a Design Commission outside of a hearing. I'm not a lawyer, I'm not looking to win a legal argument. I'm a layperson and a neighborhood volunteer but has a strong sense this is not how the design review process should work.

If Design Commission denies an application, BDS should not intervene to effectively overrule the Design Commission's decision. BDS should've simply supported a Design Commission's decision, updated the staff report if necessary, and moved on.

To that end, I respectfully request you vote to support the NWDA appeal to remedy the procedural errors and to deny the flawed project that is still not compatible with our neighborhood. Thank you for your consideration.

Hales: Thank you. Welcome.

Steve Spence: Thank you very much. Good afternoon. My name is Steve Spence and I reside at 1932 NW Overton, which is directly across the street from the proposed development. These are the three-story walk-ups which -- just as a matter of interest and coincidence -- when they were constructed in 2004, the height limitation for the neighborhood was three stories. As a prospective buyer, I was a little concerned about what might happen to the neighborhood in the transition from residential to industrial, and we took some comfort in that height limitation.

So as you consider the issue of gradients and the neighborhood in transition, it's also of interest that Marty Kehoe was the same developer that developed our units. And so now we have an interesting situation where across the street, we go from height limitations that are three-story to six, seven stories and whatever eventually become as those properties become built up. I think you're correct, I think the neighborhood will continue to build out. It's on the light rail line and there's -- we love living there.

I think one of the issues I would ask you to consider is that the same developer who built these properties felt that that was marketable, economic, good use of the property. The design review commission agreed with that, and now the character of the neighborhood is changing dramatically. This is not a gradual, it's not a transition. So, that's one of the factors I would like to ask you to consider.

Another factor in this issue has to do with the setback issue. These are aesthetic issues, not everything fits the same to every person in the eye of the beholder. And to build out to the lot line essentially in those directions which are public facing -- not the courtyard, on the inside -- the public-facing areas. The impression of the neighborhood, as you might imagine, is that it's just being squeezed in. It is not in character with the way this neighborhood was historically built out or the way our homes fit into the neighborhood.

In my view, the biggest single design flaw here -- which was brought up and addressed to the design review process extensively by that commission, and I believe to be part of the reason for their seven-to-zero vote -- was this very issue. In fact, they went so far as to discuss what type of window covers would be put up, what sort of mass with these windows being closed for privacy reasons?

How will that property present itself to the street? And I ask you to use your imagination in that regard and think what that means. One of the questions to ask is, how might a setback be utilized? Whether that setback is utilized for vegetation or whatever else it may be, at least it creates a transition. That's been successfully done in other buildings in the neighborhood, I see no reason why it shouldn't be required of this building.

The last thing I'd like to bring up is there was a requirement for loading spaces, which was requested to be waived and was granted. I believe that to be a huge mistake. Overton is one of the bicycle pathways. It is used very heavily. To have someone double parking -- a FedEx truck or anyone else -- causes pedestrians, bicyclists, cars near an intersection to come together. I can see no reason -- since the City does not permit double

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parking -- not to uphold the requirement that the loading spaces be included in any approval [indistinguishable]. Thank you very much.

Hales: Thank you. Questions? Thank you both. Anyone else in support of the appeal? OK, so then let's call up the applicant for rebuttal. Good afternoon.

Marty Kehoe: Good afternoon. I'm Marty Kehoe, I'm the developer.

First off, I think I should probably give you just a brief background as to why we're here. When we started this project almost a year and a half ago, we went to the City and applied for the early assistance program -- which is great, because it tells us everything we need to know. We pay several thousand dollars and we get all the information, guidelines, criteria. We started developing it according to exactly what the criterion with the guidelines and what the City told us to do.

About six months later after we completely developed it and consulted with the City frequently, we applied for our permits and were ready to go. We then were told, "oops, our bad. We made a mistake. We gave you wrong information. You can't do it under community design guidelines, you have to go through a Type 3." So, after having spent over \$450,000 designing it exactly the way the City told us to and having gone through the early assistance program -- which is heavily encouraged and is typically a great thing to go through -- we wasted \$450,000. So, we started all over again.

We started by reaching out. We talked to the neighborhood association, we sent a letter in March to the NWDA. We've had so far over 55 meetings with the City, with the design review commission, staff, neighborhood association, individual neighbors. We've been available any time, any place, anywhere to meet. And we have met at a lot of different places. We listened to what everybody said and we did not go through the design review commission having them tell us no and just keep coming back trying to get our way. We listened to everything they said and we regrouped after every single meeting, and we changed it as best we could. And as some of you may know, it's very difficult to interpret what the design review commission says.

At one meeting, we were told to put buildings back because it would give a greater - - a better residential feel. Another meeting we were told to push them forward to give it a better street appeal. So, we've done it all. We've been at it for almost a year and a half on this thing. We've gone through multiple staff meetings, four design review commission meetings, and we have made changes to the building that go on and on and on that we could -- we might go into with you.

I wanted this building to look like a building that when you drive by it after two or three years after it's built, you don't know if it's built 10 years ago or 40 years ago. When you talk about blending in, that's all that was about. That was our first conversation with the architects, was that we make it blend in.

The massing on the building is extremely compatible with what's going on in the neighborhood and in that area. We pulled the buildings back and we separated them. And that's an enormous cost to do that, but I wanted to create a courtyard in between the buildings so there was a ton of light and air and open space that would come through in the middle of the buildings. And I think we've done it very effectively.

Directly to the west of us, the 20 Pettygrove building is built at about 86% of its allowable FAR. The Muse at the far side of the block is also built at about 86% of its FAR. We come in with 61%. So there's -- the argument that we're not compatible is only credible if you say that we're smaller than what's been built on that block. We have not built this -- designed these buildings to come out anywhere near their maximum massing scale that's allowed. We have not even touched the size that we could.

The buildings are -- I think they're beautiful. I think they look great, and I really want to emphasize the fact we listened to every single person we met with. The only person we

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did not listen to was the man who wanted us to put windmills on the roof to generate our own power inside the buildings. I just drew the line at that, it didn't seem to make sense. But we met with everybody, we listened, we responded, and I think we've come up with a project that is as good as we could possibly come up with.

We are at the end of a year and a half of working on this and I ask that you give us your final vote and support the staff and support the DRC, because we have all poured our heart and souls into this and we ask for your support. If there's any questions you might have, I'll be more than happy to answer them.

Hales: Thank you. Other points you want to make?

Troy Ainsworth: Yes. My name is Troy Ainsworth, I'm with FFA Architecture. We've been working with the development team through this process, and I wanted to elaborate a bit on some of the discussion about the massing expression of the proposed buildings in the neighborhood.

The image you have in front of you is an aerial view that includes the 20 Pettygrove apartments that were built recently, as well as our proposed project. And ghosted in beyond there is the Muse, which is the project that's been discussed that was recently approved.

This view we feel really strengthens the idea that -- as has been discussed -- it's a transition area and there are a number of different building types of different scales that are represented in this neighborhood.

Our goal, as Marty has stated, was to create a very respectful and appropriate infill project that is encouraged by the design guidelines and the zoning that apply to this area.

This is another view of this long block with the proposed Tess O'Brien Apartments on Overton and Pettygrove, 20 Pettygrove to the left, and then the Muse to the right just to give you an idea of scale of the recent construction.

The image is to also illustrate for you the two recent projects, 20 Pettygrove on the left and the Muse at 19th and Overton on the right -- the proposed project that will be moving forward. We feel as though we're very much -- we're literally right next to the 20 Pettygrove with one of the buildings, and then the Muse is just down the block.

This image gets at what we were looking at: precedence. Northwest Portland precedence. There's been quite a bit of discussion about what is the character of the neighborhood, and what is the massing and expression of the buildings of similar types? And these images show a number of precedents that we were looking at.

We were looking at apartment buildings built early in the twentieth century. They're very prominent in this neighborhood. We looked at the materiality of these, the composition. Materiality -- brick, stone, stucco side and back walls. Composition -- classic kind of base, middle, and top expressions, and brick and stone facades that are on the main street with -- and sometimes they had minor setbacks, like a few feet for planting areas, that kind of thing.

Fritz: Were these shown to the Design Commission -- are they in the record?

Ainsworth: Yes. The following images are addressing another topic that's been brought up, and that is the zero lot line construction. And this is also prominent in the Northwest neighborhood and in other neighborhoods of course in Portland. And it's very common -- these are apartment buildings that are built one next to the next, and that's a very common urban response. And so we were looking at that as a very applicable and appropriate precedent as well.

When it came to the composition of the facades, particularly the street front facades, we were looking at built examples nearby. And these are some. Some are historic and some are not, but we were looking at the importance of the openings and how they're expressed and the fact that the windows are very generous and they provide light and air

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to these units. The bay spacing and the proportion were all in response to what we saw around us.

So just for orientation, this is a site plan floor plan of the proposed project. The Overton building on the left is the larger, the longer building. Pettygrove on the right. The primary differences I wanted to point out here is that the Overton building -- the two buildings respond differently to the street. The Overton building is pulled back five feet from the sidewalk, and that five feet is used for stairs and stoops that lead to the ground floor units, which we raised above the finish grade so that there was a more optimal relationship for the residents of those units -- so, they're not right on the sidewalk. There was discussion earlier about pulling curtains and that kind of thing, and this is one of the improvements that we made to the design was to figure out how to maintain the other parts of the design but be able to raise those ground floor units on the Overton side.

Hales: I'm sorry -- before you leave that slide -- so I'm assuming again back to my earlier questions to staff that you've designed the building on Overton Street adjacent to the one-story warehouse and with the courtyard adjacent to the one-story warehouse with the expectation that a multistory building is going to be built on that site, right? There are no windows on that wall. Is that correct?

Ainsworth: That's right. There are windows on both the Overton and Pettygrove building at the end of the corridor, but not windows out of the unit. So, yes --- the answer is yes.

I just also wanted to point out here a generous courtyard that, by pulling the project into two separate buildings, we have provided an amenity for the residents and really a mid-block amenity of access over a long period of time of light and views to the adjacent property owners.

Lastly, the Pettygrove building on the right. There's one residential unit there. We were responding to the more commercial nature of Pettygrove, and we have a live-work unit at grade on that first floor of the Pettygrove building.

So, just some elaboration on the Overton building here. You've seen the image before, it's three brick bays with slots to help define the breakup of the facade. We have a base, a middle, and a top expression that is similar to the precedents that we showed. And the base level -- as you can see, the entry is on the right at grade and we have our two walk-up units with stairs, porches, and landscape areas.

The loading door is off to the left and we just wanted to mention that the request to not include a loading function was actually -- that was requested by PBOT as part of the review process we went through.

Fritz: Why was that?

Hales: Yeah, why was that? The rationale there, do you know?

Ainsworth: Do you recall?

Karl Refi: I'm Karl Refi, an architect with FFA Architecture and Interiors. I believe the rationale was they wanted to reduce the number of curb cuts that were introduced into our frontage and able to preserve more street parking and reduce traffic across the sidewalk.

Hales: So the expectation that people moving in and out of the building are going to park at a curbside space and --

Refi: These people aren't going to be moving in with semi tractor trailers, they're very small apartments. They'll bring a van or station wagon and park curbside. We maintained the roll-up door as sort of a staging area where they could drop off their couch as they were moving in.

Novick: I'm embarrassed to say I wasn't aware that was PBOT's request. Who at PBOT was involved?

Refi: I can't speak to that.

Ainsworth: I don't recall.

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Fritz: I wonder if there's a potential to have a truck loading spot on the street because that is of concern. What do people do and what do delivery trucks do if they can't necessarily park several blocks away to deliver? Do you know if there's any consideration to having a truck spot?

Kehoe: No. I mean, we would prefer it -- something so people can unload and load -- but the most people would be loading in as a couch because they're fully contained, small studio units. They have their own bathroom, their own kitchen and everything. But we don't see them moving a lot of furniture in.

Fritz: No, but the UPS brings a package at Christmas, they might need somewhere --

Kehoe: Oh -- PBOT asked for it.

Novick: And setting aside an entire space for the periodic UPS truck -- I think we need to think about that.

Fritz: And I'll be interested -- I think we're going to get more testimony later -- but about the adjustment criteria and whether there was any mitigation for the loss of the loading. I mean, it's hard for me to see how not having a loading space equally or better meets the intent of having a loading space.

Ainsworth: I think one of the considerations was that PBOT was looking to get the maximum number of on-street parking spaces available in the area.

Kehoe: As the developer, we're OK either way.

Fritz: Right, I figured. Thank you.

Ainsworth: OK. I'll continue to explain a little more detail. The image you have now is the on-street or at eye level experience of the Overton building. As you can see, it's pulled back. It has an urban feel to it with canopies overhead protecting the entry areas and the main building entry.

The street edge is softened by the fences and planters, and as you can see, the sill of the windows for those walk-up units is at or above eye level, depending on how tall you are.

The next image is the similar view of the Pettygrove buildings, you can see it's also three bays but the building is narrower, so there are three equal brick bays. And again, you have a base, middle, and top. It is one project with two buildings that have different appearance nuances because the developer's goal was to have a project with an identity on both streets that had similar characteristics.

This is the one also that has the one live-work unit at grade. That's about -- those are the items I wanted to mention there.

And then here's the sidewalk view of the Pettygrove building.

And next, the courtyard. So, this is really a unique aspect of this project and we feel as though it's one of the most positive things about the scheme. By pulling what could have been one much larger building into two smaller ones, we created a level of intimacy of the buildings and a great outdoor space for the residents and as a resource to the entire block of what has been discussed to be -- will be heavier, more dense development as time goes on. This also has a number amenities for the residents -- bike parking as well as other items for their use.

Hales: The bike parking is there in the courtyard?

Ainsworth: Yeah. The bike parking -- part of it is inside the part of the -- because there's requirements for 153 bicycles, the parking also is in the courtyard itself. It's in those elements that you see that have opaque roof panels. So around the perimeter we have the bike parking under cover in those areas and also along the edges of the buildings.

Refi: About half of it is entirely within the building.

Hales: OK.

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Ainsworth: So we feel as though -- and here's an eye level view of the courtyard landscape, pavers, community gathering places, nice edges with trellises, and -- as we mentioned -- the bike parking, which is softened by plantings and fences.

Fritz: That looks like a very grown-up place. It's not envisioned to be a play space?

Ainsworth: Probably not, because the units are small. Probably the apartments will likely be occupied by individuals or possibly two people.

Kehoe: But it's also -- if I could say one thing about it -- the way we designed the building with the courtyard and the amenities that go with it, it's designed to be less of a transient type of apartment building. The average person moves in and out of apartment buildings like that once every 14 months. What we're trying to do is design something so that they stay much longer and it's more of a sense of the community and the feel. So that's all the tones and the warmth of it that we're trying to do.

Ainsworth: So to wrap up, we feel very strongly -- we're big believers in this project, and we feel very strongly that we designed a project that is entirely responsive to the historic precedents in the neighborhood, built precedents not only in the past but of the recent past, and that this is going to be a very good neighbor to the buildings -- the context that is there and the context that will be there. Thank you.

Hales: Further questions?

Kehoe: Thank you.

Hales: Anything to add? OK.

Fritz: Could you address the concern about the side setbacks and the 10 inches between this building and the adjacent one and the meters on the adjacent building that may have to be moved? What was your thinking in why you decided to have no side setback?

Ainsworth: The side setback -- as has been discussed -- are usually awkward spaces. They're little slots that usually gather garbage. The existing apartment building -- the very small one -- is an old, old building, and it's allowed to be next to that build. It was probably built as a zero lot line building originally, and some of the things that have been brought up about windows and gas meters and things we are guessing were things that were changed about that building later with maybe not an appreciation for the fact that someone was fully allowed to build a zero lot line building next to it in the future.

Some of that's conjecture, but the building is I believe -- Karl, do we -- it's over 100 years old, wasn't it built around turn of the century -- the little brick apartment? He's nodding his head. So who knows the changes, but it probably didn't have gas meters and things like that to I when it was originally constructed. Who knows what may have been done over time.

Fritz: What will -- have you had discussions about the owner of that building? They'll have to move their meters.

Ainsworth: We the architects have not had detailed discussions.

Kehoe: Our general contractor has not had a discussion with them yet but we will and try to do what we can to not make it as impactful for them economically. PGE has to be involved with regards to the meters, and our electrical supply company that will be doing the electrical work for our project might also come in to play to see about moving the meters to an inside space that might accommodate the meter readers. So it's in flux, but we're not going to build a concrete wall and thumb our nose at 'em.

Hales: Other questions for the applicant and his team? Thank you very much. Anyone else here to speak in favor of the application and opposition to the appeal?

Moore-Love: I have one person signed up, Jason Larson.

Hales: Come on up, please.

Jason Larson: Hello. My name is Jason Larson and I just wanted to come and speak in favor of the building being built. I have an office in the area and I think when you take a

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look at this project, as you said, the block is sort of a hodgepodge or does a general direction of development in the area. This is what is being built with the six-story beside it - - and like you were mentioning about the Con-way project, this is somewhat of the direction of where things are going.

I think what's unique about this project is the building looks age-appropriate for the district. I'm one of the 55 meetings where I got to learn more about the building, and I think it fits the general character of what's going on in the neighborhood now and what has been going on for a century.

It was interesting to hear earlier as he was talking about the three-story units across the way. If you go back a few more decades, there were gigantic homes in the area. But where I look at as I'm having an office there and talking to people that work in the district is this is somewhat what the housing need is evolving to is these smaller units, lots of bike parking, and things that weren't even considered even a few years ago when the three-story townhomes were built.

I think there's a lot of excitement for this project and all the projects that are coming in. Generally they bring new vibrancy, a lot of new restaurants in the retail level, and a lot of accessibility for the huge amount of jobs that are being created all through this area in the Pearl District and the CBD in general. So, I think it's important to note that there are a lot of people that are excited to see this stuff come. And from a size and usability standpoint, I think it actually fits the size and character of the neighborhood very, very well. Thank you.

Hales: Thank you. OK, anything further in terms of public testimony? Any further questions for staff? Do we need staff to come back up? Please, come on up.

Saltzman: Is there a rebuttal?

Hales: I'm sorry, we have the appellant's rebuttal.

Pinger: We have none.

Hales: You have none, OK. Alright -- then staff, please.

Staci Monroe, Bureau of Development Services: I wanted to briefly address the loading adjustment. To not provide loading was not suggested by Transportation or PBOT, it was the response to the concern about pedestrian conflicts. There was originally one loading space provided within each building where the overhead doors are proposed. And since the truck would be reversing out across the sidewalk into the street, PBOT had big concerns with the conflicts associated with that.

Given that the project is entirely residential and that the units are small, what they have learned over the past years with residential development is that the loading needs are frequently highest at occupancy of the building, and then those kind of peter off until just when units are changing over. Also given the size of the units, the loading vehicles are rather small -- they're not large these trucks, they're vans and other smaller trucks.

So given that fact, PBOT felt that loading could be provided on the street by securing some on-street loading passes from Transportation, and that would fill the need for these two buildings rather than punching a hole in the building and having that reverse motion occurring.

In addition, it also provides more on-street parking, which has been a huge concern of this neighborhood. It will provide about seven on-street parking spaces to this neighborhood, so that was another factor in the decision.

Novick: Thank you.

Hales: Retail loading is expected again to be smaller trucks for a small amount of retail space there is?

Monroe: Correct. There was only one potential retail space, and that's on Pettygrove -- it's a live-work unit. And as live-work unit and the size of it, it wouldn't generate much loading.

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Transportation has also witnessed that the smaller delivery trucks -- UPS, FedEx, all of those -- those delivery trucks never use on-site loading spaces. They most frequently double park or use on-street because they're in and out really quick -- just the nature of their business. So they also felt this on-street parking would also provide some loading opportunities for these types of delivery trucks as well.

Fritz: And then could you please address the procedural question as far as granting a continuance after the tentative denial vote?

Monroe: Want to jump in on that?

Tim Heron, Bureau of Development Services: Sure, I'll take that one. Yeah, that was unfortunate that the neighborhood felt confused by the process and how it moved forward from there. What I would say is the commission has been struggling with ground floor residential in main streets and corridors in different spaces, and so when staff presented a report that was for full approval, we thought we had it right in working with the applicant, working the design over. We did not in the eyes of the Design Commission. The applicant asked for the vote to be called because there was not a report that could be adopted by the Commission on that moment and on that day. It was a tentative decision. The hearing was continued.

I specifically asked the Commission to be very clear with what their concerns were so that we can write a thorough denial response because our report needed to take a 180-degree turn. In that deliberation and specificity, we took that back to the applicant, and I think they realized "we're not that far from approval, maybe we don't want a denial to be formalized in a final denial" and asked for the record to be held open, basically extending the hearing date. That is their right. And when we returned before the Design Commission and explained that situation -- you know, the Design Commission has an ethos of getting to yes. Not to mention, state law allows the applicant to extend the timeline.

Were they to ask the question again and have not made the changes that we heard the Commission needed to be changed, we would have had a denial and we would have been done. But I disagree with the assertion that BDS told the Design Commission what to do. The Design Commission is in charge, they're the review body, but I didn't see and the Commission didn't see why we should deny it if the applicant is willing to make changes.

Fritz: So if I might paraphrase, it was the -- the Design Commission made a tentative decision on November 6th, but the record was kept open and that's when the applicant asked for the -- to return to it and exercise their right to extend the 120 days?

Heron: Yep.

Fritz: Thank you.

Hales: Any further questions for staff? Now, Commissioner Fish is excused, so we'll see if there's a majority of the Council that has an opinion one way or the other and if not, we might have to continue our own hearing. But we'll see if that's the case. Is there a motion?

Saltzman: I would move that we deny the appeal and uphold the Design Commission's decision to approve with conditions.

Novick: Second.

Hales: Further discussion of the motion? Roll call on the motion, then --

Kathryn Beaumont, Chief Deputy City Attorney: And this will be tentative --

Hales: A tentative decision to be supported by findings.

Roll on motion.

Fritz: Thank you very much to the Northwest District Association. As always, a very thoughtful and well-reasoned presentation as to your concerns, and I think many of them do have merit. I know that you are participating in the comprehensive plan update process and will continue to do so, and so I greatly appreciate your ongoing volunteer effort and

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your diligence in protecting the character of your neighborhood even as it develops and changes. So, thank you for that.

Thanks to the applicants who did want to be responsive. And what I heard today and in briefings was that the design did improve and indeed was said today you acknowledged the design has improved over the course of the discussions. So, I appreciate that.

I am a little concerned about that side setback piece, but for me the courtyard space ongoing, which is -- will do the light and air better than a five-foot setback potentially eventually set between two six-story buildings, which would not be very light-y or airy, and so I'm -- not entirely comfortable with that, but I'm willing to accept the Design Commission's recommendation.

And thanks to the Design Commission for all of their work on these issues and trying to get to yes, and sometimes saying no -- and that's amazing diligent work. There are volunteers putting in hours and hours and hours of time and a lot of expertise, and I certainly appreciate that. Aye.

Saltzman: I appreciate the issues that were raised today. I do feel that in looking at these proposed buildings it looks like the Design Commission, the architects, and the developer with the input of neighborhoods have produced something I think to me looks like it fits in with this neighborhood and is appropriate for this transition zone, which is still somewhat of a zone in state of flux. I think that these buildings -- as I think somebody stated -- they look like they've been here for a long time. I also appreciate the thoughtfulness of the courtyard connecting the two buildings, that's something I've never seen before, frankly, in a design here. So, I appreciate the good work that's been put in by all, but I ultimately agree with the decision of the Design Commission and vote aye.

Novick: I appreciate the hard work of everybody involved, and I especially appreciate the thoughtful and respectful nature of the discussion today. These land use proceedings can be pretty heated, and I really appreciate the fact although obviously people had different views, everybody was respectful of each other and presented thoughtful arguments. So, thank you very much for that. Aye.

Hales: Yeah, the process sounds like it was long and maybe expensive as well, but I think it resulted in a better design thanks to the advocacy of the neighborhood and the diligence of the Design Commission and the staff so that we got to a better project.

I don't read D7 the same way that the NWDA did in this case, and that is when it says "reduce the impact of new development on established neighborhoods by incorporating elements of nearby quality buildings such as building details, massing, proportion, and materials" -- I don't read that as a mandate for stepping down scale, I read that as a mandate for looking at the neighborhood and trying to incorporate elements architecturally into the project. and I think the applicant has done that in this case.

I just want to second the comments about the courtyard. I think that's not only an amenity to the project but actually is a rather generous gesture to the buildings around it, one of which looks like it was designed within a hope that nothing would ever be built next door, as I brought up earlier. And they got lucky, frankly, in this case that the applicant has proposed a courtyard for at least half of the frontage of that building on that side. So, they ought to buy the neighborhood a pie for the welcome party because otherwise they would have had -- the applicant's entitled at least in code to a blank wall on the entire frontage of that building. So again, that's not the issue before us, but I'm still a little mystified why the - - whoever built that building did it that way, but they got lucky in this case.

And I think this building is designed thoughtfully to the context of what's there and what's going to be there as the Con-way development and other development takes place in the area. I think it's important to remember that in this case, the underlying zone -- yes,

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it's a design district, but the underlying zone is EX, which is downtown commercial. That's the -- along with CX -- the two most aggressive most urban zoning designations we have. So if we're at 61% of allowable FAR in an EX zone and the building has been sensitively designed, then I think it has met the criteria. Aye. And we need to set a date for findings to come back to Council.

Beaumont: March 25th. Would that work?

Moore-Love: Commissioner Fish is gone. How's 10:45 in the morning?

Hales: Sure. It's just for findings. We'll have findings on the Council calendar for March 25th and we are recessed until tomorrow at 2:00 p.m. Thank you.

At 3:23 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.

MARCH 5, 2015 2:00 PM

Hales: Good afternoon, everyone. Welcome to the March 5th meeting of the Portland City Council. Would you please call the roll, Karla?

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

Hales: We have one item before us. Would you read that for us, please, Karla?

Item 251.

Hales: OK. Welcome, everyone. Let me set the stage for this afternoon's discussion. We had of course a very lengthy hearing on the proposed West Quadrant Plan a month ago. This is a quadrant plan that is providing direction in the development of the Central City Plan, a part of the City's Comprehensive Plan dealing with economic activity, dealing with housing, access to the river, habitat -- a lot of issues. So again, we had a lengthy hearing in which some of you who are here today probably participated. We've also received quite a bit of written communications as well. We've literally heard from hundreds of people on this piece of work, and we appreciate it.

We have a process today to put before the council a series of proposed amendments that we're going to hear about in groups from our Bureau of Planning and Sustainability staff, and then have Council action to take up those amendments and decide which ones we want to discuss and which ones we want to adopt. Then we'll take testimony on the amendments that are before the council.

With that, I want to call up Susan Anderson and Joe Zehnder to walk us through the first part of that process.

Fritz: And to be clear, Mayor, we are proposing to go through the amendments to decide whether or not to put them on the table for discussion, not to say that we --

Hales: To adopt them for discussion purposes. I've been retrained to not say "put them on the table" because in parliamentary procedure that means to put them on the shelf. So, I've had to retrain myself to not say it like you said it because that was my habit as well. But we'll have Council action to consider those amendments and then have public testimony.

Susan Anderson, Director, Bureau of Planning and Sustainability: Good afternoon, Mayor, Council. Susan Anderson, Director of the Bureau of Planning and Sustainability. With me is Joe Zehnder, Sallie Edmunds, and Karl Lisle who -- I almost forget his name because he left us and is now working for the Office of Management and Finance -- [booing] -- how quickly he was stolen from us --

Fish: That'll come back to haunt you. [laughter]

Anderson: Yeah, I think it will.

Hales: Oh, what's-his-name.

Anderson: Oh, what's-his-name who did all the work here. I want to start by echoing the Mayor and thanking the public for their time, their thoughtful involvement. Since we were here last, we've had dozens if not hundreds of conversations around policy issues, specific actions, and specific proposed zoning changes.

From these discussions and from numerous discussions with your staff and with you as individuals, we've put together a very large package of amendments. In a minute

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we'll review them, as the Mayor mentioned. We're going to do it in bundles, and hopefully we've set up a process and documentation there that will make it easy to walk through all of the amendments.

Before we get to that, though, I want to once again remind you all that at this time we are just passing a resolution. It's an interim step to the final Central City Plan. Today's resolution will provide BPS with very specific policy direction. We'll be back in front of you in a few months with a similar resolution for the Central Eastside and then we'll merge the quadrant plans together, come back to you with the overall Central City Plan, and that's when you'll adopt it by ordinance and including the zoning code recommendations at that time. If there's any questions about the process?

Fish: I just want to do a thank you before we get started. We all have our cheat sheets that you've prepared. And there may be some people wondering how we square this with our policy on paper usage in the climate action plan, but it's actually set up this way so I can read it. I just want to thank you for setting it up in such a logical way and also using fonts that I can read. I appreciate that.

Anderson: I'll hand it over to Joe.

Joe Zehnder, Chief Planner, Bureau of Planning and Sustainability: OK. This will be very brief. I'm Joe Zehnder with the Bureau of Planning and Sustainability. We're talking about the West Quadrant today, shown on the map. It's the westside of the Central City -- the side of the city west of the Willamette from the Pearl District north, South Waterfront in the south, and Goose Hollow in the west.

It's an adoption of the policy direction plan by resolution. We're going to come back to you -- as Susan said -- later with the adopting and implementing code, so some of the direction today you're giving us is just sort of provisions to build into that code, and we will come back with options.

The way the testimony is organized -- you just saw the document from Commissioner Fish. It's all the amendments that we got from City Council offices and the testimony organized into five sort of groups. We have a group on the Willamette River environment and parks; we have a group on building heights and step-down to the river; we have a group on required residential development overlay -- mostly this is in the Goose Hollow; a miscellaneous group; and finally the last group are changes to the action tables, and those really focus on changes to either timing -- moving it up or moving it back in terms of when the implementation action might take place or who the implementer or the lead implementer is. So, that's what is in your package.

The table itself identifies the source of the proposed amendment as you read across from right to left; the location in the plan for the specific reference -- and all these are based on the West Quadrant Plan document that was distributed to you at your first hearing; proposed language that is the amendment; and then on the far left in staff's recommendation -- the reasoning and staff recommendation; and on the far right side is a box that says discuss or not. And the Mayor is going to lead us through the process of identifying which of these to discuss individually and which to consider as consent.

The second document for today is this 8.5 by 11 West Quadrant Plan additional amendments. And here, we have seven additional amendments that came in after we made the big documents. I want to make sure you have all the paper. So it will -- it says West Quadrant Plan additional amendments.

Hales: Let's make sure everybody has that.

Fish: I'm not sure we all have that.

Hales: Karla, do you have those?

Zehnder: We'll have extras here. We'll get some from outside to make sure everyone has one.

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Hales: Ah, there we go. Let's make sure we have enough of those. Others need those as well.

Anderson: These are ones from this morning, predominantly

Zehnder: There's seven amendments on this list, as you'll see when it comes. And these were brought -- like Susan said -- they came in in the last couple days after we had already prepared the other sheet.

Just to get a sense of what's in this package, you'll see there's a proposed amendment directing staff on the development of a new bonus system proposal to bring back to you all. There's reiteration of the no net loss of housing policy. There's some discussion of the reconfiguration of the Morrison bridgehead ramps and a freight movement. And then once again, there's a couple that are just changes to the action table timing and implementers. So, it will be the same drill. Some of those you may want to discuss, some you may feel like you can go on the consent list. With that, I'll turn it back to the Mayor.

Hales: OK. So, let's start stepping our way into this, and that is we again -- in both of these -- so, we should consider these as a package for purposes of taking action on the consent list. Right?

Zehnder: Correct.

Hales: The ones that are not checked, and therefore the staff does not believe that the council wants to discuss. The ones that have no check on the word "discuss" -- we believe that those amendments are consensus amendments based on the hearing and on Council discussion during and subsequent to the hearing.

Fish: I move that package as package consent A.

Hales: OK. And is there a second to that?

Saltzman: These are the ones that are not checked?

Hales: Not checked.

Novick: Second.

Hales: Does anybody on the council want to remove anything from that consent list and discuss it? Because we can do that and then take action on the remainder. Again, I know there's a long list here, but we believe that there are no issues that Council members want to discuss on all those that are not checked.

Fish: And Mayor, just to be clear, we've been given in advance of this hearing -- the cheat sheet. We've also been given individual briefings on the ones that don't have a check, which just means the bureau does haven't an objection, they're not aware of an objection, so they have presented them as a potential for a block of consent items. But now we have a chance to scrub that to see whether we want to take something up.

Hales: Right.

Fritz: And for those watching at home who may not have access to -- don't have access to this document, the three that are not -- being proposed to be adopted on consent are a set of action items for affordable housing specifying pretty much our current policy, one to remove the Water Bureau and Portland Bureau of Transportation from the interagency team proposed to provide coordinated environmental permit review streamlining, and then also to delete an action item from this Old Town/Chinatown section because it's the same as one in the Central City section.

Hales: Any further discussion about that? So again, for those of you who are following this process, we've got this long document with amendments one through 72, plus this document from today that are amendments A through G. And if we pass this motion, we will have adopted the amendments marked with no check mark under the word "discuss" and those will be before the council for deliberation today. Some of those amendments change things, some of them don't change things, some of them change language, but

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that's the action that we'll be taking by this vote. All comfortable with where we are and ready to move forward on that vote? OK.

Fritz: What about where the bureau doesn't agree with the amendment but it's not checked for discuss?

Hales: That means we're not adopting that amendment. Right?

*****: No.

Hales: Sorry.

Fritz: So for instance, number 22 -- that's one of my amendments on Waterfront Park. And BPS recommendation is staff does not support, but then the box is not checked to say that we're going to discuss that.

Anderson: The way it works is that if we didn't check the box, we're suggesting you would not like to discuss those items. In some cases, we've agreed and in some cases we've disagreed with the recommendation. And we've gone and talked to your offices about that, so the question really still before you is, are there items that we did not check that you still want to pull off the consent?

Fritz: No, that's -- my question is --

Zehnder: 22 is an error. The whole Waterfront Park package -- there's a number of those were supposed to be checked, Commissioner. So, we missed 22 -- it should be checked as well. The same as 18. There's several of them that are related to Waterfront Park that we wanted to discuss.

Hales: 18 is checked on mine.

Zehnder: Right, and 22 should have been checked.

Fritz: And 24 is checked. I just want to make sure where this there's a disagreement between the request and the Bureau of Planning, we're going to discuss all of those.

Hales: We're going to discuss those, right.

Fritz: Not just taking one side or the other without discussion.

Hales: Correct.

Zehnder: That was our intent.

Fritz: Thank you very much.

Hales: So, we're checking number 22 then so that we can discuss it. Alright. Thank you. So again, any further questions or concerns by the council before we adopt the BPS recommendation?

Ian Leitheiser, Deputy City Attorney: Mr. Mayor, sorry to interrupt. It's possible that the council might want to consider -- just to clarify -- moving and introducing each bundle, and then that's enough to get it I'll say on the table for consideration, and then save an actual vote until after the hearing and discussion.

Hales: OK. So, we're approving for consideration.

Leitheiser: Correct.

Hales: The motion is to approve for our consideration the consent list --

Fish: Package A.

Hales: Package A, amendments that we're not going to discuss further at this point.

Leitheiser: And that's sufficient for now.

Hales: Thank you. Alright? Roll call then, please.

Leitheiser: Sorry, I think I wasn't clear. By sufficient, I think we don't necessarily need a vote on the amendments at this point. They can be introduced, seconded, then they're before you for consideration and then you can move forward.

Fish: You know, we often have the vote in any event, by sort of -- by practice. Is that redundant?

Leitheiser: Well, no, it's not necessarily redundant. I think it just leaves open the possibility if something develops in the course of the discussion then you can revisit the

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amendments and you won't have actually voted to adopt them if you don't vote now. Does that make sense?

Fritz: And I think it's clearer for everybody who is waiting to give us their opinion that without voting -- if we don't vote on it now. Otherwise it could appear we've already made up our minds on that --

Leitheiser: There's that, too.

Hales: The only other concern -- I'm sorry, go ahead, Commissioner Fish.

Fish: I think that we may also be dealing with the difference between a resolution and an ordinance. Because what we typically do is adopt an amendment -- and we're going to say lay it on the table because it's a more common sense knowledge, even though the Mayor's correct and it means we tabled it -- and then take testimony on it. But as long as the public understands we're putting this package before them for consideration.

Hales: Right.

Fish: And if a second is sufficient, you told us that's enough.

Leitheiser: I think it's sufficient at this point.

Hales: OK. Then we'll consider that on the table for discussion -- I'll go back to my old language because we were just told that we can. Again, later we're going to take public testimony on the amendments that are before the council -- only on amendments before the council. OK.

Then our next step is to start taking up Council discussion of the amendments that have been checked for discussion in groups. And after that, we'll see if there are any additional amendments from members of the council that people want to propose. OK? So the first group deal with habitat issues, and they are amendments number 7 through 11, right?

Zehnder: Correct.

Hales: Why don't you walk us briefly ask you to go through those, Joe?

Zehnder: I'm going to ask Mindy Brooks to join us. And I'm going to advance this -- here's a graphic of the Central City to support the explanation. Take it away, Mindy.

Mindy Brooks, Bureau of Planning and Sustainability: Good afternoon, Commissioners. I'm Mindy Brooks with Bureau of Planning and Sustainability.

Amendment 7 through 11 on the table are a package related to fish and wildlife habitat improvements in the central reach. And as Joe just said, the map on the screen represents the full habitat strategy there.

The package of amendments includes three parts: an updated policy, a clarified target, and three actions within this reach. I want to let you know that we worked closely with Bureau of Environmental Services to develop this package. The first thing we did was we removed the numeric target from the policy language.

Fish: Can I just be clear -- when you say you worked with BES on the package, you're talking about the revised package that's before us today?

Brooks: That is correct, yes. So, the first step is we removed the numeric target from the policy so the policy language -- and that would be number 7 -- reads like a policy.

And then secondly, we moved that numeric target from the riverbank enhancement and restoration memo that was locale in the back in appendix C -- we pulled that up into the body of the document so the target now reads to enhance 2.4 miles of riverbank and restore at least five shallow water areas in the central reach with at least two sites located on each side of the riverbank. So, that target would now be within the body of the document.

And third, we drafted three actions that would achieve that target. The first action is an overarching action, and it's to develop an action plan to enhance and restore fish and wildlife habitat. We expect that to take about two to five years. But we want to start on

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something sooner, so the second action is to perform a feasibility study on two locations in the central reach. The third action is actually to choose one of those -- the most feasible of those and design and actually implement the project.

So, staff feel this package will improve fish and wildlife habitat in the near term and set up an approach to achieving long-term targets. That's a quick summary. I would be happy to take questions you have.

Hales: Questions on this package?

Fish: So Mayor, are we going to call 7 through 11 its own cluster?

Hales: Yes.

Fish: We're going to call this package B?

Hales: We can. I like that. Package B is the habitat group that's just been described. Do you want us to take a motion on each of those as we proceed?

Fish: Well, let's take up a discussion on this. So, let me just offer by way of commentary that there's been some extensive conversations between BPS, BES, your office, and others over these. I am the Commissioner-in-Charge of BES, and these are now a total of five items, and I -- on behalf of my bureau, we concur in the BPS recommended changes on all five.

Hales: OK.

Fish: And I would move this as package B.

Fritz: Second.

Hales: Any further discussion on putting this package on the table with the rest? OK.

Done. That's before us as well. Now, let's move to package C, which is the Waterfront Park amendments 18, 24, and 69. Correct?

Zehnder: 18, 24, 22 -- we just added -- 57 and 69. And I'll ask Debbie Bischoff to join me to explain the thrust of this package. Thank you.

Debbie Bischoff, Bureau of Planning and Sustainability: Good afternoon, Mayor and Commissioners. Debbie Bischoff, Bureau of Planning and Sustainability.

These four items are related to Waterfront Park. One is related to the master plan update and the timeline that it would happen. At this point, there was a recommendation for changing it to six to 20 years from Commissioner Fritz and Parks.

We heard a lot of testimony and a lot of public discussion through our stakeholder advisory committee and at public events and meetings that this is a high priority, and we would recommend as staff retaining the two to five-year timeline for updating it, recognizing that the funding of such an endeavor would need to be accomplished.

On 22 -- the one that we just took off consent -- that is one that talks about creating visual cues from street corridors, attracting people from the district to the park, and it is one that again was recommended to be -- it goes with the Waterfront Park master plan update. Again, the timeline is the question at hand here. As is the same with item 24, which looks at incorporating plantings at Waterfront Park -- and I think we as Bureau of Planning staff feel this particular action is not meant to be all along the Willamette, it's meant to be focused -- it's part of the downtown district plan and focused on Waterfront Park. And again, the timeline issue is still the same there.

On number 57, I think is another one that we were related to the park. This one involves the Willamette greenway trail, and this is one where both we've heard from the Commissioners-in-Charge of Parks and Transportation. It's about improving the Willamette greenway trail to reduce user conflicts, improve access, etc., and access to the river and within will trail area.

This one we recommend that both bureaus be co-leads because there are portions of our Willamette greenway trail that are not within the park itself and that are in the right-

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of-way. Examples would be around Centennial Mills and also around 4th and Caruthers in the southeast district.

And then the last one is 69, which is one that we are now -- if you look at the amendment sheet that was handed out today, it's item G. And after further review and discussion with both office of Transportation staff and Parks staff, we realized in looking at this plan that this action is covered by central citywide action WR1, and also another Old Town/Chinatown transportation action TR4. So, we feel the TR5 is no longer necessary. And I'm happy to answer any questions you might have.

Hales: So the number 69 is no longer necessary, right?

Bischoff: Correct.

Hales: It's been encompassed in the action we took in G. OK. So, first we want to see from these other four. Do we want to unbundle those or take them as a group?

Fish: 18, 24, 57, and 69?

Hales: 18, 22, 24, and 57, right?

Fritz: If I might just speak to them. I recognize that the Waterfront Park master plan was something the community was very much wanting to get done within two to five years. We don't have the funding to do so within the five-year plan for Portland Parks and Recreation. And even if we did, the problem -- is we have a master plan that we haven't implemented. The problem is we don't have the money to implement the current plan, never mind a new plan. So, it's really important to me to be clear about what we're promising and we have to look citywide at where we're putting our Parks resources.

Yes, I understand that if the downtown -- if the folks who were involved in this planning process have one parks project they'd like to do, the Waterfront Park master plan would be their top priority it sounds like. I have to look citywide. We have 13 parks in East Portland that don't have any master plan and funding for just two or three of those to get a master plan. And so, it's -- we're not going to be able to get to this in the time frame that was requested in the plan.

Fish: Could I better understand, Debbie, your staff's view on this? I recognize that Waterfront Park serves the whole city, so this is a citywide issue and we can debate whether it's also an equity issue -- but it ultimately is a funding issue. And since we are trying not to commit to things that we can't fund, how do you reconcile the more aggressive timeline that you're recommending with Commissioner Fritz's concern about the resources to implement it?

Zehnder: If I could jump in, I think the Waterfront Park and its improvement and its role -- potential role, current and potential role -- in the life of the Central City or the West Quad was a major topic of discussion.

I think it's fair to say that people latched on to updating the plan as a way to start action, but the Commissioner is right, we do have a plan and haven't been able to implement it. So, even more aggressively seeking -- in the spirit of the SAC, where this recommendation came from -- either incrementally or just in pieces improvements to the Waterfront Park consistent with the current plan I think would have met the intent of the stakeholder advisory committee as well. So, it's not -- they latched on to doing the plan as a way to cause action. If there were other ways to cause action to move forward to start to see improvements and increase the utilization of the park that was really I think the desire, that would be also consistent.

So, I don't know that it would be -- their recommendation was redo the plan. I don't think that was necessarily informed by an inherent belief in the inadequacy of the current plan, I don't think they got into it that deeply. But they wanted -- they felt action in the park and improvements to the park was an important part and sooner better than later.

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Fritz: Mayor, Parks Director Mike Abbaté is here, could I ask him to come forward and just give his perspective?

Hales: Sure.

Mike Abbaté, Director, Portland Parks and Recreation: Thank you, Commissioner, Mayor. I think actually Joe said it quite well. There is a master plan for Waterfront Park that was completed in 2002 with action items beginning in 2003, and it hasn't been implemented. And so many of the ideas I think that drove that plan 10 years ago are still current. For example, creating better access to the river, paving some surfaces so that we could support events with minimal impact -- a number of ideas -- lowering the seawall, creating closer access to the river -- all of those things are in the plan, there's just never been follow-through in terms of funding implementation.

Hales: So, the reverse question I would ask you -- because I understand the Parks Bureau's perspective on this, but Waterfront Park affects a lot of entities other than just the Parks Bureau. So, what's the harm in updating the plan even if we haven't implemented a lot of it?

Abbaté: I don't know that there's harm. I mean, it would be an expenditure, Mr. Mayor. I think those interests had input into this plan, the plan that was done in 2002. And even going back and checking to see -- as Joe said -- is there inherent belief there's shortcomings in the current plan?

Fish: Mike, what would it cost to update this plan -- ballpark?

Abbaté: Well, I think it's probably \$250,000, \$300,000. It's a major, major effort primarily because of its interest, its significance in the city, the number of folks that would want to have a say.

Fish: The two issues that often come up around master plans and parks -- one is the cost and two is the bandwidth issue. And you've got other things in the queue. Which is a more significant -- if money was not an issue, if the Mayor announced that he's going to fund it out of one-time money, what's the bandwidth issue for you?

Abbaté: Well Commissioner, if funding is meant to include the staff required to develop a plan --

Fish: Take money out of it for a second so we have a sense about the capacity question falling on your shoulders.

Abbaté: If there were no additional funds and we were asked to take this on, it's a very major effort which would mean that we would have to postpone some planning efforts that we currently have underway.

Fish: And if you got supplemental funding for this project in the next five years, does that change the equation?

Abbaté: Certainly, yes -- because we would be able to hire the staff that could run contracts.

Fritz: But we would still be at the same place at the end where we wouldn't have the money to implement the plan.

Hales: That's often the case with master plans. I'm troubled by that at a level that I want to get them all done, but I'm troubled by waiting much longer to update this plan personally because I think I see other things happening either in other bureaus or by other ventures. I believe we're going to build the James Beard public market in the next five years -- in fact, less than that if people in the room have their way. I think we might implement parts of the City's bike plan -- particularly the part that affects Naito Parkway -- sooner rather than later. So, having this plan updated to reflect those changes or to be congruent with the increased likelihood of those changes to me seems like planning work we ought to do. This year -- maybe soon, I hope. So, I think it's waiting six or eight or 10 years to update the

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plan is -- troubles me as just too long, given how dynamic this part of the city appears that it's going to be in the near term.

Fritz: We haven't yesterday heard the inner southeast quadrant plan, where there's a huge need for parks planning. We know of our problems in East Portland. If there was going to be \$300,000 of one-time money, I would actually put it toward fixing the Charles Jordan Community Center roof -- which we've been sued because it's leaking so badly that people slip on the slippery floor -- rather than doing another planning process where we don't have any foreseeable way to pay for the improvements.

Hales: I don't know if any foreseeable is quite as bad as it is. I hear you, I understand the concern but I think this is an area -- my personal opinion -- where we need to be ready for change. OK. Others in this package that we want to discuss? Other individual items? OK. We haven't put these on the table yet.

Novick: Actually, Mayor, I have a question. Does it make no logical sense to divide these up at all for or could one draw some distinctions? Because for example, it seems like on item 24 there's a timing issue but there's also an issue whether instead of improve habitat by strategically incorporating native plants and trees in Tom McCall Waterfront Park, we add the words request "and along the Willamette." And it seems to me that's a slightly different question than the timing issue, but I could be wrong.

Anderson: Part of this is I don't think we need to vote at the very end on all of these as a package. You could pull one out and say, "well, I agree with these two but I want this one separated out" when you're at the very end. But we wanted to package them together, especially for discussion by members of the public being able to come in and talk to several at one point.

Fritz: And given that many of these amendments -- certainly the dozens I put on -- were only announced last week, it seems unreasonable to expect that we're going to be able to vote at the end of today's session anyway. We may want --

Hales: Well, remember this is a resolution. This guides future planning work. We're not adopting code or capital plans here, we're adopting a resolution that's giving people instructions for the work they're going to do.

Fritz: Yes, and I want to make sure that I've had time to fully digest all of the information that I've heard and make sure that everything is -- the Is and Ts are crossed. For instance, I just noticed 21, which was not marked for discussion was our proposal instead of doing the Waterfront Park master plan to develop a plan to improve the Hawthorne bowl area of Waterfront Park. So, I think both staff and our officers are going to want to make sure that whatever outcomes we get to close to the end of today we then come back and make sure they all fit together properly.

Hales: Well, let's take that question up later. But for now, you're recommending we first see if there's support for the package and then unbundle any pieces of it after that?

Anderson: Yes. And I'd reiterate what I think you're saying, Mayor, which is we are absolutely sure there are things in the North/Northeast Quadrant Plan that you adopted, for example, that you were pretty sure of that changed because now we've learned about this. And when we get to the Southeast Quadrant Plan, I'm absolutely sure -- even if we voted next week or two weeks or three weeks from now -- there will be items -- it's very iterative. That's why we're bringing it all back together. The sooner we can move on, I think -- I don't want to be messy about it but I feel like we've been pretty specific in marching through it.

Hales: Yeah, it's not comp plan language and it's not code, it's instructions to the bureau. We can be close. OK. Is there a motion to adopt this package -- or to put this package on the table?

Fritz: Well for discussion, because I want to hear the community has to say. So moved.

Novick: Second.

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Hales: Alright. Let's move on to --

Fish: Let's call that package C?

Hales: Yes. Package C. Package D is the greenway trail.

Zehnder: Package D is bridgehead heights.

Hales: I'm sorry, that was 57.

Fish: What number is that?

Zehnder: Number 40.

Hales: Yeah, bridgehead heights. Number 40.

Zehnder: This one is focused primarily on the Morrison bridgehead and the Hawthorne bridgehead. And consideration of -- those were the two locations where increases over the current height limits were proposed at Morrison to support greater activity and development flexibility and feasibility for an important but a tough site, and it's also the site of the public market. In Hawthorne's case, it was again to provide development flexibility for an area where we have pretty high floor area ratios already, and it also coincidentally is location of the proposed Multnomah County Courthouse that needs some height as well.

Fritz: Just to clarify, what I should have stated was that I'm just proposing to keep the 75-foot on Naito Parkway. The height increases behind there are not troubling to me, it's just the 75 feet around the off-ramps.

Fish: Joe, I have a couple questions. On the proposed courthouse, the County has said they might need to go as high as what?

Zehnder: Well, we may be -- 280 is the latest we've heard. We prepared this recommendation on some older information that was 250 is what they were thinking. 280 is what we've heard most recently. They may be prepared to testify today.

Hales: OK. Again, the staff recommendation is to not lower the heights on these two bridgeheads. So is --

Fritz: Tell me again why you proposed 325 for the Hawthorne bridgehead anyway if they only need 280?

Zehnder: The Hawthorne bridgehead already today has pretty high floor area ratios -- up to 12 to one with a bonus. Some are large floor plates, some are small floor plates. What you're trying to do is give the envelope of the building some flexibility, so it actually can sit in there successfully. The kind of program that's allowed by the FAR -- even for the courthouse -- has a difficulty fitting in the height envelope that those particular parcels have because it's actually a little bit of a constrained parcel. So because of the FARs, because of the kind of closeness of what amounts to a -- it's an office core to the riverfront -- and the fact that most of this area, this particular bridgehead will be developed for commercial uses not residential uses, we thought additional height was warranted.

Hales: Any more questions about this before we see if there's support to keep it in the package or put it on the package. Is there a motion on number 40?

Fritz: So moved.

Hales: A second?

Fritz: Oh, for heaven's sake. We're supposed to be having a public hearing and discussion.

Hales: I think we have a lack of a second, Commissioner. So, that one is not in the package. Let's move on to what we'll call package E, which is just number 43. Right?

Zehnder: Number 43. This is another height-related amendment. Again, basically the Pearl District waterfront that includes Centennial Mill, number 43 -- the staff proposal was to increase allowable heights up to 250 feet from today's height of 175, and to make the ability to access that additional height only achievable through an exchange for enhanced greenway dedication. This is a relatively narrow site, and actually it's pretty challenged

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site, honestly, and the public access to the greenway there is critically important and in a lot of our plans as a great sort of opportunity for public access to the river.

So, if we can open up additional height that allows greater flexibility in the design and arrangement of buildings on this site and use that as a way to in exchange get a wider or enhanced greenway -- that was the thinking behind staff and a stakeholder advisory committee in supporting increased height in this particular location.

Fish: Karla, can I ask you a question? This is the first time I remember where we've been able to look at a PowerPoint and also see someone testify. Is that a new technology breakthrough? [laughter]

Moore-Love: Yes, it's new PCM guy, David -- he's doing that.

Fish: Let's acknowledge that. Because what often happens you can't see the person testifying, and now we can do both. Just remember, you're now on camera, Joe, when you're doing the PowerPoint.

Zehnder: Thank you for that warning. [laughter]

Hales: You can put a piece of tape over the -- [laugh] -- so the language there crosses out the words "or provision of greenway enhancements" but is that because we're not any longer going to consider greenway enhancements or because they're otherwise covered?

Fritz: It's because I thought the discussion we had last time was talking about affordable housing as the main reason for doing bonuses, and preservation of historic resources a secondary one. To me, the greenway issues are not related -- should not be related to the height bonuses.

Hales: OK. Square this for me -- help me with some of my own confusion here with item A in our supplemental packet that talks about how we're studying bonuses and transfers overall.

Zehnder: Yes, this does conflict with that, and in this way: the new item A is directing us to come back to you all with sort of an economically tested and redesigned bonus system that puts priority on affordable housing, historic preservation, and public open space.

Hales: And seismic.

Zehnder: And seismic. So, this would be a location where what we'd come back is to try to show you what potential -- the feasibility, honestly -- the likelihood of getting additional greenway improvements, public open space improvements on this particular site in exchange for height increases. We're not -- I don't believe we're talking about increasing FAR here. It may be when we bring the results back to you that it shows it doesn't pencil, and that would obviate this kind of possibility. But we want to give it a run and examine it. That's the spirit of this particular recommendation.

Saltzman: Is this not in fact diluting our bonuses? I mean, if we want to focus on affordable housing and preservation and seismic, aren't we -- is this amendment [inaudible] into that pie?

Zehnder: No, it's actually -- we're bringing back the results of the analysis in May. And part of what I want to show the commission is these kind of trade-offs, Commissioner, that you would be making. Our belief is to have a targeted and successful bonus system, we are going to want to eliminate a lot of the bonuses you can get today and focus them. And what I want to be able to show you all is with a very tight -- what if you just had one bonus? What are the pro and cons of that? And so, it will come back as part of that discussion.

And as I was just suggesting, for our purposes now it's one we want to take a look at. I can't guarantee that it's going to work financially just because of the value of height isn't that much for what we're getting here. Or you may find it doesn't work because you want to devote more attention to other things -- this doesn't rise above the bar as a transfer or bonus that you want to offer. This motion just leaves it on the table for that evaluation when we come back.

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Anderson: And also, a part of that is when we come back for the entire Central City Plan, I think we want to be able to put the three or four potential bonus and have you had that real substitution about which one is most important that you really want to focus on -- do you want to just have that? Do you want a point system like some cities have where, if affordable housing is most important, it gets more points per se than the greenway or something else? And those are hard decisions that in the past we've just kind of threw them all in there and said they were all equal, and that wasn't a good way to do it.

Saltzman: Yeah, that's what I want to avoid.

Hales: Your recommendation is to approve this amendment as it is before us, right?

Zehnder: Correct. And then we'll revisit it.

Fish: Are we on 42 or 43?

Hales: 43.

Fish: Commissioner Fritz, what is your position on the BPS recommendation to this amendment?

Fritz: I would take it out, but.

Zehnder: I'm sorry, we are on waterfront -- both.

Hales: 42 and 43.

Fish: 42 and 43. So, Commissioner Fritz, you're the sponsor of this. Do you feel you have clarity about what staff has said, or is it still -- ?

Fritz: If you look at your book, the front of your book, I am really troubled at the height increases all along the waterfront. And you can see at the Morrison bridgehead how currently there isn't a couple of -- two thumbs sticking up. I'm worried about -- I'm concerned in the Pearl District also about having very high buildings next to the greenway, and overpower -- making it very difficult to do a step-down to the river.

Fish: I'm just trying to understand the difference between your amendment and their commentary. What's the --

Fritz: Their commentary keeps in the possibility of allowing more height in response to the greenway bonus. While admittedly we do need more money for the greenway because we're not getting system development charges from Old Town/Chinatown, I don't think -- the two are not congruent. The height should be for something that benefits that particular property, not that particular area, and it should be for affordable housing or historic preservation, and that's it.

Hales: But that's what they have here.

Fritz: No, they're proposing to do -- well, seismic upgrades and public accessible open space.

Zehnder: 42 is really focused on a different part of the Pearl District, although it could conceivably apply to the Pearl waterfront. But if you remember in the plan, the southern part of the Pearl -- we have a proposal to increase height up to 250 feet from the variety of heights now, but let's say 175. And the only way to get to that height is the southern part of the Pearl is by transfer from a historic property or it could be also, Commissioner -- that that's what the stakeholder advisory committee requested that we focus on. But it also could be the affordable housing bonus, and we'll bring that package back so that you can consider it.

But what the Pearl District association and our stakeholders were interested in is finding a way to preserve the smaller buildings that are part of the character of the Pearl. And so, the Commissioner in 42 -- Commissioner Fritz's proposed amendment is consistent with that point of view, it's just sort of makes it clear. So for that one, I believe we're supporting 42.

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And on 43, it's about increasing the heights, and you can see in this area around the 13th Avenue Historic District, that language is still in and the language that's struck for a height increase is along the waterfront.

I know it's a little confusing -- I apologize, because we put the two together. But the height decrease here or the height increase that is the subject for the proposed amendment is just the Pearl District waterfront height increase.

Fish: Mayor, I'm having trouble tracking this. We have lots more amendments to get to. Would you object to me just seconding this --

Hales: Let's take them one at a time maybe? 42 and then 43?

Fish: 42 sounds like we're OK.

Hales: Is there a motion for 42? Somebody make a motion if you feel like.

Saltzman: I'll move 42.

Hales: OK, is there a second?

Fish: Second.

Hales: That one is in. 43 -- what do you want to do there?

Fish: What's your pleasure, Commissioner Fritz?

Fritz: I don't understand why the bureau is supporting what I'm proposing on 42 and not supporting it in 43 and proposing --

Fish: I will second the amendment so it's open for discussion, Mayor. Because perhaps there's someone here to testify and give us perspective on that. But I think --

Hales: There's a motion for 43?

Fish: So, I second the 43.

Hales: But I don't think there was a motion.

Fritz: I put it on the table.

Hales: I'm sorry. She moved it, you seconded it. So that one is in as well.

Fish: Is that E?

Hales: 42 and 43 constitute E.

Fritz: And A is done as well.

Hales: We have the -- do we still have to separately adopt A? We'll get to that in a minute. Now, we still have F, which is 45 and 46.

Zehnder: 45 and 46 refer to the required residential overlay in Goose Hollow. It is an overlay that requires on land that's base zoned as CX residential development to be built as part of the development of any commercial development on the property, and there's two sort of different amendments that apply to this.

You can see the PowerPoint. The area that's sort of the north end -- the northeast end of Goose Hollow, where there's a concentration of CX zoning -- we're recommending removing the required residential overlay. The required residential overlay was adopted at a time when I think we didn't really know how development was going to perform in the Central City vis-a-vis would residential be developed. We wanted residential, we thought one way to get it was to require it.

What we've learned is that our mixed use zones are actually producing a good deal of residential, and they're producing a good deal of commercial. Sometimes it's mixed and sometimes it's not -- and most often it's not, but both the CX zone, the EX zone in the Pearl, they allow residential to be built, they allow commercial to be built, and you're able to see both happen. You end up with a mixed use neighborhood.

The overlay that requires it to be on the same site in the same building has proved to be an impediment to ever seeing commercial buildings be developed individually without a residential component as part of the mix. And so there's a belief that came through that the stakeholder advisory committee and our analysis convinced us we can still get a mixed use district and remove this impediment to sites that could be more successful as just a

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sole commercial building if we leave the zoning but remove the required residential overlay.

The way to think about this is this overlay applies to sites, for instance, that front onto Burnside. One could get a commercial building on Burnside. One could start to see new investment of a significant degree over there that could buoy the district and start to move us on a path of increased development in there, but it doesn't preclude also the inherent attractiveness of the Central City and of Goose Hollow for standalone residential building as well.

Another good example is the Artist Rep Theater. Artist Rep Theater wants to expand. That's a commercial use, not a residential use. So, it's created this unnecessary impediment. We're not giving up on the goal of mixed use, we're just thinking that the overlay is not the best way to get there.

And then there's a second site, the one that's over to the west -- the smaller of these two circles --

Hales: This is subject to 46.

Zehnder: 46. And the discussion there is similar but different. This is largely a surface parking lot, I believe, and the concern that the required residential overlay requirement here was seeking to address was to prevent the development of the standalone parking garage that possibly could serve the Multnomah Athletic Club. So, the required residential overlay is one way to do that. There may be other ways to do that, though, that don't -- that just go more directly at the matter of maybe not allowing standalone parking structures that have to be part of a development that's got other uses in it. So that's I believe what we're proposing to go explore and bring back to City Council tools to accomplish that end and not depend on the residential overlay to do that.

Fritz: How does removing the residential requirement comply with our current Comprehensive Plan policy of no net loss of housing?

Zehnder: Well, there's two no net loss of housing policies. One is the affordable housing no net loss -- and that's not the one you're referring to, it's the citywide no net loss of housing policy. In the proposed Comprehensive Plan, we are not continuing that policy because -- not the affordable housing no net loss, there's a mandate that you can't change zoning out in the neighborhoods from one zone to another. The no net loss of housing policy that I believe you're referring to, Commissioner, comes from Metro. It doesn't count our mixed use zone as a legitimate way to provide residential development. And when we look at the track record, our mixed use zones are producing a ton of residential development. So, we don't believe that we still need that policy in that form.

That's sort of the argument I'm trying to make with the CX. When you look at how the areas are developed in the central city, these are producing mixed use development. They're just not necessarily forcing it to be both commercial and residential development on one site. It will be a residential site, a commercial site coexisting in a mixed use neighborhood. And we've seen the volume of production -- especially when you take a look at the history of the Pearl District -- to be pretty substantial in both categories. So we think it's consistent with the no net loss -- we think it's consistent with the goal in the Comprehensive Plan of producing housing and producing mixed use neighborhoods.

Fritz: Commissioner Fish, that actually impacts one of your amendments that you have in accordance with the City's no-net loss policy.

Fish: The no-net loss policy that I'm referring to applies to the inventory of deeply affordable units and a policy that says we won't go below a certain number without replacing it. It doesn't deal with the abstract notion about where we may be developing housing in the future, it's the existing inventory of affordable housing.

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Fritz: So we need -- I wasn't aware that we were going to be doing away with current Comprehensive Plan policies in this particular part of the process. We need to have a discussion about the current Comprehensive Plan policy on no-net loss of housing because it applies to things like changing the industrial land inventory -- it applies to a lot of things and I'm very concerned. If you're proposing to get rid of that current policy, we need to have that discussion.

Zehnder: Let me maybe make myself more clear, Commissioner. CX zoning, our central city zones are mixed use zones. And our mixed use zones in the central city are producing mixed use districts, which means that even in a CX and in our EX zones, we're seeing a lot of residential development.

Fritz: I understand that, but they don't have to have residential except in this area.

Zehnder: No, but they do. And so if we were to look at the numbers, if we were to look at the actual performance of where development is happening in the city, those zones objectively are producing residential development -- supporting residential development and producing mixed use districts. That's how we designed that tool actually to work, and lo and behold, it is. So we think it would be consistent -- we could make a finding that it is consistent with the no-net loss of housing in the central city. We do not think this action at all will result in a loss of housing and what we're seeing is that it's creating an impediment to seeing any development on a significant scale on these lots.

Hales: OK, understood.

Fritz: Well colleagues, we have received probably most of the comments on these packages of amendments have been on this particular amendment. So I would suggest that there are people here who would like to testify about it, and so I move the amendment for discussion.

Hales: Both of them, 45 and 46?

Fritz: Yes.

Hales: Is there a second? OK, I don't hear a second for those. So those are not on the table. So now, we have remaining still these items that we have not yet adopted -- or accepted, right? A through G, unless otherwise adopted already, right? Am I tracking?

Zehnder: So, we're looking at the additional amendments.

Fish: We're look at the supplemental?

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

Hales: So A is still marked to discuss -- you still believe it is needed, right?

Zehnder: You know, we just -- we are supportive of this amendment. We marked it for discussion just in case the City Council wanted to have a deliberation of it. But the upshot of this is what I think we've been saying all along. When we went back and reviewed our plan -- actually at the encouragement of Commissioner Fish and Commissioner Saltzman, I believe -- we found we never came out and said what's said in this policy, that we want -- or this action. We're bringing back to you all a bonus system and an analysis, and we're going to evaluate how to redo our bonus system in the central city and we're focusing on affordability, historic, seismic, and open space. This just clarifies that. We're fully supportive of this action. If the City Council would like to discuss it, that would be fine, if it's consent --

Hales: OK.

Saltzman: I guess I don't recall publicly-accessible open space being one of the things we were discussing in the spirit of narrowing the focus of our bonuses. I mean, think affordable housing, seismic, and historic preservation were what I have in mind.

Zehnder: OK.

Saltzman: I guess if I --

Hales: Where did that come from, frankly?

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Zehnder: It's sort of been --

Anderson: It came from the stakeholder advisory committee.

Zehnder: It came from the stakeholder advisory committee, it's a current sort of bonus that we have. But I think what we're discovering too is it's going to be one that's really economically challenging to make the community a substantial size. Open space transfers -- like we did for Director Park -- that's a different animal. So even though it's in our consideration -- it's in our study now, Commissioner, it may not make it forward.

Hales: Let me make sure I'm saying this correctly. You're studying all of our existing bonuses and transfers with regard to their effectiveness and their utilization. The question that this language poses is, what are we saying we really want to prioritize in the future? Right?

Anderson: Part of it also is that this kind of statement is something we want to have for all the quadrants. And so the open space was a really big deal for the North/Northeast Quadrant that you already passed, so we need to have this kind of policy be one that's overriding for the entire central city.

Fish: Can I seek a clarification on this? Because my guess is that there's a number of us that were it not in the mix would be arguing at the appropriate time to give it lesser weight than something else. So, this sounds like something that can be corrected through the point system. It sounds like you're saying this is something you want to assess as to whether it's a viable bonus, but I think you'll likely hear from us that we want to narrow the range of bonus linkages and give higher priority to affordable housing. So are we talking -- is that -- is there any daylight between us?

Zehnder: I think that's exactly what we're saying too, Commissioner. So we're going to bring -- it's just out of --

Fish: You want to study it but we still get the final determination --

Hales: And we're not changing policy on the spot right here. Just like the rest of this, we're giving you instructions on how you do the work.

Zehnder: Exactly right. And this particular instruction is very helpful to us because we have 20-some bonuses now, so you're signaling that we can focus it in, and that's the direction we had hoped to go for a more effective system.

Hales: That helps. Because I agree with you, Commissioner Fish, I don't have a high regard for this particular bonus provision but I'm trusting that they're going to do this analysis and come back to us, so I'm OK with the language in front of us but not that that's how we'll weight them when it comes to actual change and what we give bonuses for.

Fish: So based on this discussion, I don't see any need to discuss this further. And we can -- I think this --

Hales: We'll need to adopt this, right? You're going to do the study anyway? Or should we adopt this, in your opinion?

Anderson: You could add it to the consent.

Fish: Consent A.

Hales: OK, so is there a motion?

Fish: So moved.

Saltzman: Second.

Hales: A is added, then. OK. B, right? We're going to take up B, housing affordability?

Fish: It's inexplicable why you want to discuss this, Joe.

Anderson: Part of this is that we checked all the new ones that we got in the past 24 hours or so -- that's why they have check marks on all of them, because we didn't have a chance to check in with everybody. Some of these you may be ones you want to just --

Fish: Just to be clear, this simply aligns what you're doing with what Commissioner Saltzman is doing with the Portland Housing Bureau, which is taking a look at no-net loss

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and other policies. He'll be coming to Council in April. I shared this amendment with him and cleared it with his office. The idea here is to make sure we're salting in your work and putting a place holder what he's doing so that the no-net loss policy consideration is part of the west comp plan. And ultimately, it's about getting to a point of good annual data of the inventory and a commitment as to what we do if we fall short and have an obligation to replace it. Commissioner Saltzman is moving forward at the Housing Bureau already to address this. My amendment makes this into the comp plan so they're aligned.

Hales: So is that a motion?

Fish: So moved.

Saltzman: Second.

Hales: That one is -- B is approved for our consideration today as well. C we've done by consent. D is checked for discuss as well.

Zehnder: D and E are pretty related. They're about the Morrison bridgehead ramp reconfiguration. And also assessment of freight of movements and issues on Naito.

Hales: [indistinguishable] language is what's proposed to be deleted there, right?

Zehnder: Correct. So we would sort of stop with our consideration of the Morrison bridgehead ramps; and on the E, we would incorporate a study, we would sort of -- I believe this may be just moving it out. We support this E, it's just saying look at the system for both the eastside and westside and come back with an understanding of freight performance and impact on Naito Parkway.

Fish: Joe, remind me on this -- but I believe we had testimony from Debbie Kitchin and others expecting concern about this not just the potential cost but the impact on circulation -- the impact on the Central Eastside, ultimately. So, could you address her concern and what you're recommending we do?

Zehnder: It's a proposal from PBOT and Commissioner Fritz's Office. The concern about especially the north ramp of the Morrison bridgehead ramp has come out clearly in the Southeast Quadrant and the West Quadrant. It's a major access way for the industrial district on the eastside to get to the I-5.

PBOT has done -- and I believe Mauricio Leclerc is with us today, who's been working on this -- did a preliminary analysis of that and found as we all suspected there's some significant issues and potential impacts with the reconfiguration of northbound ramps, less so with the reconfiguration -- or the north side ramp, less so with the southern ramp that would take you back east. But that reconfiguration actually had some interesting aspects even, because reconfiguration of those ramps doesn't necessarily mean elimination of the ramps. It's just expensive. And so a little bit in the spirit of, is this something and who would want to be tackling this now? But if private development was to bring forward a proposal about that included reconfiguration, we wanted to be sort of in a position to at least entertain that and discuss it.

Fish: But -- so I'm now confused, Commissioner Novick, is it this a transportation issue or development issue?

Novick: I think it's both. As Mr. Zehnder just said, from PBOT's perspective, we understand their there are potential difficulties with it but we've looked at it before. If somebody comes forward with a proposal, then we're willing to further study it. So, we don't have a problem with maintaining the possibility of setting the option.

Fritz: This is saying you're going to in the next two to five years.

Hales: Yeah, actually we already are.

Novick: Yeah, it doesn't say we're going to devote half our resources to doing it but I think we anticipate there will be a proposal that is words studying in the next two to five years.

Hales: OK. So, Commissioner Fritz, I think you put this one before us. If you want to keep this one in the package you'll need to make a motion and see if there's a second.

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Fish: Are we on D?

Hales: Yes.

Fritz: I think I won't bother, but what I will do -- what I want to get is my current Comprehensive Plan, which states in policy 4.8, maintain housing potential: maintain housing potential by requiring no-net loss of land reserved for or committed to residential or mixed use. When considering requests for amendments to the Comprehensive Plan map, require that any loss of potential housing units be replaced.

So, I would expect there to be some consideration -- since the Comprehensive Plan is a guiding document for the Council, which was adopted -- that we should continue to entertain testimony on that. But I withdraw this other one.

Hales: And you want to withdraw E as well?

Fritz: No. You don't want me to withdraw E, it's already on there.

Hales: We had it marked it discuss.

Zehnder: It's discuss because it's new. We wanted to make sure it was brought to your attention. We're supportive of E. It's something we should be doing and it's supportive of that time frame as well. And PBOT was with us in that support.

Hales: OK. So is there a motion on E?

Fish: This --

Anderson: This is to leave it on consent.

Hales: Oh, I'm sorry. I didn't have it marked as consent.

Zehnder: Right. Actually, this -- we marked it to discuss because we wanted to draw your attention to it, but the answer is we support it and it would be great if the City Council supports it just to put it on the consent.

Hales: So, I'm confused. Are we going to take any action to do what you recommended?

Zehnder: Yes, because of the way we adopted --

Hales: I need a motion to add it to the package. Is there a motion for E and a second? Did I hear both?

Saltzman: I'll move.

Fish: Second.

Hales: It's moved and seconded. In the package. Bear with me, I'm trying to maintain order in my own mind and everywhere else.

Now, we are at the point I believe -- because F and G were both consent items and therefore already included -- where we have acted one way or another on all of the printed amendment proposals, I drew the ones that were already marked for consent that we've approved or what we've discussed and either approved or not approved, now it's time I believe to see if there are any other amendments Council members want to propose before we open the public hearing on the amendments that are before us. OK?

Fish: Mayor, this has been an unusually efficient process to this point. Without putting our talented team on the spot, might it be useful to identify what is now before the public and just have a list so we have your list?

Hales: I think it would be if they can manage that.

Fish: All the consent stuff is off, so what's left for discussion for purposes of the hearing?

Anderson: I think we put those into packages, so it was package B, C, D, E --

Fish: If you could do package and the numbers within each package.

Hales: I'll do this and you guys track along with me and see if I've got it right. Package B, which includes amendments 7 through 11 is before us. Package C, right, did we -- which ones are those?

Anderson: That's 28, 24, 22, and 57.

Fish: I believe it's 18, 22, 24, and 57. Am I right on that?

Hales: Correct.

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Fish: Amazing -- 18, 22, 24, and 57.

Hale: OK.

Anderson: The next is the Pearl District waterfront. So, we had 42 and 43.

Hales: No, there's--

Fish: 43.

Hales: 43 was adopted. Right. OK.

Zehnder: And on the additional sheet, we want to talk about -- we put it everything on consent? Except for D.

Fish: D was withdrawn.

Zehnder: D was withdrawn, so the rest are consent, I believe.

Hales: OK. That's helpful.

Fish: 7 through 11, 18, 22, 23, 24, 57, and 43? Is that the universe that's before the public right now?

Hales: Yes. OK. So again, for those who are here to testify, that's important. Appreciate that, Commissioner Fish. In a moment, we're going to open the public hearing, but it is on those amendment and only on those amendments.

We did have a three and a half hour hearing on the larger issues involved in this plan, and it's our intention to take testimony on the amendments before us and not revisit all the earlier issues.

I know we gave people a chance to sign up for particular amendments. If you didn't get a chance to do that, you still can with Karla on those items. We'll take them in order. I think it makes sense to hear testimony on those as we go along and then the Council can decide whether we want to wait until the end to take final action or not. So, are you ready for that process, Karla?

Moore-Love: Yeah. Was that all the amendments from Council?

Hales: Yeah. So, we're going to open public testimony. How many people do we have signed up all total?

Moore-Love: I believe it's 38.

Hales: We'd like to ask you to try to keep your comments to two minutes just so we can hear everyone. As always, we try to hear everyone and hear them courteously, so please, if you agree with your fellow citizen and want to demonstrate so, give them a thumbs up or a wave but let's not have verbal demonstrations while we're listening to people. We'll call people in order on the first group, which is amendments 7 through 11.

Moore-Love: Everybody has signed up with their amendment number by their name. So the first person, Danielle, you signed up for 44.

Hales: Let's -- do us want a recess and let you re-sort those?

Moore-Love: Let's do that.

Hales: Let's take a 10-minute recess, give Karla a chance to sort those by amendment package and we can do that in order.

At 3:20 p.m., Council recessed.

At 3:32 p.m., Council reconvened.

Hales: We'll take testimony on the packages we considered to try to keep this coherent for both the council and for those here to speak and for anyone following this complicated process. We'll take testimony on the first package, which are amendments 7 through 11.

Moore-Love: I have two people off the list who signed up for those.

Hales: Come on up.

Fish: Bob, you can never claim in the future that you weren't bumped to the head of the line.

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Bob Sallinger: There's a first for everything. I just want to say before we start, I did not sign up for 7, I signed up for the amendments that Ms. Fritz put up regarding Goose Hollow which were turned down.

Hales: Bob, you're here representing an organization. If you need extra time we'll provide that.

Sallinger: I'll be brief today. My name is Bob Sallinger, I'm here representing the Audubon Society of Portland.

First of all, from a habitat perspective, wildlife perspective, this plan has come an incredible distance since it was first presented to the Planning Commission. Staff and Planning Commission and Council I think have done a really good job of filling in the blanks on the environment. So, we're very pleased with where this has gone.

We support amendments 7 through 11, and I think it's very exciting that we're talking about some front-loaded actions on the river – especially, Commissioner Fritz, we really appreciate your work in this area. So we support all of these. We think the combination of staff recommendations and Commissioner Fritz's recommendations are good here and I encourage you to support them.

Fritz: So just to be clear, you support the staff amendments to my amendments?

Sallinger: As far as -- yes, I think to me they seemed noncontroversial. The intent is still there as far as I read them. Would you agree with that?

Fritz: Just wanted to make sure.

Sallinger: I think they're fine. On number 7, we would like to see the five sites actually listed as part of the policy as well but those are minor quibbles. I think what's here is sufficient and will really move us forward.

Hales: Thank you very much. Appreciate your help on developing those ideas, too. Thank you.

Sallinger: Thank you.

Hales: Anyone else like to speak on items 7 through 11? Let's move on to the second package, which is 18, 22, 24 and 57. Good afternoon.

Peter Wilcox: Good afternoon. Thank you, Commissioners. Good to be here.

Hales: Peter, put your name in the record.

Wilcox: Peter Wilcox. I live in Northeast Portland. I am also representing the Portland Waterfront Alliance, which is an ad hoc group of boat builders, boat owners, historic vessel owners, captains, including the Oregon Maritime Museum that has been working on co-creating a different vision for the waterfront that we'll be unveiling fairly soon.

We feel like the Waterfront Park master plan needs to be updated in order to really take into account what is happening with the public market and also with the proposal that we'll be bringing forward. I think it goes well with some of the other proposals -- the dock proposals, for example, that I know we're not discussing.

I know you talked about the master plan already. I think there's just really good reasons to update that -- at least the parts that relate to the area around the Morrison Bridge and where the public market is going to be. It's so under-utilized for so long, we need to do more.

Hales: Thank you. Welcome.

Chris Jaworski: Thank you. Good afternoon. My name is Chris Jaworski. I prepared three minutes, so perhaps I could borrow a minute.

Hales: Go ahead, we'll try.

Jaworski: As a community action member of Portland's destination marketing organization Travel Portland, I'm very interested in the region's planning and redevelopment goals, especially those that impact the visitor experience. My involvement stems from my previous roles of general manager of Ruth's Chris Steakhouse, as a

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participant in the downtown retail council, and as a consultant to the tourism industry. Part of that, my graduate work in sustainable tourism development, provided me with numerous opportunities to work on projects that contributed not only to our great city but also to our state and other destinations around the world.

Representatives of the tourism industry and members of the CAC often receive proposals for interest of development in areas such as Waterfront Park. That's why I'm here today, to share an item of concern with certain proposed amendments to the West Quadrant Plan which are vital to tourism, retail, and entertainment.

We are supportive of much of the plan, however, are concerned about amendment item number 18 related to changing the timeline from two to five years to six to 20. That together would delay opportunities to one, enhance Portland's attractiveness as a premier destination for visitors and residents alike; revitalize and improve access of Waterfront Park as one of our most vital but under-developed attractions. Waterfront Park and Willamette River represent signature opportunities for economic development, recreation, and [indistinguishable] access, which you have all listed here today. It creates public-private management approaches with Waterfront Park similar to the model of the Holladay Park partnership in the Lloyd district, and it expands commercial options on the waterfront that may include water transit docking and other retail options.

One of the benefits of the tourism industry is its ability to bring in outside dollars to stimulate our local economy. In 2014, the tourism industry brought in \$4.6 million dollars in direct spending and supported roughly 44,000 jobs for the greater Portland region.

Waterfront Park is our signature space in Portland. The importance of this cannot be overstated as Portland continues to set the pace in urban living and green development. It's of critical importance that the original timeline associated with items 18 and 23 in this plan are maintained to link new concepts with existing catalyst projects, such as the James Beard public market, and to maximize economic benefits for Waterfront Park.

I would like you for just a moment to imagine Pioneer Courthouse Square still a surface parking lot. I would like you to imagine Seattle without Pike Place Market -- or most impactful, imagine the city of Vancouver, B.C. if it had not committed in its entirety to Stanley Park -- which, by the way, was recognized by Trip Advisors travelers choice 2014 award as the number one urban park in the world. And of course, we all use Trip Advisor, so we can trust its source.

Comparing with great places such as Central Park in New York, Millennium Park in Chicago, Golden Gate Park in San Francisco, and even places like St. James Park in London -- among others -- is impressive. As such, I would urge you to please consider maintaining the timelines associated with items 18 and also 23 in the waterfront master plan. Thank you for the opportunity to provide input and for your consideration with regard to these proposed amendments.

Hales: Thanks very much. Good afternoon.

Willie Levenson: Good afternoon. Willie Levenson, Human Access Project. Wanted to say first it was great working with BPS staff, who's actually pretty cool. It's the first time Human Access Project has done direct advocacy to see that the plan was moved a little bit in terms of human access. This wasn't discussed -- it was point two through six -- but it was really important changes to the plan.

It was an interesting dialogue between the Mayor and Commissioner Fritz regarding the master plan. It's hard. On one hand, it would be great any money put towards creating better access to the Willamette, a better relationship to the Willamette is great. On the other hand, there's a plan that's there and ready to use.

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I would say Human Access Project currently is working with the Parks Bureau to put in a plan to do humane geese mitigation, Tom McCall bowl or Audubon as a consultant to try to increase activity, because a lot of people don't like using the bowl because each goose poops two to three pounds a day. That alone might be something that might increase people's interest in using the bowl.

I would like to touch on point 17 quickly. There's a lot that was done with habitat, and it was really cool that over half of the amendments have do with the Willamette River, which is encouraging. But I'm concerned about water access, human access, and how that's going to be measurable. It's kind of ambiguous. It's kind of thrown out there that we want it. I think habitat side did a really good job saying we want x number of linear feet of habitat restoration. At this point, it's probably hard to do that, but I would suggest with number 17 --

Hales: That one really isn't before us -- I'm sorry, it is, it's in the consent package.

Levenson: Yeah. Every neighborhood deserves access to the Willamette. And that could be an opportunity in 17 to say -- along with the other things -- that there should be access to the Willamette in every neighborhood. That's a decent aspiration. Just finally in closing -

Hales: OK -- sorry to interrupt you, but I think it says that for each of the seven West Quadrant districts, right? Again remember, this is just the West Quadrant Plan. We can't --

Levenson: Oh, yeah, it does. I didn't see exactly in that -- maybe I misread it, but I didn't see where it says access to the water. It talks about a bunch of different things but it does not specifically say each part of this neighborhood, each quadrant should have -- wouldn't that be great? What kind of a city is that? A city where each neighborhood can walk directly to the Willamette. That's a reasonable aspiration.

In closing, the city of Portland really in terms of the Willamette -- I mean, every northwest city has great access to the water: Vancouver, Victoria, Seattle, Boise, Spokane. Along the Willamette: Eugene, Corvallis, independence. Oregon City is putting a lot of money right now into redevelopment of the Willamette. Milwaukie just put in a brand new waterfront Park. And now Vancouver -- a lot of times Portland turns their nose up to as being behind us -- they are getting to redevelop their waterfront park.

I just want to say that this is a huge deal. I know sometimes the superfund site might intimidate people from starting this work on the Willamette because we have talked and talked and talked about doing things. We started a great foundation talking about creating a better relationship with the Willamette. So, what can we do to start?

The fact is the superfund site is a big deal and I'm not going to apologize for it. But the more we get people connected to the Willamette, the easier they will have swallowing the bill big that will come with cleaning up the Willamette. Because the people are disconnected. I would just encourage the council to consider small, easy ways we can start implementing some of these things. Human Access Project is excited about fundraising to do these things. Thank you.

Hales: Thank you very much. OK, next, please. Good afternoon.

Andrew Yaden: Thank you for your time. Again, thank you for your service to this great city. My name is Andrew Yaden. I'd like to speak briefly to some of these Waterfront issues.

A years ago, I had the great pleasure of reading a team of six graduate planning students from Portland State in developing a set of strategies to activate Tom McCall Waterfront Park really as a regional and a year-round amenity. During a six month period, we collected over 900 public comments and spoke to 100 different stakeholders. We learned a couple of key points -- and they've actually been discussed a little bit today.

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First, Waterfront Park is not a downtown park, it is a regional park. If Pioneer Square is our living room, then Waterfront Park is our front yard. It's where people come together from all over the world. It's really the face that Portland puts on for the world to see.

Secondly, there's a real desire for change and a momentum for change, for something to happen in the park. Mostly people just want better access both to the park and to the river, and they want something to do. My very first trip -- a site visit to the park -- a couple from Seattle stopped me and said, "now that we're here, what do we do?"

I want to speak to the master planning process for Waterfront Park. I really believe it should be a two to five year range, especially for some reasons already talked about. It's really imperative that this happens now or at least soon to make sure that we can coordinate this planning process with some of the other great and exciting things that are already happening in the city with South Waterfront, with the James Beard public market coming. Sorry -- I'm going over my time.

Then I just also want to express a little bit of disappointment that there's no discussion around proposed amendment 23. I know it's not up now but it's about exploring management opportunities for Waterfront Park. And since a lot of discussion today revolved around a lack of funding or lack of resources, this is something that we had recommended to the City and to BPS as an option to circumvent those lack of funding.

Hales: Thank you very much. Anyone else want to testify on this group of amendments, proposed amendments? Alright, then let's take testimony on the third tier, which is number 43.

Moore-Love: I show eight people signed up for this. The first three, please come on up.

Hales: Come on up. Good afternoon.

Deanna Mueller-Crispin: I'm Deana Mueller-Crispin, a West End resident. And excuse me if I'm a little scattered because I had comments which are written and you will see later on some of the other amendments. I believe you packaged 42 with 43, because I have comments on both.

Hales: Is that right? I think we're only working on 43.

Fish: 42 we agreed to [inaudible] --

Hales: Yeah, so they are both before us.

Mueller-Crispin: I strongly support Commissioner Fritz's amendment for zoning tools to allow height increases other than on the waterfront only for preservation of destroyed properties and affordable housing. I believe Mayor Hales' amendment A also addresses that.

Two comments. This restriction of FAR transfers should be extended to the West End and Goose Hollow because it would be a very good thing to be more than just in the Pearl. Secondly, it's very important to specifically not allow TDR bonuses to be used next to or really even in the same block as historic buildings because otherwise their historic value may be defeated easily.

Number 43 -- I support Commissioner Fritz's amendment to not allow 250 height limits in the Pearl waterfront. We just heard about how important Waterfront Park was. Our waterfront is precious and should not be shrouded by 250-foot buildings. Greenway enhancements will not compensate for shadows created by 250-foot buildings. As a note, San Francisco has had 60-foot height limits on its waterfront since the 1970s, and a recent citizen initiative petition in 2013 confirmed that 60-foot limit at the waterfront and required voter approval for any future construction projects on the waterfront that exceeded the existing height limits. So, I think we should follow them.

The 60 foot height limit was adopted after it was proved by geometry the best location for high rise buildings are linear and serpentine curved in mid-city lines along

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mass transit. This also produces the best views and hence best prices for new high rise condos and minimizes their shade impact to public streets and parks, and preserves most historic neighborhoods in San Francisco. Thank you.

Hales: Thank you. Welcome.

Robert Wright: My name is Robert Wright. I live in the West End. I commend Commissioner Fritz for taking the initiative with proposed amendment 43 regarding removal of the height business overlay from properties within the NW 13th Avenue Historic District and establish a 100-foot height limit for that district. Certainly this district is part of the historic fabric of Portland and must not be overshadowed or crowded out by tall buildings.

The West End of Portland and its buildings are equally historic. This has been very well-documented. Yet, the basic plan and the proposed amendments do not address maximum height in relation to the many historic buildings in the West End and the neighboring Goose Hollow district. This is absolutely paramount to the future of these districts.

Having lived in Portland and knowing its history, the West End and now the Pearl District grew in parallel. People that lived in the West End worked over what is now in the Pearl District -- so they are twinned, basically. They are not opposite opposing each other - they grew together.

One editorial comment. In the document from bureau, staff's "rationale" has been misused. Rationale by definition is the logical basis for a course of action. Recommendations from staff or committee are not rationale, they are reasons. The basic rationale for allowing buildings above 100 feet must be documented clearly and articulated clearly and publicly discussed. Thank you.

Hales: Thank you. Good afternoon.

Kal Toth: Good afternoon. My name is Kal Toth and I live in Goose Hollow. I'm a member of the GHFL board and I'm also an ordinary member of the Friends of Goose Hollow. I have been asked by the Friends of Goose Hollow president to say a few words from Friends of Goose Hollow's point of view, and I'm also expressing a few of my opinions.

I'm very concerned about the height limits, bonus provisions, and bonus transfer system supported by the current draft plan. In many respects, I think many of the problems continue especially as it relates to Goose Hollow, particularly the 25 block area east of Providence Park and a few blocks immediately west of the stadium which were talked about earlier today.

Friends of Goose Hollow strongly support Commissioner Fritz's amendments 42 and 43 removing height bonuses over certain historic neighboring areas in the Pearl, only allowing height increases above existing levels for historic preservation and affordable housing. So, we agree with this. But we'd like to see a similar amendment for Goose Hollow, which does not currently exist in the draft.

Friends of Goose Hollow supported the removal of height bonuses in Goose Hollow consistent with 80% of the GHFL members at the February 11th meeting, special meeting. We voted for height bonuses to be removed in Goose Hollow. If the Council decides not to remove all height bonuses, Friends of Goose Hollow requests City Council to at least allow height increase bonuses only for historic preservation and for affordable housing.

I'd like to add Friends of Goose Hollow strongly support Commissioner Fritz's proposed amendments 45 and 46 keeping the residential overlay in areas east and west of Providence Park. I know you don't want to speak about that right at the moment. We believe not supporting this amendment violates the comprehensive plan -- as you mentioned -- and the policy of no net loss of housing. It should be looked at and lawyers

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should be looking at that. The BDS claim that CX will promote residential housing in Goose Hollow is highly speculative.

Hales: Thank you. Thanks very much. Next?

Tracy Prince: Hi, I'm Tracy Prince. I came here to testify on 45 and 46. I'm as disappointed as it seems like Commissioner Fritz is. It's very, very upsetting to know that a lot of people came here, a lot of people had researched this and have a lot to say.

Hales: Right, and we want you to testify on the ones still in front of us.

Prince: I'm going to testifying on number 43, but I point out that you've created a giant conundrum by not opening up 45 and 46, because the GHFL board approved and voted to support changing the zoning on the west side of the stadium to CX, but we only did that because it had a residential overlay. We would not support CX that does not have residential overlay in that area. So, the last go round when I appeared in front of you and testified, I said we support that. But we don't support it without residential overlay. So, now we've got to go back to RH because we don't support CX in that spot. There was no indication that's what we stood for. I just want you to consider if there's a way to deal with that issue because we did not come before you last time and say we want CX with no residential.

On 43, I wholeheartedly support Commissioner Fritz's call for removing bonuses from the Pearl's historic district and lowering height limits to 100 -- or keeping height limits at 100 and allowing only height increases for historic preservation transfers and affordable housing. These are great ideas and creative ways to preserve our incredible historic architecture.

I was disappointed to see no similar protection of the historic buildings in Goose Hollow or the West End. My personal opinion is to support removing bonuses in Goose Hollow, as the GHFL vote of 80% wanted bonuses removed. However, if bonuses are not removed, then it seems like a smart idea to allow height increases only through historic preservation and affordable housing bonuses.

Finally, I want to say that I still think our view corridors weren't protected well enough, and I would like to see more specific language about protecting the view from the Vista Bridge and Washington Park.

And lastly, the map still does not show the current base heights. Still seems to be showing bonuses as a right when they are not. If the Planning Bureau did not plan to deregulate bonuses and does not plan to treat bonuses as a giveaway, then this should be stated clearly in the West Quadrant Plan. Thank you.

Hales: Thank you. Welcome.

Mark Velky: Mayor and Commissioners, my name is Mark Velky. I'm on the board of the Goose Hollow Foothills League, but I'm only speaking for myself today.

I want to thank Commissioner Fritz for her suggestion in amendments 42 and 43 that the Pearl receive increased heights only for historic preservation and affordable housing, and bonuses are removed in some areas. I support removing Goose Hollow's bonuses, just like 80% of the voters in the Goose Hollow Foothills League, but if that's not possible, then I encourage you to extend the idea from the Pearl to Goose Hollow since we desperately need protection for our historic architecture. I would also personally like to thank Commissioner Fritz for trying to get the Goose Hollow issues addressed today. Thank you.

Hales: Thank you. Good afternoon.

Burton Francis: Good afternoon. Burton Francis for Preserve the Pearl, LLC. First of all, I don't want to sound like a broken record and jump on the Commissioner Fritz fan club, but --

Hales: Go ahead -- [laughter]

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Francis: 39, preserving stepdown to the Willamette and to the extent that you're removing bonuses only for preservation and affordable housing is outstanding and we're very supportive of that.

To the extent that this proposal seems to increase the height limit in the historical district -- I'm looking at the map at the very end of this long sheet here. The map says 75 feet in the historic district as I see it right here. The proposal is for 100-foot height limit and we're opposed to increasing any of the height limits in this particular area. So, I'd like to point that out.

Then finally, my last comment goes to the failure to address basically the height limits in general in this area, and also noting -- because I was confused by this language that was from the staff about only discussing the south Pearl. I didn't understand what that meant. What is that concept? And I went back to page 171 of this big, fat booklet we got here. As late as December of 2014, the map that is shown at page 171 still distinguishes between north Pearl, which is north of Lovejoy; a middle Pearl area between Lovejoy and Hoyt, which is distinguished on that map at 150 feet, and then south to Burnside, which is 175 feet. I'm looking at the map in this big handout and I guess what they mean by south Pearl is everything south of Lovejoy now, because that middle Pearl area no longer is reflected in this map. I'm wondering why the amendments haven't addressed that.

My comment basically is to the extent that this is wiping out our neighborhood, which is the middle Pearl from Lovejoy to Hoyt, we strongly object to the failure to address that as being inconsistent with the Central City Fundamental Design Guidelines, the River District Design Guidelines in terms of cherishing uniqueness and inhabitability of neighborhoods. Thank you.

Hales: We'll get clarification on that. Thank you. Next folks on this? Come on up. Welcome.

Seth Johnson: Thank you. My name is Seth Johnson, I'm with Preserve the Pearl. I just wanted to echo that I support lower height limits within the Pearl.

I am baffled as to how we preserve the historic district with a 250-foot height limit and I believe the comments about San Francisco are very important. I think we can look at numerous of the cities -- the gentleman spoke about parks, St. James Park, and all these areas, London, Paris -- he didn't mention Paris, but these are areas that have low rise buildings.

In terms of the bay area, it's a fantastic example -- along with London and Paris -- of how people considered themselves the stewards of the city. Legislation has been passed in those cities to help preserve them for a long time. There are numerous areas in the bay area that would have been developed had it not been for the thoughtful conscience of the people in the past. I think it's very important that we think of these things now.

I fail to understand what the hurry is to radically change the character of this area and the character that has brought people to Portland. What's about to happen is going to drive people out. There's already somewhat of a mass defection taking place in some cases, so how can people in the future invest in this area and know that their investment is going to be respected? So, I encourage a more thoughtful response to what's going on here and I think we will all do better if we slow down. Thank you very much.

Hales: Thank you. Good afternoon.

Roger Leachman: Hi, my name is Roger Leachman. I'm a member of the board of directors of the Goose Hollow Foothills League.

Amendment 43 for the Pearl would only allow height increases for historic preservation and historical housing. I support that for them, because we would want that at least for Goose Hollow. The bureau opposes this. The SAC -- the stakeholders advisory

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committee -- also opposes this. Well, of course they would. After all, the bureau chose the SAC.

At the last GHFL meeting, one of those various members of the stakeholders advisory committee -- not a Goose Hollow resident -- said "I don't know who with we will recuperate our reduced land values from if you lower height limits or remove bonuses. I don't know if it would be this GHFL board or City Council." Well, you can hear the threat as well as anyone. This is what we've always dealt with in Goose Hollow.

This is who was put on the SAC, whose co-chairs were both developers and whose members were chosen by the bureau without any regard for neighborhood residency -- or even Portland residency. The downtown representative said conspiratorially to West Enders, "don't tell anyone, but I don't live in Portland."

Well, when you choose your own electorate, you get the results you intend. I'm from the south originally, so I know all about this. And Portland, it turns out, is no different. I think that little can surprise me anymore.

I live in a city where it is the official policy of City government acting without any legal basis through the Office of Neighborhood Involvement to restrict and neuter the exercise of democracy in Portland's neighborhood associations which they were founded to support. So why should the bureau's fictions and the SAC's conflicts of interest be any more surprising? I urge a vote for this amendment.

Hales: Thank you. Anyone else want to testify on those amendments? And then, is anyone testifying on any ones we adopted by consent that we haven't otherwise heard testimony on? Come on up, please. I shouldn't say adopted -- put on the table.

Mary Vogel: Hello, my name is Mary Vogel and I live in the West End. I'm on the land use and transportation committee for the downtown neighborhood association, but I'm testifying only for myself and my business Plan Green today. I also join the Amanda Fritz fan club here.

I think I'm going to focus on number 30, the one on West End trees. I had 28 Jefferson street and 30 as kind of combined to say that at the very least for this action, Amanda's amendment is identify tree preservation and planting opportunities and implementation strategies along I-205, including vine coverage and canyon walls. I'm afraid that the City of Portland doesn't really have that much jurisdiction just along I-405, but there are places -- so my tweaking of that amendment is and adjoining and connecting streets for at least two blocks in, meaning like Jefferson and Columbia streets, for example; and certainly 13th, also 12th Avenue and 11th Avenue.

There are places on these streets that are totally devoid of street trees. Many of them are very low income buildings. They're not necessarily subsidized buildings, they're not either Housing Authority or HUD buildings, but they have all low income people. So anyway, I think that's a very important amendment there -- and adjoining and connecting streets for at least two blocks in.

The other thing that Amanda said in number 30 was include central citywide actions in specific districts where they are relevant, and I couldn't agree more. In fact, one amendment that I -- or environmental action I was able to get into both Goose Hollow and the Pearl District by going to those neighborhoods early on and testifying to the need for us to have habitat and connected habitat and all got into their environmental actions but not into my own neighborhood. And that was one on strategically install native vegetation and trees within the public open spaces, including the South Park blocks and streetscapes along the missing Park blocks to achieve a north-south wildlife corridor. So, those are probably two of my most important.

I also had some comments on the West End surface parking lots that Amanda -- or at least staff did not support, but Amanda's recommendation was continuing to explore

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incentives for discontinuing the development and use of surface parking lots. I suggest adding not only incentives but disincentives. And I had already submitted to the strategic advisory committee an idea for a split rate taxation where we tax those parking lots at their development potential, not just -- like, right now the parking lot catty-corner from the Indigo plays one forty-third less in taxes than 12 West does. This seems like we're really incentivizing the wrong thing to let parking lots off with such low taxation rates. So anyway, that was another part of my suggested contributions that did not get in. In fact --

Hales: Mary, I need you to wrap up.

Vogel: No representative whatsoever on the strategic advisory committee for the West Quad Plan.

Hales: Thank you.

Fritz: Mary, thank you very much for all your amendments, many of which I tried to get incorporated. I appreciate that you have done a lot of work to make this plan better. I wanted to note that an incentive could be avoidance of punishment as well as something good to happen. [laughter]

Vogel: OK, alright.

Hales: Thank you. I want to get staff back up to help us walk through our action on the amendments but I would love to ask a question about that last testimony which is both to you, Commissioner Fritz, and to staff. And that is, is why we are being street-specific on numbers 28 and 30? Now that she's called that to our attention, 28 talks about Jefferson Street with green infrastructure and 30 talks about along I-405. I guess that's not quite as street-specific. In terms of retrofitting parts of the West Quadrant with street trees that don't yet have them -- I like that idea. So, why are we focusing particularly on those two fronts?

Fritz: My understanding was that's covered in overall policies, so 28 was just amending a proposed policy to get the language correct. Because the actual policy is on Jefferson main street rather than --

Hales: So it's just including green infrastructure as part of what we're gonna try to do on the Jefferson main street.

Fritz: Correct, and not just limiting it to stormwater facilities, which doesn't sound nearly as nice as green infrastructure. And then 405 was modification of a suggestion that Mary had made to recognize there are some things we could do with the freeway. There's particular challenges with the freeway in various places and what could we do to mitigate that.

Zehnder: We have street tree planting policies in the central city citywide, but this we left this in because of the 405 and that particular impact on these neighborhoods.

Hales: Got it. Alright. Other questions for staff?

Fish: I have some, Mayor. Thank you. Joe, I'll try to do this in order. Can we start with amendment 7? So, there's a notation under BPS recommendation that staff suggests listing the number of sites in the performance target rather than policy language. I'm prepared to agree with that provided that we have some clarity that there will be somewhere between five and seven sites that will be identified somewhere in the process and have you confirm that that's the intent.

Zehnder: I'll turn it over to Mindy.

Brooks: Sure. We've identified seven opportunity sites, which was the map we had up before -- if we could go back to it. We're recommending that the target for 2035 to restore at least five of those seven.

Fish: At least five.

Brooks: At least five.

Fish: And those sites will specifically be identified and listed in what document?

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Brooks: They're in appendix C of the plan, which specifies the methodology for enhancement and registration strategy and the seven sites are identified -- the opportunity sites.

Fish: They're baked in to what we have.

Brooks: Yes, they're baked in to what we have.

Fish: And the commitment is at least five.

Brooks: Yeah.

Fish: And what we've heard some testimony shooting for between five and seven.

Brooks: Yeah, and we landed on five because we haven't done a feasibility study on these and we don't know if we'll be able to do restoration at all seven of the sites. So, we think it's reasonable to put five down as the target and then get feasibility work done.

Fish: I believe you said at least five.

Brooks: At least five, yes.

Fish: Thank you very much. I'd like to move to 18, 22, 24. Without beating a dead horse, Joe, I do think this is a park is a regional park and it has significance to the whole community. The concern I have from the Commissioner-in-Charge has to do with timing and funding and also the value of doing a planning process if there aren't resources to implement that. Is that fair characterization?

Zehnder: Of what Commissioner Fritz is saying, you mean?

Fish: Yeah.

Zehnder: Yes.

Fish: When this issue has come up in the past about action items and priorities and stuff. What we're essentially saying as a Council is were we to adopt those, it would be a Council priority to find a way to fund them. Council is setting a timeline, so it would be Council's responsibility for determining a method for funding the study. I think I'm stating it rhetorically, but I just wanted you to affirm that, if that's Council's decision.

Zehnder: Yes. The implementation of the Waterfront Park plan sort of notion here. We sort of need an implementation plan as well as in this particular recommendation and update -- both of those have follow-up from City Council to empower that to happen. It's implied in that.

Fritz: It's always been implied. Only in the East Portland Action Plan have we ever gone back and tracked and checked things off. We need to be having a citywide discussion, because I think everybody who testified today -- most people I have heard from -- have been folks who live or work downtown or have development interests. I would be very interested to hear from the East Portland Action Plan folks if they support dedicating money both for the planning process and for implementation of improvements of Waterfront Park over any other use that might be put to.

Fish: But there's a problem with that approach, Commissioner, because I happen to support both. I happen to applaud your equity agenda and have supported all the funding requests you've made because I think we should do it, but I don't think we should at the same time not proceed with investing in parks that serve a regional function. I think we have to do both and I don't think asking East Portland Action Plan to prioritize either is fair to them. I think we should double our investment in East Portland, and you're doing that with SDCs and asks and everything else. But we also have things called regional parks. It would be like saying we're not going to make any marginal invests in Forest Park because of its geography.

I would say as your ally in this, let's find resources to do both. And I hear your concern that you have prioritized addressing deficit and when we're adding something to your list that is not funded and may not happen -- I understand there's a conflict. But it would seem to me the way you resolve that to me isn't to either degrade your equity

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agenda or not proceed with a historic opportunity to upgrade a regional park, but to commit to having the resources to do both.

Fritz: In the perfect world with all the money that's available, then yes, of course we would do both. But we don't have that. We have Forest Park, whose management plan done in 1995 before Waterfront Park that also could use another fresh look. We've been presented with this one as an ask in this particular plan, but we're not -- we don't have the information to say whether or not this is the priority when you look at all the parks needs citywide, when you look at all the regional needs citywide.

Fish: Fair point. I'm going through my questions and then we can have a Council discussion. Joe, could we go to 43 for a second?

What I heard from the testimony is support for that portion of the amendment that sets a 100-foot height limit, so I guess that's been resolved in the historic area. But some concerns about the bonus linkage. Could you again walk us through why we want to have the bonus link to something more than preservation of affordable housing?

Zehnder: So this one is a little confusing because of the way we have divided it up here, but remember there's two areas in the Pearl District where we're talking about height increases. There's the area that sort of surrounds the 13th Avenue Historic District. I called at the south Pearl, mid Pearl is apt as well. The notion there is greater heights, but only accessible through benefit to historic or smaller properties in the Pearl to preserve those. City Council has also made it clear by action A in the new list that the provision of affordable housing needs to be considered and we'll bring that whole package back. So, that's one sort of situation.

The community has supported -- well, parts of the community, the Pearl District Neighborhood Association supports that tactic applied here especially focusing on the historic and character buildings.

The waterfront is the one place where we have put forth the idea of additional height in return for a bigger or enhanced greenway. And the way this evolved in the plan was that's always been -- because it's such a specific thing that you would want to accomplish at that site, it was seen as kind of an obvious tradeoff to maybe create some flexibility to maybe get more. It's a tactic that a version of which we've used in South Waterfront. So, that's how that got defined separately.

Honestly, at the point we're at now, our thinking about all these bonuses is somewhat altered in that we have a clearer sense of priorities -- that's what your amendment A gave us -- but the principle that was introduced in this plan and that we're carrying through is still there, that where we're talking about additional height or additional floor area ratio it's always coming as a bonus. The idea of that not getting some public benefit to earn it is not something that the Planning and Sustainability Commission was supportive of. Every time we talk about height or FAR increases, that's a situation where we should find the right way to extract some value and return to that for public benefit -- a bonus is what I'm really talking about.

The Pearl waterfront the only place we said we're particularly interested in the greenway because really the staff and stakeholder advisory committee saw that as something that our experience has been it's hard to get and is critically important for the site and it's a limited area.

Fish: OK, thank you.

Hales: Other questions for staff?

Fritz: On amendment 49, I want to clarify -- Tracy Prince testified about the views from the Vista Bridge and Washington Park. Are you intending to include that in the update to the scenic plan?

Zehnder: Absolutely, Commissioner.

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Fritz: Thank you.

Hales: Getting nods from the support team there. Other questions? So now, I think we need to walk through Council votes on the packages as we have put them in front of us. So, the first package is consent package of all of the items that we did not separately address in these proposal groups and that were not checked with a checkmark for discuss. Are we clear on what that package is? And we've had a little testimony about a couple of them but no recommendations about changes in them.

Zehnder: I think -- is there clarification on any of those?

*****: [inaudible]

Zehnder: So, correct.

Hales: OK --

Fish: What's the total number of amendments in package A?

*****: So there were 72 primary amendments --

Saltzman: Put your microphone on? Your microphone -- yeah.

Ian Leitheiser, Deputy City Attorney: 72 primary amendments, and then there were the supplementals. Of those 72, they're all before you in one way or another except for 40, 45, and 46.

Fish: So in the package A, how many amendments are there?

Leitheiser: That includes everything in those first 74 except 40, 45, 46; except 7 through 11" except 18, 22, 24, 57 and 43.

*****: [inaudible]

Leitheiser: And 69, which was withdrawn or never moved.

Zehnder: Just quick with the math -- 66 in the consent package.

Fish: OK, that's helpful.

Hales: OK. Everyone comfortable with taking a roll call vote on those? So, on adoption of those amendments -- roll call, please.

Roll.

Fritz: I'm absolutely disgusted with this entire hearing. I think it was unfortunate to put amendments out that people thought they were going to be able to testify on and were not able to. I've always said there's no purpose in having a public hearing if you're not going to listen to what the public said, so perhaps the majority of Council is being honest in that they had already made up their minds on those without hearing from folks, but still, that did not feel good.

What we are doing is spot-zoning to benefit particular developers in particular places, many of who -- particular developers being allied with members of the Council, and we're ruining the vista we now have on our precious Waterfront Park. So just as previous Councils were lauded for taking away the parking facility which is now Pioneer Courthouse Square, this Council is going to be remembered for putting potentially 250-foot stalks in the middle of a row of historic 75-foot height limits. And allowing the MAC club -- that got denied on Block 7 -- allowing them to do by right to a different block without really any public input on that. And that is appalling to me.

We are ignoring our current Comprehensive Plan policy to maintain housing potential, which the policy 4.8. We're supposed to act in accordance with the Comprehensive Plan until we change it. By not changing it first -- and not even having that proposed change called out, we're being dishonest. And I'm appalled. No.

Fish: First of all, I want to thank everyone who has taken time over these hearings to testify and to share their views with the Council. I want to especially recognize all the citizens who signed up for the various committees that reviewed this starting with the advisory committee. And obviously, our friends at Planning and Sustainability Commission. It now comes to us after one of the most exhaustive public processes that I can think of.

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I think we can have differences of opinion on this body without questioning people's motives or denigrating people who served in a volunteer capacity. And I regret that there has been some -- in the testimony, some people have chosen to raise claims about the stakeholder committee and the way they approached their work. One of the roles that we play here that's very important is we play a referee role and substantive role. We take very seriously claims that somehow a process is not fair or structured appropriately.

I think we get into a very, very bad habit in our city and in our civic debate where because of a fundamental difference of opinion on a policy matter, we make ad hominem comments about people that were asked in the process to provide their best guidance. And I would suggest to you that if we continue down that path in our debate, we will start looking indistinguishable from our friends in Washington D.C.

I sincerely hope that we continue to hold a higher standard in this city of civic debate where we do not question people's motives and we do not make wild claims about people's intentions. That we engage differences and we do them honestly and fairly, and then we cast our votes and move forward. And I regret that there is this cloud that has now been placed over this process, because I think it obscures a tremendous amount of good work.

And so I'll begin by not just thanking the public that has weighed in, but I want to thank the staff that has worked tirelessly. I do not remember a more complicated process, and I actually thought that even with really a small avalanche of amendments brought in a fairly tight time frame, staff did a remarkable job making sure that Council had the information, had their particular view about each item, and further, carved out the time to brief us and make sure they could be responsive to our concerns. We could not ask anything more of our team, and so I want to extend my deep thanks to the Planning Bureau and its staff and everyone who worked on this, in particular to Joe, because Joe often gets the brunt of some of the closed-door discussions where we're kicking around ideas. I know that my understanding of these things has always gotten sharper because of that give and take. I thank you about that.

And to the larger process question, I also don't remember a time when so many amendments that made so many important substantive improvements to a plan were adopted with so little controversy. I guess it's a cup half full, cup half empty, but we've done a substantial amount of work and it is largely responsive to the tremendously compelling testimony we received in our first hearing on this.

I thank my colleague Commissioner Fritz in particular for distilling a lot of the concerns people had around environmental issues, tree code, zoning issues, and placing those before us.

You know, we all have a stake in what our city is going to look like and we all take pride in our city. I would certainly not do anything today which I thought was going to take away from the continued enhancement of what I think is the most livable city in America.

So, this is it not the final word on the West Quad Plan or the comp plan. We'll come back and refine it if we got something wrong and we'll continue to get it right, but I am proud of the process that I've witnessed in this matter and today, I'm pleased to cast my vote as aye.

Saltzman: I particularly appreciate the work that's been conducted by the Bureau of Planning and Sustainability, the Portland Housing Bureau, and I think virtually all of the offices around here about the importance of narrowing our bonuses down to if -- I had my druthers, it would be simply affordable housing, but I understand affordable housing, historic preservation, and seismic issues are also very important.

But we really need to take the bold steps, and I appreciate -- my concern had always been that we're going to do that too late. I think we're really getting ahead of the

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curve now. We're doing it in the West Quad Plan with good language in here and I hope we'll be doing it also in the comp plan when we get to that date, because it's very important.

I think that some people may misconstrue our support for a height in the city. You know, there's two issues on height, I guess I'd like to say. One, I don't consider height to vertical sprawl. I consider height -- particularly in the West Quadrant -- to be what defines a city. A skyline defines a city. There's nothing to be ashamed about a skyline. And secondly, it is because I want to see that height result in additional affordable housing -- affordable to people who can live and work in our downtown.

These are issues why I come to support these amendments -- or I should say maybe in opposition to some of the amendments put forward. But I'm not going to be shy or defensive about it at all. I feel great about this, this is what makes this city a great city. Aye.

Novick: I'm continually amazed and impressed by how many people in this city devote countless unpaid hours looking at issues like this and it makes me very proud. And I second what Commissioner Fish said about the amazing work that the Bureau of Planning and Sustainability has done in just the past couple of weeks explaining the issues to us and dealing with our numerous proposals and helping organize this proceeding today. It's been -- I'm incredibly grateful, so thank you very, very much. Also, thanks to my own staff and staff in my bureaus who responded to my numerous frantic questions over the past few days. Aye.

Hales: I'm going to support this package of amendments. I guess I just want to remind my colleagues -- including you, Commissioner Fritz -- that these were amendments proposed by members of Council the majority of them by Commissioner Fritz. Aye. OK, that package is adopted. Now, let's move to items 7 through 11. Further questions or comments?

Fish: Give us one sec, Mayor. In all the drama here, I misplaced a few papers.

Hales: That's alright, this is complicated. These the habitat and restoration.

Fish: These are the habitat? OK, thank you.

Hales: These are the five items related to habitat and registration and Bob Sallinger testified about this. Further discussion about those? Roll call on items 7 through 11 together.

Roll.

Fritz: Thank you very much to the Bureau of Planning staff who have been very responsive throughout this process and given my staff and me lots of maps and more maps and bigger maps and different maps -- lots. Very responsive, and I appreciate your pulling it together so quickly. I thank Claire Adamsick and Tom Bizeau on my staff who have also been working night and day on this package, and Bob Sallinger on these amendments which -- as he said -- definitely do add specificity and go towards making the river what it should be which is the center of our city and not at the edges of any district. Aye.

Fish: I enthusiastically support these amendments, and I thank in particular Commissioner Fritz and Bob Sallinger for framing these issues. I'm proud as the Commissioner-in-Charge of BES to be part of this great team that has the chance to continually get it right in this river between these changes, between the work on Superfund, and a host of things we're heading closer to the vision which Vera Katz one day had of a river we can have access to, we can recreate in, and is healthy, open, and accessible to all. Aye.

Saltzman: Aye.

Novick: Aye.

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Hales: Aye. OK, done. Now let's move to the next package, which is items 18, 22, 24, 57, dealing with Waterfront Park and trails. Give everybody a chance to catch up to those in the document. Any questions for staff? Ready for a vote on those.

Novick: Actually, Mayor, I think my vote -- I can't vote on 24 as part of the rest of the package.

Hales: Alright, so you want to unbundle those? We can take them individually if you prefer. OK, let's do that then, let's take them individually. Let's start with number 18. Ready to take a roll call on 18, the effect of which is changing the timeline from two to five years to six to 20.

Roll.

Fritz: Colleagues, we exist and we work together in the commission form of government, and I'm the Commissioner-in-Charge of Parks. I've been given the extremely challenging task not only of implementing a bond request -- which at the Mayor's request, I helped get passed last year -- and also working to spend all the delightful system development charge money that's coming in via my other bureau, the Bureau of Development Services.

It's really busy in Parks right now and I'll just remind you, we passed a package -- the voters of Portland, thank you -- passed the Parks replacement bond which gives us \$68 million for fixing our broken parks system. We need \$360 million over the next 10 years. So, we don't have the money to do a planning process for a park that's already got a plan. Everybody already said they love the park. It's great. And of course, every park in Portland could have something that could be better in it.

We are missing the money for implementation and we've got to be focused. We cannot say yes to every good suggestion that comes along in the order that it comes along. Please, don't get ahead of the budget process. We just did that with the \$15 an hour resolution so that now we've got less money to spend on fixing the problem of Parks employees on food stamps, on Medicaid, not being able to get paid a living wage. There are huge problems in Parks that need funding, and this is not one of them. So please, please, accept this amendment. Aye.

Fish: Well, I thought the discussion on this was excellent, and I actually did not come in with a fixed mind on anything before us today. As evidence of that, I have heard the impassioned plea of my colleague on this and I'm inclined to agree with her. No.

Moore-Love: Was that an "aye"?

Fish: No.

Fritz: What? You said you agreed with me.

Hales: If you agree with her, you should vote yes.

Fritz: The motion is to change the timeline to six to 20.

Fish: The ageing process can be very challenging for all of us -- [laughter] -- I apologize. Aye.

Fritz: Thank you.

Saltzman: No.

Novick: I defer to the Commissioner-in-Charge of Parks on this issue, partly because she's the Commissioner-in-Charge of Parks but also because she constantly reminds us that we have choices to make and we have to prioritize, and when she tells me what she needs to prioritize within her limited resources, I'm generally going to listen to her.

Also with regard to the discussion between Commissioners Fritz and Fish a little bit ago about Waterfront Park being a regional park that benefits the whole city -- that's true, but to Commissioner Fritz's comments about East Portland, Waterfront Park is a lot more accessible to people that live near the river than to people who live on, say, 130th. And I think that that's something to keep in mind. Aye.

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Hales: I'll also defer to you, Amanda, on this point, although I hear the plea for action with respect to Waterfront Park and I think there are going to be projects where we'll want to move more quickly. I'm hoping and trusting that the existing master plan is sufficiently clear to allow us to do that so that if the transportation commission does what I hope we can do and take the eastside of Naito Parkway and make it into a two-way bike lane sometime soon -- at least to try out the concept -- that the existing Waterfront Park master plan allows us to do that. And I fervently hope we get the James Beard public market under construction and we need different sidewalk connections across the park to make that work with reconfigured ramps, which now appear possible that we won't have a master plan problem.

So, I'm assuming that if nothing else, we may have to by Council action and staff work rather than long processes may have to make some amendments in that plan. But I accept your point there are other long term planning actions that still need to be done and we'll work with the plan we have for now. Aye.

Fritz: Did we already adopt 21?

Hales: Yes.

Fritz: So, I just call out for everyone's attention that was a substitute, knowing that we won't be able to -- hoping we weren't going to do the entire master plan but looking at a small piece to improve the Hawthorne bowl, which Willie Levenson referenced with his Human Access Project. It's not like we're not going to do any of it, it's just that we just want to be realistic about how big of a bite we can chew.

Zehnder: Gives us a play to start. And just for your information, on number 22 -- this is a specific action that would be implemented by an updated Waterfront master plan. So if we delay that, it would be logical to delay this as well, on 22.

Hales: Is that clear to the Council? Roll call on 22 then, please.

Roll.

Fritz: Thank you for that clarification. Aye.

Fish: Aye. **Saltzman:** No. **Novick:** Aye. **Hales:** Aye.

Hales: OK, 24. This is the native plantings. Questions about that? OK, roll call on that.

Novick: Actually, Mayor, I just want to -- I do not support the amendment as written because of the language "and along the Willamette." It supports changing the timeline but I would support it deleting the language and "along the Willamette." I don't know if I should offer an amendment to the amendment or how that --

Hales: I see that now.

Fritz: Can you explain to me the reason for that?

Novick: I'm deferring to the staff arguments on that topic, that this is specific action in the downtown district.

Hales: I'm glad you raised that question, because it also appears in conflict with number 21, right? If we're going to have enhanced public access to the bowl, then why are we doing plantings? Where are we doing what?

Zehnder: Correct. And that's why all these places -- the five to seven sites we talked about earlier for in water or habitat restoration or improvement are also places that could possibly be swimming holes, it also could be places for other kinds of access. Part of what we want to do is sort that out and pick the best sites for each of those uses.

Hales: This is also part of the Waterfront master plan update that we're now not doing.

Fritz: And I'm happy to accept that as a friendly amendment to delete "and along the Willamette."

Zehnder: And for the native plantings along the Willamette, I believe that we probably already have cover to pursue that action if it was desirable in the central citywide --

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Karl Lisle, Bureau of Planning and Sustainability: Right, and this lives within the downtown district, which is only about Waterfront Park.

Fritz: Of course, there's nothing to stop us from doing some of these action items earlier that were promised.

Hales: That would be lovely. So, I'm assuming we are in consensus about a friendly amendment to delete the words "and along the Willamette."

Fritz: I don't remember who seconded this.

Fish: I think Commissioner Fritz just said nothing prevents us from taking this up in the spring BMP, Mayor.

Hales: So I'll rule that a friendly amendment and we'll vote on number 24 minus those four words.

Roll.

Fritz: Thank you for the correction. Aye.

Fish: Aye. **Saltzman:** No. **Novick:** Aye. **Hales:** Aye.

Hales: And 57. Here there was -- there was a question here.

Zehnder: If I could clarify -- here, the action really is to make this a joint sort of action item for Parks and for Bureau of Transportation and to make it ongoing. So, this is baseline kind of improvements to the system that we pursue. And in some places, Parks is going to want to be the lead, some places PBOT, and we're counting on the bureaus to sort that out.

Fritz: Yes.

Novick: Yes.

Hales: OK. The two bureaus are in accord about that. Any further questions? Roll call.

Roll.

Fritz: It was kind of interesting on this one, it was like, "he's in charge" "no, she's in charge." So we decided that we would do it together. Aye.

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

Hales: OK, then the last package is the Pearl District waterfront which is actually 42 and 43, correct?

Zehnder: Just 43. The only action that changes heights on the waterfront is 43, so that's the relevant amendment. What this proposed amendment would be to not raise heights on the Pearl waterfront. If this amendment would be approved, it would not raise heights on Pearl waterfront. That's the biggest action and it would not allow greenway enhancements to be considered as part of the package of what you looked at when you were getting a bonus for extra height.

Novick: Joe, just to be clear, I thought that the amendment includes those but also includes other language which I thought Planning and Sustainability supported. I thought we actually have a choice between rejecting it entirely or including one of the other versions.

Zehnder: Yes -- and I apologize for contributing to the confusion here, because I'm a little bit confused myself. This amendment had two pieces in it, and there's the part that refers to the area around the 13th Avenue district, and there's the Pearl waterfront. The proposed amendment -- so that is our original language in the plan, right? The proposed amendment would scratch the Pearl waterfront piece and also limit the transfer-eligible things to consider to be preservation or affordable housing.

Novick: I apologize, I was confused. Thank you.

Zehnder: It's easily confused.

Fritz: We haven't voted on 42, either. That was checked.

Hales: I didn't think we had.

Leitheiser: My understanding was 42 was discussed but included as part of the consent.

Zehnder: I think you did do that because you all agreed on that.

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Hales: As long as that's clear on the record.

Zehnder: Staff would still -- the staff recommendation is to still consider the height increase on Pearl waterfront and still consider evaluation of a greenway transfer and improvement as part of getting to that height. That's our recommendation.

Fish: But you --

Zehnder: We do not support the amendment as written.

Hales: And that's because --? Let's be clear about that.

Saltzman: Because the amendment --

Zehnder: If you look at the BPS recommendation -- it's the second paragraph, "Staff does not support deleting waterfront. We recommend development of zoning tools that would allow increased height in exchange for greenway enhancements along the waterfront." We just want to explore it.

The principle Commissioner Fritz has put out there is bonus or no bonus, it's not a stepdown to the river and it's not acceptable. That's sort of your argument.

If we are to include it, we would still like to consider the greenway enhancements as one of the ways to get there and also acknowledge that when we bring that whole package back to you, it may not be a way to get to the additional height. You may want to just use that for affordable housing or some other purpose, but we were still planning to explore the economics of it.

Fish: Joe, I'm never shy about confessing my ignorance about something. It just seems like embedded in this issue are three different ideas -- at least three components. I want to make sure I understand -- if we vote down the amendment, then what stands?

Zehnder: That we will carry into the development of implementing plan increasing heights, maximum heights along the Pearl waterfront.

Hales: From what to what?

Zehnder: 175 to 250, so an additional 75 feet. And we're going to bring you back a provision that will make that additional 75 feet accessible only in exchange for some public benefit. There's Item 2.

The public benefit that the community was supporting and advocating that we want to explore is enhanced greenway. But we also have heard that, you know, it will be part of that bonus package, so you're going to look at it in terms of comparing that with the other items you have already prioritized over it to see if it still makes sense or you want to go with the priorities as you set them.

Hales: So if we reject this amendment, you will continue to develop that proposal that will come to us in the central city plan with a change in the map. Until such time as you do that, there's no changing the map.

Zehnder: Correct.

Hales: No one can build that building.

Fritz: The direction would then be to go --

Hales: The direction would be --

Fritz: To go raise the heights.

Hales: No, the direction would be to go develop a proposal to raise heights based on accessibility of those public benefits. And you're also reviewing which work and which don't work, correct?

Zehnder: Correct.

Hales: I'm comfortable with letting them do that work even though I'm not quite sure I'm ready to go all the way to the 250 foot height.

Fritz: So, let me just -- I have a little visual aid here. This is 250 feet along the waterfront -- the greenway.

Hales: Well actually, it's way up here where there's already a building that tall--

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Fritz: This building here I already know is 235. These two bridgehead things are going to be bigger than that. Imagine going up over here having that amount of height --

Hales: Right. But these are buildings that will be across the street from other buildings, not across the street from Waterfront Park.

Fritz: Well no -- but they're going to be by the greenway. Look at the shadows --

Hales: The buildings that are going to be by the greenway are the ones either on the other side of Naito Parkway, which are already there.

Fritz: But look at the shadow from this building here, which I think is at 300.

Lisle: This area that we're talking about now is the area between Naito Parkway and the riverbank.

Hales: I apologize.

Lisle: So, it is the stretch where there's -- today there are a couple of office parks, which at some point would probably be redevelopment sites. They are two, three stories with lots of surface parking. Centennial Mills, a few warehouses, not much else.

Fritz: So, an enhanced greenway if it's more shaded greenway with massive buildings really isn't a good trade. And speaking to Commissioner Saltzman's point, we should be really focusing on affordable housing as the main reason to have the bonus -- that was a brilliant suggestion that you came up with.

The reason I didn't support the request of Goose Hollow and others in the West End to lower the height is because I think people have a reasonable expectation when they buy a property that the zoning is the zoning and the height expectation is the height expectation.

This proposal would give additional height. And I think we need to be clear to the bureau now, no, we really are talking about historic preservation and affordable housing. The other bonuses -- the greenway -- I know we still gotta figure out how to fund that, but it's not a good trade to have a much taller building next to the greenway in order to have a nicer greenway.

Saltzman: I'll just chime in -- I support the increased height, again, for what I said earlier -- I want to get the affordable housing. I'm skeptical about the greenway bonus, too, but I'm deferring to Joe in saying "give us a chance to look at it." And I know that study is under way right now. So, that's kind of why I would oppose the amendment.

Fritz: The action item as is doesn't have the affordable housing in it.

Zehnder: If I could offer -- there's two decision points. Actually, there's really just one. Is the potential for a 75-foot height bonus on the Pearl waterfront acceptable? That's question one. Going from 175, but with a bonus to 250. And Commissioner Fritz that just made the argument for step down the river, it is not. That's the argument she just made. OK, so that's one.

And then two -- what bonus would you even consider for an increase like that? And what we have heard clearly -- and you actually adopted in that additional amendment about the bonus system -- is that it goes affordable housing, historic, seismic, open space. And we're going to come back with you all and talk with you about all those.

This greenway tradeoff in my book is sitting there in the open space bundle of that policy that you adopted to tell us how to redesign the bonus system. And when we come back, you will make amendments to even that package because you're going to have real options, real numbers to look at. Is 250 just too tall at this site? That would be one decision. And do you need to tell us now not to consider a greenway tradeoff, or are you willing to look at it and consider it later?

Lisle: I would just jump in totally out of place here and say I would really strongly encourage you not to just dump the greenway consideration from how that would work in that narrow strip of land between Naito Parkway and the river, because that's a place

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where -- unlike South Waterfront with a different set of greenway regulations -- we currently have a 25 foot setback required from the bank of the river, which is woefully inadequate. Anyway, it's a place where we really need to redevelop the whole greenway and there's going to be challenges there.

But the only way additional taller buildings in that area could maybe be acceptable is with much more than 25 feet. So, I wouldn't take it -- if you're going to have any kind of consideration of doing anything more would be maybe be accepting of anything over 175 -- which by the way, includes some bonuses already. The base height is 100. So the 75 -- it's already in there I believe as a bonus. I'm looking at Mark. Mark's gone. I wouldn't leave it completely.

Fish: Joe, what's currently the tallest building in the Pearl?

Hales: It's in this section -- oh in the Pearl itself?

Lisle: The tallest building in the Pearl is building right now, and it's between the two parks. It's Hoyt Street Properties' latest project and I believe it's -- I need Mark again -- it's in the 300 foot range.

Fish: Right. So it's the one just across the street from the Fields.

Lisle: The Metropolitan is tallest one today, and that's 225 feet.

Fish: Metropolitan is 225?

Lisle: Right.

Fritz: Would you really want that by the greenway?

Lisle: South Waterfront is a good example. The buildings closest to the greenway are 250 exactly. So, the Meriwether and the Atwater Place.

Zehnder: And the waterfront, the greenway at the South Waterfront is a lot more than 25 feet. So we're trying to find another way to that accommodation.

Fish: And is the dilemma here in part that unless we add the 75 feet, we can't trigger the bonus? We can't condition the bonus? We need the 75 feet to create the bonus?

Lisle: No -- I think if there's bonus there today, we can look at reprogramming the way that you get an existing bonus provision.

Fish: We don't have to do this to get the affordable housing.

Lisle: No, it's an additional tool. Do we want to put this additional leveraging point on the table or not?

Fish: So it really comes down to size, mass, scale.

Anderson: It comes down to the discussions partly that we had many times over at the stakeholder advisory committee about activating the waterfront and about the desire for more commercial and residential activity in terms of right across the street instead of several blocks in. And there were many people on the committee that felt very strongly about that.

Lisle: And I would say the idea didn't actually come from staff, this came from the Pearl District neighborhood association folks -- Patricia Gardner and her group who work on this a lot -- and there's a vision and desire for an intensely urban and exciting city waterfront in that area very different that from what's there now. So, they wanted to see if we wanted to allow more if we could really get that high-intensity urban waterfront. That was their idea.

Hales: So, the bureau's position is don't adopt the amendment?

Zehnder: That's correct.

Novick: I just want to --

Hales: Because it says support.

Novick: Yeah, that's the problem -- it says support. My impression was that in order to remove the height bonus overlay from properties within the NW 13th Avenue Historic District, we would have to pass the amendment and I thought you wanted that.

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Zehnder: No, the part -- the amendment is the strikeout and underline. The text, the action item itself is an action item in the West Quadrant Plan. Correct?

Lisle: Right.

Zehnder: So the amendment would be to eliminate Pearl waterfront as part of the places you're considering additional height, to eliminate consideration of greenway enhancements as a way to get to that additional height, and --

Novick: And to add affordable housing?

Zehnder: It does add affordable housing in this particular reference. Which we're supportive of. We think that your amendment A from the new amendments today -- that's why we went back to that commission. We found ourselves not being clear enough. That's the clear statement.

Hales: So you think A has captured the affordable housing issue because it says so.

Zehnder: I think A tells was to do with the bonus system.

Hales: Alright, now I understand. That's why now you would oppose this amendment.

Zehnder: Right.

Hales: Alright, I'm tracking now.

Zehnder: Sorry.

Hales: I understand the concern that you raises, Commissioner Fritz, but this is the greenway, not Waterfront Park we're talking about. And a 175-foot building will shade the greenway, no matter -- the building you can build today will shade the greenway. 175 feet will shade 25 feet. So, I guess I'm not seeing the harm done by allowing them to continue to develop this concept, again understanding that they are coming back with a different set of bonus provisions. Alright, at least I'm clear now in my own mind. Anyone else have further questions before we vote? OK, let's take a roll call on this.

Roll.

Fritz: I appreciate that we've adopted the policy to have a step down to the river. I support this amendment. Aye.

Fish: I very much appreciate the discussion. It's a very close call, but I vote no.

Saltzman: No. **Novick:** No. **Hales:** No.

Hales: OK, I think we're done with amendments, right? So, this is a resolution. I'm personally prepared to move forward. I know there was some concern we needed to wait, but this Council has a lot of business before it over the next few weeks and this bureau has a lot of work to do. So, I would prefer that we -- if the council is willing to take the vote to adopt this resolution as amended today and allow this hard-working group of people to go do more hard work.

Anderson: I would just -- if I could have 30 seconds -- I just want to thank all of your bureaus because 90% of what we do is collate and pull together everybody else's information. We don't run Parks or Transportation or Housing or PDC or all the other programs, and they provided an enormous amount of information, they were answering questions -- we would call them as citizens came and provided new input, and there they were at hundreds and hundreds of different conversations. It really was a team effort, and as usual, we're really sort of this nexus place that's kind of just bringing it together. We really, really appreciate all your staffs' work. I wanted to thank Sallie, Karl, Mindy, Debbie, Nicholas, Joe, Jackie on your staff, Katherine -- anyone else I missed -- because people really did put an amazing amount of work. And because they are such great planners, that's why you get such amazing little handouts to be able to check off the list. We're happy to hand those out to any bureau who wants to use them. Thanks.

Hales: Thank you very much. Let's take our vote.

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Fritz: Thank you to the Planning Bureau staff and to all of the staff, particularly in my bureau of Parks who did a lot of work over the last two, three weeks; and also your staff in Transportation, Commissioner Novick, and your office. I do appreciate all the work that's gone into this, including a lot a lot of citizen time.

Unfortunately, I can't support it because I think we haven't gotten to the right endpoint and I think that when these huge buildings start going up right on the greenway and on waterfront that people are going to be quite upset. No.

Fish: The only other thing I'll add to my prior comment is I want to thank Liam Frost on my team. As many of you know, Hannah Kuhn left me to travel the world, which means Liam has had double duty. And it's been especially hard on Liam, because I believe Swansea is about to get relegated. So, I know that's been weighing heavily on him. To Liam and everyone in my office, thanks for the good work helping me get up to speed. Susan, to all the people on your team, special thanks. And also the folks in my bureaus, and I know particularly folks in the Bureau of Environmental Services have been at the table crafting solutions in response to some of the amendments that have been brought and throughout this process, and I'm grateful for their professionalism and good work. Aye.

Saltzman: I also want to thank Bureau of Planning and Sustainability, the West Quadrant stakeholder advisory committee, the Planning and Sustainability Commission members, and people on my staff who have labored through these documents. I know that we will be coming back in May with the study about the affordable housing bonuses, and I look forward to a good discussion and hopefully aggressive movement on that. I feel good that we're going to get those affordable housing bonuses in place in time, and that's the most important part to me. Thank you for all your work. Aye.

Novick: I reiterate all my thanks to everybody I've thanked before. I also want to thank Commissioner Fritz for noting a couple of weeks ago that the draft committed her bureaus to a variety of different action items that she wasn't sure they could do or should do, which brought me to actually go through and make sure we identified all the things that PBOT was scheduled to do. So, thanks to PBOT staff and my staff working on that and thanks to BPS for being accommodating on allowing us to not do things that we didn't think we were equipped to do. Aye.

Hales: Well, Susan, Joe -- to you and your whole team, thank you. This is a great deal of work on your part. We also although -- I think none of them are sometime present -- we ought to thank our amazing citizen volunteers at the Planning and Sustainability Commission and the committee that labored so hard to bring this to us. I also want to thank the council for both our willingness to work through these issues in great detail and to have a very constructive dialogue with literally hundreds of people who have come in to testify.

Every now and then in this work, we walk out of these hearings and we say, "it's amazing, we get this incredibly thoughtful citizen testimony" and we really do. But actually I want to reflect on that more broadly and look back to the 10 years prior to my service again here working all over the country going to lots of other City Councils and planning commissions around the country. And I really don't think we understand how high caliber this work is in Portland.

We often say we don't think other Councils get to have this kind of dialogue. Well frankly, other cities don't appear to have this kind of sophisticated citizen engagement, whether it's as neighborhood activists or volunteers on this committee. They don't have planners as good as our planners and they don't have a City Council that gets into this level of rigor and detail on planning, and they don't do the front end planning like Portland does so that we can then have a land use hearing like we had yesterday on a design case like yesterday where the foundations are already are in place. The neighborhood knows

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what it's supposed to be, they've done a master plan for the part that's developing next door, the development community and architects know what's expected. We've raised the bar very high. That just isn't the case in Fort Worth or Atlanta or a lot of the other places where I worked.

And I don't think we also realize here in Portland as we're bearing down on the details really how good we've got it. We don't always get it exactly right, but boy, we get it a lot more right than everywhere else I've ever seen. So from my perspective -- which hopefully is helpful to all of us and reassuring us good work is being done here -- it really is. I'm very proud of you all. Thank you very much. Aye. We're adjourned.

At 5:07 p.m., Council adjourned.