



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **24<sup>TH</sup> DAY OF JUNE, 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; Ben Walters, Chief Deputy City Attorney; Jim Wood, Sergeant at Arms; and at 1:18 John Paolazzi, Sergeant at Arms.

Item No. 667 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

The meeting recessed at 12:42 p.m. and reconvened at 1:18 p.m.

<b>COMMUNICATIONS</b>		<b>Disposition:</b>
<b>652</b>	Request of Kamala J. Pati to address Council regarding problem drug houses (Communication)	<b>PLACED ON FILE</b>
<b>653</b>	Request of Toeutu Faaleava to address Council regarding work in the Jade District and disparities Pacific Islanders face (Communication)	<b>PLACED ON FILE</b>
<b>654</b>	Request of Elizabeth Takahashi Barth to address Council regarding volunteering with the Asian Pacific American Network of Oregon, Jade District Neighborhood Prosperity Initiative and support community-based civic engagement initiatives (Communication)	<b>PLACED ON FILE</b>
<b>655</b>	Request of Gerald Fittipaldi and Soren Impey to address Council regarding Portland bicycle infrastructure, neighborhood greenways and downtown bike routes (Communication)	<b>PLACED ON FILE</b>
<b>656</b>	Request of Jessica Engelman and Marisa DeMull to address Council regarding BikeLoudPDX, bicycle infrastructure enhancements for downtown (Communication)	<b>PLACED ON FILE</b>
<b>TIMES CERTAIN</b>		

June 24, 2015

<p><b>657</b>      <b>TIME CERTAIN: 9:30 AM</b> – Travel Portland 2015 presentation (Presentation introduced by Commissioner Saltzman) 20 minutes requested</p>	<p><b>PLACED ON FILE</b></p>
<p><b>*658</b>      <b>TIME CERTAIN: 10:00 AM</b> – Approve the South Waterfront North District Development Agreement between Portland Development Commission and ZRZ Realty Company and direct the Bureaus of Transportation, Parks &amp; Recreation, Environmental Services, Housing, Planning &amp; Sustainability and Development Services to work with Portland Development Commission to develop Intergovernmental Agreements to implement public obligations as specified in the development agreement (Ordinance introduced by Mayor Hales) 45 minutes for items 658 and 659 <b>Motion to amend to add emergency clause:</b> Moved by Fish and seconded by Saltzman. (Y-5) (Y-5)</p>	<p><b>187212</b> AS AMENDED</p>
<p><b>659</b>      Authorize an Intergovernmental Agreement between the Portland Development Commission and the Portland Bureau of Transportation for SW Bond Avenue 30% Design and Further Design of specific segments of SW Bond Ave as triggered by design of adjacent development in the North Macadam Urban Renewal Area, not to exceed \$500,000 (Ordinance introduced by Mayor Hales)</p>	<p><b>PASSED TO SECOND READING JULY 1, 2015 AT 9:30 AM</b></p>
<p><b>660</b>      <b>TIME CERTAIN: 10:45 AM</b> – Create a local improvement district to construct street, sidewalk and stormwater improvements from NW Raleigh St to NW Upshur St in the NW 20<sup>th</sup> Ave Local Improvement District (Hearing introduced by Commissioner Novick; Ordinance; C-10049) 15 minutes requested</p>	<p><b>PASSED TO SECOND READING JULY 1, 2015 AT 9:30 AM</b></p>
<p><b>CONSENT AGENDA – NO DISCUSSION</b></p>	
<p><b>Mayor Charlie Hales</b></p>	
<p><b>661</b>      Appoint Amara Shurte to the Plumbing Code Board of Appeal for a term to expire June 23, 2018 (Report) (Y-5)</p>	<p><b>CONFIRMED</b></p>
<p><b>662</b>      Appoint Andrew Colas, Andrew McGough, Maurice Rahming, Michael Burch, Rosa Martinez, Tony Jones, Herb Fricke, Vicqui Guevara, and Marcela Alcantar to the Equitable Contracting and Purchasing Commission for terms to expire June 23, 2017 (Report) (Y-5)</p>	<p><b>CONFIRMED</b></p>
<p><b>Bureau of Planning &amp; Sustainability</b></p>	

June 24, 2015

<b>*663</b>	Accept an Intergovernmental Grant Agreement with Metro of \$20,000 for the Deconstruction Assessment Pilot Project Phase II in FY 2014-2016 to promote and encourage reuse and recycling of demolition building materials (Ordinance) (Y-5)	<b>187203</b>
<b>*664</b>	Extend contract with Salmon-Safe to complete City Salmon Safe Certification in the amount of \$135,000 (Ordinance; amend Contract No. 30004233) (Y-5)	<b>187204</b>
<b>Bureau of Police</b>		
<b>*665</b>	Amend contract with Cascadia Behavioral Healthcare, Inc. in an amount of \$265,054 to provide additional mental health clinician services (Ordinance; amend Contract No. 30003831) (Y-5)	<b>187205</b>
<b>Office of Management and Finance</b>		
<b>*666</b>	Amend composition of the Commission on Equitable Contracting and Purchasing (Ordinance; amend Ordinance No. 187030) (Y-5)	<b>187206</b>
<b>*667</b>	Amend the FY 2014-15 budget appropriation schedule in the amount of \$28,500 for the purchase of one Hybrid/Electric sedan for use by the Office of Neighborhood Involvement at \$28,500 (Ordinance) <b>Motion to amend to modify title and appropriation schedule information:</b> Moved by Fritz and seconded by Fish. (Y-5) (Y-5)	<b>187213</b> AS AMENDED
<b>Office of Neighborhood Involvement</b>		
<b>*668</b>	Authorize \$7,000 total in an Intergovernmental Agreement between the Office of Neighborhood Involvement East Portland Action Plan Municipal Partnership Project and Multnomah County School District No. 40 - David Douglas School District for Document Translation Services (Ordinance) (Y-5)	<b>187207</b>
<b>Commissioner Dan Saltzman</b> <b>Position No. 3</b> <b>Portland Housing Bureau</b>		
<b>669</b>	Terminate limited tax exemptions for properties under the Homebuyer Opportunity and Multiple-Unit Limited Tax Exemption Programs (Resolution) (Y-5)	<b>37133</b>

<p><b>670</b></p>	<p>Authorize Intergovernmental Agreement with Multnomah County and the City of Gresham for \$3,400 and \$10,000 respectively for production of the new Consolidated Plan fiscal years 2016-2021, annual Action Plan FY 2016-2017, Analysis of Impediments to Fair Housing, updates and other plans and performance reports as requested of the Consortium by HUD (Second Reading Agenda 631) (Y-5)</p>	<p><b>187208</b></p>
<p style="text-align: center;"><b>Commissioner Steve Novick</b> <b>Position No. 4</b> <b>Bureau of Transportation</b></p>		
<p><b>*671</b></p>	<p>Accept a grant in the amount of \$24,130 from Oregon Department of Transportation for the Portland Truck Parking and Loading Plan and authorize an Intergovernmental Agreement (Ordinance) (Y-5)</p>	<p><b>187209</b></p>
<p><b>*672</b></p>	<p>Amend Transportation System Development Charges for the North Macadam Urban Renewal Area boundaries (Ordinance; amend Code Section 17.15.040) (Y-5)</p>	<p><b>187210</b></p>
<p style="text-align: center;"><b>City Auditor Mary Hull Caballero</b></p>		
<p><b>*673</b></p>	<p>Assess property for system development charge contracts and private plumbing loan contracts (Ordinance; Z0812, K0155, T0167, W0043, P0134, K0156, T0168, Z0813, W0044, P0133) (Y-5)</p>	<p><b>187211</b></p>
<p style="text-align: center;"><b>REGULAR AGENDA</b> <b>MORNING SESSION</b>  <b>Mayor Charlie Hales</b> <b>Bureau of Planning &amp; Sustainability</b></p>		
<p><b>*674</b></p>	<p>Amend the grants with each of six Neighborhood District Coalitions for Community Collection Events at a total cost of \$143,086 and extend the term to June 30, 2017 (Ordinance; amend Contract No. 32000456, 32000457, 32000458, 32000461, 32000825, 32000460) 10 minutes requested (Y-5)</p>	<p><b>187214</b></p>
<p><b>675</b></p>	<p>Extend contract with EC Company and increase the total not-to-exceed amount to \$3,000,000 for solar system installation services (Second Reading Agenda 634; amend Contract No. 31000217) (Y-5)</p>	<p><b>187215</b></p>

June 24, 2015

<b>676</b>	Improve land use and other City regulations through the Regulatory Improvement Code Amendment Package 7 – Technical Amendments (Second Reading Agenda 640; amend Title 11 and Title 33) (Y-5)	<b>187216</b>
<b>677</b>	Amend the Central City Plan District to increase the height limit on Block U of Couch Addition and support construction of a headquarters building for the Multnomah County Health Department (Second Reading Agenda 641; amend Title 33) (Y-5)	<b>187217</b>
<b>Bureau of Police</b>		
<b>*678</b>	Authorize a three-year grant agreement with Janus Youth Programs, Inc. for an amount not to exceed \$909,000 to provide shelter beds, treatment and case management for juvenile human trafficking victims (Ordinance) 10 minutes requested (Y-5)	<b>187219</b>
<b>*679</b>	Authorize a grant to Central City Concern in an amount not to exceed \$1,716,410 for the provision of treatment readiness services, transitional housing and follow-up retention support services to chemically-dependent, homeless adult chronic arrestees (Ordinance) 15 minutes requested <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)	<b>187224</b>
<b>*680</b>	Authorize a grant agreement with Central City Concern in an amount not to exceed \$1,667,675 to provide services through the CHIERS van and Sobering Station (Ordinance) (Y-5)	<b>187220</b>
<b>*681</b>	Amend Intergovernmental Agreements with Tri-Met and 14 participant agencies to extend the term to September 30, 2015 to provide transit police services (Ordinance; amend Contract Nos. 30001665, 30001544, 30001908, 30001378, 30001379, 30001545, 30002000, 30001625, 30001380, 30001546, 30001381, 30001382, 30001384, 30001385, 30001386) 10 minutes requested (Y-5)	<b>187221</b>
<b>682</b>	Authorize application to the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance for a grant in the amount of \$437,882 for the Edward Byrne Memorial Justice Assistance Grant Program FY 2015 Local Solicitation to prevent or reduce crime and violence (Second Reading Agenda 621) (Y-4; Saltzman absent)	<b>187218</b>
<b>Office of Management and Finance</b>		

June 24, 2015

<b>683</b>	Accept bid of R&R General Contractors, Inc. for the NE 112th Ave and NE Marx St Local Improvement District Phase II for \$1,305,745 (Procurement Report - Bid No. 00000008) <b>Motion to accept the report:</b> Moved by Fish and seconded by Fritz. (Y-5)	<b>ACCEPTED PREPARE CONTRACT</b>
<b>Portland Development Commission</b>		
<b>684</b>	Authorize the submittal of a boundary change request to the State of Oregon to add .46 acres to the Portland Enterprise Zone (Resolution) 15 minutes requested (Y-5)	<b>37134</b>
<b>Commissioner Nick Fish Position No. 2 Bureau of Environmental Services</b>		
<b>685</b>	Authorize a contract with the lowest responsive bidder for construction of the Columbia Boulevard Wastewater Treatment Plant Lagoon Reconstruction Phase 3/4 Project No. E07146 for \$11,000,000 (Second Reading Agenda 638) (Y-5)	<b>187222</b>
<b>686</b>	Authorize a contract with the lowest responsive bidder for construction of the Piedmont Sewer Rehabilitation Project No. E10332 for \$3,500,000 (Second Reading Agenda 639) (Y-5)	<b>187223</b>

At 1:45 p.m., Council recessed.

June 24, 2015

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **24<sup>TH</sup> DAY OF JUNE, 2015** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5. Commissioner Fritz left at 5:00 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben Walters, Chief Deputy City Attorney at 2:00 p.m.; Lisa Gramp, Deputy City Attorney; and John Paolazzi, Sergeant at Arms.

<p><b>687</b>      <b>TIME CERTAIN: 2:00 PM</b> – Adopt the joint City of Portland and Multnomah County 2015 Climate Action Plan to reduce local carbon emissions by 80 percent from 1990 levels by 2050 (Resolution introduced by Mayor Hales) 2 hours requested for items 687-689</p> <p><b>Motion to add action on Exhibit page 80 that reads “Work with school districts to increase the number of students who can attend schools within safe walking or bicycling distance of their homes”:</b> Moved by Saltzman and seconded by Fish. (Y-5)</p> <p><b>Motion to modify wording of last paragraph of page 30 to recognize NW Natural’s replacement of cast iron and bare steel pipe:</b> Moved by Hales and seconded by Fish. (Y-5) (Y-5)</p>	<p><b>Disposition:</b></p> <p><b>37135</b> AS AMENDED</p>
<p><b>688</b>      Direct City bureaus to implement policies and programs to keep Portland on a path to reduce local carbon emissions 80 percent from 1990 levels by 2050 (Resolution introduced by Mayor Hales) (Y-4; Fritz absent)</p>	<p><b>37136</b></p>
<p><b>689</b>      Establish private sector investor support for City investments in environmentally responsible capital projects, including green bonds and other climate-related financing tools (Resolution introduced by Mayor Hales) (Y-4; Fritz absent)</p>	<p><b>37137</b></p>
<p style="text-align: center;"><b>REGULAR AGENDA AFTERNOON SESSION</b></p> <p style="text-align: center;"><b>Commissioner Dan Saltzman Position No. 3 Portland Housing Bureau</b></p>	

June 24, 2015

<p><b>690</b> Revise homeownership and home repair financial assistance guidelines for the Portland Housing Bureau (Resolution) <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)</p>	<p><b>37138</b></p>
<p><b>*691</b> Authorize consortium agreement with City of Gresham and Multnomah County to participate in U.S. Department of Housing and Urban Development HOME Investment Partnership Program to receive affordable housing funds (Ordinance) <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)</p>	<p><b>187225</b></p>
<p><b>692</b> Amend the Tax Increment Financing Set Aside for Affordable Housing policy to extend the deadline for Portland Housing Bureau to conduct a thorough review of the policy from June 30, 2015 to September 30, 2015 (Ordinance; amend Portland Policy Document HOU-1.04) <b>Continued to June 25, 2015 at 2:00 p.m.</b></p>	<p><b>PASSED TO SECOND READING JULY 1, 2015 AT 9:30 AM</b></p>
<p><b>693</b> Authorize twenty subrecipient contracts totaling \$16,777,246 for services in support of ending homelessness and providing affordable housing (Ordinance) 30 minutes requested <b>Continued to June 25, 2015 at 2:00 p.m.</b></p>	<p><b>PASSED TO SECOND READING JULY 1, 2015 AT 9:30 AM</b></p>
<p style="text-align: center;"><b>Commissioner Steve Novick Position No. 4 Bureau of Transportation</b></p>	
<p><b>694</b> Confirm the Portland Streetcar and Portland Aerial Tram participation in the Orange Line Grand Opening Celebration on September 12, 2015 (Resolution) <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)</p>	<p><b>37139</b></p>
<p><b>*695</b> Amend contract with TriMet related to the operations and maintenance of the Portland Streetcar system and increase funding to \$7,271,090 (Ordinance; amend Contract No. 30002872) <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)</p>	<p><b>187226</b></p>
<p><b>*696</b> Amend contract with Portland Streetcar, Inc. for Portland Streetcar operations Assistance (Ordinance; amend Contract No. 33325) 15 minutes requested <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)</p>	<p><b>187227</b></p>



June 24, 2015

<b>697</b>	Vacate a portion of an unnamed street north of N Schmeer Rd subject to certain conditions and reservations (Second Reading Agenda 642; VAC-10091) <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)	<b>187228</b>
<b>Commissioner Amanda Fritz</b> <b>Position No. 1</b> <b>Portland Parks &amp; Recreation</b>		
<b>*698</b>	Authorize a contract with ECONorthwest to fund an economic impact study of the Delta Park Recreation Complex for an amount not to exceed \$48,000 (Ordinance) 10 minutes requested <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)	<b>187229</b>
<b>*699</b>	Authorize Portland Parks and Recreation to enter into an Intergovernmental Agreement with the Portland Development Commission to fund the Charles Jordan Community Center Roof Repair Project (Ordinance) <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)	<b>187230</b>
<b>700</b>	Amend Portland Parks & Recreation smoke and tobacco-free parks policy enforcement strategy (Second Reading Agenda 643; amend Code Section 20.12.110) <b>Continued to June 25, 2015 at 2:00 p.m.</b> (Y-5)	<b>187231</b> AS AMENDED

At 5:08 p.m., Council recessed.

June 25, 2015

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **25<sup>TH</sup> DAY OF JUNE, 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; Linly Rees, Deputy City Attorney, at 2:00 p.m.; Ian Leitheiser, Deputy City Attorney at 3:30 p.m.; and Mike Cohen, Sergeant at Arms.

The meeting recessed at 2:27 p.m. and reconvened at 3:31 p.m.

<p><b>701</b>      <b>TIME CERTAIN: 2:00 PM</b> – Consider the proposal of the City of Portland Water Bureau for Demolition Review and the Bureau of Development Services staff and Portland Historic Landmarks Commission recommendation of approval for the demolition of 1894 Reservoir #3, 1894 Reservoir #4 and the 1946 Weir Building, all contributing resources in the Washington Park Historic District at 2403 SW Jefferson St (Previous Agenda 606; Findings introduced by Commissioner Fritz; LU 14-249689 DM) 5 minutes requested</p> <p><b>Motion to adopt findings:</b> Moved by Fritz and seconded by Fish. (Y-5)</p>	<p><b>Disposition:</b></p> <p><b>FINDINGS ADOPTED</b></p>
<p><b>702</b>      <b>TIME CERTAIN: 2:00 PM</b> – Appeal of Portland Water Bureau and Mt. Tabor Neighborhood Association against Historic Landmarks Commission’s decision to approve with conditions a proposal to disconnect the Mt. Tabor Reservoirs from the public drinking water system at Mt. Tabor Park located at 6325 SE Division St (Previous Agenda 547; LU 14-218444 HR EN) 1 hour requested</p>	<p><b>CONTINUED TO JULY 15, 2015 AT 9:30 AM TIME CERTAIN</b></p>

At 4:18 p.m., Council adjourned.

**MARY HULL CABALLERO**  
Auditor of the City of Portland



By Karla Moore-Love  
Clerk of the Council

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

June 24, 2015  
**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.

**JUNE 24, 2015      9:30 AM**

**Hales:** Good morning, everyone. Welcome to the June 25th Portland City Council. Please call the roll.

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

**Hales:** Thank you, everyone. We'll get to the business of the Council in a moment. Before we begin, I think we should take a moment in sadness and solidarity with the people of Charleston and everyone who cares about race relations and justice in this country, and to take a moment of silence for the victims of the most reprehensible kind of hate crime in Charleston, South Carolina last week. Let's remember, please. [moment of silence] Thank you.

Good morning, everyone. We have a full agenda this morning. As always, we have some citizens signed up for Council communications. We'll take those first. Then we have some time certain presentations and calendar items and then a whole bunch of ordinances and resolutions as usual.

If you're here to testify on a Council calendar item, we'll make sure we give you an opportunity to be heard. Just let the Council Clerk know if you want to speak on a particular item. We limit time for testimony on Council items just to manage the agenda. Typically, it's three minutes. You'll see a light and a buzzer at two and a half minutes, and another set of those at three. Please follow those time limits so everybody has a chance to be heard.

Speaking of that, we ask in this chamber that if you agree with someone and want to demonstrate that, feel free to give a wave of the hand or thumbs up, and if you don't agree with them and want to do likewise in the other direction, go ahead, but we ask that you not make verbal demonstrations in favor or against our fellow citizens' opinions in this room so that everybody can be heard. If somebody is being disruptive, we'll ask them to stop being disruptive, and at worst, we'll have to exclude them from the Council chambers. But we don't wanna go there, so please do respect those boundaries. If you're a lobbyist representing an organization, under our code you need to disclose that, so please do. If you're representing an organization in the community and want to let us know about that organization, do that as well. If you're testifying, you only give us your name, you don't need to give us your address. And if you have handouts, please give them to the Council Clerk and she will distribute them. With that -- unless there's any more announcements -- we'll take the first of the communications items.

**Item 652.**

**Hales:** Good morning, come on up. Is Ms. Pati here? Alright, we'll see if she's here later.

**Item 653.**

**Hales:** Good morning. Come on up, please.

**Toeutu Faaleava:** Mayor Hales, Commissioner Novick, Commissioner Fritz, Commissioner Saltzman, and Commissioner Fish, my name is Toeutu Faaleava. I'm a member of the board of directors for APANO and for the Samoa Pacific Community Development Corporation. I speak today in support of the Office of Neighborhood

June 24, 2015

Involvement's Diversity and Civic Leadership program and for the need to more fully serve Portland's growing community of 40,000 Asian and Pacific Islanders.

APANO and our partners, including Samoa Pacific Development Corporation, believe wholeheartedly that it is time for the City to more fully serve our Pacific and Asian communities. We are grateful for your support to expand the DCL program and to increase funding for the existing DCL programs at the level requested through the budget process. Thank you, Mr. Mayor and Commissioners, for prioritizing this important investment in this year's budget.

Investment in leadership development of communities of color is integral to creating equitable governance. Best practices show that to effectively engage underrepresented communities, we need culturally-specific spaces for our communities to meet, specifically, and culturally-competent programs to build a successful strategy for civic engagement.

Asian and Pacific Islanders are the second largest community of color in Portland and growing rapidly, yet our communities continue to be underrepresented in civic leadership and we experience disproportionate poverty, health outcomes, and educational inequity. When the API category is disaggregated, the disparities are very severe for some ethnic groups, particularly Pacific Islanders. To help address these inequities, APANO looks forward to applying for an open ONI RFP process to select a new DCL partner. Fa'afetai tele, thank you very much.

**Hales:** Thank you, thanks very much.

**Item 654.**

**Hales:** Good morning.

**Elizabeth Takahashi Barth:** Good morning, Mayor Hales and Commissioners. My name is Elizabeth Takahashi Barth, and I am a longtime member of APANO, the Asian Pacific American Network of Oregon, and I also serve as a part of the steering committee for the Jade District Neighborhood Prosperity Initiative.

For the last two years, APANO has been leading the Jade District Neighborhood Prosperity Initiative along 82nd Avenue with the mission of growing and sustaining a diverse, thriving neighborhood without displacement. Our visioning and community processes have engaged over 250 diverse residents, and generated popular neighborhood projects like the Harrison Park community garden and the Jade District international night market. I want to thank you for supporting APANO's operation of the Jade APANO multicultural space on 82nd and Division in the 2015-16 City of Portland budget. Spaces like this are key to building and strengthening community. Having a community center in the Jade was a theme we heard from residents in the Jade visioning process that was conducted last summer, and was one of the goals outlined in the Jade District visioning plan set out July.

As the Powell-Division transit and development project evolves, we will continue to focus on strategies to prevent displacement of the communities that live and work in the Jade District, and we look to you to prioritize this as well. Current plans show the Powell-Division transit project will cut directly through the Jade District. Local businesses are vulnerable during construction and as the demographic shift in the area. The City needs to be thinking proactively about how to support our community during this disruptive phase so those with a long history in the area can stay and benefit from improvements being made.

APANO is part of the Comprehensive Plan anti-displacement coalition, and just last night, the Planning and Sustainability Commission voted to include strong anti-displacement policies in the 20-year Comprehensive Plan. It's vital that the City Council see this through. The first step is to budget for it, and we will be looking for votes in the fall to help support this effort going forward.

June 24, 2015

Additionally, while we're working on policy and business development, we want to make sure that new development is culturally responsive and appropriate for our community's needs within the Jade District and across Portland. One way to ensure this happens is to have intentional community involvement during each phase of the development process. We look for your support and direction to make sure that happens, and we're ready for a seat at the table when the decisions are made.

As we roll into summer, I'd like to invite you to join us for the second annual Jade District international night market. Last year was our first Jade District night market, and it drew in 20,000 from across the whole metro area and was great success, and we are having hopefully just as successful an event this year, which will be happening August 18th and -- the 15th and 22nd -- two Saturdays. Thank you very much.

**Hales:** Thank you. Looking forward to the market. Thank you.

**Item 655.**

**Item 656.**

**Hales:** Good morning.

**Jessica Engelman:** Good morning. My name is Jessica Engelman and I'm a member of Bike Loud PDX. I am here to express the deep sadness, anger, frustration, and fear that pedestrians and cyclists are starting to feel in the city. On May 9th, the conversation was our city streets aren't safe and somebody might get hurt. A month later, the conversation is now, well, who's it going to be next? Is it going to be a young child that gets killed or maimed? Is it going to be a friend of mine? Is it going to be me?

Here in Portland, we have the data, the know-how, and the creativity to design streets that are safe for all users -- drivers included. The only reason we don't is because of misplaced priorities. Every time that PBOT comes back to us and says that we're not going to implement your safety infrastructure suggestion because it would require removing on-street parking, what they are literally telling us is that driver convenience is more important than our lives.

I think it's very appropriate that you guys are discussing the climate action plan today, because it'll give you a chance to think long and hard about how you plan on convincing drivers to give up their personal vehicles in favor of active transportation when cyclists and pedestrians today don't feel safe. Now we are going to give you with our handouts a list of five simple asks that we think you could start implementing now. You don't have to wait for millions of dollars, you don't have to wait for a street fee. These are things you can implement now with just a little paint, some enforcement, a change of attitude, and political will. Thank you.

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

**Soren Impey:** Good morning. My name is Soren Impey and I'm here representing Bike Loud PDX and also as a Portlander. I'd like to thank the Commissioners and Mayor for letting me speak. Mark Angeles, Kirke Johnson, Ryan [indistinguishable], Renee Bates, Morgan Maynard-Cook, James [indistinguishable], Kathryn Rickson, Dustin Finney. The deaths of these people who live and work in Portland were preventable.

As I stand here asking you to make safe roads a priority, I'm not a special interest. Safe roads are a human right -- our human right. Vision Zero is not a future goal. It is not a series of committee meetings, it is an ethical duty. The safety of people walking and cycling in our city should be priority, but many Portlanders do not find our streets safe for cycling or walking. Cycling mode share has dropped two years in a row. Cycling to one of our largest employers, Portland State University, has plummeted.

The League of American Bicyclists awarded Portland platinum status as a bike City, but downtown Portland lacks a single northbound bike facility and our bridge connections dump people into dense rush hour traffic with no facility and very, very bad dangerous

June 24, 2015

pavement. So, I want to contrast this with Seattle and San Francisco, who've built miles of protected bike lanes in their downtown areas and implemented bike share. It's time to stop treating the Portland bike and pedestrian plans like wish lists. The safety and comfort of people walking and biking should not take a backseat to maintenance.

I want to touch on reducing pollution, which is also a local and global health issue. I want to remind the Mayor and Commissioners that the Portland Climate Action Plan commits to reducing vehicle miles traveled by 30%. We're not on track to meet these goals now. And if we continue to prioritize convenience, parking, and traffic speed, we're going fail to meet that goal.

Bike Loud PDX has provided you with a list of immediately feasible safety improvements based on the 2030 bike plan. We ask the City to implement these improvements as soon as possible and to provide an update on their implementation in around four weeks. We also ask that the Mayor and Commissioners commit to funding and following the bike, pedestrian, and climate action plans. Thank you.

**Hales:** Thank you both, very much. Call the other two then? Come on up.

**Marisa DeMull:** Good morning, my name is Marisa DeMull, I want to thank you for seeing us today. I'm here just to speak on behalf of student bike commuters to Portland State University. I ride my bike to class. I live in Northeast, so my commute is about six miles. My goes through neighborhood greenways, then down Vancouver through the Rose Quarter, over Steel Bridge, esplanade, 3rd, then on to campus. I want to tell you what my commute is because I want to give you an idea about the kind of impact that the funding -- the \$6 million bike funding -- could have on the student bike commuters to PSU.

I just want to mention in 2010, there were 13% bike commuters at PSU, and that fell to 7% last year. Most students said that -- well, 22% of the students polled, which most of the "bike -- yes" people -- said that improved routes to and from campus would actually make them more likely to commute. So, that brings me back to my route.

I start on neighborhood greenways where I am passed by cars going over 25 miles per hour. I move over to Vancouver, which is really our only in and out route to Northeast. I have to go through the Fremont exit, which is very scary -- especially during rush hour when freight and buses are coming through that area -- and then I get to downtown. Now, coming into the city isn't as much of a problem because we have the Naito option and we have 3rd. But leaving the city at night -- as I'm sure all of you know, because you are right here sitting on 4th -- is terrifying. Fourth Avenue between 4:00 p.m. and 6:00 p.m. Is dense with traffic. Every type of vehicle -- including bicycles -- trying weave through this road.

I have been witness to multiple near misses. I have seen vehicles get screamed at by bikes just trying to get their attention so they don't get hit. And so, I'm here asking you to please consider the 28,000 students at Portland State and the 2500 bike commuters when you are allocating funding. We really want Portland to remain a platinum city, but right now, most of us are too afraid of our ride home.

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

**Gerald Fittipaldi:** My name is Gerald Fittipaldi and I'm representing Bike PSU. Some of my friends bike to campus. The ones who don't all say the same thing: "I'm worried I would get hit." Portland has some great bike routes. We appreciate the City's hard work. Diverters on the 50s bikeway help me feel safe biking to campus.

Two things stand in the way of inviting more to bike: gaps in Portland's bike network and aggressive drivers. The gaps are especially apparent leading to PSU, home to 6400 employees and 28,000 students. That's more than double the number of OHSU, Portland's largest employer.

When the politics of bike structure get contentious, we of Bike PSU will give you the political will to make our streets safer. We've got your back. In the audience is brit grachick



June 24, 2015

[spelling?], incoming president of the neuroscience student club at PSU. In April, Brit was hit by a reckless driver. She suffered injuries to her hip and spine. Brit has been brushed off when seeking action against the driver.

Drivers let off the hook continue their reckless ways. Cars are two-ton high-speed pieces of metal that kill 30,000 Americans every year when controlled recklessly. In 2012, 32 coffins were lowered in Portland due to traffic violence. Half were of people killed while walking or biking. Half. Safer street design and a zero tolerance reckless driving policy are necessary for Vision Zero. We need your help. Thank you for your time.

**Hales:** Thank you, thanks very much. Thank you all. Alright, let's move on to the regular calendar. I think our first item is -- let's look at the consent calendar, sorry. I don't think we've had anything withdrawn from the consent calendar?

**Moore-Love:** We have 667.

**Hales:** Oh, there it is, I'm sorry. We're pulling 667 to the regular calendar. That's it, right?

**Moore-Love:** I think so.

**Hales:** Let's take a vote on the balance of the consent calendar, please.

**Roll on consent agenda.**

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

**Fritz:** I know we have Mr. James Posey and various folks other folks here in support of the commission on equitable contracting and purchasing. So, thank you very much everybody for your work on that. Thanks to Bryant Enge for setting it up, and I'm very happy to vote aye.

**Hales:** I want to thank the community leaders who stepped forward to be on this commission for their commitment and their willingness to work together to make the City do a better job. That's what this is about. We're not interested in simply validating what we're already doing, we're interested in making actual, tangible, measurable improvement, which is something I've heard from a member or two of this group that we're appointing. So, we want oh to let you know we are in solidarity with that goal and that's why this commission is important and that's why this Council supports it. We look forward to your work, we look forward to you speaking truth to power -- whether that's the purchasing bureau or the five of us or both -- and to continuing to make us actually get to our goals when it comes to giving people opportunity to get contracts for work in the City of Portland. Thank you for your willingness to serve. Aye. Thank you all. OK. Let move on to time certain 657.

**Item 657.**

**Hales:** Good morning.

**Saltzman:** I have some introductory remarks.

**Hales:** Oh, OK. Commissioner Saltzman will start off and then we'll give Jeff the floor.

**Saltzman:** Thank you, Mayor. It's a pleasure to introduce this annual update for the City Council from Travel Portland on the health of our tourism industry over the past year. It's no shock to report that it is healthy and Travel Portland's Jeff Miller, board chair Jim Dodson, many of the staff and other board members in the audience are a big reason our industry is so healthy.

As we know, Travel Portland is the premiere destination marketing organization and continues to be the go-to location for would-be Portland travelers and conventioners worldwide. We'll hear more about these successes from Travel Portland's Executive Director Jeff Miller.

**Jeff Miller:** Mayor Hales, nice to be here, Commissioners. It's always fun to talk about the wonderful work that we do and in conversation with Commissioner Saltzman this year -- who as you know is on our board -- we thought we'd take a little bit of a back-to-basics approach and talk about the work of the work, how we do what we do, where we invest

June 24, 2015

funds, and what that looks like. We've got our board members here, staff members here, and I get to work with some really, really wonderful people and it's exciting work to do.

I always say if you're interested in an organization, look at their budget and that will tell you what they're interested in and how they do what they do. As you can see from this chart, marketing is the number one budget item, with 37% of our moneys going there. The winter campaign, which is November through March, is the largest piece of that. The hotel said to us, "please invest when we need business the most" and that's in those kind of rainy, dreary, winter months -- which actually weren't rainy or dreary this year. Convention marketing website, the voice of the brand really sits in this budget piece.

Convention sales -- something that is easily counted, 19% of our budget -- most of that is paid for by the Oregon Convention Center and we've also enhanced that with tourism improvement district funds given to us by the hotels.

Global tourism is 10% of the budget, and probably the largest increase in the last few years. And we think the future is in international, as Portland grows its reputation domestically but also internationally.

Communications PR -- while only 8% -- probably is our farthest reach when those journalists tell stories of Portland both domestically and internationally.

Convention services, visitors services, partner services -- also very important. They fulfill the promise when that visitor comes to Portland and shows just how friendly we are and how much fun we have living here and doing what we do. Capital events and certainly the operations with IT and other things are certainly a part of that budget, but let me get into some of that work.

Global tourism -- we have a very, very busy calendar. We have 48 fam tours a year. And many of you are familiar with the convention sales fam tours, but probably not the tour operators that come from around the world to see Portland and put us on their itineraries. We attend 23 trade shows -- some very, very large, like the largest one in Berlin -- 23 buildings of destinations selling their location, it's very amazing to see -- and we're very closely connected to Delta and the Port of Portland. Those direct flights as you know are incredible economic drivers for our region, and certainly our job is to help fill the front of the plane and more importantly, often the back of the plane. We have two large planning meetings with Delta Asia, Delta Europe, and then many, many other planning meetings with them to ensure that our marketing is aligned with their marketing because we want a healthy PDX and we want those flights full.

\*\*\*\*\*: They are. [laughter]

**Miller:** Yes, they are. We also have new Condor and Iceland Air team, and has worked very closely with their marketing teams. The Iceland Air flight has extended as you know -- the first two weeks are completely sold out -- Condor doing very well. That tells us that Portland is on the map.

One thing that we're doing very differently now than we did two years ago is really consumer promotions and these global destinations. We have a lot of tour operators with Portland packages, but what we found is we really needed to tell the story of Portland more authentically and tell it to the consumers so that they're buying those packages. Our promotion last year was with Thomas Lauderdale and Pink Martini. He had a concert already planned in Paris. We took over the lobby with Delta, we had a week on what would be their KINK radio, that radio station then came here and broadcast back to France for a week. We did giveaways. Thomas talked about this great place, Portland, where he lives. And those kind of consumer promotions put us on a different playing field than we've ever been and we're really proud of those, and I'm proud of the team for coming up with that.

Most people don't know that we're in 19 countries. We work very, very hard around the globe and nobody has an idea of what our reach is and what we're trying to do for



June 24, 2015

Portland. We have seven foreign language websites -- Japanese, German, Dutch, French, simplified Chinese, traditional Chinese, and Portuguese. I've given some of the brochures that we've done in other languages, too. We are truly a global organization and really proud of that.

This is our new trade show booth at IPW, you probably saw it last year. Commissioner Saltzman joins us at ASE for the convention trade show. This is the biggest international show in the U.S. On the right, we have folks from Asia, on the left, folks from the U.K, and I think the center is either Germany or France. So, when you see these in action, it's a lot of fun.

Partner businesses. These are the folks that -- as I said, we want to bring business to Portland and Portlanders and its economic development. Tourism a big engine. 838 partners, and we've had a special push this year to increase our MWESB, especially on the minority side. I'll take about that a little bit more. Business to business networking events so that those partners, those small businesses can understand how they can partner with each other and partner with Travel Portland. And then a new effort this year has been brown bag lunches. One coming up is Billie Moser, our VP of global tourism. We'll meet with partners and have a brown bag to talk about, how can you connect with Travel Portland? How can you get more of that business? What do you need to do to be China-ready? What does that look like in your business, and how do we help you get there so when that tourist shows up, you know how to treat them, you know what that feels like and how to partner with us?

The visitors information center in Pioneer Courthouse Square seats over 600,000 visitors a year. It's pretty phenomenal. And that's separately from TriMet and the other parts of that building. We love what's going on down there, and we have 72 volunteers that help us with 12,000 hours. And they are passionate about this place Portland. We're working with the James Beard Public Market, and they will unveil tonight one of the new designs. We want a visitors information centers there, too, because we know that will also be a place for visitors to gather. We think we should be in both places there. So, we're excited about that.

Marketing. You have the Travel Portland magazine there. We produce a lot of these every year, so if you need them for visitors or your office, please let us know, we're happy to supply those. We distribute them far and wide. It's not only a lure piece, but it's something we find people bring and they've dog-eared the pages and see things they want to do.

One of the things that we've worked with RACC and we developed an events calendar that's 12% of the entire page views of [travelportland.com](http://travelportland.com). It's something we think we can do a better job of talking to locals about -- what is Travel Portland, number one, and what's that events calendar? At any one time, there are about 700 events on that calendar. 709 contributors. Anyone can contribute to that, and it's a great place for Portlanders -- not just visitors -- to find out what's going on this weekend when they've got family in town and other things. We're going to do a local push -- which we've never done before, but we think that's the place to do it.

Social media. Obviously very, very important to us. We have a separate website for the meeting side of the business that gets 25,000 hits a month. We have lots of trade show booths -- eight of them -- 20x20, 10x20, and all sorts of sizes -- and you've seen one of those. But the marketing folks really are the brand of what we do.

Here are the Travel Portland website visits. As you can see, it's grown significantly over the years. One of the things that we did last year -- when DMI went away, the downtown marketing went away, we took ownership of [downtownportland.org](http://downtownportland.org) and Dining Month Portland and incorporated those into our website. So we have a much, much more

June 24, 2015

robust downtown presence there, and we can redirect those folks to our website. It was a way we were able to hold on to those URLs. We work directly with the business alliance in that program as it's been funded to keep that robust and make sure it works well.

Dining Month. The reason March was so big -- Dining Month Portland is a huge promotion for our restaurants. They love it, it fills the restaurants when they need the business. We're able to promote it in Seattle, Vancouver B.C., and get those other visitors down. And that spike is partially because of Dining Month, that's how big it is.

You may've heard, we built a clock. It sits at the airport, it's 25 feet tall, the largest free standing cuckoo clock in North America made out of a single piece of Oregon maple. It is nothing short of phenomenal. We had it in Seattle and in Vancouver B.C. to kick off the winter campaign. We took Portland personalities with us. We took naked bike riders -- who were in leotards -- we took Steven Smith who did a tea-tasting there, a poet, comedian, a band, and each hour a new Portland personality would come out. One was santa-squatch, you got sit on santa-squatch's lap and ask what you wanted to Christmas. Just with the two clock showings, we had 67 media placements -- articles and online articles -- about the clock and about the winter promotion -- 115 million impressions, and we got 2.9 million dollars' worth out of media value out of that one clock. It'll be at PDX until next March and I would say that there's easily 300 to 500 selfies a day with that clock. It is a working clock too, by the way, and was produced locally.

The winter campaign. We always like to measure what we do to make sure that it's effective for the people we're doing it for. We asked Smith Travel to give us a projection -- looking at our convention calendar and everything -- during that November to March time period -- what do you think will happen? They thought we would sell 4% more rooms, it was actually 4.5% more rooms. So, we feel like we had a little bit of an effect there.

Intent to travel. We asked west coast travelers, "are you extremely or very likely to come to Portland in the next 24 months?" Last year, 28% of them said yes. This year, to 37% of them said yes. We're moving the needle and getting to the hearts and mind of those travelers.

We asked longwood to measure, what is our advertising worth in incremental spend? They said that last year, we got \$64.7 million more spending that we would not have gotten had we not advertised in that time period. This year, it was 70.1. So, a pretty nice increase. And that is money in businesses small and large.

Communications PR. Again, one of the most important things we do. Through the third quarter of this year, there have been 535 articles featured on Portland that our team has touched. There have been many more than that, I'm sure, but our team's worked with that many. You can see 407 domestic, 128 international, and we've worked with 150 journalists -- and that's touching them, talking to them, touring them, or providing information to them. That's a lot of people that have an interest in this place. We do media tours and we have PR contracts with Lane PR, a local company that talks about west coast media; Sunset Magazine; those sorts of things. We've just engaged Laura Davidson out of New York to talk to national media and who are those publications and what are those places that we want to have to tell the special story of Portland. You can see the ad values are up. Very large numbers and very, very important.

One of the initiatives that I've talked about before but we're very excited interaction is diversity and strategic relationships. And many of you have met Tamara Kennedy-Hill, who heads that up. Her title was Director of Community Relations and now it's Director of Diversity and Strategic Relations because we wanted to be explicit in what that work was and what our goals were in that position. We're moving forward very clearly on that. We have a committee of the board, the community action committee, that looks at development, public safety, transportation -- what are those things that affect tourists. On

June 24, 2015

diversity, we have a multicultural advisory council that we're asking opinions on the work that we're doing, especially on the convention side. But also, Tamara helps coordinate our internal efforts -- what are we doing and how are we doing it together? And then the liaison to the chamber and the community groups to make sure we are listening and hearing. We just had a group from the Jade District come and talk to the entire Travel Portland staff about what's going on there so that we do a better job of selling that, so it was great to hear them here this morning.

There are a lot of jobs in hospitality, so how do we connect our hospitality partners to those career fairs? We have a small foundation that we are able to give for people moving in to hospitality jobs, and we do that with the Hispanic Chamber and other places. Something very, very important to us, and it's a position that's taking greater and greater importance.

Convention sales. We can count those room nights very, very clearly. We attend 34 trade shows, we have 90 site visits and that's for meeting planners that want a more personalized view of Portland and what they need to see. We do three fam tours. Many of you have been to those. Mayor Hales was just at one of our fams doing a welcome and I thought you did a great job talking about getting the place ready for them over many, many years. They loved that.

We have a customer advisory board, and those people are meeting planners that give us advice on our programs and are we doing things well. That's coming up July 8th and 9th. We have one of those members in town this week, Jan Sneegas, and she represents the Unitarian Universalist. They have a 5000 attendee, 9200 room nights, and an economic value to Portland of \$4 million. Really important to have those CAB members also be customers and love us, and we are always excited to have the Universalists back there. They're kind of a good, core group of Portland and they are the greenest group the Convention Center ever sees, and they push us really, really hard, and it makes us better at what we do because they are so interested in all sorts of stability.

We also -- as we talk about this diversity effort -- we work with Su Público to help us produce some videos for that meeting planners, those diverse meeting planners. We've done that with African American, Asian American, and Hispanic. And I'm going to show you the African American. These aren't released yet, but this is the first preview. [video] [music]

\*\*\*\*: African-Americans in Oregon are pretty unique to most other places. It's an environment that's loving, and it embraces interesting and new people that come to it.

\*\*\*\*: It's a very diverse city. We have lots of different food and culture and dancing and people.

\*\*\*\*: I think we have a festival of some sort every single week.

\*\*\*\*: You can drive an hour in any direction, you can hit the snow, you can hit the ocean, you can hit the desert. You know, you can ride your bike to and fro. It's easy, it's simple.

\*\*\*\*: This is an excellent place to come on convention, and then you can vacation after the words.

\*\*\*\*: I believe Portland is a great art city. It's a very lively, very vibrant community.

\*\*\*\*: It's easy to get around. We have everything that a major city would have, and that will draw them to come to their community. This is a place where you can get the best food, the friendliest people, a good rate on a hotel, and outstanding -- and I say outstanding -- convention facilities.

\*\*\*\*: You need to come here to feel it and experience it. [end of video]

**Miller:** The hashtag for that is mypdx. We'll use that on the social media site of all of these and really engage those meeting planners. This will be on our website, we'll use it in promotional ways. We're really excited about being able to do that and talk directly to

June 24, 2015

those communities. Many of you know, we did a meeting planner survey a few years ago and we asked them, "what do you need out of a destination?" And so we're building that tool chest continually so we can talk to those people and help them find their community when they're in Portland.

Convention services has to fulfill all the promises that the sales team made, so we do a lot. We distribute a lot of promotional materials, we have the TriMet program that we help with. We have a housing department that helps book rooms for those groups that ask us. You can see 3200 of those. And at the end of the day, again, economic development. We want to push leads out to those meeting planners so that they use local businesses and create that business for them. A lot of groups, a lot of sight tours for clients who need that personalized experience to find the right offsite venues, the right caterers, other things.

We also go the year before to very large conventions and kind of whip them up and get them excited about coming to Portland the following year. So, we think that's important and meeting planners love that.

These are the stats, these are how many citywide convention groups we've had the last three years. We're just going into 2015-16 and we'll add a few more in the year for the year. You can see significant numbers of room nights on those citywide conventions. You can already see that 15-16 is more than last year -- and we know we'll add some to that -- with very large economic impact. We were very conservative. This does not include multipliers, it's what our calculator -- which is a national calculator that we use -- says.

We also book a lot of single hotels pieces for conventions. So, smaller meetings -- five to 500 people. Again, a lot of room nights and a lot of economic impact.

I want to talk a little bit about visitors development fund board, which is separate from Travel Portland even though we manage the paperwork and the assets of that. Commissioner Saltzman and Commissioner Fritz sit on that board, and it's comprised of elected officials from each jurisdiction, five hoteliers, and two rental car folks since they're paying the taxes for this, and two Travel Portland people. The funding for that in the new agreement is \$645,000 a year, which goes up by CPI, and then a flat amount of 875 that was from the refinance of the Convention Center bond. So, we have about a million five coming in a year.

The visitors development fund has made grants the last two years, as you can see here, and the amounts of those. We're spending the money very wisely, we think. The economic impact of those 45 grants in 2013 was over \$73 million with an ROI of 24.3 to 1. The average grant VDF grant is \$52,000. These are not huge grants, and most of that is used to buy down the rent of the Convention Center so that we can lure that group to come at the sort of guarantee you'll come if we help do that.

This is the checkbook, and you can see the amount of money coming in. We had some carryover moving into 2016. You can see the commitment is already made each year, the promises we have made out of that, and there's not a lot of money left of that in 2016. A little bit more in 2018. It looks like a fair amount in -- excuse me, in 2018 a fair amount, but 2018 is a need year for Portland. We're struggling to book the number of conventions that we need, so we're working really, really hard on that. We will need to deploy that money very, very carefully.

Here's a good place I think to talk about IAAF 2015. We're very excited about them coming here and what it'll do for Portland. We applaud the City Council's support of that. One of the reasons -- I heard as they were testifying that we had limited them to \$100,000. And we hadn't limited them, we had saved them \$50,000. We knew we could probably get to 100, but they were making an ask when their event is next March. Everyone generally asks two or three years in advance. So, we had spent the checkbook down and we were



June 24, 2015

afraid that we weren't going to have enough money for them. The board at this last meeting went back and looked at it. We were able to come together and pull out \$175,000 for them on a \$250,000 ask. And we're looking at other ways we might help them, but we needed them to come a little earlier and plan this with us so that we could be good partners.

One thing we're also talking with them about -- the IAAF folks -- we've been awarded in Oregon and Eugene the 2021 outdoor championships, which is fantastic. But there's a move afoot to raise the statewide lodging tax by 1% to pay for this, and we're concerned about that. We're at 14.5% -- 12.5% lodging tax, 2% TID, and we are just below our competitive set in the amount of taxes that we charge meeting planners. So, we're concerned about the fact that we'd raise this to 15.5%, which would make us not as competitive. We still have the issue of the Convention Center and not having a headquarters hotel. We also know that we have plenty of venues in Portland that are going to need help. The amounts that they're looking for for this event are \$75 million in renovations to Hayward Field, plus another amount for the event. We know that we have 75 to 100 million dollars' worth of work at VMC. The Portland Expo Center as three 90-year-old buildings that need help. We've got a lot of things that we were at that table having that conversation, we're working with Susan Hartnett who has been a great partner of ours, the Metro, the County folks to really talk about what are the needs in Portland. And when you look at the amount of taxes collected just in the City of Portland, it's about \$5 million a year this year. That's 33% of the entire state's lodging tax collection when you look at the 1%. So, we want to make sure that we can be partners in helping the 2021 happen, but also understanding Portland has needs we need to take care of at the same time. Again, we really want to be partners and we're exciting about it, but we really want to be at that table and we will be at that table with you and with many others.

I wanted to briefly show you how a convention in a good convention month actually does affect the tax rolls and the tax that we all get. In April of these year, we had 13 conventions booked at the Oregon Convention Center, which represented over 25,000 room nights. 12,800 of those were the craft brewers conference. This was not only big, but it was good for Portland because we are the home of craft brewing, we own that, we're very proud of that. It was business development I think for us. The occupancy that month for hotels went up 7%. The average daily rate went up \$21 to \$143. Revenue for hotels went up 24%, and we know the tax rolls go up -- the tax collections go up about 24%. So when we have a robust month of conventions and big conventions, it affects how those taxes are collected and it makes a difference.

My last few slides -- and I'll be very brief with these, but I thought you ought to see what's happened over the first four areas. The occupancy rate in 2011 was 68.7 for the entire city of Portland hotels for the year. This year, it's 76.7%. Phenomenal. Now, we've got a lot of new hotel product coming on, so that's a very good thing and that occupancy may go down but we will sell more rooms, which I think is important here and this is a calendar year. The average daily rate was \$106.77 in 2011. It's now \$132.13. And on some weekends in Portland and days when we have conventions, you won't find a room for under \$300 or \$400 in downtown.

The revenue growth for the hotels has gone up as you can see 8%, 10%, 10%, and 13% last year. And you already know what this year looks like, because you see the tax collections. This is the five year tax collection increase. 2011 was -- our 1% to Travel Portland was about \$3 a year, just slightly over that. This year, if we get a \$17,000 check in July -- and we know we will -- we will be at \$5 million. Five times that is certainly your take. It's risen from \$15 million in that 2011 year to \$25 million this year. It's a phenomenal increase. You want us working and doing this program of work to feed that engine and

June 24, 2015

create those taxes and really grow your ability to use that and our hotels and small businesses to grow with us. And Portland is happening now, as we like to say. With that, I'd be happy to take any questions.

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

**Fish:** A couple questions. Thanks for the presentation. We learned this past week that Charlotte got the NBA all-star game, and so it's pushing back our aspirations. So it begs the question in my mind, how much business are we currently losing because we don't have a headquarter hotel?

**Miller:** We lose each year probably about 15 pieces of large citywide conventions because of the lack of that hotel and hotel package. It's huge amounts of economic impact, hundreds of millions over the course of a few years.

**Fish:** My recollection is that we were also hearing from the NBA that that was sort of a prerequisite, to have a headquarters hotel.

**Miller:** It is, and I heard yesterday that 2020 would be the 50-year anniversary of the Trail Blazers, and that would be the sweet spot, we should have the hotel open by then. And the Trail Blazers are leading the charge on the bid, but we right with them with the Oregon Sports Authority and others to make sure we are a destination that they are going to pick very soon.

**Hales:** Other questions for Jeff?

**Novick:** Yeah, I was wondering, what is the thought in the industry about the impact of Airbnb etc. on hotels? Is there competition? Is there not competition? Is the jury still out?

**Miller:** I think some would say the jury's still out in some ways, but the representative from provenance hotels says it's a very different animal and it's bringing a consumer we might not see in a hotel -- family, people that want to stay in neighborhoods. So, as we look at our tax collections from Airbnb and kind of figure out what we think those are -- it's been a significant driver of taxes, and the hotels are certainly not feeling it, as you've seen the statistics. The consumer that's picking Airbnb is probably not looking to spend three or four hundred dollars a night on a hotel room, and they're looking for a different experience. We think it's additive, it's not competition.

**Novick:** I apologize if you said this and I just missed it, but what's sort of the breakdown of visitors to Portland in terms of in-state, out of state, west coast, Midwest, northeast, international?

**Miller:** It's a little hard to tell sort of the number. We know we get over eight million visitors a year. We know international is growing. Because we don't have a sales tax, we do get some visa view information on international. We know that Japan is our number one in-bound market; China is just barely number two -- and that's increased in the past three years; Germany and U.K are right after those; Australia is coming on very, very strong, which I think is surprising to most people. Within any destination, we know -- as we say -- the rubber tire market -- Seattle, Vancouver, Oregon, northern California is our biggest market, Canada is our biggest international not-overseas market. So, that's why we do the winter campaign from Vancouver B.C., Seattle, and regional, because we know those people -- they know the rain. And we've done focus groups -- they are more than willing to come here when it's a little damp and wet. So, that's gonna always been our most important market, but we have to look further afield as we think of the brand of and what's our role in international marketing as we go with PDC to Japan or other places. I feel like we sell the lifestyle of this place -- do we have the business infrastructure, kind of the basics -- but what's that going to look like? What's that city like? That's our role. And we work closely with all those agencies to do that.

**Fish:** Jeff, I have one more question. It goes back to the grant-making. I want to ask you a philosophical question. When I served on the Oregon Cultural Trust board, there were

June 24, 2015

people who urged that we make fewer grants at a larger amount to really have an impact on organizations versus lots of grants, smaller amounts. Your average grant is between 50 and 100. What are the pluses and minuses of, say, betting the house on one event versus spreading the money around on lots of events?

**Miller:** We have very strict guidelines that the board has adopted. Between November and March, you have to have an ROI of 25 to 1 at least to get a grant. And we look at that based on economic impact, the number of room nights, and just purely calculate what that 25 to 1 would be. You can get a larger grant if you come during those months, and it's strictly based on your ability to bring us business. In the summer months, it's 40 to 1. So, it's a little harder to get a bigger grant. If you're gonna be here in July, the hotels don't need the business as much, we're full with transient demand. So, we look at it from an ROI standpoint. We do some one-offs, depending on the group. If it's a sweet spot for Portland, we'll go a little below those, but we look more at what's that business going to bring us back as opposed to small or large. If you've got a huge event and you deserve \$100,000 and can sort of make that work, then we'll give that you grant.

**Hales:** Other questions? Jeff, we just appreciate you and Commissioner Saltzman getting this presentation before us, although we have obviously two of our members that serve on the visitors development board and serve us well there. It's good for the Council and the whole community to hear how this is working. There's a great deal of public revenue involved and public expenditure that we rely on your organization to use well. And obviously, getting great results. We appreciate the presentation. It's good for the community and the whole Council to see the report about how this is working and where we have to go next. Thank you.

**Miller:** Thank you so much. Thanks for that trust.

**Hales:** Thank you, good work. Now, we're moving to an ordinance item, which is 658.

**Item 658.**

**Item 659.**

**Hales:** OK, this is a long-awaited discussion about important documents for a part of the city where we've had big hopes and dreams -- some of them now actually coming true. We have a presentation to start off from Patrick Quinton and Geraldene Moyle from PDC, followed by some invited testimony from Jay Zidell and his team, and others as well. Let me start off by asking Patrick and Geraldene to walk us through the staff recommendations.

**Patrick Quinton, Executive Director, Portland Development Commission:** Good morning, Mayor Hales; good morning, Commissioners. This is a milestone day, and so we're very happy to be here. As the Mayor mentioned, I'm joined by Geraldene Moyle, who will basically do the presentation. I'll kick it off, but I do just want to acknowledge upfront the incredible work that's happened over a long period of time. Geraldene and I go way back personally on this. Working on South Waterfront was my first assignment at PDC, and Geraldene has been working on this the entire time. It's been five of six years on this alone, and it's taken a lot of work by a lot of people within the City, PDC, as well as our partners with ZRZ. I just want to acknowledge all the great work.

We're here today to ask you to adopt both the development agreement that you're all very familiar with between PDC and ZRZ Realty and other City bureaus, and as well as authorize PBOT to enter into an IGA to begin the initial work on Bond Avenue. I just want to highlight -- as part of adopting the development agreement, one of the things you're doing is in addition to agreeing to all the provisions within the agreement, the Council's action provides direction to all the City bureaus that are part of the development agreement for them to begin to work on their pieces of it according to the time frames established there, because there will be a series of IGAs that come about as a result of

June 24, 2015

this work. But the two actions today are to adopt the development agreement and to authorize PBOT to enter into the IGA on Bond.

We a few months back came to you to talk about -- to act on the urban renewal area changes. We spent a lot of time talking about projections for resources within the North Macadam Urban Renewal Area. You recall that we talked about these two different scenarios, the scenarios of what it looks like in an amended urban renewal area without a development agreement with ZRZ, and one with. We adopted the urban renewal area changed to North Macadam under the base assumption -- and that's what you see there on the left. What we now have the opportunity to realize is actually the more optimistic resource scenario that comes from development happening on ZRZ property. You can see the expanded resources here.

More importantly, what it does is it opens up a pot of resources for us to truly fulfill our affordable housing obligations. You see the \$13 million increase there. In addition, you see the ability for us to put money towards significant open space outcomes, both on the greenway as well as the down payment on the purchase of a parcel of land for Ross Island Bridge park. So, we really do have the opportunity to fulfill the vision of South Waterfront through the adoption of development agreement.

As I mentioned, the vision for South Waterfront -- if you go beyond the actual dollars we're putting to work and what the City's outcomes are -- you can see here the broader outcomes when South Waterfront was created -- when the North Macadam URA was created, we talked about things like 10,000 jobs, housing units, obviously affordable housing units is part of that. And kind of midpoint, people were saying, "well, South Waterfront is a failure, we're not achieving those outcomes." And I think we're now seeing that it's actually going to be possible to get there, but unlocking development as part of South Waterfront is going to be what's going to get us there. And it's because of other investments, as well as what the City will do. The most important ones are the opening of light rail, which is slated to happen in a few months now and we can already see the excitement on both sides of the river and what that's gonna mean for development. We didn't know about the Knight cancer challenge when the district was created many years ago, but we now see that's going happen and we can see what's going to happen in terms of the buildout on the OHSU campus, and we think there will be significant spillover effects from that. And then of course, now we're here to talk about what can happen on the property owned by the Zidell family. That provides the significant opportunity for private development to happen. Everything that happens on OHSU is basically a nontaxable development, so the private development will happen on the ZRZ property.

Before I turn it over to Geraldene, I just wanna -- I did talk about the beginning, the length of time we've been working on this. I'm not going to run through this in great detail, but I do think this is an example of the power of this type of long-term thinking when we think about how to make catalytic development happen in this City. This is not an overnight process, it's very different than individual projects. It's very difficult than conceiving of a building and going through design review and whatnot. This is bringing together parties with diverse interests, you're thinking about how to create outcomes that are 20 or 30 years out.

This timeline shows you what has happened over the past five years. It hasn't been a completely linear process, but it never is. It took bringing together all the different parties, it took something as significant as light rail to bring parties the together to talk about the alignment and then that partnership led to negotiations around this, and then it also included bringing together different City bureaus and beginning to think about their own objectives for this. Zidell obviously -- they've made a significant investment in the cleanup of their property. So, a lot has been happening in the time period where supposedly



June 24, 2015

nothing has been happening, and now we're actually here at a point where we can realize the benefits of all this work. With that, I'll turn it over to Geraldene who can walk through the elements of the development agreement.

**Geraldene Moyle, Portland Development Commission:** I'm Geraldene Moyle with the Portland Development Commission, and I'm going walk you through the phasing and some details from the development agreement.

The first phase is from 2014 to 2017, and we've structured the agreement such that the public structure is in alignment with the development. So as private development occurs, our public investment in infrastructure occurs. With OHSU's Knight Cancer Center projected to be open in 2018, the first part of Bond Avenue is built, and that's the part that connects from River Parkway to Porter Avenue. With Zidell's Block 6 project, we built another part of Bond Avenue, what we call the Moody connector, which provides access back to Moody and access through the district. That's projected to be July 2017 in terms of construction starts. With Zidell's Block 4 project, we build another part of Bond Avenue, the part from Wood Street to Grover Street. I think the important thing to note is we only initiate that design if they're also building Block 6 concurrently so that we can exercise efficiencies in our Bond Avenue construction. And finally, with their Block 1 project, which is adjacent to the existing Emory building, there would be potential for an underground and overhead PP&L line that's adjacent to the project.

We also start to look at different districts with phase one, so phase one stormwater district systems, and also energy -- so district energy system. And mostly, it's focused on viability.

With phase two and three, which is projected to be 2018 through 2025, Zidell is projected to have a million square feet of development. And with that million square feet, our focus on public investment is on the greenway. So, that's the greenway from the Marquam Bridge to the Ross Island Bridge and a connector back to Moody Avenue. The thing to note is the development agreement triggers design of the greenway, with design of projects in phase two. We don't actually contract until we have 75 million of assessed value, because that provides the TIF projected to do the greenway. So, it's tied to the assessed value of the projects that Zidell would bring online. In addition, there's an affordable housing option in phase two and that is highlighted in the purple rectangle, and we'll go into detail on that in a moment. We also start a park partnership with Zidell's in regards to where a park might be, size, location, and programming-wise. And the district systems are constructed, so that's district storm water and district energy.

Finally, there's a phase three that could be included if development occurs prior to the end of the URA in 2025. We've structured the development agreement such that if there is additional TIF available, PDC has the ability to use that TIF for additional work in the district. That's Bond Avenue, Grover to Gibbs, which completes the couplet -- the Bond-Moody couplet that provides district access. Then also the greenway component that is south of the Ross Island Bridge to Gibbs. I think the other thing to note is as phase two development gets to 750,000 square feet of development, that triggers that final piece of Bond into design as well, because we need that final piece in order to have the couplet complete.

Just a summary of the investment of public and private dollars with the development agreement. There's 24 million of TIF invested in infrastructure. There's an additional 4 million in TIF affiliated with the Knight Cancer Center, and that's a piece of Bond that's north of Porter. Additional public investment with other entities is 7 million, which is about 35 million total investment in infrastructure. On the Zidell private side, there's an equal amount of investment in infrastructure so that their work to-date on the greenway, that is the east-west streets and other infrastructure within their development. And finally, the

June 24, 2015

development agreement outlines 1.5 million square feet of expected private development and an assessed value of 210 million. We need that 210 million of assessed value to get the 35 million or 24 million of TIF that then allows us to do our investments.

We're now going to focus on some of the details. With regard to North Macadam and the affordable housing approach, the 2003 housing goals for North Macadam included 479 units serving 0 to 60% MFI. Achieved to date, you'll see in this graph is 209 units with the Gray's Landing project. In April of this year, an RFP was issued for Riverplace Parcel 3, which is at the north end of the district. This RFP included a program requirement for a minimum of 200 affordable housing units serving 0 to 60% MFI, and of those units, for 90 to serve 0 to 30% MFI. We have three proposals that we received for that RFP, and the selection and evaluation committee is currently reviewing those proposals.

We also are including an affordable housing option in the development agreement with Zidell. This is a summary of that option. You can see the purple dash that we looked at on a prior map is now a yellow rectangle on this map. The PHB option includes the ability to purchase a parcel in development capacity of at least 180,000 gross square feet within that yellow rectangle. Depending on the unit mix, that equates to approximately 200 units. The option in the development agreement includes an understanding of appraisal instructions in terms of title encumbrances, environmental conditions, and any demolition that might need to occur on that site. As that timeline is worked out, we will have a purchase price for that property in July 2016. That option will also include an escalation rate that's based on the CPI up until that time that option is executed. We're projected that option should be executed in 2021. With Riverplace Parcel 3 currently underway and this project, those are two projects that could forward the North Macadam affordable housing goals.

**Fish:** The appraisal process sometimes is cumbersome and has not always worked as smoothly as we would have liked in other settings. What have we learned elsewhere that is informing the way we're establishing the mechanism to develop a fair price? Fair to the developer, fair to the public.

**Moyle:** We have learned from the most recent projects that it's important that the appraisal and the purchase price be agree on now, and that the escalation rate be agreed on as well. So, there's an understanding of what we're purchasing and what price we're purchasing so that the ability to accumulate those funds for purchasing the property is pretty clear. We've set up the appraisal approach such that both PHB and Zidell are getting appraisals concurrent. If there's an agreement or discrepancy between those two, there's a third party appraisal outlined already.

**Fish:** And my understanding is Commissioner Saltzman would be the party to make that call, is that correct?

**Moyle:** [laughs] Sure.

**Quinton:** So if you just contrast this with the current negotiations with Hoyt Street around that property, that's the difference. The appraisal would be happening up front so you don't have these disagreements over how much the City's investment contributed to the value. You're basically doing it that at the beginning of the process, so we take out that tell judgment call that has to happen, whatever, 10 years out -- you know, what's the value of public investment. I think that's one of the big lessons. And Javier is here if you wanna ask him.

**Fish:** It's fine. And the earlier chart showed that after Parcel 3, what's left at 0 to 60, and it looks like with this particular parcel to be determined, we can satisfy almost all the remaining obligations at 0 to 60. Is that correct?

**Moyle:** That's my understanding.

**Quinton:** Yes.

June 24, 2015

**Saltzman:** And so by July of next year, the parcel and the purchase price will be agreed upon?

**Moyle:** By July of next year, the purchase price will be agreed on. The actual location is somewhere within that yellow rectangle.

**Quinton:** You'll have an agreement on the price and you'll have an agreement on the escalation, but the purchase price will ultimately be what that number is calculated at the end because it's determined based on how many years it takes and what the CPI has been over that time period.

**Fish:** And are you guesstimating that the option be executed in 2021 because you're factoring in first the completion of the Block 3 and additional TIF being generated? What's the assumption behind 2021?

**Moyle:** Part of it is the two things you mentioned, another part is that building is currently being leased to OHSU and their lease is up in that timeline and we'd like to know if we're moving forward with that PHB project before OHSU is asked to leave the building.

**Hales:** OK.

**Moyle:** One of the other components of the development agreement is the Parks partnership. This slide shows an outline of the timeline for that partnership. By October of 2018, Zidell and the City will answer into an open space concept plan process which will focus on the Ross Island Bridge park in terms of determining the size, location, conceptual design, and potential programming for that park. It'll also take into consideration the greenway concepts and could initiate greenway concept design prior to construction of that. It will take into consideration Zidell Yards other open space included in their development, and it'll also consider what development is being proposed on phase two around the potential park. We wanted to make sure that there was opportunity for the new users, if you will, the employees and residences of Zidell Yards to have some input into that process.

The concept plan process ends in an acquisition option, and that's projected to be 2019 through 2021. That option outlines a timeline for acquisition, a purchase price for the park property, and a construction schedule for the design and development of that park. In 2022, you might recall from our URA amendment budget that we have projected \$5 million to go towards the acquisition of the park.

Another thing to note is that post-acquisition detailed park design occurs on the park, and that includes a public design process -- and so the actual what that park would look like, the components of it, that's part of the detailed park design process.

And finally, there is the ability within the development agreement for Zidell to fund construction of the park in exchange for SDC credits as permitted currently by the code, and/or Zidell may choose to donate property for the park as well.

**Fritz:** And Parks may choose to accept it or not, depending on what we agreed. I know the answer to this question, I know it's come up in public testimony -- why did we not have a similar agreement for Parks in terms of the purchase price versus the Housing Bureau discussion you just had?

**Moyle:** In terms of the timeline?

**Quinton:** Oh, market value --

**Fritz:** For Parks, it's market value at the time of sale versus the current cost, pre-public improvement.

**Moyle:** I think that could be part of the acquisition option. We need to go through the open space concept plan process first to determine the size and location. The acquisition option includes the purchase price, and could include a similar escalation scale -- if you will -- that's tied to CPI. That needs to be negotiated as part of the acquisition.

June 24, 2015

**Fritz:** And is there any limit on the expectation of system development charges outside of the North Macadam URA being used for purchasing the park?

**Moyle:** At this point, we have identified \$5 million of PDC TIF. This timeline allows the Parks Bureau to identify additional funds for the acquisition of the park.

**Fritz:** Is there an expectation that there would be unlimited funds -- that the sky's the limit in terms of the purchase price?

**Moyle:** I don't think there's an expectation that there will be unlimited funds. If TIF and SDCs cannot fund all of the acquisition, we would have to seek other funding like grants or other public agency funding.

**Fritz:** I will just add that from my perspective as Parks Commissioner, there are many parks needs citywide and especially in the central city, and so my expectation is it's not an unlimited amount available for parks in this area. Although I certainly appreciate the collaboration and the expectation that we're going to be able to get to an agreement both on the open space concept plan and also the purchase price.

**Quinton:** The development agreement doesn't commit Parks to purchase the property, so there's no commitment on the expenditure of the parks [indistinguishable]

**Fritz:** That was the answer that I was --

**Quinton:** Yeah --

**Fritz:** Thank you.

**Moyle:** One of the other components of the development agreement is district stormwater. What we've outlined in the development agreement is a partnership primarily with Bureau of Environmental Services but also with PDC, PBOT, Parks and our bureaus that may have a part in district stormwater.

One of the things we need to do is solve the stormwater solution for not only the Zidell Yards private development, but also Bond Street and the park and affordable housing. This partnership builds on an EPA grant that the City and Zidell jointly acquired a couple of years ago that looked at district systems. In this slide, you can see a few of the opportunities for district stormwater that were explored. That partnership will continue to explore opportunities for public and private green infrastructure, mixing those waters if you will, and explore the potential to exceed the City's existing requirements as well. And again, the solution is needed to serve both public and private projects within the Zidell Yards master plan.

**Fish:** I think it's worth noting that the reason this piece of the deal is so complicated is that we didn't have the opportunity to connect into the Big Pipe.

**Moyle:** Correct.

**Fish:** So we have to do sort of a work-around and create a district stormwater solution.

**Quinton:** But also -- it doesn't get a lot of attention, but this is one of the benefits to negotiating a development agreement like this. You get to address other infrastructure needs on a district scale and be thoughtful about it in the beginning and anticipate -- we can anticipate the amount of development that's going to happen and then we can plan for a master solution that I think has much better outcomes for the public.

**Moyle:** Finally, as part of the development agreement, all of PDC's current policies apply to the private and public projects within the DA, and that includes our business equity program, our workforce equity program, the South Waterfront project apprenticeship agreement which I'll provide a little more detail on shortly, our green building policy, and the 2% for art policy where on in public infrastructure projects with PDC dollars, 2% goes towards art.

In regards to the South Waterfront apprenticeship agreement, the development agreement includes an update to this agreement. It was first established with the central district development agreement, and the new updated apprenticeship agreement revises



June 24, 2015

the boundary for the policies and requirements of this disagreement to include OHSU properties in South Waterfront -- that's not only their central district properties, but it's also their Schnitzer campus -- and then also the Zidell Yards properties. The properties you see on this map in pink would be subject to the South Waterfront apprenticeship agreement. This agreement requires all projects to meet PDC's equity policies, procedures, and specifications focused on minority, women, and emerging small businesses.

Finally, the other item before you today is to authorize the PDC-PBOT IGA for Bond Avenue design. This IGA is for \$500,000 in fiscal year 15-16, and it focuses on 30% design of Bond Avenue. For the full alignment, we need to understand how the road connects at Gibbs and at River Parkway and what the elevations and general design of the full Bond Avenue is. It'll further the design of certain segments affiliated with adjacent OHSU and Zidell design and construction. So, you might remember the phase one slide. We built a piece of Bond as OHSU builds their building, we build another piece of Bond as Zidell builds their Block 6 project, and another piece with Block 4. This sets the stage for initiating and furthering the design for each piece as they initiative and further their design of their adjacent projects. With that, we'll also refine our construction costs. Construction, which is also funded with TIF, would come under a separate IGA before you once we know those construction costs have been finalized. And finally, the IGA is subject to the approval of the development project.

**Hales:** OK. Questions for Patrick or Geraldene at this juncture? We may have more at the end, but questions now? Thank you both. Now I'd like to call Jay Zidell and Matt French and Dennis Allen from ZRZ. Good morning and come on up.

**Jay Zidell:** Good morning. Jay Zidell, President of the Zidell Companies. [laughter]

**Hales:** They are going to let you go first.

**Saltzman:** They're silent partners.

**Fish:** You're on your own, Jay.

**Zidell:** OK. For the record, I have Matt French on my right and I have Dennis Allen on my left.

**Hales:** We know how shy they are, so that's why you had to do that.

**Zidell:** Exactly. Mayor Hales; Commissioners Fish, Fritz, Novick and Saltzman, I want to thank you for the opportunity to appear before you today.

I first started working on a full-time basis nearly 45 years ago, and have been coming to the same office for that entire time period on Moody Avenue. During that period, we have seen enormous change in the area, which has gone from a nearly industrial district to a rapidly-transitioning new neighborhood. Our family has in one way or another been operating at the Moody Avenue site since 1929 -- nearly 86 years -- and it is fair to say that the Zidell family looks at our properties through a special lens.

Fifteen years ago, as a family we engaged in some deep soul-searching as it relates to what we wanted to see happen on our property. Together, we concluded that our desires were to see the site become something quite special for both the family and the city that we have lived and operated our businesses in.

With your efforts months back to extend the URA and the joint efforts of our team and the City that has culminated with the development agreement we are discussing here today, the table has been set for us to continue to work together in a public-private partnership that will lead to the development of our property within South Waterfront into an exciting, vibrant, and diverse neighborhood that we will all be able to take great pride in.

As you know, we have spent the last year or more working on development ideas for Block 1, 4 and 6 projects. We have an incredible opportunity in front of us. And with the DA behind us, we look forward to rolling up our shirtsleeves and getting to work.

June 24, 2015

Finally, I would like to take a minute and acknowledge in particular the efforts of Geraldene, Lisa, and Patrick on behalf of PDC and the City to get us to where we are today. Without their efforts, who knows where we'd be today. We've been at this for over five years, but we're down to the -- close to the goal line. Thank you very much and we welcome your questions.

**Hales:** Thank you. Did you want to add anything, either of you, at this point? Questions for the team.

**Fish:** I have one question. Based on your experience, what's harder: to craft a DDA with the City or to build a barge?

**Zidell:** Do you want that on the record? [laughter] It's been a very interesting experience, something that certainly I don't have a lot of experience at. It's had its ups and downs, but I think we're all going to be -- we'll all be able to sit around years from now and look back at the great things we've accomplished.

**Hales:** Other questions for the ZRZ team? I just want to say thank you and your team for being patient negotiators and working with us, because it takes -- you know, contracts require two consensual parties and it has to be a good deal for the City and a good deal for you. We believe, obviously, that we're at that point but it took patience on your side of the table as well as on the PDC side. So, thank you.

**Zidell:** Thank you. And again, we really look forward to getting going on what's going to be a very exciting time.

**Hales:** I've heard that from your team, you're interested in building a thing or two. That's great. Thank you very much.

**Novick:** May I say one more thing? Mr. Zidell, about 15 years ago, there was an article in the New Yorker which focused on Philadelphia. It said in America it used to be that there were these families in every city that sort of were the civic culture of the city -- they contributed to the opera, they sort of weighed in on major civic events. And now, that's less and less true. Every company in America it seems is now owned by some other company in Houston or Phoenix or something, and the ones in Houston or Phoenix are owned by somebody in St. Louis. And it's really good that we still have a few locally-owned businesses and businesspeople such as yourself who think of yourself as full partners with the City, remain citizens with the city, controlling your own business and your own property. I just wanted to say I'm thankful that you're still here, been here since 1929, and working with us.

**Zidell:** Thank you very much.

**Hales:** Thank you all, thanks. OK, I want to call on Len Michon from the South Portland Neighborhood Association; Sean Becker from the South Waterfront Retail Collaborative; and Michael Harrison from OHSU, please. Good morning. Len, do you want to go first?

**Len Michon:** Good morning. I'm Len Michon, a resident of South Waterfront and member of the board of the South Portland Neighborhood Association. Honorable Mayor Hales and Council members, thank you for the opportunity today to speak about the ZRZ and PDC agreement.

I'd like to congratulate the parties for arriving at an agreement that provides for the continued development of South Waterfront. And with the City's and PDC's obligation to provide funding for the extension of SW Bond Avenue, ultimately to provide one way northbound traffic flow. The agreement appears to provide protections for each party involved. ZRZ is providing an option for PHB to purchase a lot during phase two development for affordable housing. As we've heard, this is in addition to Gray's Landing, which is now fully opened and to what is expected to be another affordable housing project at Parcel 3 on Riverplace. South Waterfront will be moving forward on its earlier commitments to affordable housing, which I think is very positive.

June 24, 2015

I applaud the potential district energy system, which OHSU may develop and to which ZRZ buildings may ultimately connect.

I am pleased to see the agreement mentions the potential of funding a parking garage, although that's in the very back, since currently parking is at a premium and certainly will be even more so as development progresses.

With any development as huge as ZRZ, construction periods are extended 20 to 30 years, as we heard. This result is based upon each building's design, City approvals, and construction. While the timeline is excruciatingly long, watching this development I think will be very interesting.

Regarding the interim activation partnership, I'm pleased that the City may attempt to streamline City approvals for certain activities. However, I would urge that the citizen participation process not be shortchanged.

Speaking as a resident of the district, the timeframe is exceedingly long for the creation of quality of life amenities such as the greenway and the Ross Island Bridge park. However, the agreement does allow for construction of an interim greenway, pedestrian and bike trails, which I encourage ZRZ to undertake. I understand that PP&R has received some limited grant funding and plans to design a portion of the greenway starting this year. I would encourage collaborative work with ZRZ in this effort.

Speaking as a member of the SPNA board, I'm pleased to endorse the agreement and urge your yes vote on the resolutions before you, but I would hope that certain aspects of the process could be moved forward a little bit sooner. Thank you for your time.

**Hales:** Thank you.

**Michael Harrison:** I'm Michael Harrison with OHSU. I appreciate the opportunity to testify today. We're very excited to see the IGA between PDC and PBOT on the agenda, ensuring that the Bond extension on the Schnitzer campus can move forward the same timeline as our Knight cancer research building. The Knight cancer research building -- our purpose in building it is to advance the early diagnosis and treatment of cancer, but we're also pleased that our project will help the City advance their own jobs goals. For the construction of the building, for example, we have very aggressive MWESB goals as well as partnership in the apprenticeship program that Geraldene mentioned earlier. Ultimately, with the Knight cancer research building and two other projects in development, we'll also see probably more than a thousand permanent jobs down in South Waterfront as well.

Lastly, I want to applaud the City -- both staff and Council members who directly engaged in negotiations as well -- for the successful completion, well, successful development -- it's not complete until it's voted on -- but the successful completion of negotiations over the development agreement. We're really excited that South Waterfront will become a complete community over time and that there's a timeline that people can focus on. There's much to celebrate today, and appreciate all the work. Thank you.

**Hales:** Welcome.

**Sean Becker:** Good morning, I'm Sean Becker, I own and operate Sean Becker real estate in South Waterfront.

First, let me say I'm excited about the Zidell property development. I think it's a wonderful thing for the neighborhood. I sit in a little bit of unique perspective. I have been selling homes in South Waterfront since 2004. About a year ago, I purchased a commercial condo in South Waterfront, so I own and operate my business out of that space out of South Waterfront so I'm both a business owner, I'm employer, and I'm also retailer in the neighborhood. The one thing I recognize through this time period from about 2004 onward as the retail developed is there's been a lack of cohesion amongst retailers, there's kind of disconnected and breakdown. A lot of retailers don't know each other.

June 24, 2015

My idea was born about a year ago to start this South Waterfront retailer collective. The idea was not to be a business association, it was really pretty grassroots. The idea was that we all got to know each other on a first name basis. Because I believe having watched South Waterfront development -- I have been a homeowner in South Waterfront, so know it well -- to see diversity in the neighborhood, to see the neighborhood develop with the Gray's Landing, for example, you have the Mirabella -- these different ideas in the neighborhood and different faces of the neighborhood really have led to strengthening of retail in the neighborhood. So, I wanted all the retailers to know each other on a first name basis because we do all share the same clientele in South Waterfront. What I've witnessed and watched happen is that this diversity in the neighborhood, whether you're a luxury condo homeowner or you're an employee of OHSU, this helps drive retail in the neighborhood.

As the South Waterfront continues to move forward, I'm a big fan of continuing this diversity in the neighborhood whether it's affordable housing, whether its OHSU employment, whether it's market rate housing, which I'm always a fan of -- but I think that diversity leads to a complete neighborhood and I think really the conversation in South Waterfront is just another great neighborhood in the city of Portland. I think the retailers play a big piece of that and the clientele help drive that forward. So, I'm a big fan of continuing diversity and development of the Zidell property in South Waterfront.

**Hales:** Thank you. Thanks very much. Any questions? Thank you all. Then the final two invited folks that I want to bring up are Dan Valliere from REACH and Raihana Ansary from Portland Business Alliance. Come on up.

**Dan Valliere:** Thank you, Mayor Hales, Commissioners. I'm Dan Valliere, CEO of REACH Community Development, owner and manager of nearly 2000 apartments, all affordable to households with lower incomes, including Gray's Landing.

This agreement is an extremely important step toward meeting the original vision of the South Waterfront neighborhood. The vision at the outset was a community that includes an equitable share of affordable housing affordable to households with lower incomes, particularly -- as was pointed out -- at certain income levels like 60% of median and below and 30% of median and below.

Land in the South Waterfront area is appreciating continually, given the ongoing investments in the area, and so the City's acquisition of land for the purpose of affordable housing is the right strategy. It also means that the process for developing the future housing will be a transparent process, it'll be an open process for selecting the developer for the site, for example, as is being done now in Parcel 3, which was mentioned. That's a good thing.

ZRZ and the Zidell family as we heard are helping lead and have been helping lead the reimagining the neighborhood for many years, and so it's very notable that the family is agreeing to sell property to the City expressly for the purpose of affordable housing. It demonstrates their long-held commitment to promoting inclusion in the neighborhood, and it can serve as a model across the city of how to do things. The purchase price, for example, remains to be determined, but as we saw, there's a clear process outlined in the agreement how that will be done. I think that also a good thing.

Last thing I would say is approval today does not complete the work, not only on the development side but the affordable housing goals. It is true that combined with Parcel 3 and this new opportunity from the Zidell family, we can likely meet the goals that were set out and shown on the slides earlier. It's important to remember that those goals when they were set were associated with a number of 3000 total housing units in the neighborhood. That was the vision and that that goal is attached to that first phase of 3000. We're just about at that point, I believe, we're about to cross that milestone. So there still is a



June 24, 2015

conversation that need to happen clarifying goals in the future as the neighborhood grows further. So, there is work still to be done on affordable housing even beyond this, but it's true that with this additional opportunity, we have come a long way in the past 18 months. So, thank you very much.

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

**Raihana Ansary:** Good morning, Mayor Hales and Commissioners. Raihana Ansary here on behalf of the Portland Business Alliance to testify in support of the South Waterfront north district development agreement.

We believe the Portland Development Commission should focus on catalyzing private sector job growth, and this agreement is an effort to do that. We applaud the earlier extension and expansion of the North Macadam Urban Renewal Area, as it has largely made possible the City's investment in affordable housing components of this agreement.

This public-private part between the City, PDC, and ZRZ Realty company is mutually beneficial and reaffirms the parties' long-standing commitment to economic development in South Waterfront. The agreement will accelerate development and result in more jobs and public benefits ranging from transportation to open space to affordable housing. This prime waterfront property is the largest available site in left in the central city, and it's ripe for development near new transit lines and one of the region's largest employers: Oregon Health and Sciences University. Seizing these opportunities are key to promoting innovation quadrant, where major projects have already led to transformative investments by local universities, developers, and employers. PDC and PBOT investments and infrastructure, including Bond Street, are critical to development in the area, and the commitment to build another segment of greenway adds to the transportation and recreation assets that Portland is known for. With the adoption and execution of this agreement, Zidell Yards is perfectly positioned to become a vibrant, mixed-use neighborhood, helping to achieve the City's economic and housing goals. Thank you.

**Hales:** Thank you. Questions? Thank you both. Now, let's turn to public testimony. Is anyone signed up to speak?

**Moore-Love:** Yes, we have seven people signed up to speak. The first three, please come on up.

**Hales:** Lightning, you're on first.

**Lightning:** My name is Lightning. I represent Lightning Watchdog X. I like what I'm seeing here. I like the development agreement. I want to see it finalized. Couple concerns I guess I have on the affordable housing parcel. I want to see that maybe timed up a little bit. I know you're going into an option type situation based upon the environmental, title and other issues, but at a certain point when we determine the price based upon hopefully we can do it with two appraisers within a range, I would like to see that timed up a little bit to where there really isn't an out by the City that they do commit to a price, they commit to a time frame, and they deliver the funds to the Zidell company. I don't want to have the City have an out at a certain point. I would like to maybe have that timed up a little bit, especially on the environmental issues relying upon Zidell company's information on that. I want the independent studies done by the City relied upon that information to make your determination. Another issue I have on the park I want to see as Commissioner Fritz said I would like to see some type of price established at a certain time frame, how much property will be purchased. I understand PDC will do \$5 million toward that. I understand by the drawings that it's going to be waterfront. One of the things I have is that on the waterfront development of the parks, to me the river is an extension of the park and the properties, and what I want to see here is that I want to see something else a little bit closer, something to do out on the water. I want to see access to boats whether they are just small boats that people can utilize from the local area there and then head up to, say,

June 24, 2015

marine drive to their other boats. I want a little more emphasis on the water and I know that the Zidell company, it appears as though you will be ending your business there if I'm correct at a certain time, possibly that's in the future. That's just my opinion, but what I would like to see there is maybe even some type of a museum dedicated to the company, possibly on a floating barge located at a certain location, have it as the museum and also as maybe an art type gallery get together, something out on the water that brings people to the water. I would like to see maybe the company and family look at that as a Zidell maritime museum. I think that's very important to have that in the City and in the project. Thank you.

**Barry Joe Stull:** Good morning. Barry Joe Stull. We have a couple of things to say. Where is Commissioner Fish? We actually had an affordable housing memorial he participated in about 2008 and what we calculated was pretty much one night street homeless people was almost exactly the same as the affordable housing which had disappeared. The South Waterfront did not build the promised affordable housing. Now that the property values have escalated because of all the City's funding and development and putting in roads and streetcar, now we're thinking about how much we're going to spend in future prices to put in a park? No. Not in my city. See, I come from the city of Portland, Oregon. Across of the way over here we have a park that was donated to the city. That's what good people do when they are rich. They become philanthropists. I think the Zidell corporation has plenty of money to build that park and I think that \$5 million will go a long way to addressing the housing crisis that we have -- let me repeat myself -- because we never built the promised affordable housing when we developed that whole area and changed it from the toxic waste site that it was, we have remediated that as a society, and now what, we're going to buy it back to put in a park? No. We have already paid. We all have already paid. I paid plenty. Here's what I know about how this kind of system works. I know Commissioner Fritz used to volunteer at Sisters of the Road Cafe. Interesting question for them back in the day. How come it costs \$1.25 cash to buy your meal but if you buy it with food stamps at the time it only costs \$1? The answer was for every dollar of food stamp purchase, Sisters of the Road Cafe got reimbursed \$1.25. So imagine that. You're living in a world where you go to the store because you have a job and you buy something but if you're a poor person, when you go to the store they get 25% on top just for accepting you as a customer. That's what I'm looking at here. I'm going to let you all go. I'll give you a harder time on things I'm much more experienced with.

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

**Leah Greenwood:** Good morning. Mayor and Commissioners, my name is Leah Greenwood. My history in working North Macadam is closer to 13, 14 years. I previously served as housing policy manager of the Portland Development Commission.

A couple of things I wanted to highlight. The League of Women Voters will be testifying later, and they will identify in their testimony some of the details about the development agreement that aren't ideal. And so, I support the recommendations that they will bring forward and won't address them here.

But I did want to say thank you for stopping the process and asking ZRZ and PDC to kind of go back to the table and look at how they can address affordable housing in the development agreement. I know doing that at a late date doesn't put PDC in the greatest position of leverage, and I think that what they have proposed is a long ways from where we were just a couple of months ago. So, it is exciting to see. This is an historic development agreement both as it relates to development, but just the development and economic development that will come from development of that property.

One of the things I did want to address is -- as a number of folks have said already - - this agreement itself isn't the only thing that needs to happen in the district as it relates to

June 24, 2015

affordable housing. I wanted to highlight that when the district was being created, there was a job housing group. It was focused on housing, jobs and job-housing balance, which at the time was the buzzword. Now, we talk about workforce housing. We can call it whatever we want -- middle income housing. It's the whole range. But I wanted to highlight that the jobs-housing group that focused on the balance acknowledged the transportation constraints in this district and the importance of creating residential opportunities for workers in the district and the workers at OHSU because of the investment that the City was going to make in that transportation infrastructure. The jobs housing committee felt -- and this was directly from the housing strategy -- the jobs housing committee felt that obtaining a profile of affordability was essential to gaining citywide support of the urban renewal investment and would lay fears that the district would become an exclusive, high-end enclave.

These were the discussions we were having even before we approved the urban renewal district. And I do think right now, we have one affordable housing project. I would argue that everything else is a high-end enclave. We do have -- OHSU does own significant land in the district, and I'd ask that the City work with OHSU to find how we can commit some of that land for residential development, affordable housing, and workforce housing. OHSU still owes PDC \$2 million. The value of that probably is about 2.4, 2.5 million looking at inflation, not taking into account opportunity costs. And we know from a survey in 1999 that at that time, 88% of the employees at OHSU made less than \$50,000. One-third of the employees at OHSU made less than \$20,000. So, I really wanna see that we're having a conversation about how both affordable housing and housing at 80% median income really does support OHSU and the work they're doing and our economic investment in the district. So, let's see how we can turn that \$2 million into something that is supportive of our broader commitments in the district.

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

**Laura Campos:** Good morning. My name is Laura Campos, and I've been testifying about this for 32 years. I even brought my historic Zidell master plan 1986 document. But I want to make a point that -- with all due respect to the Zidell family that has lived here for 86 years -- Native Americans occupied this land for much longer. Not that I'm representing the Native community, but I am Native American.

I moved to Portland in 1977 to work for Mayor Goldschmidt to work for the comp plan and the greenway. I also know that our neighborhood plan was passed in 1977, and talked about redeveloping the site. I used to live six blocks, but they filled in two blocks of the river so now I live eight blocks from the river since 1981 in the historic Lair Hill neighborhood.

Everyone seems to forget that this area was a flood plain. And this map shows that. And I want to thank Amanda. I know that I had a lot to do with mentoring her in the early stages for planning, and I want to thank her for saying that there are not unlimited funds for park purchase. Thank you. And I want to go further. This site has been largely illegal fill that harmed Willamette River back in the '80s, and my neighborhood at that time testified against that. The property owners, in my opinion, stole land from the public and should not profit from their wrongdoing.

Secondly, in regards to the stormwater problem. The problem was created by property owners, the Zidells. There wouldn't be a stormwater problem if they hadn't illegally filled the river. So, as Native Americans, we know that this area was a natural wetland that adequately handled the stormwater. I know your exasperation -- I'm just living in the past. But I think it's significant when we're spending a lot of public money to step back and take a wider view. The illegal fill caused significant harm to wildlife, plants, animals. And as my people know, this violates a sacred connection between man and

June 24, 2015

environment. So, we're creating an imbalance, and I'm not grateful. Thank you for your time.

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

**Debbie Aiona:** Hi. I'm Debbie Aiona, representing the League of Women Voters. Today, I'll focus on several points from the written memo we submitted.

The DA places deadlines for the City's acquisition and development of the park and the affordable housing parcels. TIF will be needed to finance those projects. The availability of TIF depends entirely on when ZRZ develops those properties. It is important to keep in mind there's no obligation for ZRZ to develop anything. It is --

**Fish:** It's not completely true, and I just -- we should -- just -- I am on your side on this.

Remember the slide that they showed us earlier? There's \$47 million without Zidell. We're putting \$19 million into Parcel 3, so we've actually got \$47 million to do the two projects that we promised without the Zidell money kicking in. The Zidell money kicks us to 60. And I'm on your side and I want more housing and I want to make sure we hit our target. I just want to be clear -- the assumptions around money for affordable housing to get to the 47, which is the amount we have for the first two projects, is exclusive of the Zidell agreement.

**Aiona:** OK. Let's see, where was I? OK. It's not advisable to tie the City's right to buy and develop sites to a time frame over which the City has no control. The housing and the park are too important to the district to risk losing them due to the unpredictability of timing of real estate development.

The League recognizes the efforts PDC made to strengthen the affordable housing provisions. We recommend improving the agreement by placing a fair market value cap on escalating price so that the Housing Bureau pays whichever is less. As to the park -- why are the park's location and acreage undetermined? This is a very risky approach as development may limit the park size and location. Why is the purchase price based on the market value at the time of sale? Given the timeline for the steps that need to be taken first, it is conceivable that a price will not be set until 2020. Over time, land costs are likely to skyrocket. Keep in mind that in 2006, the City paid \$5 million for Block 49. This DA commits only \$5 million in TIF for acquisition. Instead, a timeline and pricing formula similar to that for the affordable housing site should be applied.

If development does not occur, TIF fails to materialize, and the City does not meet the deadlines for acquiring affordable housing and park properties, what are the consequences? We read the DA to say that the City will lose the right to acquire the property if it does not purchase them by the deadlines set forth in the agreement. In the event of environmental contamination or tidal complications, the agreement caps ZRZ's responsibility for curative measures at \$250,000. Environmental cleanup can be expensive. Is the City prepared to cover additional costs? Why shouldn't ZRZ bear full responsibility?

There are significant exposures and risks that need to be addressed before this is executed, and we encourage you to attend to them. And also in the time I have left, I want to second Leah Greenwood's comments about OHSU. The League has been saying that over and over again that OHSU needs to step up and provide a site for affordable housing projects. Thank you.

**Hales:** Thank you. Questions? Thank you both. Is there anyone else?

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

**Hales:** Could staff come back up, please -- Patrick and Geraldene -- for any other questions from Council?

**Fish:** Patrick, the League -- Debbie raises a question, I think a very important question about under what circumstances could we effectively lose the option to purchase the dirt in the Zidell development for affordable housing. We have timelines here, and we know from



June 24, 2015

your presentation we've got resources, TIF resources that are developed exclusive, independent from the Zidell development agreement. But under what circumstances could the City lose its option to purchase?

**Moyle:** The option that will be negotiated includes a timeline for the acquisition. We outlined projected dates for when that would occur, and those dates are outlined in the development agreement as well -- specifically, requiring that the purchase option for the affordable housing needs to be executed by 2021.

**Fish:** Now, you've set aside \$19 million for Parcel 3, correct?

**Moyle:** Correct.

**Fish:** How much TIF do you anticipate will be available just for the acquisition of this land, independent of whether Mr. Zidell moves forward with his development as of 2021?

**Moyle:** Independent of the development agreement?

**Quinton:** Without --

**Fish:** Without any new TIF being generated as a result of his development. You're going to spend \$19 million in Block 3. What are the available resources for affordable housing as of 2021? Just ballpark.

**Moyle:** There's an exhibit E in the development agreement that outlines those -- and I may have to do some math here, but for housing, we are projecting outside of the development agreement the \$42 million you mentioned. So, 42 minus 19 would be what would be available.

**Fish:** There may be a question, I suppose, about when we develop the dirt, but it sounds to me like it's -- short of negligent action by the City -- it's inconceivable that we won't exercise the option to purchase the dirt. Is that fair?

**Moyle:** Correct.

**Quinton:** It would be the City's decision. The City would have to actively decide not to exercise.

**Fish:** And it wouldn't be because we didn't have the resources to do it.

**Quinton:** Correct. And you know, we can scenario plan all sorts of things. The City could even exercise the option in advance of the TIF being available and the TIF could pay back the City. I mean, there's all sorts of ways the City could exercise the option and acquire the land in advance of the development.

**Fish:** I'm glad you mentioned that, because I think there might be some merit to doing that.

**Quinton:** Right.

**Fish:** OK, thank you.

**Hales:** Other questions for staff?

**Fish:** Mayor, I think we are all prepared to give comments today, particularly because it's unlikely that everyone that's here will be back next week. Is there any reason why we don't move to put an emergency clause on this?

**Hales:** I don't see any reason not to.

**Fish:** I would move to put an emergency clause on the ordinance.

**Hales:** Is there a second?

**Saltzman:** Second.

**Hales:** Roll caught vote on adding the emergency clause, please.

**Fritz:** May I ask the City Attorney, is that proper? Thank you.

**Roll to add emergency clause.**

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

**Fritz:** I believe it's because it's in the public interest to move expeditiously in implementing this agreement. Aye.

**Hales:** Aye. Then, a roll call on the ordinance.

**Item 658 Roll.**

June 24, 2015

**Fish:** We've been at this for a long time. I was trying to think of what the appropriate analogy would be. The best one I could come up with is a high school romance. It seems to me over time it was on, it was off, there were new issues, new faces, new circumstances. But congratulations to everybody that brought this home.

I want to acknowledge, Mayor, Jillian Detweiler on your team; I want to acknowledge Javier and Karl at the Housing Bureau; Patrick, Lisa and Geraldene in particular at PDC; and I'll have something to say about the other folks in a second. I also want to thank Liam Frost, Sonia Schmanski, and our new BES Director Mike Jordan. The stormwater issues are not uncomplicated. It took a lot of conversations and a lot of effort to get to this point, so I appreciate everyone's work.

Couple years ago, a number of us were at a funeral for Nohad Toulan, who was one of my mentors and someone I think about a lot. Dr. Toulan reminds us most of the great things happen in this city happen because someone had vision and persistence. And he had a 30-year vision for what he wanted in Portland State and that included a university district, it included an urban center, and he had this dream of transportation bisecting the urban center. He had a big dream, but it took 30 years to realize that dream. And he was a very patient man. What we also remember about Nohad had is he was persistent. So, I want to acknowledge that ultimately, we would not be here today if Jay Zidell did not have a vision and the persistence to see that vision forward. There are probably days he gets up and thinks, "the barge business was a pretty good business compared to being a developer," but this city needs people with vision and the tenacity to see their vision through. And I think today, we owe him a debt of gratitude and his family.

The fact is that he's made two things very clear in this process. One is that he has empowered the next generation of his family to take a leadership role in this, and number two he said he intends to be a long-term owner, that this is something that will stay within the family and I think we're all excited about that.

I have a sense of how much work behind the scenes had to get done to get to this point, and two words that come to mind are collaboration and trust. A lot of collaboration. At the end, it took a lot of trust. It took in fact some members of the Council up here -- it took a leap of faith. It required some of my colleagues to actually roll up their sleeves, go down there and rethink some assumptions about how we're going to do this. To those who say that the commission style form of government has this built-in inefficiency, I think this is an example where everyone on this side of the table brought something unique and important to the process.

I especially want to compliment my friend Commissioner Fritz because I think there were some issues that she cared deeply about, and as is her style, she got directly involved in the sort of personal diplomacy to satisfy her concerns.

A couple years ago, we were looking at a district before the Mayor's proposal to do reset on urban renewal generally that projected to have about \$7 million for affordable housing. Today, we are contemplating 60 million. We didn't have a clear path to build a unit beyond Gray's Landing, now we have a clear path to build at least 400 more units and we have members of the community reminding us that that's a down payment and we have to do more. And I celebrate that, because that ultimately means 400 families that cannot afford to live in our city are going to have a choice, a chance to live in a very desirable neighborhood. And if the idea of opportunity -- which is at the heart of what Dan Saltzman is doing -- means anything, it means that folks that don't have a lot should be able to choose where to live and raise their families. I think over time, you'll be hard pressed to find a more attractive and desirable place to live than South Waterfront.

June 24, 2015

Finally -- and I just should acknowledge I think Gretchen Kafoury is somewhere smiling down on us today, because she was a very loud voice for making sure we honored our affordable housing commitment, and we have come so far.

Finally, it is our tradition when we adopt something like this to then collectively wish that our partners are wildly successful. Because this is one of those moments where your success rebounds to the benefit of everybody. So Jay, we hope you are wildly successful. We hope that Google decides to relocate and have their world headquarters there. We hope Nike wakes up and has buyer's remorse. We hope that everyone is beating down your door because if you are wildly successful, then the whole South Waterfront and the whole city benefits.

Mayor, thank you for your leadership on this. It started with a bigger vision you had about reset on urban renewal, and we're now bringing home something that I think not that long ago people doubted we could do. So, congratulations to everyone who had a hand in this. Aye.

**Saltzman:** Well, this is a historic moment, and I really want to acknowledge that and I guess maybe just provide some perspective that I've been fortunate enough to be a witness to in my tenure on City Council starting under Mayor Vera Katz, when this whole piece of land was looked at and nobody thought anything could be done with it. It was too snarled, no access to it. It was great industrial use, waterfront marine use but when you went over the Ross Island Bridge or Marquam Bridge and looked over, you realized all the difficulties of making something happen there. It was really a challenge. And this City Council over the years has slowly working with partners put all the pieces in place. This is really sort of the final piece that still remains to be -- the painting still needs to be finished, but we have a pretty clear idea where we'll end up with this agreement. I think it's just a real credit to everybody in the City of Portland who has had the patience to stick with this process and to start developing the essential infrastructure to make this work. And it started out with some visionary people taking a risk on building housing down in this area. And for a long time, and even still today, it kind of looks out of place but it's popular. And without the tram and OHSU's commitment to expand to South Waterfront, another piece of the puzzle would not have happened. So another major piece, the Knight cancer research institute, OHSU's major commitment there. And really, this is the last major piece.

I'm really excited about both the opportunity to allow us to achieve our affordable housing goals in the South Waterfront, and I think this does protect the public's interest by setting a price for the purchase of the parcel of land in advance. I believe that we will -- based on the wildly successful development that we anticipate will happen there -- that we will have adequate resources when those resources are needed to add these additional units of affordable housing and more.

Just want to recognize again the Zidell family's contribution to our city. I know -- being a witness to all this, I've had many chances to meet with Jay over the years and share in some of his frustrations or at least listen to his frustrations with the City, but I've also seen the newer generation come along and I think really sort of put new energy into doing something down here. I just want to take -- parenthetically say how great it is to sort of start attaching identity to Zidell Yards. When I read about concerts happening down there in the Willamette Week or ads in the Mercury about the food cart festival -- the Zidell Yards, it's really starting to catch on. People are starting to recognize the sense of place. That's only going to bode well for the future development down here.

I, too, hope somebody like a Google or a Nike will take another look at this tremendous opportunity to have people work and live in our city, with tremendous transit access and greenway access and a new park. It's all very exciting and I feel fortunate to

June 24, 2015

be able to sort of be here as a witness to this final piece of the puzzle being put together as well.

I know there's probably going to be obstacles along the way to getting to yes, but I do want to thank PDC, Geraldene, Patrick, Lisa for really making this -- getting this deal across the table; the Mayor's office, Jillian Detweiler; Portland Housing Bureau, Javier Mena and Karl Dinkelspiel, in particular. I just think we're at a great point and I'm really pleased to be here to support this. Aye.

**Novick:** It takes a village of City bureaus to raise development agreements. [laughter] I'm very grateful to the work of staff of PBOT, including Kurt Krueger and Dan Layton and BDS staff and Parks staff and BES and the City Attorney's Office, especially Harry Auerbach. Thanks to all of you. Thanks to everybody. Aye.

**Fritz:** Much has been said, but not has been said by everyone, so I'm going to repeat some of the things that have already been said. Thank you to Jillian Detweiler in the Mayor's Office; to Geraldine and Patrick at the Portland Development Commission; Tim Crail, Patti Howard, and Tom Bizeau in my office; and Mike Abbaté and our team up in Parks; and to Jay Zidell and your team. It's truly a public-private partnership which we all hope will succeed beyond our wildest dreams.

Echo Commissioner Fish's acknowledgment of the commission form of government and my delight in being personally involved, as well as admiration for his leadership on the housing issue, getting to places which we're not entirely comfortable with, but we're trusting that things are going to go well. I will note the agreement we're approving today does not allocate all the additional tax increment financing that will result from this development, as Commissioner Fish pointed out. The Council and Portland Development Commission will have a further other debate about whether the housing allocation is 50% or the 43% that it's currently set up by code.

There are many, many infrastructure improvements still unfunded in the district. The south portal is one of the main ones that is of great concern to me. The ways in and out of the district we knew -- back when I was on the Planning Commission when we sent this to Council, that was one of the big constraints. The money for improving the park -- I tell you, \$5 million may not go far for purchasing the property, it certainly doesn't go far in developing property, so we're going to need to be in a conversation about that. But I trust we are going to get to an agreement and that we're going to figure out together how to fund it appropriately. If we don't, we don't have -- the agreement doesn't require us to buy property that we can't afford or develop in ways that we don't want to do. So, trusting and verifying is also there. It's uncertain but then it's also flexible. I think that is important, not knowing what's going to be developed in the near future and in the long term.

It's certainly another reasons that I'm hoping to get reelected next year so I can be part of implementation of this agreement and be there to discuss where the park is. The Ross Island Bridge park is a very nice place, I appreciate you giving me a tour of it. It reminds me of Cathedral Park. The City owns the right of way under the bridge, so when people are saying "we're concerned there won't be any park," oh yes, there will be because we at least have that area. I'm confident that together we can design an open space concept plan that will pull together the greenway, the enhancements that are being proposed there, and the rest of the district.

Commissioner Saltzman referred to this as the last piece of the puzzle. I'm reminded of the winter Christmas vacation I spent with my husband's family. We did a puzzle that was circular, so edges but no corners, and entirely green -- so no colors. It was New York and snowing, so we spent the entire vacation putting together this puzzle and lo and behold, there was an extra piece after we got the entire thing done. The puzzle was done, but there was an extra piece that didn't fit in. And so I caution us: we need to be



June 24, 2015

clear. This neighborhood didn't develop over the last 10 years the way it was envisioned. It was supposed to be a lot more jobs than housing. That didn't work. I'm grateful for the Knight cancer institute that is now bringing in those additional jobs. And clearly, the Zidell property development can also focus on jobs as well as housing. If it's going to be a truly diverse neighborhood, it has to have both. But it's not currently a great neighborhood, I would have to say. It has some things that are lacking. It's coming along, but this development agreement is the make-or-break for the entire area. If we can get it right, it's going to be a wonderful community to live, work, and play in for 100 years or more. If we don't, it'll be a "huh, not quite what we thought." And I think with this development agreement we're set in a path of yes, we can still see the vision, we can get there, and we're committed to the partnership to do so.

Very much appreciate the League of Women voters for their ongoing attention to this. There's folks there who have been looking into this for many years -- and indeed Laura Campos, who mentioned she has been doing it for 32 years. We have committed community members who also want it to work, whether they live in the district or not. And I appreciate the Mayor's leadership in allowing us all to be a part of this to get to an agreement that I can support. Thank you. Aye.

**Hales:** Well, let me say I feel the heft of this decision in part because of context and not just because it's been painstakingly negotiated with a lot of people who have done quite a bit of work together over a good bit of time, but also the importance of this decision in terms of urban development. In one capacity or another, four different day jobs and some volunteers jobs as well. I've been thinking about how cities grow for about 30 years, and all over the country now there's a movement from the suburbs to cities. So, we all need to think about that because of course, it's happening here and we're growing. We're growing fast, faster than many people are comfortable with but nevertheless we're growing. And that's true again in other cities.

here's a lot of infill and redevelopment in cities all over the country, but there are only a handful of places in North America that I know of -- really six that I know of -- where a City has had the opportunity to create a whole new neighborhood, if you define it the way I would about the Pearl District and South Waterfront. Those are two of those six neighborhoods. The others are Yaletown and Coal Harbor in Vancouver, British Columbia; Battery Park City in New York and south of Market in San Francisco. Plus or minus, those seem to me the chances that major American cities have had to do what we're doing in the Pearl District and now here, and that is try to create and put in place all the ingredients of a new neighborhood: housing, public spaces, employment, the nonprofit sector, a major institution whether it's the Pacific Northwest College of Art -- much smaller scale operation -- or OHSU, transportation.

The scary thing about that list is not only that it's short and that two of the six major opportunities like that are here, but I think I can say without too much bragging that we're actually doing a better job than those other four. There's not really much local transit circulation in Battery Park City, although New York has a great subway system. Coal Harbor and Yaletown have amazing public spaces, but not much of new employment. In terms of all those ingredients, the Pearl District, which has been rated by the congress on the new urbanism and those kinds of folks that look at these things is the best new urban neighborhood in the country and now, South Waterfront. We have done a better job of putting all those pieces in place in order to create something that's obviously very difficult to do, which is a great new urban neighborhood from what was essentially, in both cases, nearly an empty quarter, although obviously the Zidell company obviously has soldiered on in their business while much of the land around them went fallow.

June 24, 2015

One of the things that it takes for that success to happen is for a, our city, and the private property owners and developers to have a clear understanding about we expect from each other, and that that's do durable --as Commissioner Saltzman noted -- over multiple administrations and over many years, because it does take a long time to build a new neighborhood. That's why this development agreement matters so much, because this is how we hold each other accountable. Jay and his team can look to the City and say, "it's right here in the development agreement. This is what we have a right to expect from the City," and we can look to him and his team and say, "and it's right here in the agreement. We expect you to deliver just as you do us." That's why this is a contract in that sense of the word and a very important social contract between a community and an enlightened citizen who owns property and who wants to do the right thing.

This is a big day. A credit to all -- Patrick, you and your team most of all -- for getting us to this point on the City side. A credit to you, Jay, for being persistent in trying to get your vision in writing with the city that you love and that your family is so much a part of. So, well done. Much good work ahead. I look forward to the day when the South Waterfront as a neighborhood is as far along as the Pearl District is today, and the thousands of people who live and work there and the people who visit it say, "what a great and complete neighborhood." We're well on the way to that vision and this document will get us there. Well done. Aye. Thank you all. OK, it's 12 o'clock. I propose that we run on to 12:30 and then take a half hour break. Does that sound good to the Council? We will see how far we can get down our regular agenda. We have that one item that we pulled from regular -- it's yours.

**Novick:** One more time certain.

**Hales:** Oh, I'm sorry, we have the second of these to vote on.

**Fish:** Steve, you want an emergency on 59?

**Hales:** We don't need to.

**Fish:** Let that go to second reading?

**Novick:** I think we can let that go.

**Hales:** 659 goes to second reading, that's right. Sorry, I blew past 660. We will do that next.

**Item 660.**

**Hales:** Commissioner Novick.

**Novick:** Andrew Aebi, come on down.

**Andrew Aebi, Portland Bureau of Transportation:** Good afternoon, Commissioners. Andrew Aebi, local improvement district administrator.

Council approved the resolution of intent four weeks ago today for NW 20th Avenue with 100% petition support for this LID. We have increased the LID by \$4.12 per assessable square foot to include right-of-way costs, which is an adjustment we made to the LID. We did not receive any remonstrances against LID formation. I'm happy to answer any questions you might have.

**Hales:** Questions? Thank you. Is there anyone else that wants to speak on this item?

**Novick:** Did we have a couple of people who are here to speak, Andrew?

**Aebi:** Yes.

**Hales:** OK. If you would like to speak, come on up, please. Don't wait to be called if you're here on this item. How are you?

**Philip Selinger:** Good morning. My name is Phil Selinger and I'm here today representing the Northwest District Association neighborhood. More than just accommodation or cooperation, the relationship between Con-way and their development team in the neighborhood has been closer to a partnership. We were invited to be part of their master

June 24, 2015

planning process for their properties early on, and that included the traffic impact analysis that was projected for the district around the Con-way properties.

The 23rd and Vaughn intersection was really a focus of a lot of that development pressure on the transportation system. There are only two freeway portals into the dense Northwest neighborhood, this being one of them. We know that Con-way was going to be a large contributor to that development pressure, but not the exclusive contributor. And so it's really important and appreciated that Con-way has stepped up to support this LID.

We were part of this conversation with both PBOT and ODOT in analyzing the problems. It's a tough challenge. There's no great fix for making that intersection in the area around it work efficiently, but we'd like to think that the so-called jug handle fix and the punching through of NW 20th makes the best use of the existing infrastructure to address those problems. Not only does it help address the traffic pressures on the 23rd and Vaughn intersection, but it also helps connect the neighborhood with itself -- the Northwest neighborhood with the industrial area to the north which is also redeveloping pretty quickly. So, it's part of that fabric that will be used by multiple modes, including bikes, pedestrians, and local traffic.

Also want to make note of the fact that rebuilding streets and intersections is not the only way we're going to solve this problem. The master plan in the neighborhood and this whole greater conversation has talked about demand management being an important component to this whole picture. We do have a newly-formed transportation and parking stakeholder advisory committee to PBOT that was formed less than a year ago, and I should note that Con-way is part of the representation on that committee. So, we are going to be monitoring these issues on an ongoing basis. That really concludes the neighborhood comments, but I'm here for any questions you might have.

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

**Christopher Brehmer:** Good morning, Mayor and Commissioners. My name is Chris Brehmer, I am a principal engineer at Kittelson and Associates and the engineer of record for the traffic study for the project. Before I make my comments, I do want to acknowledge both Phil and the NWDA members as well as Oregon Department of Transportation and Portland Bureau of Transportation staff who worked closely with us on the project. I think -- as you just heard -- it was a very collaborative effort, and we very much appreciate that input.

I'm here specifically to respond to Commissioner Fritz's question last time around regarding the impact of 405 traffic and the rerouting of U-turns. We did consider that issue. We looked at both morning and evening peak hour operations and the implications of the U-turn rerouting. From a capacity perspective, we are expecting a change that's probably largely imperceptible to the public.

The big benefit we see with the elimination of the U-turn as it relates to 405 traffic in that merge area comes down to the behavior of some motorists at that area today. Today, we have people on mainline I-405 southbound that get off at Vaughn Street, make the U-turn movement, and then are coming back on the ramp and basically short-cutting or queue-jumping down to Glisan and the exit there. That behavior is not only undesirable but has some safety implications. That queue-jumping phenomenon will be eliminated by this change and so we think that's a net benefit to the system from a safety perspective and at the end of the day won't change the number of people on main Palestinian 405. With that, I'll conclude my testimony unless you have questions.

**Selinger:** If I could add one other quick supplement to my comments -- that the neighborhood doesn't view this as a long-term fix for the issues at this location, but the long-term fix is elusive. We haven't really found a long-term fix. This buys us important time for the neighborhood.

June 24, 2015

**Hales:** OK, good point. Thank you. Other questions? Thank you both. Anyone else? Then this passes to second reading next week. OK, do we want to take the pulled item? Is there anyone here to -- I'm not sure who pulled this.

**Fritz:** It's an amendment.

**Hales:** OK. Let's take item 667, please.

**Item 667.**

**Hales:** Hi, John.

**John Hunt, City Fleet Services, Office of Management and Finance:** Hi, good morning. How are you, Mayor and Council? The ordinance before you today is requesting authorize for City Fleet to purchase a vehicle for use by the Office of Neighborhood Involvement. It approves City Fleet to bill the Office of Neighborhood Involvement for this vehicle through its interagency this fiscal year.

To accomplish this, the Office of Neighborhood Involvement needs to move funding from their external material and services to their internal material and services. So approval to amend the FY 2014-15 appropriations schedule will ensure that ONI's interagency won't be overspent. So, we're asking for approval to purchase the vehicle and change the appropriation schedule to go ahead and move forward with this purchase.

**Hales:** OK.

**Fish:** I think the question that often comes up when these show up on our agenda is, why would any bureau need a dedicated vehicle when we have a fleet that can be accessed on-call? So, why does this have to be a dedicated automobile for ONI rather than on demand?

**Hunt:** I think that's an excellent question, and there's a representative from ONI here, but let me explain the way I understand it. My understanding is they ONI doesn't have any vehicles assigned to them at all, and they need a vehicle that is used for multiple shifts per day. The motor pool that we have is a great solution for the short-term use during the day because it can leave and come back and someone else uses it and then it comes back. In this case, it's going to be used for a very long day. And so my feeling is that we should move forward with this purchase because of the real need for the vehicle. But --

**Fish:** That's fine, thank you.

**Hunt:** OK, very good.

**Hales:** Other questions?

**Fritz:** I move the amendment, which is to delete the word "authorize" and "amend the FY 2014-15 budget appropriation schedule in the amount of \$28,500."

**Fish:** Second.

**Hales:** Further discussion? Roll call on adopting the amendment.

**Roll on amendment.**

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

**Hales:** Anyone want to speak on this item? Roll call on the emergency ordinance as amended.

**Item 667 Roll.**

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

**Fritz:** Thank you to Theresa Marchetti and John for being here to explain this item. Unlike the Environmental Services, Development Services, and other bureaus that have multiple vehicles for their use, ONI has one truck for the graffiti program, zero cars for -- do we have 12 crime prevention staff? So, they are working citywide and they have to use their own private vehicles. Eventually, I would hope that we would have cars for all of our crime prevention staff. This is one step towards that eked out of ONI's budget because we don't have a budget for that additional vehicles. Aye.

**Hales:** Aye. Thank you.

June 24, 2015

**Hunt:** Appreciate your help, your authorization, and we'll go to work.

**Hales:** Thank you very much. Let's move to the regular agenda.

**Item 674.**

**Hales:** Come on up. Good afternoon.

**Jill Kolek, Bureau of Planning and Sustainability:** Good morning. Thank you for having us. We're bringing forward an ordinance to authorize the two-year amendment to the grants for the district coalition in order deliver community collection events.

**Fish:** Who are you again?

**Kolek:** I'm Jill Kolek, and I'm with the City of Portland Bureau of Planning and Sustainability, and I'm the manager of the training and outreach programs. I'm here today with Jennifer Kirk with Neighbors West-Northwest and Richard Bixby from East Portland Neighborhood Office, who will talk after me.

For 24 years, we've been doing the community collection events in partnership with Metro, who gives a matching grant for it. We give seven coalition offices money, who in turn pass it on to associations and community nonprofit neighborhood groups that put on these events. You may be familiar with them, they happen all throughout the city and they take the place often of a temporary depot where folks can bring in unwanted items to recycle, reuse, or dispose. They typically take place on a weekend in the fall and the spring. We do about 50 of these a year.

The goal of the collection events is to get materials from Portland residents to reduce waste and promote recycling, particularly of bulky materials that often accumulate and might otherwise be disposed of inappropriately. We place a high degree of value on our relationship that we've had with the coalitions and have developed over these 24 years.

The collection events have proven to be a really great vehicle for us and a really great model with a range of benefits. We leverage the organizations' existing assets -- their volunteers, their commitment to the community, and their relationships to the communities. We also build community capacity through leadership development, broad community involvement, and also tapping into other aspects -- people can join the coalition and association offices to help out. And of course, there's the fund-raising element as well.

We provide a high value service to residents, give them the opportunity to properly dispose of typically hard-to-get-rid-of items and that helps with neighborhood nuisance issues. We also increase reuse and recycle, especially of larger items.

Just a few things to note. What this ordinance authorizes is based on a recent census data analysis. We're going to be doubling the amount of funding allocation to East Portland for their neighborhood cleanups, and then we're also just taking this opportunity to clarify the reuse and recycling elements that we would like to have in the contracts as well as the developing partnerships with community organizations -- which they already are doing, it's just a way to cement that. We hope obviously that you will support the continued funding of the community collection events and, Mayor, I'm going to give it to Jen.

**Jennifer Kirk:** Thanks. Mayor Hales and Commissioners, thank you for having me today. My name is Jennifer Kirk, I'm information and outreach coordinator for Neighbors West-Northwest, which is of a coalition of 12 neighborhood associations in inner Southwest and Northwest Portland. In my role as staff I have coordinated cleanup program -- as we call it in the office -- for the past three years.

The coalition area sees a wide diversity throughout its neighborhoods that's reflected in our cleanups that the neighborhoods through. For example, we have three of our neighborhoods are downtown, the Northwest industrial neighborhood, and Forest Park. So, you can see the wide diversity we see on issues and cleanups from there.



June 24, 2015

The community collection events program provides many benefits to neighborhood associations in our coalition area, and flexibility within that program allows each of the participating neighborhood association in our coalition to tailor funds to their sustainability and waste needs. Some neighborhoods use the funds to hold litter cleanups, while others focus more on recycling or bulky waste aspects that Jill was mentioning. Neighborhoods that participate in the program are able to use funds to address livability issues, to provide a service to their neighbors, and to attract volunteers to contribute to future community events.

For several of the neighborhoods that participate in our coalition area, the collection events are an annual service project. This is one instance of how the general public is introduced to neighborhood associations outside of regularly-scheduled meetings and in this way, the program allows volunteers at specific, discrete events to be introduced to the neighborhood systems and civic engagement.

Expansion of the program will allow more flexibility for volunteers who plan and host community collection events. Long-term volunteers can continue to host their successful events. For example, both Forest Park and Sylvan Highlands have been holding their events for over a decade. But this amendment will allow neighborhoods with different needs to try out new types of collection event styles. For example, the Pearl District and downtown have both expressed interest on focusing on reuse and hard-to-recycle items because recycling and reuse is a challenge for low car communities and multifamily dwellings.

To reflect this need, this fall, the coalition and BPS staff are developing a pilot project between the Downtown Neighborhood Association and Portland State University that will focus on e-waste and recycling specifically. We hope this will be a model to deploy in other dense neighborhoods that are not amenable to traditional bulky waste cleanup structure.

We also have challenges -- if you have an annual event, you usually have a lot of people come out. When you don't have a lot of space, it's hard to accommodate those people and their needs, so we're looking at potentially having smaller more repeatable events to suit the communities' needs on a regular basis. It would be similar to how our neighborhoods institute their litter cleanups. In these cleanups, we have a partnership with SOLV and local business to keep costs low and repeatable litter cleanups are community events with more volunteers, including opportunities for youth participation and community service.

Finally, the program expansion will now also encourage potential partnerships between neighborhood associations and nonprofit partners within our coalition boundaries, which will strengthen connections and build community capacity. We look forward to the next two years and being able to try new things with this contract amendment. We appreciate BPS staffs' creativity and the program's flexibility, which allow for volunteers to better help their communities. Thank you.

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

**Richard Bixby:** Mayor and Commissioners, I'm Richard Bixby with the East Portland Neighborhood Office, one of seven coalitions that receive this funding. As Jen was saying, these cleanup funds do provide an opportunity for neighborhood associations to build their capacity to connect with their community, all while organizing events that promote proper disposal of bulky items and reuse and recycling.

I'd like to thank BPS for taking a step this year and looking at their historic formula of how they divide these funds amongst the city's coalitions and creating and adopting more equitable formula. This does benefit East Portland. With the additional funding, we look forward to reaching even more of the community out there with these events.



June 24, 2015

We're also are excited about the chance to work with other community organizations on this cleanup program. Neighborhood associations have been doing these for many years and have used them for both building their internal capacity and serving the larger community. We think other community organizations can similarly use these. We're looking forward to working with BPS on figuring out how we can best reach other communities that are out there that might be interested in these events. We've also had a lot of partnerships between other neighborhood associations on these events, and we're looking -- as we expand this, we'll be able to expand more partnerships out in the community. So, I support this change and the continued funding of this program.

**Hales:** Thank you. Questions? Thank you all. Anyone else want to speak on this item?

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

**Hales:** OK. Roll call vote, please.

**Item 674 Roll.**

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

**Fritz:** Very pleased to see a step towards more equitable funding. Aye.

**Hales:** Good work. Aye.

**Item 675.**

**Hales:** Roll call vote, please.

**Item 675 Roll.**

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

**Item 676.**

**Hales:** Roll call, please.

**Item 676 Roll.**

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

**Fritz:** I appreciate the partnership between the Bureau of Development Services and the Bureau of Planning and Sustainability. This is a great package, and it was fun working with you on it, Mayor. Aye.

**Hales:** Same back at you. Aye.

**Fish:** Mayor, I'm going to ask after the reading of this to suspend the rules after a second, but let's get the title in.

**Hales:** OK.

**Item 677.**

**Hales:** Commissioner Fish.

**Fish:** Mayor, I was unable to join Council last week because I was in Salem. I support this matter before us, but there is one issue that I seek clarification on.

As the Council will remember, this is a little bit of a two-step. The City made a commitment of urban renewal dollars to help the County build a health department building, and the Housing Bureau independently determined that Block U -- which is adjacent to Bud Clark Commons -- was an appropriate site for a health department building, and because it otherwise met the criteria for 30% set-aside funding, agreed to add the dirt with no additional consideration into the deal.

The understanding then when a different building was being designed was that a lot of care would go into the design so that it did not unduly burden Bud Clark Commons in two respects. Well, the most important is the public spaces. The outdoor spaces at Bud Clark Commons as you know are on the eastern side of the building, so the original building was designed with some setbacks and with an eye towards how do you not intrude -- how do you limit the impact on the outdoor spaces, which are an integral part of Bud Clark Commons designs.

Now that we have a taller building under this proposal, I think it's even more important that the design -- that the building be designed with input from Home Forward,

June 24, 2015

Transition Projects, and the City again to minimize the unnecessary impact on the outdoor spaces. I didn't see anything that formally required that consultation, and this is separate and apart from the design review process that they have to go through anyway. So, I support the additional height, and the County has faithfully gone through the hoops that we set out for them in getting community approval, but I want to make sure that the design -- that the folks designing this building are working with our partners to minimize the impact on Bud Clark Commons. And for purposes of this vote, I'd be satisfied to have Doug Oblatz make a representation to that effect.

**Hales:** OK. Doug, come on up.

**Doug Oblatz:** Good afternoon, Mayor, Commissioners. Doug Oblatz, Shiels Oblatz Johnsen representing Multnomah County.

Commissioner Fish, the issue that you have raised was also raised by key stakeholders during our public review of the map amends that are before you today for second reading, and were specifically addressed in testimony before the Planning and Sustainability Commission a few weeks ago. In response, Chair Kafoury sent a memorandum which you have in front of you dated June 3rd which was addressed specifically to the Old Town/Chinatown community, Transition Projects, and Home Forward outlining how the County intends to address this and a series of other issues during the design process and also in the formulation of a good neighbor agreement which the County has committed to complete prior to construction. The memo has had its desired effect, and I believe the key stakeholders are satisfied that the County is committed to working with them on both the issue of the design of the building but also the other issues outlined in that memo.

You'll see -- I think it's item E under the design issues listing -- is specifically a commitment by the County to reform late a stakeholder advisory committee and to reenergize the discussion about the design of the building under the new map amendment process that we've got before you today. It's our intent to go to work immediately to engage these stakeholders and others in the design process to address these issues and in the development of a good neighbor agreement.

**Fritz:** With all due respect, though, both E and F talk about usability during construction, it doesn't necessarily address what Commissioner Fish --

**Oblatz:** I'm sorry, it would be on -- I think it's the second page related to design issues.

**Hales:** Yes, the first E, it's 1E.

**Oblatz:** Yes, I'm sorry, the first E.

**Fish:** My understanding, Doug, is that under this agreement that is before us, the County would have an option until the end of 2016 to move forward with this building and you're going through the design phase and the approval phase. I just want to make it as clear as possible on the record that I and I believe the Council as a whole want to make sure that the public spaces that we're incorporating in Bud Clark Commons -- which are an integral part of the design, since the building does not accommodate as many people as we would like, so the outdoor space became an extension -- are not degraded by a new building that's adjacent to it that now we're allowing additional height. We're talking air and light. And that there will be intentional thinking about how to mitigate the impact of the height on those public spaces.

**Oblatz:** Understood.

**Fish:** Thank you, Mayor.

**Fritz:** Commissioner Fish, I appreciate you bringing that. The other concern that was pending after the hearing was about the level of affordable housing, intent to use fee in lieu in order to gain additional height. And I know Commissioner Saltzman has been leading the Council in the discussion of that bonuses, which we were discussing yesterday. This

June 24, 2015

application comes in under the current rules rather than future rules. Chair Kafoury did indicate on the record during the testimony that she is committed to providing some compensation towards affordable housing. I want to state on the record that this does not - - this is under the current rules and this doesn't set a precedent for any future developments that we would actually require to provide a definite level of affordable housing subsidy, if that's the way Council chooses to go. There is the potential for including an agreement on that in the disposition agreement, which the Housing Bureau is still working on with the County. My understanding is that the chair doesn't at this point want to define the language on that, but Commissioner Saltzman, I encourage you to continue investigating that option as the Housing Bureau -- there's another avenue to make sure that the City's needs are met as well as the County's.

**Saltzman:** OK, I appreciate that. I just want to say that I appreciate Commissioner Fritz's points, as well as Commissioner Fish's. And to the extent the Housing Bureau will be engaged in the second [indistinguishable] on design issues and the use of the affordable housing bonus, we will continue to actively participate. I'm very pleased that Chair Kafoury has chosen to use this affordable housing bonus to obtain the additional height, and she committed to me that this would be at least a \$500,000 payment into our housing investment fund, which is a great start.

**Fish:** And Doug, my recollection was that the last time the parties got together to look at design and consider impact, the design team actually came to the Housing Bureau, presented, and flagged some of the issues so there could be input. We're not talking about materials. We're not talking about window size. We're talking about compatibility.

**Obletz:** Right. And we'll do the same thing again.

**Fish:** Thank you. Thank you, Mayor.

**Hales:** OK. Doug, thank you very much. Anyone else? Any further comment before we vote? Then a roll call vote on that, please.

**Item 677 Roll.**

**Fish:** Aye.

**Saltzman:** Well, having been a County Commissioner at one time and being familiar with the County health department's current headquarters on I believe it's 3rd and Stark, 4th and Stark, this is going to be a dramatic improvement for the employees of that department and it's going to be a tremendous boost for the neighborhood in bringing a lot more people down in the daytime to purchase goods and services and food. So, it's a great move and I look forward -- I really appreciate Chair Kafoury stepping up and utilizing the affordable housing bonus to obtain the additional height they need for this building.

Aye.

**Novick:** Aye.

**Fritz:** It's good to be working with our partner, Chair Deborah Kafoury, a known advocate for affordable housing and for doing the right thing so we have confidence in passing this map amendment that the right thing is going to happen. Thanks to Doug Obletz and your team for working on other project. Aye.

**Hales:** Good work. Real project coming, yay! Aye. I promised the Council a break, but before we take one, I want to signal people that have been waiting on a number of items that we're going to postpone most of them. I would like to take 684 before we break because we have some folks here to speak on that item, and then signal everyone else that Council will take a 30-minute recess at the conclusion of this item, which will probably take us to roughly reconvening at 1:15.

**Fish:** Do we lose anyone from 1:00 to 2:00?

**Hales:** I don't believe so. We'll take 684 before we break, and then we'll come back at 1:15.

June 24, 2015

**Item 684.**

**Hales:** Mr. Quinton, Mr. Rowe, come on up. Good afternoon.

**Patrick Quinton, Executive Director, Portland Development Commission:** Good afternoon. I'll just kick it off. Jared Wiener is the PDC staff person responsible for the software technology industry. He's going to lead us through the presentation on this. But basically, we're here to ask for an enterprise zone boundary change so that we can accommodate the growth of Jaguar Land Rover's innovation center here in Portland, a \$4 million investment.

The program itself you're all familiar with, the enterprise zone program. If they were to be located within the boundaries, they wouldn't be before you, they would have the right to apply and receive the benefit of tax abatement. What we're asking for today is a boundary change so that we can bring in the site that they've selected. What we're going to walk you through the agreement that we have with them that we think is an extraordinary improvement than what we've done in the past and I think represents a great tradeoff increasing expanding the boundary of the program, foregoing obviously the tax revenue, but as you'll see I think it's a template for how we can do future boundary changes but also maybe how we operate the enterprise zone program in general going forward. With that I'm turn it over to Jared Wiener.

**Jared Wiener, Portland Development Commission:** Thanks, Patrick. As Patrick said, I'm Jared Wiener with the Portland Development Commission. We also have Richard Rowe and Sara Nelson from Jaguar Land Rover here, as well as Jeff Allen from Drive Oregon. The action we're looking for is to authorize submittal of boundary change request to the state of Oregon to add 0.46 acres to the Portland e-zone. What this does is it allows for a five-year property tax abatement on new capital investments, qualified investments, as well as there's an electronic commerce overlay to that which provides a tax credit on personal or corporate income tax.

The program has seen a lot of success through its time here within the city. We've received a total investment of \$1.2 billion, a local procurement that's resulted from that of 58 million, and there's been 42 new projects since 2011. There's 12 that have occurred this year already, and then we have eight potentially in the hopper sort of going forward as well, including this one.

This project specifically would allow for Jaguar Land Rover to make a planned investment of \$4 million, and that would allow them to create 50 to 80 new jobs with an average wage of approximately \$90,000 a year and then there's benefits on top of that. Most of these jobs would be graphic designers and engineers. In addition to sort of the typical job creation you'd see through the company, they're going to be doing a technology incubator in this space which will produce roughly 10 to 12 companies per year will go through that incubator. So, not only do we get Jaguar Land Rover with this project, but we get to facilitate and foster new companies coming into Portland as well. And this is a benefit not just to the software industry, which I work with, but to our clean tech industry as well.

Jaguar Land Rover should really be applauded for being a good corporate citizen and working with the City in a partnership on this effort. Beyond just the typical e-zone policies and pieces to that, they've also committed to doing things above and beyond and it's really setting a precedent for how we partner with our corporate citizens in town around a program here. So, there's benefits here to sort of wage requirements that they've fully agreed to, as well as a commitment to hire underrepresented populations and to foster more sort of economic activity both through their incubator, through their company, to these communities that are traditionally underrepresented in the technology space. They're also going to be employing through internships youth, students 16 to 24-year-olds as well

June 24, 2015

as students at local colleges as well. And then they're also going to be actively engaged and are actively engaged in the community, hosting six event as well as working with four high school technology clubs through a calendar year. So, the benefits go beyond just sort of traditional economic development benefits. With that, I'm happy to take any questions and we also have Richard here who can share a little bit more from Jaguar's perspective on this project.

**Hales:** Welcome, Richard.

**Richard Rowe:** Thank you. Afternoon, thank you. The enterprise zone is critical to solidify presence and expansion in Portland around technology and research and development, which is what Jaguar Land Rover is committed to.

We looked at other cities up and down the west coast, and we chose Portland for a number of reasons. We have collaboration partnerships existing before we came here with Intel and other software companies. We looked at it strategically and geographically. And because we're a car company, we like to test the cars, so getting out on the road and driving around Oregon was very beneficial and contributed to our decision. Also, the connections. We are quite close to the bay and the companies there. We are also looking at the local talent here and are looking to grow that talent by offering jobs in the community.

We're excited because of the partnership we have with the public sector, such as PDC and Drive Oregon, and we're growing those relationships day by day. We have partnership benefits -- partnerships benefit our technology and the connection with the local communities, such as job fairs and school events and other events we host annually. We have commitment to equity inclusion and workforce development benefits, so this partnership will shape the next generation of our technology and how we engage the community, helping transition companies like ours to be more sophisticated mobility companies. For instance, the work we've done with PSU already in terms of looking at how we can our cars and the roads safer for bicyclists in terms of the bike sense project.

We value the community we're in, and we want to grow with it as the community grows, and we're excited we're finding new ways to address challenges like diversity hiring, engagement, women who code, and inclusive entrepreneurs. We've signed on the diversity pledge already, and we're taking active action to advance that. Thank you.

**Hales:** Thank you. Yeah, I noticed your company was one that signed the diversity pledge. There was a story about that in the DJC yesterday, it's great.

**Fritz:** Just to clarify on that, does that include women and people disabilities as well as communities of color?

**Rowe:** Yes.

**Fritz:** Great. And where in England is Jaguar's headquarters?

**Rowe:** The headquarters is now based in Gaydon, that's in the midlands.

**Fritz:** That's another reason you chose here, right? It's because they had the good sense to elect an ex-Brit. We might want to think about a sister city relationship in the U.K. --

**Fish:** Just shameless! [laughter] Next she'll ask you for a loaner for ONI for their new car. [laughter]

**Fritz:** That would be nice. Good thought!

**Fish:** Patrick, a question we have to address on these e-zone things is, you know, is there sufficient public benefit? According to the financial impact, Jaguar's proposing to make a \$4 million investment, and the City's foregone revenue over five years is \$73,000. So, as you look at this and scrub it, you're confident that there's a significant public benefit for this change?

**Quinton:** Yeah, I think this is -- and Commissioner Novick and I have had conversations about this on numerous occasions -- if you look at the enterprise zone program just at its



June 24, 2015

face, you know, investment for tax abatement, the big question is the “but for” question: would they have made the investment otherwise, or are we attracting investment that wouldn't occur? Because its foregone future revenue, we're not giving up existing revenue. And I think that's still -- there's still debate out there, because it's hard to know really whether companies would invest or not.

The benefit of this is that on top of that -- and we know the \$4 million investment, what it'll pay for over a period of time -- is we have negotiated benefits that we can say I think that the collection of those vastly exceed what we're giving up. Even the normal enterprise zone program has through our business equity programs, and working with minority contractors, working with local suppliers, the first source agreements -- all that provides public benefits. But Jaguar is agreeing to is extraordinary? It'll be a kind of new standard for public benefit agreements that we have in the enterprise zone program. So, the opportunity to have a signature company sign on to the diversity pledge and then create a more diverse workforce here or to work with diversity entrepreneurs, that is worth -- I mean, we invest in that. We make active investments in those programs on our own, so to have a partner doing that work, that's money that we're not investing. So, that's my long way of saying, absolutely. I think we feel very confident this is an investment on our part that will pay off in many ways.

**Hales:** Great.

**Saltzman:** Part of this agreement includes -- well, the average salary is \$90,000, but you are committing to at least \$15 an hour for all other employees, I guess, other than those making ninety?

**Rowe:** Absolutely.

**Saltzman:** OK. And then, I was curious, you mentioned the PSU -- what is it, bike sense?

**Rowe:** Bike sense, yes. We did a workshop with students from PSU, and we looked at problems. And what came out of that workshop was the fact that people are getting knocked off their bikes by cars and what could we do to help that. So, we did a brainstorm session around that and we fed those ideas back to the U.K and they prototyped a concept video, which is on YouTube and you can Google that on YouTube -- it's called bike sense. And it's basically how we can integrate existing technologies in our cars to warn the drivers that there are bicyclists around and not to open the doors or not to drive the car. If we can link that way to the communities and the other OEMs and we can put a network together through like Drive Oregon, then all cars can have this kind of safety feature.

**Saltzman:** Great. Well, I hope you will pilot that here in Portland.

**Hales:** That's great, great idea. Other questions for this team? Thank you all very much. Appreciate you waiting, I know --

**Quinton:** So Jeff Allen is the chair from Drive Oregon, maybe to quickly say a few words.

**Hales:** Absolutely. Come on up, Jeff. Sara, come up, too?

**Jeff Allen:** Thank you, I know I'm between you and your lunch, so I'll be quick. My name's Jeff Allen, I'm the Executive Director of Drive Oregon, which actually began around 2010, when PDC started convening companies in the electric vehicle space and supply chain and thought there was something to this cluster. We now have over 100 member companies, and we're funded in large part by Business Oregon with lottery dollars as part of the state economic development strategy. And JLR has been -- I say JLR because I have not learned to say Jaguar properly and reliably -- they have been a great partner and member pretty much from the time they moved to Oregon. We've done events there. What we've found that they are very committed to building the automotive and automotive software and mobility ecosystem here in Oregon, and they really mean that, and they really do it in an open source kind of way and transparent way.

June 24, 2015

They are also a tremendous ambassador for us. We were over with their staff in South Korea at a global electric vehicle conference and it's huge for us to talk about the automotive software industry in Oregon to have a company like Jaguar Land Rover to point to alongside some other members who are still working out of their garages. So that mix of large companies like JLR, Intel, and those small start-ups is really powerful.

I just wanted to put a little context of not only why this is important just on the fact for the jobs but what it means for our industry and for putting Oregon on the map globally in this industry. I think it's probably the most exciting development in the last four or five years that I've been working in this space here in Portland. When we looked at where the opportunities in the electric vehicle, advance mobility supply chain in Oregon, the first thing I said was, "well, we don't make cars." I went to school in Michigan, that's where they make cars -- maybe Georgia now they make cars. But we know software and electronics and embedded systems. And one of the things I've been learning about these vehicles is today's cars look a lot more like a computer that happens to have wheels on it than they do a car that happens to have some electronics in it. One of my favorite sound bites is the Chevy Volt has more lines of computer code in it than 787 from Boeing. My programming friends tell me that's mostly a commentary on the poor programming skills at Chevy, but needless to say, there's a lot of technology in these cars. An executive at Apple recently pointed out that the car is the ultimate mobile device, and we're seeing this huge connection between connected vehicle technology, internet of things, cars. It's a big opportunity for Oregon.

We know a few things about software, and we believe that there's also a unique piece about Oregon, which is most of the world is using this technology or seeing this technology as way to pack more cars on the freeway going twice as fast and only six inches apart. And Oregon is kind of an outlier as we often are in asking questions like, "hmm, how could we use this technology to make cycling safer and reduce right hooks? How could we use this to improve transit services and help companies like GlobeSherpa continue to grow here?" So, we have both that kind of sustainable mobility niche and the software expertise, and we think this incubator is really going to help drive the growth of that ecosystem in itself, but also through all these start-up companies that are going to be coming through the incubator.

Drive Oregon has made a commitment to this project. First of all, we've committed one of our matching grants of \$50,000 that's contingent on the launch of the incubator, but we've also committed to help recruit companies into the incubator and help support and mentor those companies in the incubator, and then importantly, to help make sure they stay in Oregon as they grow. I think this will attract both local interest from the software community in working in this space, but there's also some real potential to pull folks out of California, where most of the automotive companies have their software design centers, bring them up here, put them through the incubator, and after they've been in Oregon for six months -- especially if they are here in the right six months -- they're never going to want to leave. If they are here between November and April, it might be a little harder. But if we time it right and they're here on a day like today, I think we can keep them here.

**Hales:** That's great. Thank you, Jeff. Questions for Jeff? Thank you all very much. Anyone else want to speak on this item? If not, then let's take a roll call vote on the resolution, please.

**Item 684 Roll.**

**Fish:** Aye.

**Saltzman:** This is a great additional investment, and I'm happy to support it. Aye.

**Novick:** Richard, I have to say the commitments your company is making today are very much at odds with the unflattering portrayal of Jaguar on the show Mad Men. Aye.

June 24, 2015

**Fritz:** Thank you to Patrick and the team for doing this. I'm a big fan of the enterprise zones. I have not previously been a big fan of British car companies, and I was born in southern Caulfield. I'm very proud to be associated with this work that you're doing, thank you for coming to Oregon. You can tell other immigrants who might be homesick for good home-cooking that Tabor Tavern on East Burnside has the best fish and chips in the state of Oregon. [laughter] Aye.

**Hales:** The Council will remember we just approved an updated strategic plan for the Portland Development Commission which said we have three jobs: create jobs, build the city, and share prosperity. And this is at least a two-for because this company is promising to create more opportunity for more people while we grow the job base here. That's exactly what we had in mind. We can write those words on a strategic plan and adopt it, but it requires that the private sector step up and help. We really appreciate your company doing that. This is really an excellent commitment to shared goals, and we look forward to your success. Aye. Thank you all, we're recessed until 1:15.

At 12:42 p.m., Council recessed.

At 1:18 p.m., Council reconvened.

**Hales:** The Council will return to order and we'll return to the agenda where we left off, which I believe is item 678.

**Fritz:** That's an emergency, though.

**Hales:** Oh, right, sorry. So, let's go to 682.

**Item 682.**

**Hales:** So roll call on that, please.

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

**Hales:** Done. Let's move to 678 then.

**Item 678.**

**Hales:** Anyone want to speak on this item? If not, then roll call, please.

**Item 678 Roll.**

**Fish:** Aye.

**Saltzman:** Very happy to continue to see funding for the Athena shelter for victims of sex trafficking. Thank you, Mayor. Aye.

**Novick:** Aye.

**Fritz:** Nice to not have to argue about this. Aye.

**Hales:** Aye. I agree with that.

**Item 679.**

**Hales:** Good afternoon.

**Tashia Hager, Portland Police Bureau:** Good afternoon, Mayor. Lieutenant Tashia Hager with the Portland Police Bureau. Seated with me is Emily Rochon, who's the new service coordination team program manager at Portland, and Dana Brandon with Central City Concern program manager here to answer any questions if you have any. This request is for the budget for Central City Concern. It's to keep these services we currently have with them that support our service coordination team program, which is stabilization beds and alcohol and drug-free beds, mentors, outreach, and case managers; but it's also to increase services with them to include services for women, culturally-specific program, chronic pain management, and most importantly -- at least for the behavioral health unit side of the Portland Police Bureau -- six stabilization beds which are meant to serve dual co-existing mental health disorder and drug and alcohol. So, the budget is the same -- or

June 24, 2015

it's only adjusted for inflation, but it's the same as the Police Bureau had last year to support the service coordination team program.

**Fish:** So, the service coordination team historically has been Central City Concern and Volunteers of America.

**Hager:** Yeah.

**Fish:** So what's before us is just the Central City Concern piece? Yes, sir. The additions that we had -- or where we are seeing some gaps in our system are things we could only get through Central City Concern, so the movement of the money was that direction.

**Fish:** So, you're saying that Volunteers of America is no longer a part of the team that's working on the service coordination team?

**Hager:** That's correct.

**Fish:** I don't remember any Council discussion about that. Could you bring me up to speed on that?

**Hager:** So the shifting of funding was really the addition of the six beds, which were available through Central City Concern, and the addition of treatment for women and the suboxone treatment. Those were a few of the things we wanted to add that we could not get through Volunteers of America. The contract -- or when we looked at how to get those and stay within our current budget without having to come to Council to ask for an increase in money, that's what we could get through Central City Concern which had to do primarily with their ability to do billing for Medicare.

**Fish:** So, have we done a separate procurement for this contract, or are you shifting from one provider to another?

**Hager:** we're just shifting the funds, sir.

**Fish:** Mayor, I'm not prepared to support this today, and I'd like a briefing, if I could. Having had a long history with the service coordination team and our partners, I'd like to have a better understanding of how we got to this place. Does a set-over of a week cause you any hardship in terms of contracting?

**Hager:** Does that put us over the first of the fiscal year?

**Hales:** No, it won't.

**Hager:** OK. Or the first of the fiscal year?

**Hales:** If it's still an emergency ordinance next week, then it'll go over.

**Fritz:** It's not in the same fiscal year, though.

**Hales:** Oh, you're right. You're right, it will take us past the beginning of the fiscal year, so that would be a problem, Commissioner Fish.

**Hager:** That would, yes, sir.

**Fritz:** I share Commissioner Fish's concern.

**Fish:** We don't have enough time today to go into all my concerns. I'd rather do it privately. I'm not prepared to vote for this today. And I didn't receive a briefing on it, either. There are some I think important issues and I'd be happy to schedule a follow-up and then give you sense before answer before next week.

**Hales:** We do have a Council session tomorrow. We might want to continue this and give people a chance to have their questions answered and see if we want to address it tomorrow.

**Fritz:** Yes, or else perhaps tomorrow we could carry over the amount into the next year's budget, if there's a way to make sure that -- I mean, \$1.7 million was a lot of money that was budgeted in this year's budget. I completely share Commissioner Fish's concern, and I'm not sure that we're going to have time before tomorrow.

**Fish:** I think putting it over to tomorrow gives us that option, Mayor. I would urge us to set it over until tomorrow and then we'll see.

**Hales:** Let's do that and see where we stand.

June 24, 2015

**Fritz:** And see if with the Budget Office there's a way to carry over the money.

**Hales:** If there are substantive questions, obviously Lieutenant Hager and Emily and others need to be available to you after we're done with Council today and before we start with Council tomorrow.

**Fish:** Today, we're going to go to about 6:00 or 7:00 and tomorrow, I'm fully booked. I'll do my best. I think it's unlikely we're going to that conversation.

**Novick:** Colleagues, Mayor, and Lieutenant, I seem to recall a hearing that we'd been talking to the Volunteers of America the past couple of years about whether they could bill their services to Medicaid because we thought that they were Medicaid-eligible. And what I'd heard is that they hadn't figured out a way to do that. And given that the services should be Medicaid-eligible, that was a major reason for the shift. Is that correct?

**Hager:** It's a big part, because that's where we're able to make the savings to do the additions of all the treatment. Volunteers of America is not currently able to bill for Medicare, and I think that's something that Billy Cameron [spelling?] was working on for the last couple of years to try to make that happen. So, the savings from that is allowing us to get the additional treatment options that we've added.

**Novick:** And I actually recall pushing on the service coordination team, could we -- these really should be services that are paid by Medicaid, can't VOA do that? So, I might be the only one on the Council who's in these conversations, but I do think that there's a legitimate reason for the shift.

**Hales:** Yeah, I do, too but I appreciate the need to get questions answered.

**Fritz:** Yeah, because on a no-bid contract is of concern, too. This is a lot of money to not even ask if there are other providers who are able to provide the service.

**Hager:** I believe the ask was made of Volunteers of America. The Assistance Chief Bob Day and Commander Sara Westbrook had several meetings with high-level people in Volunteers of America about the potential to provide the same services they were trying to get through Central City Concern. They weren't able to provide those. So that along with the not billing for Medicare is where we landed with going with Central City Concern.

**Fritz:** I think previously, though, Volunteers of America did the services that they were able to provide, and Central City Concern had others. And to me, the partnership of all of the entities involved makes the program stronger.

**Hager:** Right. There's no doubt that having multiple partners makes things stronger. And it's not that VOA is not a partner with the behavioral health unit, it's just for this particular contract, in order to get the savings we needed to do add the additional beds and the treatment for women and the suboxone treatment, we needed the additional savings of the Medicare billing to pay for those things. So, we can't get that on the VOA side. The only way to get it is to shift that money and the responsibility for billing for Medicare to Central City Concern.

**Novick:** I think it's actually Medicaid.

**Hager:** Medicaid.

**Novick:** I think that before we were in effect spending general fund money that we didn't need to spend for services the federal government -- and some extent, the state should -- have been covering. So now, we're not going to be doing that anymore and we're in effect using the savings from getting Medicaid billings to expand services.

**Fish:** There are at least three issues here for me. And there's three members of this Council that have a multiyear history with this program, including when hearings like this brought a lot of people out that we very critical of this approach. So, we have a depth of history.

Number one is, how is the program changing, if at all? And that could be responding to the conditions in terms of funding, it could be responding in terms of who you're serving,



June 24, 2015

or any number of things. Number two is, what's been the process to get here? Because Volunteers of America was an initial partner in developing this. And you know, that includes performance issues and things of that nature. And number three is the contracting piece, since we're shifting money without actually doing a procurement. I think all those perhaps we can discuss by tomorrow, and I'll certainly work with you. I have a sense we're gonna be here until dinnertime tonight, but I'll ask my chief of staff to reach out to you.

**Hager:** OK.

**Fish:** I did actually this morning coming out of a breakfast meeting hear something on OPB about this particular program. What struck me is that it was one of these news accounts that presented none of the history, none of the context of how we got here and what's really going on here. So, I was a little frustrated with that. But anyway, we'll try to have that conversation before tomorrow, but no guarantees.

**Hager:** Alright.

**Saltzman:** What is suboxone? Am I pronouncing that correctly?

**Emily Rochon, Portland Police Bureau:** It's an opiate replacement. So, it's kind of like methadone, but a different type of replacement for opiate users.

**Saltzman:** For men and women?

**Rochon:** Yes.

**Fritz:** I'm looking at the contracts itself and wondering if there are any changes in the mix of the different options between treatment readiness, alcohol and drug-free drug units. Somewhat concerned that the alcohol and drug-free and the women's unit require sobriety at entry and those are the majority of the beds, whereas the treatment readiness is only 18 beds.

**Rochon:** The treatment readiness is -- we have 24 beds, and that does not -- you do not have to be sober to access those beds. It is low-barrier housing. The 30 units that are alcohol and drug-free housing -- that does require sobriety stabilization.

**Fritz:** So the contract is wrong, the numbers are incorrect.

**Rochon:** On the ordinance?

**Fritz:** Anyway --

**Hales:** I think this issue cries out for a little more briefing time, if we could manage it -- hopefully quickly and therefore not screw up the works in terms of getting contracts signed and fund disbursed. I'm going to continue this to tomorrow afternoon at 2:00 and give at least two Council members that have indicated the need to get some more information from you and command staff about this a chance to do this and we'll see where we are 24 hours from now.

**Hager:** OK. Thank you, sir.

**Hales:** Thank you very much. And Emily, welcome to a very important program that you're managing. As you can tell from the strength of the interest here, this Council really believes in this program and wants to it work. That's why we want to make sure we are doing just that. We'll see you tomorrow. Thank you. Set over until tomorrow at 2:00 p.m. Let's move to the next item.

**Item 680.**

**Hales:** And this one is no changes, right?

**Tashia Hager, Portland Police Bureau:** There are no changes on this. I'm here to answer questions regarding the CHIERS or sobering station, which of course is a well-used resource in the Police Bureau and a positive impact on the community.

**Hales:** Just a footnote. I don't think this is true, but we might want to revisit the operations of Hooper after we see how the new psychiatric facility is going work in practice versus how it works in theory. It's different needs, but obviously people that are co-morbid with more than one problem will be seen in one place or another.

June 24, 2015

**Fritz:** I'm glad you brought that up. One of my concerns with the Unity Center is I'm told people will be able to be triaged out of there and be able to jump the line at Hooper. So I think that yes, we will need to evaluate the effect both on police and on people needing services of that new practice.

**Hales:** Yeah. OK, anyone want to speak on this item? If not, it's an emergency ordinance, let's take a roll call vote

**Item 680.**

**Fish:** Pleased to support this and grateful for all the great services that Central City Concern provides in our community. Aye.

**Saltzman:** Aye.

**Novick:** Aye.

**Fritz:** It's very satisfying to me to see services which we band-aided together funding for over the course of the recession now in the ongoing budget. Thank you, Mayor Hales. Aye.

**Hales:** Thank you. Aye.

**Item 681.**

**Hales:** Good afternoon, Commander Leloff. Bob, welcome. So, why are we extending these contracts?

\*\*\*\*\*: These are five-year contracts. They haven't been reviewed in five years. There's been significant changes, and we thought we had all of it worked out and there's one glitch in language that we revolved last week but we weren't able to get it completed. I believe we have buy-in from all 14 agencies. It's really a language issue around buying command staff. The future of transit policing is buying command staff from other agencies, so there's a commander from Portland, there's a lieutenant from Portland, and there's also lieutenant from Gresham and our intent is to buy another lieutenant from another agency. There's a little glitch in shoring up things for five years.

**Hales:** So we get all that worked out in the next two months and you come back to us with new five-year contracts, that's the plan?

**Fritz:** It's a short extension?

**Hales:** Three months.

**Fritz:** It's a three-month extension?

\*\*\*\*\*: The three-month extension allows the bill to be paid and services to not be affected. And then last week, Larry O'Dea and TriMet sat down and met in the evening and worked out the conflict we were having. It's only a language issue. We have a resolution to that and this gives us time to get the signatures.

**Fritz:** I don't know whether this is part of the discussion. A couple of times I've been on the MAX going to the Convention Center and seen our officers working with their inspectors in a fairly aggressive manner, particularly against people who appear to be homeless. And that was not my understanding of what transit police were doing. I wasn't aware that you were part of the fare enforcement team.

\*\*\*\*\*: Fare enforcement is very important to TriMet, and we do partner up. They handle the fare inspecting and we handle looking at criminal histories and exclusions and warrants. And we do those for a number of reasons. It is working the system itself, securing and making people feel safe, and taking people that have warrants off the system. And it's also terrorism -- we work the platforms pretty aggressively.

**Fritz:** It wasn't clear to me in the two instances I observed that the police were waiting until the fare inspection had been done and that you would then be involved in the criminal background check. It seemed very much that the officer and the fare inspector were doing the fare enforcement.

\*\*\*\*\*: We do fare inspections. It is a marriage, so they will encounter the person. If they do not have a fare, that is a violation. And as they run the person, if it becomes a warrant or

June 24, 2015

an excluded issue, then the police take care of that. So we're doubling our efforts, and it's also equitable.

**Fritz:** I'd be interested in statistics on that. I'm concerned though that it's putting our police officers in situations which should not escalate into use of force incidents and that it seemed likely to me just watching that that might happen. Similar to -- we've got an ordinance later on about we don't want the police enforcing the smoking ban on parks. Riding TriMet without a ticket shouldn't escalate into something much worse.

**\*\*\*\*:** And I actually counter with it's very safe for the officers because we're working in a large group, we're three or four officers with three or four fare inspectors, so we're having very little use of force because there's usually two officers to deal with that issue rather than that escalating into a force issue. And it is a theft of services issue, and we're having quite a loss to the system, upward of 19%. And so a steward of the money, we're also trying to protect the system from major loss.

**Fritz:** I was more concerned about the impact on the passenger than whether the police are in groups of four or more.

**\*\*\*\*:** In my six months there, I think the impact is that people really enjoy that. They like seeing the police on the platform. They enjoy feeling safe, and we hit different platforms at different times. It's also a mechanism to counter violence in some areas of the city. So, working in a large group is actually a very effective tool. I am enhancing those abilities and that is one of the main focuses I would like to try. If we need to have some conversation about that, I would enjoy that.

**Fritz:** Thank you, I would like to do that.

**Hales:** Good. Further questions? OK, anyone else want to speak on this item? If not, we'll take a roll call vote.

**Item 681 Roll.**

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

**Fritz:** I'm glad we're going to have another conversation offline and also the coming about a focus three months. I found the experience quite terrifying, and I had a ticket. I'm concerned about the effect. And as we're working to have our police seen as champions and not warriors, and looking at the potential interactions, I have a significant concern that I'd be happy to talk with you more. Aye.

**Hales:** Thank you. Aye. Thank you both. Item 682, which is a second reading and roll-call vote.

**Moore-Love:** We did that one this morning.

**Hales:** You're right, I'm sorry, we did. 683.

**Item 683.**

**Hales:** Ms. Moody.

**Christine Moody, Chief Procurement Officer, Office of Management and Finance:**

Good afternoon. We have before you a procurement report recommending a contract award to R & R General Contractors. The engineer's estimate on this project was \$1,575,473. On May 12th, 2015, nine bids were received and R & R is the low bidder at \$1,305,744.60. The Portland Bureau of Transportation has reviewed the bid items and accepts the proposed pricing at 17% under their original engineer's estimate. The City identified 11 divisions of work for potential minority, women, and emerging small business subcontracting opportunities. R & R General Contractors is a certified minority firm, so participation on this project is at 87%, as they are using a few non-certified subcontractors. I will turn this back to Council if you have any questions.

**Hales:** I don't have any questions, just a comment. Andrew, you make people happy all the time, but now you're going to make them 17% more happy. That's kind of icing on the cake for a good LID that you worked hard on.

June 24, 2015

**Fish:** You know, we had a couple come before recently, Christine, where the bids came in above the construction estimate in some other procurement reports. This one is comfortably below. So, any lessons learned other than it's clear that PBOT is inflating their estimates in order to get good numbers? [laughter]

**Hales:** That's the scam.

**Moody:** Andrew and I have talked about this a little, bit so I'll have him brief you.

**Andrew Aebi, Portland Bureau of Transportation:** One thing to keep in mind, Commissioner Fish, is PBOT uses the same unit prices irrespective of where we do the work. So for example, a few years ago we reconstructed NW 21st Avenue north of Burnside and we had very high unit prices because it was a very difficult work environment -- a lot of traffic control issues, a hassle fair of businesses, etc. In this particular instance, NE 112th Avenue is a dead-end local street. With an eye to try to save money on the contract and attract good bids, I made arrangements where we have a temporary access road during construction. So what we were able to tell the contractors who were bidding is you could just pretty much shut down the work site and work at your convenience. We're hoping it's a very streamlined construction approach. So again, the unit prices we use in PBOT are citywide. You might have high unit price for reconstructing an arterial as opposed to a low unit price on a local street. And in general, with LIDs we try to work fairly with the contractors, and I think we have a pretty good reputation working with them and so they like doing LID jobs and I think that's reflected in the bid result. And certainly the competition of having nine bidders went a long way, too.

**Fish:** Yeah. Thank you.

**Hales:** Yeah, nine bidders -- kind of surprising. OK. Other questions?

**Fish:** I move the report.

**Fritz:** Second.

**Hales:** Roll call.

**Item 683 Roll.**

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

**Fritz:** It's perfect, this is also going to minority businesses. Aye.

**Hales:** He'll be very happy to have the street. Aye. OK. Let's move on past 684, which we've already done, to 685.

**Item 685.**

**Hales:** Second reading, roll call.

**Item 685 Roll.**

**Fish:** I want to thank Scott Gibson and the team, I think they've really refined these presentations, Mayor, to the point where they're quite helpful to Council, they are succinct. I appreciate all the work they put into doing this the right way. Aye.

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

**Item 686.**

**Hales:** Second reading, roll call vote.

**Item 686 Roll.**

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

**Hales:** OK, that finishes our morning agenda. I think the question was, could we take up some of the afternoon items that are on after the time certain? So I guess, folks -- take a quick look here, Council.

**Saltzman:** You want to take them up now?

**Hales:** You could take them up now if you don't expect testimony or if the people that need to speak about them are already here.

**Ben Walters, Chief Deputy City Attorney:** My recommendation has been that since the time certain is at 2:00, and the meaning of a time certain is it can start no earlier than time

June 24, 2015

certain, you might use this cushion to try and clean up some of the regular agenda items that you might otherwise have to put off until after the time certain.

**Fish:** Council, we raised this in execs and tried to work this out. My concern is that it says “regular agenda afternoon session” so we’re not going know whether it’s important to someone until they come in after the time certain.

**Hales:** I’m worried about that, too.

**Fritz:** Yes.

**Hales:** Unless we know there’s items here that are just administrative, we can take of them. We should err on the side to people a chance to speak.

**Fritz:** There’s one second reading, that’s all.

**Hales:** Let’s save that whole batch then, and we will take a 13-minute recess and be back here at 2:00 p.m.

At 1:45 p.m., Council recessed.

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

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

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



June 24, 2015

**JUNE 24, 2015 2:00 PM**

**Hales:** Good afternoon, everyone. Welcome to the afternoon session of the City Council for June 24th. Would you please call the roll?

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

**Hales:** Welcome, everyone. We're going to get started in a minute with the afternoon calendar. Just want to welcome everyone here to Council chambers. We're going to have obviously quite a few people interested in testifying today, so let me tell you a little bit about how that works.

We're going to have some invited testimony at the front of our consideration of these resolutions this afternoon, then we'll have public testimony that's open to anyone that wants to speak. Just let the Council Clerk know if you're not on the list and she'll make sure that you are. Obviously, with the number of people here, we're going to have to limit the testimony in time, so I'm going to ask everyone to keep your testimony to two minutes so that we can hear everyone.

Speaking of hearing everyone, we have some basic rules of courtesy here in the chamber, which is that if you agree with someone and want to somehow indicate that other than a smile, feel free to give them a thumbs up or a wave of the hand. And likewise -- if you feel so inclined -- if you disagree with someone, do some sort of hand signal as long as it's not obscene. [laughter] But we ask that people in this chamber not make vocal demonstrations in favor or against their fellow citizens' point of view so everybody does get heard and feel that they can be.

If you are a lobbyist representing an organization, under our code, you need to let us know that. If you are representing an organization, you can let us know that as well. And if you have handouts that you want the Council to receive, please give them to our Council Clerk and she'll get them to us and distribute them to us. And you need not give us your address if you're here to speak on one of these items, you just need to give us your name. So, that's pretty much it in terms of the rules of procedure. I want to ask our Council Clerk to read the three items together and then we'll begin with testimony.

**Item 687.**

**Item 688.**

**Item 689.**

**Hales:** Thank you. As you've heard, we're taking up three separate resolutions this afternoon on three different aspects of this huge and growing challenge. One is to adopt our 2015 version of our Climate Action Plan, the second is to tell our City bureaus to move forward with policies and projects and programs to actually implement it and make it real, and the third is establishing our interest in this relatively new idea of green bonds as a way to finance projects, some of them City infrastructure projects that have environmental benefits.

Climate change is a huge challenge. As of this week, more than 800 people have died in Pakistan because of the catastrophic heatwave there. There are severe storms worldwide, but including recently in the Midwest. California and Washington are now dealing with spreading wildfires much earlier in the year than has been traditionally the case, and this weekend could be a record-breaking heat weekend for here in Portland. And it's a global challenge that we all believe that we have a role in. Next month, I'm going to be very privileged to join a group of 16 other mayors from around the world who've been invited to go to the Vatican and confer with Pope Francis and the Vatican academy on the issues because the Catholic Church -- among many other organizations -- is paying attention to these issues, and the Pope has recently issued a papal encyclical that's really a remarkable articulation of the connection between climate change and justice and the

June 24, 2015

quality of people's lives. If you haven't read it, like me, it may be the first time you read a papal encyclical but I recommend it. It's an amazing document.

Climate change is not a new challenge. For more than 20 years, Portland actually has had a plan to address the climate change, and we're seeing real results. Our emissions here in Portland are lower than they were in 1990, despite the fact that we've added more than 170,000 people and 75,000 jobs. So, we have proven that even a growing city, even a prosperous city can make improvements, and I think that's an important message to take to that conversation and many others.

We're considering a major update to the City/County Climate Action Plan because this is a joint effort between us and Multnomah County. And again, both governments make commitments in this plan to do things that will make a difference. I'm particularly pleased -- and I know that others will be -- that this new plan elevates equity. A lot of the same things that are reducing carbon emissions or creating Portland as a better place to live and as a place where there is economic opportunity, and that's important because for a long time, not all Portlanders have had access to those community benefits that my favorite economist, Ed Whitelaw, calls "the second paycheck," the things we get as a community because we live here.

But again, it's not equally true. Communities of color, low income people have not had the same access to frequent transit service or sidewalks in East Portland -- something this Council is starting to address. They've not always had equal access to energy efficiency programs because often, lower income people are renters, and therefore they don't have the easy access to financing options to fund retrofits. And same thing with solar. A lot of renters have had no opportunity to really lower their energy costs with solar because that's the landlord's decision. Same thing with recycling information -- again, because multi-family residents don't necessarily have the same opportunities as single family residents do.

I'm particularly pleased this is a partnership with Multnomah County, and that Chair Kafoury is here and is gonna be our first testifier this afternoon, but I also want to call out my colleagues at every bureau and City government. All five of us have a role as both legislators here in the City to consider and adopt these plans, but we also manage bureaus that again make these things real in how we operate and how we serve the city. Again, want to welcome everyone. I have a number of invited testifiers to call, but first, Multnomah County Chair Deborah Kafoury. Welcome.

**Deborah Kafoury:** Thank you so much for having me here today. And as I was here last week -- unfortunately, I missed the both of you -- but I was here last week and I decided I'm going to be coming every week. I'm sure there's many things on your agenda that I have talk about --

**Hales:** You're always welcome.

**Kafoury:** Thank you. Deborah Kafoury, Multnomah County Chair. Good afternoon.

Every generation faces a challenge that requires us to be bolder and braver than we've been before, and I believe that climate change is our generation's challenge. What we do today to fight climate change will determine the health of the community that our children will inherit tomorrow. But our actions will also send a clear message to communities of color, to the homeless, and to seniors who will be disproportionately affected by climate change that we are committed to making our community more equitable.

Over the past couple days, I've been working with our Office of Emergency Management to prepare for this second heatwave of the year. And let's remember that summer has just begun. Science tells us that we are going to have more extreme weather in the future, and our climate is changing faster than any of us could have imagined.

June 24, 2015

Thirteen of the last 15 hottest years on record have occurred since 2000, and 2015 is already on track to become the hottest year on record. In light of these challenges, our work together on the Climate Action Plan is more important than ever, and our City-County partnership is more important than ever.

Climate change is a global issue, but the impacts of climate change hit hardest at the local level. Your Multnomah County Health Department has studied how global warming will affect our health, and no surprise, it's bad news. First, we're going to have more heatwaves. Because Portland's weather is usually so mild, many residents live without air-conditioning -- like me and I'm sure many in this room. Residents with medical problems or those who live alone or on our streets will feel the full brunt of the changing weather patterns.

Second, heat makes our existing air quality issues even worse. When it comes to the nation's worst diesel pollution, Oregon ranks sixth. And among counties, Multnomah County is the fourth worst. We are worse than Los Angeles. And we find concentrations of diesel emissions two to three times higher where people of color live. As our climate changes, if you have asthma or emphysema, you will find it more difficult to breathe.

And finally, warmer winters with more intense rainstorms will lengthen the mosquito-breeding season and cause new species of mosquitos to move in. It's not just a matter of livability. Mosquitos can carry deadly diseases like the West Nile Virus, which we are starting to see in Oregon.

As the Pope has said, the elderly, the homeless, and the communities of color will be most impacted by climate change. They may live in substandard housing conditions that already have mold and mildew, they can be older adults who are socially isolated, and they may have limited access to healthy places like parks and green spaces or lack the means to get out of town when the weather get hot.

Addressing these disparities and making our community climate-resilient is a vital part of doing our job. That means reducing greenhouse gas emissions, preparing for the impacts of climate change, and ensuring that in the process, we make our community more fair. And I am heartened to see that our efforts are resulting in real change. Carbon emissions are down 14% from 1990 -- as you said, Mayor -- while our population, our workforce has grown, which shows that we can decrease emissions and grow our economy.

Today, we are challenged to go even further, and our 2015 Climate Action Plan does just that -- accelerates our efforts to reduce carbon emissions while targeting our work so that helping those who will be most impacted is at the center of our mission. Thank you for your ongoing partnership and your dedication to this work.

**Hales:** Thank you, thanks very much. Questions for our chair? Thank you. We'll see you next week. [laughter]

**Kafoury:** Thank you.

**Hales:** We'll call on a panel of folks to talk about the resolutions before us. Susan Anderson from the Bureau of Planning and Sustainability, as well as Michael Armstrong from the bureau; and then Katharine Hayhoe from the Texas Tech Climate Science Center, who's here in Portland fortuitously this week, and we are very happy to have you here; and Jonas Biery, our debt manager will come up and bring a chair with him, I think. Good afternoon.

**Susan Anderson, Director, Bureau of Planning and Sustainability:** Good afternoon. Mayor, Commissioners, Susan Anderson, Director of the Bureau of Planning and Sustainability. So, I was thinking about developing remarks for this and realized that just over 20 years ago, Mike Lindberg and I had worked developing the first Climate Action Plan. We did it in a room that was flipped around at that time. You were all -- not you all --

June 24, 2015

but others in your positions were back there and we had this long, dark, dusty sort of City Hall, and we presented at that time.

At that time, it was the first local action plan on the climate change. And at that time also, I can remember working on this issue, talking about this issue to the bureaus, to residents, to businesses, and so many people still believe that -- you know, "is this for real?" We didn't understand it as climate change, we still called it global warming, but times have really changed since that time. Then, global warming was absolutely an environmental issue. It was like air pollution or water pollution. Now we know that working on climate change is just as much an economic development issue and a financial strategy for our community just as much as an environmental strategy. And we have hundreds of companies in Portland that produce or provide services around technologies, different products all related to sustainability to reducing the use of fossil fuels.

In addition, our local companies, our residents, and our City government have benefited from 20 years of energy efficiency programs that the state's nonprofit Energy Trust of Oregon and other organizations, including the City, have helped to bring together, literally saving billions of dollars. So, this is one of the things where a penny saved is more than a penny earned. These dollars are dollars that are not going out of the community but are being recirculated within the community for weatherization, for energy efficiency improvements -- all things very labor intensive. In fact, we've saved more than \$60 million within Portland City government over the past 20 years.

Also 20 years ago, we hoped that national governments around the globe would latch onto this issue. But as the years went by, we realized very clearly that cities would not only have to be part of the answer, but that indeed, they were the primary place where most of the action is happening. And now, we know that cities is really where it's at in terms of action on climate change.

Around the world, cities are in the leadership position, and we know that we can't wait for the national governments to come to some kind of worldwide accord at the conference of parties. Absolutely that work has to go on, but we need to take action now. The proof is in the numbers. As the Mayor and the Commissioner Kafoury have mentioned, our greenhouse gases have fallen dramatically by more than 30% per person here in Portland while for the rest of the world in most other cities, the emissions are going in the other direction.

Because of these, we're recognized for our accomplishments by different federal agencies, by nonprofits, by foundations, and most recently, as the Mayor mentioned, by the Vatican. And as you all know now, Mayor Hales will meet with the Pope and 15 other international Mayors in July to discuss opportunities for cities to make a difference. Pope Francis in his encyclical -- again, weird that we're all reading encyclicals now -- [laughter] -- but its great reading recommended to anyone, He has brought, in my mind, our head and our hearts together on this issue, which is essential. He's brought together the issues of social justice and climate change together. So, in the spirit of understanding that this issue is an environmental issue but it is very much about people, about their jobs, about their livelihood, about their homes, about how they get to work -- all those things together,

We asked a very special guest who happened to be in town today -- I think sometimes we think that these things are magic or something -- but this was meant to be. Dr. Katharine Hayhoe is an atmospheric scientist from Texas Tech University. She's the director of the Climate Science Center. She's absolutely a leading scientist and a data cruncher but moreover, she's a person of deep moral conviction. I read something on her website that just kind of smacked me in the face in terms of -- it said more or less we have three choices: we can mitigate, we can adapt, or we can suffer. And we're likely going to do all three of those things, and it's really a question of what's the mix going to be.



June 24, 2015

Dr. Hayhoe was in town for a lecture with the World Affairs Council, She will briefly provide her perspective on climate change, and hopefully a little bit about Portland's role in making a difference in our little corner of the world. Thank you.

**Hales:** Thank you. Welcome.

**Katharine Hayhoe:** My name is Katharine Hayhoe for the record, and I am a climate scientist at Texas Tech University. I love cities. I work with cities all across America -- blue, red, green, and every color in between, big and small -- to help cities prepare for a changing climate. Because the future is in cities. That is where most of us live, and that is where most of us experience the impacts of the changing climate.

At the same time, my work as a scientist is very clear. For almost 15 years now, I've been studying the difference that our choices make in terms of the future that we're going to be facing. And it is crystal clear that if we continue on the current pathway -- and I don't mean Portland's pathway, I mean the world's pathway -- if we continue on our current pathway of depending on fossil fuels to supply our primary source of energy, we are going to end up with changes that we cannot prepare for, changes that will be dangerous from an economic perspective, from a health perspective, and from a wellbeing of life perspective. And so, that's why I'm so excited about what Portland is doing. It really is an example.

One of the biggest arguments people have is, "well, you know, we could do everything that we could, but you know, if China isn't doing anything or India is not doing anything, why should it matter?" But that's a myth. They are doing things. China is a world leader in wind and solar energy. And cities are one of the main ways that idea that we can reduce our emissions and prosper economically -- that that idea is spreading around the world.

As a scientist, I know what science can do for us. Science can tell us that climate is changing. Science can tell us that for the first time in human history, we have crawled into the driver's seat of our planet and elbowed natural causes out of the way, and taken control of our climate. We are the ones doing what's happening today. Science can also tell us that depending on the choices we make, we're going to see very different outcomes. But science stops there. And so that's why it's so important to connect this issue to our values.

And for over 80% of Americans, many of the values come from our faith. So the Pope's encyclical is essential because it speaks to values. Why do we care about climate change and what should we do about it? As one of my colleagues said, science is like a compass. It can tell us which way is north, south, east, and west. But science can't tell us which way to go because that depends on the values.

So, I welcome this discussion of connecting our action in terms of not just preparing for climate change but reducing the impact we're having on our planet -- as you are today - - to what is it that we really care about, what is important to us, and what is in our hearts. Because only -- as Jane Goodall said -- working with our clever brain and our human hearts together can we accomplish what we need to. Thank you.

**Hales:** Thank you. Thanks very much for being here today. Michael?

**Michael Armstrong, Bureau of Planning and Sustainability:** Thank you, Mayor and Commissioners, I'm Michael Armstrong with the Bureau of Planning and Sustainability. I know, Dr. Hayhoe, the World Affairs Council has many things in store for you this afternoon, so if you need to --

**Hayhoe:** I'll listen to you and then I'll --

**Armstrong:** I'm going to go on and on and on and on and on --

**Hayhoe:** Oh, you are -- [laughter]

**Armstrong:** I'll be cut off -- [laughter]



June 24, 2015

**Saltzman:** You've been warned -- [laughter]

**Armstrong:** Duly noted. I will offer an overview of the plan and kind of highlight some of the key actions in it that are different than previous versions, and then certainly take your questions. I know that people who are here to testify as well.

**Hayhoe:** I do have to go -- I got the nod.

**Armstrong:** I thought so.

**Hayhoe:** I'm not leaving because it's not important, it's really important.

**Hales:** Look forward to her speech tonight. Thank you very much. Let's suspend is the rules and welcome her to Portland. [applause]

**Armstrong:** Thank you all. So, as Susan noted, Portland has been working on climate change for more than two decades. I sometimes bring around the floppy diskettes that have the data on them from the original 1993 Climate Action Plan, and I think it illustrates the sustained commitment that people in your shoes have made, that business and individuals have made, and that really is the reason that we currently on a good trajectory. I think it's also the reason that we know after 20 years of hard work, we still have a long way to go. And so I think that that's one of the lessons that the work of Portland has done to date.

This work has led to an impressive list of accomplishments, a number of them on the screen for you to see. Energy use per person is significantly lower than it was in 1990. Using quite a bit less gasoline than we were in 1990. You can see the commuting figures, one of the highest recycling rates in the country, transit ridership has doubled since 1990. We are starting to see impressive growth in the number of electric vehicles. The list goes on. Installation of tag systems, green building, eco-roofs, invasive plants, planting trees and shrubs, and Susan referenced the energy savings in the City's own operations as a result of this sustained commitment to reducing energy use, switching to renewable energy. You put those things together, and the trend is encouraging. It's the bottom line here. The blue line is for Multnomah County, across the whole community. And you can see that the trend really has departed from the national picture. It's also encouraging that the national picture has started to bend down as well. We need to have other people follow in our footsteps and the footsteps of a number of other leading cities now. So, this is encouraging.

At the same time, the message -- the pairing of declining emissions with population growth with economic growth -- is really, really important. And when the conversation goes to China and India, this is the kind of graph that is really useful to them to see that this is possible. This is what they are trying to do as well, so it's an important lesson that I think that we have experienced in Portland and we can share elsewhere.

We're also mindful that we really have a long way to go. The City's goal for a number of years now has been to reduce the emissions 80% below 1990 levels by 2050. We're at 14% below. We're making real progress, and there is a lot of work ahead of us. That's why we update this climate plan periodically. Let's establish the next set of actions for the City and County to take on; let's respond to emerging opportunities, changing technologies, new partners; let's work with the community to do that.

The 2015 plan came about through a process that involved a steering committee -- we'll hear from a couple of members in a few minutes. He had an equity working group. One of the real differences in this plan from previous versions was the intention to address equity and elevate it as a priority. As we're reducing carbon, as we're preparing for climate changes, we need to do that in ways attentive to people who have not always had the opportunities, and in fact have often been more burdened by those activities. And so, we made a real effort to address that through developing the plan.

June 24, 2015

Certainly, a lot of staff work has gone in to this from bureaus across the City, departments across the County, and in some cases, bringing together more technical advisory groups to give us good insight into specific issues. We have a lot of plans, and so as we update the Climate Action Plan -- you know, the previous plan was in 2009. Since then, the cities adopted the first climate change preparation strategy. We also had the Portland Plan in 2012, and now we've got a proposed draft of a comprehensive plan. The earlier climate plans provided input into those plans. Those plans in turn evolved policy and ideas further, they give us input into the new climate plan. We're obviously bringing other ideas as well, so it's an iterative process.

With the emphasis on equity and bringing in I think our longer standing recognition of the economic opportunities in climate action, we really do want this climate plan to be helping to deliver on our commitments to being healthy, prosperous, resilient, and equitable. And so, that's a real priority as we have gone through each of these individual actions. The plan is organized into these eight areas, and these are actually very similar to the areas in the 2009 plan. Framework is staying largely the same, but we're updating all of the actions, and we're often providing more specificity about how we intend to carry out those actions. I will go quickly through each of these just to illustrate the major actions in each arena.

If you look at Portland's carbon footprint from a conventional way of measuring, about 40% of it comes from energy use in buildings and electricity supply, and so the priority actions that we've identified here -- energy performance reporting. Earlier this spring, and you all acted on a policy for commercial energy benchmarking. There are similar opportunities around energy use in homes. And so, we'd like to work with our community partners to really elevate home energy use as something people should be attentive to when buying or renting a home. We also want new opportunities for community solar. Mayor, you referenced the challenges with that up to now, so that's a priority -- making solar more broadly available.

At a state level, this plan identifies a carbon price -- whether it's a carbon tax or cap on trade -- as a priority policy for the state. It also suggests that the City should look at doing that locally if it doesn't come through at the state. As Susan suggested, we waited a long time for federal action. We feel some urgency to move forward where we can.

New construction. We're now in the midst of another building boom so new construction is a big opportunity to optimize the energy performance at the time buildings are constructed, so there are actions in there to accelerate that.

And then, the climate plan calls for Council to adopt a policy around fossil fuel exports, and this is something there's been a lot of conversation about over the course of the spring and I think you'll hear the testimony about today. And so, the current action calls to initiate that development process.

So, 40% of emissions from buildings and energy, another 40% from transportation. A lot of the transportation emissions are driven by what your urban form is to start with and then what kind of transportation system you have to offer to people. The key to this -- certainly, from a carbon perspective, but from an almost everything perspective -- stable long-term funding. This is not a new issue, but it's a very, very important one for our carbon goals as well as for many other things. The fundamental building block here really is healthy, connected neighborhoods. We need these walkable neighborhoods, we need compact urban form, we need to connect them with efficient, convenient and affordable transportation options.

We also need to move towards lower carbon fuels -- so biofuels, electric vehicles, compressed natural gas, especially for larger vehicles. So, we want to be moving forward on all three of these fronts.

June 24, 2015

One of the other new issues that the climate plan really elevates is consumption, and so for the first time we've continued to measure emissions in a conventional way -- add up the energy use, and look at waste that goes to the landfill. We've also analyzed all of the goods and services that are consumed by households and businesses and government agencies in Portland, and so we have a new way of understanding the magnitude of our consumption footprint in addition to the things that take place here. That really initiate our conversation around what's the City's role in informing household and business decisions about consumption, and so it calls for us to develop a strategy around this rather than leaping to "we know what we need to do." But it turns out that the consumption footprint is -- maybe unsurprisingly -- much, much larger than the energy that's actually used here. We are net consumers of all kinds of things, and we should look at that as an opportunity to reduce emissions as well.

We're good recyclers, we're good composters, we need to make the same opportunities available in multifamily properties, and so that's a new focus in this climate plan; and then making better use of goods, while they are usable -- so repair, reuse, sharing, lending. Lots of opportunities there and those really affect our consumption footprint.

Food and agriculture. The big message here is that what we eat matters, and you know, little chart showing the relative carbon emissions per calorie. And although the letters are small to see, the descriptions -- you get a sense of the range of impacts. That big, long bar at the bottom -- very carbon intensive -- is beef. The one at the top is legumes -- so, beans -- and next to it is wheat. So you get this change range of emissions associated with food choice.

We also know that urban agriculture produces a lot of other community benefits, and if you look at what people typically grow, in their community gardens, in their backyard, they're growing things at the very low carbon footprint end of that spectrum, and so there is a nice alignment between our urban agricultural work and the low carbon emissions. We do want people to understand that food choice matters, and so we'll try to advance that from an information perspective while continuing to create opportunities for everyone to have access to the fresh, healthy food because those tend to be lower carbon foods as well.

**Novick:** Michael?

**Armstrong:** Yes.

**Novick:** Can you talk a bit about the significance of transportation of food compared to production of food in terms of the carbon intensity? Because I think that a lot of us used to assume that if you buy local food, then that's always better than buying food from far away, and actually, my understanding is that the type of food matters more.

**Armstrong:** Yeah. You are exactly right. So, you know, as an average across all the different foodstuffs that people consume, something on the order of 10% of the total emissions are associated with moving that food around. And I think it's 85% are from the production of it and the balance from kind of retail and wholesale sales. So, only about 10% of the emissions are associated with transportation. And so, local food is really important for a lot of reasons. If carbon emissions is what you're optimizing for, it's a consideration, but it's only 10% of that.

**Fritz:** But presumably, if you're buying a gallon of milk, buying a gallon of local versus something that's trucked from Ohio is the better choice.

**Armstrong:** Absolutely, that's right.

**Novick:** But eating lentils that come from Chile is probably better than eating beef that comes from next door. [laughter]

**Fritz:** Got it.

June 24, 2015

**Anderson:** He said it.

**Armstrong:** That would be also true, yes.

Urban forest and natural systems. I mentioned that last year, the City adopted a climate change preparation strategy. Important pieces of that have to do with strengthening our natural systems so they help us to be more resilient as the climate changes. They also often help to sequester carbon, so they're taking carbon out of the atmosphere and helping to slow climate change as well as preparing us for it. And so this helps to bring those things together. So, very important actions around the tree canopy, watershed restoration, removing pavement -- these things really help us on both fronts.

Chair Kafoury touched on a couple of the major impacts from the changes that we're seeing, and so this plan rings in the key pieces from the climate preparation strategy. We want to be clear that these are integrated, and so hotter, drier summers; warmer winters with more intense rain events. The heatwave coming this weekend is a perfect illustration of what we need to be prepared for, and so there are significant changes that we need to make in our public health system. We've got wildfire risk this summer that's hopefully not as bad as it is starting to look, but we shall see. And then certainly in the winter -- you know, we already have issues managing our rainfall, and we'll probably need to strengthen those systems so that we're doing more of that, because we're likely to get more intense rain events in the winters.

Part of the work to elevate equity in this is around community engagement. This really needs to start from the community and not just appear in a plan first, and you know, we've needed to go back to start over and really try to approach the community groups and work with them on their terms. So, this has been a learning process for -- certainly for me and for many of the colleagues. I feel like we've made some good progress, and I think you'll hear from the groups today. We have a long way going and we're certainly not going to get to the long-term goals if we're not successful in enabling and supporting community activities. A lot of this has to do with responding to community priorities and projects that deliver other benefits. They also often can reduce carbon emissions, and that's a good opportunity for all of us.

I think that it's a useful point of information when we're interacting with the community on this that you look back at some of the work that the Oregon Values and Beliefs Project did. The question here was -- statement A, climate change requires us to change our way of life, such as driving less or living more simply. You know, 88% of Portland respondents agreed with that statement. It's a very, very big number. It doesn't say people are excited about that, but it says they recognize that those kind of changes are needed, so I think that the community is receptive to the need to do some of these things. And you know, as Susan was pointing out, many of them have very positive community benefits either in terms of the affordability, in terms of the quality of life.

The last section of the plan addresses government operations, so City and County operations. Because you all run bureaus, you're familiar with these efforts. We're constantly working on improving the performance of our buildings, pump stations, wastewater treatment plant, and LED streetlight replacement project, converting the fleet to electric vehicles to low-emission vehicles where we have opportunities -- a very long list, and the Portland Building reconstruction coming up is a very big opportunity for the City to deliver this in its own operations. One of the tools that we've identified as a one way to finance some of those improvements is green bonds. This is the subject of the third resolution. So, I wanna take just a minute to give Jonas Biery a chance to explain that in detail, because this is a new concept for the City and I think we're among the early adopters on this. I'll let Jonas talk through a couple of slides and then I will wrap up and we'll take questions.



June 24, 2015

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

**Jonas Biery, Debt Manager, Office of Management and Finance:** Thanks, Michael. For the record, Jonas Biery, the City's Debt Manager. As Michael said, green bonds are a fairly new concept gaining momentum in the municipal marketplace. Very quickly, kind of a 101 - - maybe even a step earlier than 101 -- but the concept is basically we take traditional borrowings that the City would do and add a green bond designation to that. What that does is identifies the bonds -- which are investments that the public can invest in, institutional investors can invest in, and retail investors -- so those that are interested in investing in green infrastructure that the City is conducting, have an opportunity to do that.

In theory, because we're matching to that specific interest, there's potential for the City to get better pricing, meaning a lower cost of borrowing. Important to note -- the second bullet here -- that the markets are growing, it's evolving but currently under development. I'm going to be upfront in saying that right now, the financial benefit is unproven. The market dynamics exist, but I've for example talked to investors who said, "yes, I really like green bonds and no, I'm not going to pay you anything different." What we want to do is position ourselves so we can in fact get that financial benefit as well as some of the other benefits.

I note here that the requirements are undeveloped, so that's important as we develop our strategy that we're sensitive to adapting to those evolving requirements and expectations.

Third bullet. It does not require any changes to the current debt policy, any changes to current financial policy. All existing bond related documents -- covenants, regulatory framework -- would still apply, this is just an added kind of bonus designation. Importantly, we have no City capital projects within the next six to 12 months that are expecting long-term financing, and that's important because it gives us the opportunity to be patient and strategic as we develop our plan.

To give a sense of the market, I said it's growing rapidly. What you see here, the blue line is global issuance. And so, 2007, the first issuance by the World Bank, really the entity that developed this concept, you see sort of some World Bank issuance with a smattering of corporate and international, and 2013 is when the markets started taking off globally. You start to see the red line is U.S. municipal issuance -- so 2013, it was pretty much the commonwealth of Massachusetts; 2014, you see some growth in that red line, the state of California, and D.C. water, City of Spokane; 2015, we've already seen throughout the first half of the year increased volume, San Francisco's public utility, New York City, City of Tacoma -- so we're seeing this develop. And as more issuance comes to market, we start to see more refinement of preferences.

I want to focus on the benefits. By issuing green bonds, we express support for taking innovative approaches to financing environmentally responsible projects. It continues to present the City as a leader in environmental best practices and financial best practices -- being on top of the financial tools that develop and doing them in the right way. As I noted, it's accommodated within the current financial structure, and we hope to have future reduction in borrowing costs.

I note on here a few minor risks, and these are mostly related to potential increases in cost or in administrative requirements of issuing green bonds. Our proposal -- or what we envision -- is developing a framework that kind of operates on the background that will identify the projects in a specific way that will mitigate the risks as we go forward. For example, we want to have projects that have clearly reportable outcomes. We want to make sure that they're projects that we aren't going to fund them and then they change their scope during the course of the financing.



June 24, 2015

Moving onto the proposed resolution -- what does it do? This is the third resolution in front of you. It advances City leadership in sustainable innovation and identifies support for the concept of green bond issuance. It provides three specific directives to the City staff: to start looking at potential candidates for green bonds; to continue on our end in public finance and treasury to assess the financial cost benefit, including doing due diligence with market participants; and then to develop standards and procedures for identifying projects and ongoing reporting.

What we'll do going forward is direct a framework. I say a strong framework because we want -- to use the analogy -- we want to have a top shelf framework like we have top shelf financial policies, top shelf green objectives so that we can attract that investor interest that's actually going to give us the incremental benefit. As we do this, it will be critical that we involve the infrastructure bureaus as we're starting to develop this framework -- water, sewer, transportation, facilities, entities that are likely to have projects that will fit within the category. I also think it's critical that we are flexible as we develop the framework to be nimble and adapt as the market continues to mature.

Quickly -- what does it not do? It does not authorize any specific borrowing. Borrowing will still come to Council during the normal authorization request process. It doesn't change the City policy, and it's not anticipated to accelerator adjust project timing schedules but really looking at the capital projects in the pipeline and most importantly, in my opinion, establishes the foundation for us to get the longer term financial benefit by developing the framework.

**Hales:** Thank you. Questions?

**Fish:** Jonas, one question. Of course, I'm going to support this because Senator Dingfelder lobbied me on it and I'm not going to disappoint her. But on the question of this marketplace for green bonds -- I mean, the vision here is that over time, if we use our purchasing power, in effect, and other jurisdictions join in, my understanding is that we can expect the market to align so that we get the competitive similar interest rates in terms that we would get with conventional financing, so it will be one of those circumstances where there's no premium, but we get the dividends. Is that --

**Biery:** That's correct. The market right now -- there is evidence that there is no additional cost. You're not paying a higher cost of borrowing for green issues, than you would for a non-green identical issue.

**Fish:** So what we're essentially doing is tapping into a socially responsible investor pool that over time we hope as the market grows -- it essentially is at parity with conventional financing, so we are substituting one set of borrowers for another on competitive terms.

**Biery:** That's correct, and ideally we always look to in our department expand our investor base. As we get more people coming in and bidding on our bonds, we get a marketplace that has potential to give us better pricing. So, if the -- assuming the green bond investor marketplace develops, we have potentially more investors interested in participating there, and potential for greater pricing. And I would red flag -- just to think about the market for a second -- the slide I had earlier that showed little, thin red line 2.6 billion of issuance in 2014 among U.S. muni issuers -- that represents less than 1% of the total volume of outstanding bonds. So you can see that, as you look around the room here, there is likely more interest in investment in these than there really is product that's out there in the market. So, the dynamics are there, they just haven't borne themselves out in a demonstrable way.

**Fish:** Susan, I have a question for you. Got these very bold 2013 objectives, we've got five-year priorities, and you've got a lot of bureaus and we're trying to sync them up and get everyone behind the plan. What combination of carrots and sticks do you anticipate to

June 24, 2015

get all the bureaus to play over the next five years, and then how can we gauge progress annually collectively?

**Anderson:** Fortunately, most of the bureaus are already doing a fantastic job in most of these areas. We meet regularly once a month with all the bureaus, and we meet once or twice a month with the Planning and Development bureaus, and this could be more of a regular item on the agenda. So, the plan is to meet when this is adopted -- although, we often meet on these regularly anyways -- we can come back with an annual report on actions that each of the bureaus have taken to meet the various, and we can broaden that to sustainability broadly or keep it to the climate change. In the past, we've done more of a sustainability report.

**Fish:** So I would urge us to think about that as an annual work session to sort of gauge where we are, and also, I think that it's -- Susan and I have already had this conversation - - but I think it's great that she is meeting with the bureau leadership. I think that the additional overlay is that each of us sets expectations annually for our bureau directors, and they are either done formally or informally, so that's another way that we can be very prescriptive about where we want the energy -- so to speak -- focused. So, let's think about that as well.

**Hales:** Good. Other questions or comments for staff.

**Novick:** Michael, I know that we're doing better than most places over the last 20 years in terms of the reducing of our carbon intensity. Are there cities that do better than we do in terms of the carbon emissions per capita? For example, how do we compare it to New York City on carbon emissions per capita?

**Armstrong:** There are certainly cities that do a lot better in terms of the emissions per capita. It's a fairly complex set of inputs that have to do with everything from the climate -- you know, how cold is it in the winter or hot is it in the summer -- to density where people live closer together and multi-family buildings are much more efficient and there are much better transportation options. And third big piece is, where does your electricity come from? Hydro renewables are going to have a lot smaller carbon footprint. So, New York, for example, I believe the number is -- so Portland has a carbon emission per person of 10 metric tons, so ten tons per person. New York's is I think around 5.8, maybe six, so significantly smaller than ours. They have colder winters. They also have much more compact footprint. Their transportation system is amazing, as we all know. Vancouver B.C. -- emissions per person on the order of 4.5 metric tons. Their electricity is essentially 100% hydro, so that takes a bite off. They've done a pretty good job with their transportation systems and urban form as well.

You certainly get -- you know, you go to Denver and Minneapolis and you get emissions quite a bit higher than Portland. So, absolute numbers are I think useful for what can be accomplished -- you know, the trend over time. Obviously, we all are where we are, so what are the biggest opportunities? We are seeing other kind of cities moving aggressively on this and really driving emissions down: Boston, San Francisco, Philadelphia, New York, Vancouver, Seattle -- all have emissions that are now lower than - - they are starting in different places, but they have declined over the last five years ahead of the national trend. That's really encouraging. We all have a long way to go.

**Novick:** On page 76 of the plan, you have a discussion "compact urban form reduces carbon," where, for example, you say, "by encouraging development of new housing units and focused areas like centers rather than spread across the city, grocery stores, restaurants, public spaces and other services can operate within walking distance of local residents." And I think that you also say at some point that transit is more viable in places where there's sort of more people per stop. Is it fair to say that in New York, they have lower emissions because everybody rides the subway, but the subway only makes

June 24, 2015

economic sense because there are a lot of people per stop because there's a lot more people living in the apartment buildings, basically?

**Armstrong:** Yeah.

**Hales:** Thank you very much. I'm sure that we have more questions for you after the hearing, but thank you. Now, we call a panel of citizens who worked on this plan who are on the steering committee. Good afternoon.

**Douglas Tsoi:** Good afternoon. I think that the first thing that I would say is everyone in this room would agree that we don't want to be worse than LA in anything -- [laughter] -- particularly air quality.

My name is Douglas Tsoi and along with Kent here, I co-chaired the Climate Action Plan steering committee. I also serve on the County's advisory committee on sustainability and innovation. If you look on page six of the Climate Action Plan, you will see the roster of the steering committee, and I've got to say, it was a privilege to work with those members and with the BPS staff.

We met several times over the last two years when the plan came together to provide big picture guidance to the staff. We reviewed the key issues from public comment and helped the staff reconcile conflicting and competing comments.

The Climate Action Plan -- this version -- has the same goals and framework as the City and County's 2009 plan, but it makes major changes articulating the importance of people and climate work. It's about reducing carbon and preparing for climate impacts, but it's now a lot clearer that we do this because of people, both locally and elsewhere. I think it's just really important to think that we're not doing this for nature, we're really doing this for the people.

We'll hear from Duncan Hwang about the process the equity working group went through later in this little session here, but I want to call the Council's attention to a couple things. First of all, I think this is a major step up -- this plan -- because it's a plan. There's tasks. There are people responsible for those tasks. There are priorities based on carbon impacts, co-benefits, equity issues. So, compared to the 2009 plan, there's actual concrete things to do.

The other thing that I would focus you on is that we're talking a lot about adaptation now. We're really trying to prepare particularly at the most vulnerable for climate impacts.

I think a lot about Wayne Gretzky. He had this great quote. He said, "I don't want to skate towards where the puck is, I want to skate to where the puck is going to be." I think about this plan and that's what it is. We're skating to where climate preparation and climate adaptation's gonna be. So, I think about what the future Portland residents are going to think about. I think that they're going to be really thankful for the work that we did today.

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

**Kent Snyder:** Good afternoon. Kent Snyder, I've also been with Douglas co-chairing this steering committee, and I've actually been around this -- not as long as Susan has been -- but I served on the steering committee for the 2009 Climate Action Plan. We spent several years putting that together. I used to chair the sustainable development commission -- co-chair of the sustainable development commission for the City, and the City and County; was chairing the County's advisory committee on sustainability and innovation. So, I've been through a lot of the iterations of these things.

A couple of things that I -- really to Commissioner Fish, the question you asked to Susan Anderson was -- the thing that I noticed, a couple things in the last -- over the iterations of these plans. Where we started a number of years ago, 10 years ago, where we were really kind of asking bureaus and having to pull a bit from the bureaus and departments to, "what are you going to do about this? How is it going to impact you thing?" The shift that has happened really is they are engaged, they are forthcoming with great

June 24, 2015

ideas, they have embodied the goals into their operations. I mean, from a citizen's view, both at the City and County level. So, it's been really a big shift that way.

The second thing is I've watched the -- Susan also referenced -- the size of the audience and the diversity of the audience and the conversation, and we went from what was a global warming plan, it was an environmental issue to the -- back then the sustainable development commission, said, "this is the economic strategy, really, that should rise above all things for the City and the County." And it has become that. And the diversity, the people involved -- really this time to bring in equity, to engage them in a very real, constructive way, and look at the impacts and how do we both address those, but also how do we help them economically at the same time provide those economic opportunities that have been not as readily available in the past.

So, I think that this is -- we've made a lot of good progress, there's a lot more to be done, but we've got a great framework here. The steering committee is going to urge that you adopt the plan. Thank you.

**Hales:** Thank you.

**Duncan Hwang:** Good afternoon, Duncan Hwang, Associate Director at the Asian Pacific American Network of Oregon. Thank you for inviting me and for providing a space for our volunteers earlier this morning to speak about equity issues.

I want to start by speaking about the process for the Climate Action Plan update. Overall, this process of incorporating equity into the update was a really big step forward. A number of community-based organizations received a small grants to participate in this year-long process. That was important, because we met weekly basically for two hours at a time to really dive into the details. For our organization, we used our small grant to bring on an intern. She was the president of the Vietnamese student association at Portland State University, and this was a really empowering experience for her. Over the course of CAP equity process, she really felt like she had her voice heard, and also really felt empowered by being able to interface with County and City government. So, that was a great kind of win for building our capacity long-term and also working with the City and County and kind of building their analysis. Both sides had a lot of learning to do.

We also really used this opportunity to build our organization, our capacity to work on environmental issues. We now have a program in APANO that is focused specifically on environmental work and environmental justice. So, the participation in that CAP process was really the first point of contact on environmental issues, but we've really grown beyond that and are taking it really seriously.

I think over the course of the process, our community really started to feel ownership of the Climate Action Plan and the update, and I think that that's a great thing. It's rare for a non-environmental nonprofit to really feel that level of ownership in a Climate Action Plan, but I think this process really did facilitate that. Building upon our experience of CAP, we're further engaged in environmental justice and environmental resiliency. We're now proud to be working on our own climate resiliency plan in coalition with other communities of color. It's a coalition, including APANO and NAYA and OPAL, Coalition of Communities of Color, Voz, and a host of other community-based organizations, and we nearly completed a plan outlining a vision for Portland and Multnomah County that will offer policy makers options on how to best move forward with implementing the goals of the Climate Action Plan without further harming the communities of color. This additional process that we've undertaken on our own is rooted in the values of self-determination and equity, so we hope to continue to engage with the City and County on its implementation of the future.

As for the CAP itself, the values that we brought to the table I feel really did show up in the language of the action plan update. I don't think anybody questions its effectiveness.



June 24, 2015

The reduction of 32% in carbon emissions per capita is a remarkable feat, but I think that going forward, we're not going to be able to see these continued gains without being exclusive and including everyone that lives in Portland. For myself, and I live and work in East Portland in the Jade District in particular. Maps show that we live in an urban heat island, we have limited green space, we have almost no tree canopy. DEQ data shows we have the worst air pollution in the whole city due to the proximity between SE 82nd and I-205. This leads to a whole bunch of health disparities. For example, our community has 16% asthma rate -- that's twice the County rate, which is 8%. So, this is a very real health impact for our community.

And you know, talking about Wayne Gretzky and where you want to go -- demographics are changing. The fastest-growing demographics in Portland is now Pacific Islander, and that's no accident. Pacific Islanders are facing tremendous environmental degradation in their home islands and they're moving here and California and Hawaii. But you know, we're seeing a huge influx, and it's because of climate change.

In closing, we're all here to reduce carbon emissions. But for myself, I would really like to evaluate CAP based on its implementation. I think our values are there, but whether this Climate Action Plan works or not for our community will really be found in the implementation, in the implementation guide that's going to come out. I see the metrics for reducing greenhouse gases, but I don't see those clear equity metrics, so I would really like to work with the City and County in making sure that, you know, yes, we're going to reduced greenhouse gases, but also going to have metrics that really advance equity for our communities as well. Thank you.

**Hales:** Thank you. Thank you all for your help with this so far. We'll keep calling on you. Any other questions? Thank you much. Let me call on another panel of volunteers -- Angus Duncan who chairs the Oregon Global Warming Commission, Mike Houck from the Planning and Sustainability Commission, and Chris Smith from the Planning and Sustainability Commission. Good afternoon.

**Angus Duncan:** Good afternoon, Mr. Mayor and members of the City Council. My name is Angus Duncan. I'm president of the Bonneville Environmental Foundation, I chair the state of Oregon's Global Warming Commission, and I was privileged to be a member of the stakeholders group that helped assemble and critique the plan that's in front of you. And I would just begin by saying that there is much to admire and applaud in this plan, and a huge amount of labor by both stakeholders and the City staff people that went into that, and we all ought to take a brief pause and silently congratulate ourselves and take a heave and then go back to work. [laughter]

This plan continues Portland's leadership in addressing energy and climate issues that actually goes back further than Kent, it goes back further even than Susan. It at least goes back as far as 35 years ago, when I was a young and wet-behind-the-ear City staffer, and we brought the first urban energy policy into the City Council in the mirror image of this chamber, and it was adopted by the City Council. It was predicated then on energy efficiency as its priority, much as this plan is predicated on energy and carbon efficiency as the way to reduce emissions in Portland. And that's by far the most important strategic point to be observed.

I have four other quick comments, if I may make them. First, I think the most important contribution of this plan is in demonstrating how cities can leverage their special capacities for energy and carbon efficiency. Something like 70% of the people of the world now live in cities, and that's a number that's growing. Close to 80% of the energy that's consumed is consumed by or in cities globally; and about 60%, interestingly, of the greenhouse gases. So, the numbers themselves describe the inherited energy and carbon efficiency of urban areas.



June 24, 2015

This plan leverages compact urban form, it leverages targeted densities that are aligned with transportation strategies, it leverages multifamily housing, common wall housing, respect for the urban growth boundary. It does all of these things in order to make the best possible use of the urban form to reduce carbon production and achieve those resulting building and transportation carbon and energy efficiencies. And in response to Commissioner Novick's question about points of comparison, I think that the interesting point of comparison would be to step back 10 or 15 years, draw a baseline for each one of cities that was mentioned, and see how the city of Portland compares relative to its own baseline, I think that we would end up feeling -- again, at least briefly -- pretty good about the progress the city of Portland has made. But we have to continue demonstrating those considerations.

Second point. This plan takes on a new and a critical function that did not show up in the prior plan and that I want to underline, and that is driving down the carbon content of delivered electricity into the city by at least -- they didn't say at least, but I did -- at least 3% a year. The importance of doing this I think can be demonstrated pretty simply by us all just imagining our first electric vehicle and choosing where to plug it in. If we plug it into Pacific's territory in Northeast Portland, we'll get pretty good mileage -- probably around the carbon equivalent is 35 miles per gallon. Not as good as you can get with an awful lot of combustion machines today, but that's what happens when you plug it into the side of a coal plant. Plug it in to PGE's territory, probably between 50 and 60 miles per gallon equivalent. But if we could drive it up to Seattle and plug it into the Seattle electrical system, it would be well over 100 miles per gallon carbon equivalent. So, if we are going to achieve our carbon reductions not just in building efficiency but also in transportation, I really strongly encourage the City Council and City Council members to leverage your position not just as a government but also as a large customer, institutional customer of our two utilities, to meet with those CEOs to tell them what this goal is and your expectations are, even more to recruit the other large institutional customers in the city. Portland State, the County, Metro, the Port, OHSU, and a number of commercial customers who would also be willing to take the same line and meet collectively with those CEOs so that you're on record. And on the record is in effect setting a benchmark for our two utilities, not just for City bureaus.

Third comment. This plan has rightly been praised for its attention to equity and to the equity consequences of acting on climate issues. I just want to make one point here. The greatest inequities will not result from pricing carbon. We frequently get pushback on that point, but as long as we are giving low income households the tools to cope with higher energy prices -- and you know what those are as well as I do -- then we should be pushing carbon prices higher. The greatest inequities -- and Chair Kafoury I think was eloquent on this point -- will come from the changing climate itself, which will visit its burdens disproportionality on poor people and poor nations, as the heatwave deaths in Pakistan that the Mayor alluded to earlier simply reinforce said.

Last comment. Climate change is not just another agenda item on the City Council agenda or the state's agenda or the Congress's agenda. It is the most urgent matter before you and before the legislature and before global policymakers, as Pope Francis also underscored. We are -- to put it in terms that issue at least the Mayor can appreciate -- we are on a boat and we have been holed below the waterline. We have to deal with that very large hole, because we're taking in a lot of water. It doesn't mean that we don't keep tending to rigging and the sails -- because we have to -- but we shouldn't pretend that tending to the rigging and the sails is of the same urgency or significance as closing that hole in the waterline. And in this regard, supporters of this plan and policy -- and I hope that includes this City Council -- should be appalled at the temporizing in Salem as the

June 24, 2015

governor and the legislature proceed to trade away a durable carbon cap on carbon content and transport fuels in return for a temporary short-term gas tax fix. Both those are necessary, but one's the hole in the hull and one is the rigging and the lines. And especially when it comes to transportation matters, City, state, and federal policies and plans are hugely interdependent. And right now, the City is moving forward, the federal government is moving forward, and I fear the state is slipping backward and we need to arrest that backward motion.

**Hales:** Thanks very much. Mike, welcome.

**Mike Houck:** Thank you, Mayor and Commissioners. I served on the Climate Action Plan steering committee as a liaison from the Planning and Sustainability Commission along with Chris.

Two things that the Climate Action Plan does is address both mitigation and climate preparation, and I really want to congratulate staff -- in particular, Michelle and Michael did a great job, and it's a concern that I've had for some time. I've expressed that we have a climate change preparation strategy that you adopted in October 2014, and one of the concerns I had is that document would be lost once the Climate Action Plan was adopted. And they did a great job of bringing forward a number of the strategies into the Climate Action Plan, and have pledged to ensure that those two documents continue to inform the work that the bureaus do and the City does.

There are many actions in the Climate Action Plan to help reduce CO2 through carbon sequestration and strengthening resilience, both for infrastructure and social. And I would say it's very much about the environment, very much about nature, ecological systems. You've already heard and know that it's a joint effort between the City and the County, and what I would like to do -- and it is in the Climate Action Plan -- a direction to work with Metro. Metro has taken, in my mind, a very small step forward with their climate smart communities effort. They have a huge role to play in an issue that is truly regional that goes beyond the City and the County, and I'm hopeful that again, that your bully pulpit can be used to press Metro to get more serious about climate mitigation and adaptation.

You have a letter from the Planning and Sustainability Commission that conveys our unanimous endorsement of the Climate Action Plan. Again, PSC was particularly pleased to see the work that's been done on equity and that the new plan incorporates -- as I've said before -- key strategies to prepare for impacts of a changing climate. I would like to say that I have read the pope's encyclical, and as I said, it's both about people and the environment and nature. And in reading the encyclical, there are specific references -- as there are in the Portland Plan and the updated Comprehensive Plan -- references to the intrinsic value of nature, to biodiversity, to ecosystem health, and very importantly, for us, what makes a great city that people want to live in that have all the benefits we have heard about -- and access to nature is very high on the Pope's list of priorities. In fact, we could have taken an early draft of the encyclical I think and saved a lot of time and incorporated it into the climate preparation strategy. [laughter] The Planning and Sustainability Commission feels very strongly the City needs to establish a fossil fuel export policy, and my colleague Chris Smith will elaborate on that. Thank you very much.

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

**Chris Smith:** Chris Smith. Mayor, members of the Council, I am a member of the Planning and Sustainability Commission and along with my colleague was liaison to the Climate Action Plan steering committee.

I want to emphasize that what we're engaged in here is a virtuous cycle of planning. The 2009 Climate Action Plan very much informed the Portland Plan. The Portland Plan with its equity focus in turn informed this update to the Climate Action Plan, and they both informed our Comprehensive Plan that we're updating right now. The result is strategies

June 24, 2015

that accomplish more than one objective. Yesterday, Mayor, in a meeting we talked about the youth transit pass. We think that as a youth empowerment strategy supporting education. But in fact, it's a climate action strategy, it reduces our carbon footprint. Our complete neighborhoods policy improves livability by keeping people spending less time commuting, more time to enjoy their lives, makes them healthier by letting them walk and bike to more of their destinations, but also reduces our carbon footprint. So, we've integrated this philosophy into our plans. That's illustrated last night. We had a public hearing on our growth scenarios report, which is essentially the scorecard that we take the plans we created and project them into the future and say, "what will the results be?" And we can point to the reductions of vehicle miles travelled carbon footprint that the Comprehensive Plan will generate.

I want to shift to the point that my colleague made about a fossil fuel export strategy. As you know, our commission grappled with an application to change zoning in order to support a very high volume of carbon exports earlier this year. It's a challenge. We enjoy kind of a unique position. The ground here has soil that will grow anything. It doesn't have fossil fuels underneath. So, our state has been a consumer of fossil fuels, and as a result, anything that we do to reduce our fossil fuel use is essentially an economic plus. We avoid a cost. We're seeing a new pressure that because of the geography of the Columbia Gorge, a lot of commodities want to use Portland and the lower Columbia as a gateway to Asia, including fossil fuels. So, we're going to be presented with an opportunity that we could participate in that, and then suddenly, we have skin in the game where maybe global carbon reduction means we have a few less jobs or a bit less property tax. We'd like to take on that issue front and center, and come up with a fossil fuel export strategy for Portland so that we don't have to evaluate these things ad hoc but in fact we have a plan and a strategy for how Portland is going to deal with that question. So, it's a key recommendation plan tasked to take that on. We hope you won't duck that and instead, you'll charge us to go and do that early in this year and get that on the agenda. Thank you.

**Hales:** Great. Thank you all, thanks very much. Another piece of the picture is transportation, so I next want to call Neil McFarlane, the general manager of TriMet, and Maurice Henderson from the Portland Bureau of Transportation. Welcome, Neil.

**Neil McFarlane:** Good morning, Mayor Hales and members of the Council. I did want to make a few comments. I'm Neil McFarlane, the general manager, and I want to offer you TriMet's ringing endorsement of the City and County's Climate Action Plan.

As you know, the City and TriMet have had a long history of working together to build really a great city. We've been doing that for decades. And we created a very sound foundation for the work ahead. But as the Mayor noted and as Chair Kafoury noted, the future will require even more of us. As we work towards that goal of a connected, healthy, resilient, and equitable city, we will need to link ourselves with the region's 2040 land use vision and the climate smart community vision, and we pledge our support in doing all of that.

At the regional level, Metro studies have found that among our most effective strategies for carbon reduction related particularly to the transportation sectors is additional transit, transit service to our connected communities. And we know that transit also is at the center of your land use plans for corridors and active centers and a great way to begin to accommodate the growth that we know is coming our way. A recent example that the Mayor noted of this partnership is 122nd. I appreciate your focus on this in the last budget initiative, where you're investing in sidewalks and safe crossings and a bikable environment. We have committed upgrading our 71 service to frequent service and

June 24, 2015

connect the residents of East Portland not only to more services but also to the jobs in the Columbia corridor.

I would just note that we have been underway with service enhancement plans that begin to look at those connections and partnerships throughout our region in every sector of the region, and I think they provide a great model for how we can begin to move ahead. And I would also note that we are developing a very strong MOU -- memorandum of understanding -- with you planning units to really make sure that we are well-linked in our planning efforts as we move forward in these areas.

We will improve service, we will make new and better connections for City residents. You will advance your goals toward Vision Zero, your transportation system plans, and your comprehensive land use plan and at the same time we'll be doing a great job of reducing carbon emissions.

I want to compliment, obviously, the cover photo of the Climate Action Plan, but I would also just want to make the note that the orange line is actually a great partnership between the City, TriMet, and many other agencies. We have transit shelters that are generating electricity. We have state-of-the-art energy recovery devices for our propulsion power of our light rail vehicles. We'll be getting more efficiency out of the whole system with LED lighting that is really throughout the system, and that only begins to touch the green elements of that project. So, it's a great model of how we can begin to develop infrastructure and projects together that really do meet the goals of the Climate Action Plan.

Finally, let me say that we share your vision for a low carbon future and pledge our partnership in supporting your vibrant and walkable and bikable neighborhoods and business districts, all served by excellent transit. Thank you for the opportunity to testify.

**Hales:** Thank you, Neil. Maurice, welcome.

**Maurice Henderson, Portland Bureau of Transportation:** Thank you. Thank you, Mr. General Manager. Good afternoon, Mayor Hales, Transportation Commissioner Novick, and Commissioners. My name is Maurice Henderson, Assistant Director of PBOT. Thank you for this opportunity to speak on PBOT's enthusiastic support for the Climate Action Plan.

We've learned that the most effective transportation policies and projects are those which are good for people, the planet, and prosperity -- the triple Ps or the bottom line. We are using this data to make smarter and data-driven, more climate-friendly decisions. To our knowledge, we are the first City in the United States to score all of our projects and programs based on the level of benefit for the climate, safety, health, equity, cost effectiveness, access to daily needs, and economic opportunity. Not surprisingly, the policies and projects which achieve high scores for climate often also achieve high scores for safety, health, equity, and the economy. Like General Manager McFarlane said, I'd like to highlight the project at 122nd street because of the investments we have made there. We will soon see added safe crossings, more sidewalks, bicycle facilities on that street connecting to 122nd Avenue. These improvements will support TriMet's plan to increase the transit frequency on 122nd Avenue.

The combination of safety and access and transit improvements are designed to save lives, support healthy connected communities as was mentioned, and make it easier to get Portlanders to family wage jobs in the Columbia corridor. This is also an excellent example of the Council's recent adoption of the Vision Zero plan, as well as PBOT's implementation of several strategies associated with our Portland progress two-year plan.

The bureau is hard at work on a fourth P as well -- partnership -- with TriMet, BPS, PBOT. We'll soon recommend to you, Mayor Hales and you, Commissioner Novick, a letter of intent to improve access to transit, transit frequency, reliability, starting with two



June 24, 2015

projects, growing transit communities and enhanced transit corridors. In a few minutes, you'll hear from Widmer Brewing. Both the brewery and the pub are located in places with great access to rail, bicycle facilities, and safe pedestrian crossings. Serving businesses in multiple travel options is good for both consumers, employees, our sustainable objectives, and our economic vitality as a community.

Finally, achieving the Climate Action Plan's transportation goals depends on implementing a mix of cleaner vehicles, cleaner fuels, and greater use of transit options. The Obama administration has issued rules that will substantially improve vehicle efficiency. The City and our partners are updating our TSP to deliver the healthy, complete, and climate-friendly neighborhoods. And third leg of the stool is the state delivering the clean fuel standards, which is the subject of debate down in Salem right now. All three are needed for the region achieving our goals. Mr. Mayor, Commissioners, thank you for this opportunity and for leading the way for the City in its efforts to make sure that the planet's health is a major priority for our public service.

**Hales:** Thank you.

**Novick:** Thank you, Maurice.

**Hales:** Neil, before you go -- you have built us a beautiful bridge, which is why it keeps showing up on covers of documents, because it proves that we can build a beautiful thing as a public work, and that's a good thing to remember. But of course, from a climate standpoint, this bridge is a big deal because it's the only bridge that I know of -- maybe the only bridge anywhere -- that is going to carry three modes of transit -- pedestrians, bicycles, and no cars. So, if there was ever a public works statement of our values, you've built one. I know you are getting ready for a big ceremony on September 12th, and you need to be properly dressed for that ceremony. Now, Mayors get to give away ceremonial gifts when people come to town -- you know, the Mayor of Sapporo will come here and there's a gift exchange. So, we had a Portland Garment Factory create a new ceremonial gift for Portland, and it's a tie with the image of your bridge in it. I got to present the first one to the President as he landed on the tarmac here for a recent visit, and it just seems appropriate that we make sure you are wearing one on September 12th. [laughter] [applause]

**McFarlane:** Thank you very much, I'm very grateful.

**Hales:** We are, too. Thank you, Neal. Thanks very much. OK, now we have community Partners ready to speak this afternoon. Rose High Bear from the Wisdom of Elders council; Emily Barrett from Elemental Technologies; and Jonathan Fink from Portland State University. Welcome. Good afternoon and welcome.

**Rose High Bear:** Good afternoon. My name Rose High Bear, I'm [indistinguishable] from the Yukon River of Alaska, although I've lived in Oregon since about 1949. We have for 14,500 years lived on the Yukon. We have relatives among the Siberian and the Mongolian, and all of our people have experienced climate issues over thousands of years. And so, I'm very happy to be participating today as a result of that.

As a Native community in Portland, we're very interested in sharing our perspective on climate issues. We have just returned from Alaska. Over the last several years, we produced two documentary films and two radio programs on climate issues from the perspective of Native people. We were just funded by National Endowment for the Arts to produce two more films, and one is on the Portland metropolitan Native community and its perspective on a climate issues, the second film and the program is focusing on the four coastal tribes of Oregon. So, we've been participating for some time -- 50 years. There have been unprecedented climate issues in Alaska. We've been observing them, we're on networks -- Native networks and non-Native networks. We're constantly observing all of the news that comes through. And so, we got to participate in the review of the Climate



June 24, 2015

Action Plan a couple of years ago, and we were very honored to be on that team, by the way. We really appreciated our relationships with the City and the County. They were very open to our comments, they were very collaborative in nature, they made great partners. The partnerships have continued into other projects that are very climate-related. And so, we are getting ready to -- we're just forming the Native climate council, and it's probably going to be beyond Portland throughout the state of Oregon because we're selecting the elder scientists and other community members that are going to be in the films and the radio programs, and so we're just organizing that and we'll be producing that over the next year.

We tend to produce films that are very positive in nature because of the very seriousness of the films themselves -- climate issues. Every one of us has lost a loved one in our ancestry to starvation or to weather issues, and so we know that. It's in our DNA. We're very connected with this issue. We do want to be able to share our perspective because we think it's very valuable. The prophecy tells us that Native people -- there will come a day that people will want to listen to the opinions of Native people in the way that we care for the earth and the way that we care for one another. That's a lot of our roll.

I heard it mentioned that Metro is not doing a lot about climate, and yet you may not be aware that they are very involved restoring the natural areas of Portland. And we as a contractor to them -- Wisdom Workforce just formed and is a contractor restoring native species to the natural areas of Portland. And so they are doing a lot more than perhaps people are aware.

I just want to say that we have very good relationships with the City, with the County -- and several City -- Portland Parks and Recreation, Portland Planning and Sustainability, and perhaps the Portland Water Bureau. So, we're planning on moving forward.

Our nonprofit focuses on race reconciliation. We move forward in a positive manner with the agencies and other partners that we have. So, we look forward to working with you in the coming years.

**Hales:** Thank you. Same here. Thank you very much. Jonathan, welcome.

**Jonathan Fink:** Thank you. I'm Jonathan Fink, I'm vice president for research at Portland State University, and I'm here to express the university's enthusiastic support for the Climate Action Plan. Our motto at the university is "let knowledge serve the city," and really no issue demonstrates that better than this plan.

I wanted to mention three ways that Portland State is connected with the preparation and the implementation of this plan. We graduate more students that will be current and future citizens of Portland than anywhere else, and we make sure that they are exposed to sustainability as part of the education so that they will understand how this kind of plan can work. We're one of the largest employers in Portland, and through our operations -- transportation and energy and so on -- we're doing what we can to help mitigate the climate change that we're concerned about. And finally, in the research area we've been doing a number of projects with the Bureau of Planning and Sustainability to look at what the various actions actually require and how well they're going to work. Working with BPS, we're able to get funding from the Bullitt Foundation to support this work, which is being conducted by our faculty and our students under the guidance of BPS. This is a really nice model we are trying to replicate with other parts of the City.

Finally, PSU is able to attract some really good faculty and students, not because of our reputation as a world-leading university and not because of our salaries and certainly not because of our football team. We're able to attract them because of the location that we're in, and activities like the Climate Action Plan really demonstrate why PSU is in Portland and how much value we go out of this partnership. Thank you.

**Hales:** Thank you very much.

June 24, 2015

**Novick:** Jonathan, I thought you attracted people because of your slogan, “Wim Wiewel, filling the Vikings with wim and vigor.” [laughter]

**Fink:** That’s exactly it.

**Hales:** That’s it for sure. Thank you. Welcome.

**Emily Barrett:** Thank you so much. My name is Emily Barrett, and I’m a community ambassador at Elemental Technologies. Glad to be here to talk about our excitement around the Climate Action Plan. We’re a software start-up headquartered and founded here in Portland. We have 233 employees worldwide, and about 170 of those are in Portland, including our entire engineering department.

We’re the leading supplier of software-defined video solutions for multi-screen content delivery -- which means in everyday language that our software creates the type of video files and video streams that allow you to watch video on a computer, a tablet, or a smart-phone so that you don’t have to watch video on TV. We’re one of the top companies in the world that does this work. We have over 600 customers, including ESPN, HBO and the BBC. And while Elemental provides the kind of high-wage jobs that today’s knowledge workers seek, as a company, we’re also working to live the Climate Action Plan.

We provide transit passes, bicycle commute support, car share memberships and usage for all of our employees, but we don’t provide any parking at all. Our work also helps reduce one of the many hidden sources of carbon emissions in modern life, and just one example to share is it takes about 30% less carbon to stream an hour of video than it does to watch that our of video on DVD. The creation and delivery process for DVDs creates carbon, and there was about 1.2 billion DVDs created last year. So, that’s being reduced using Elemental’s video processing software.

Late last year, we signed the Oregon business climate declaration, and along with signing, took the voluntary step of purchasing 30% of the power used at our three Portland locations as renewable under the blue sky program. And we didn’t have to do this, we chose to in order to illustrate the importance of taking action on climate change to show that businesses need to lead by example. And so yes, it costs us more for power in the short-term, but the long-term investment in clean power is vital, and Portland’s Climate Action Plan is going to help us prepare for the future.

I will close with saying that Elemental can’t always compete with salaries in the Bay area, but we can compete and we win on livability. Our employees are proud to live in healthy, connected neighborhoods in a place that’s leading the way to mitigate climate change effects. I’ll close with our CEO Sam Blackman, who recently wrote, “climate change creates real risks to the livability of Portland and therefore threatens Elemental’s ability to compete effectively in the global market place. By taking steps to address climate change now, we protect Oregon and the livability that makes Portland so attractive to the world-class knowledge workers that we need to hire.” Thank you.

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

**Fritz:** Mayor, before you call the next three, could I just get a time check? It’s a little after 3:30, I’m wondering how many more invited testimony?

**Hales:** Panels and then we’ll go to --

**Fish:** Karla, how many people do we have signed up?

**Hales:** We’ve got 30 to 40 people signed up.

**Moore-Love:** 30.

**Fritz:** I have to leave at 5:00, I have an engagement on behalf of the City and we have 10 more items after this one. So, if I might suggest that we at least put the timer on for our panels.

**Hales:** OK, we’ll ask our panels to be succinct.

**Fish:** Can I go one step further, Mayor?

June 24, 2015

**Hales:** Please.

**Fish:** It's hard to imagine we're going get to our regular agenda afternoon session. I will stay here as long as necessary, but in the off chance that we can't --

**Hales:** We'll act on the emergency items first.

**Fish:** Should we consider moving that to tomorrow at 3:30?

**Hales:** That's a good idea.

**Fish:** I don't know if we want to rush this.

**Hales:** That's a very good idea. Yeah, let's plan on that.

**Fish:** Tomorrow we have a vote right off the top and then we have rebuttal and a deliberation, so we're done in an hour.

**Hales:** I agree. Let's do that.

**Moore-Love:** Move the regular agenda to tomorrow's p.m. session?

**Hales:** Yeah. I will without objection move the remainder of today's calendar after these three items to tomorrow at 3:30.

**Fish:** So anybody that's here for any of the things on our calendar pages six, seven, and eight listed regular agenda afternoon session -- that will be heard tomorrow at 3:30.

**Hales:** Good suggestion, thank you. OK, let's hear briefly from the energy sector. Good afternoon. Deane, I think you're on first.

**Deane Funk:** Good afternoon, Mayor Hales and Commissioners. First thing I wanna say about the action plan is it's a very readable plan and I want to congratulate BPS on producing an excellent plan. It's easy to understand and I think it was a very effective work product.

PGE serves 842,000 people in this very fertile valley, and a chunk of them here in Portland. That's probably -- there's more customers with PGE energy customers than anywhere in the state -- any other utility. I'm going to do a shortcut here. PGE has been on a parallel path often intersecting with Portland and advocating and taking action to create a cleaner, greener energy system. We believe that our customers and our company have been integral to actions that have been taking during the last 25 years. Angus Duncan was talking about -- and others were talking about the ETO, but let's put a finer point on who the ETO is. The ETO is the customers of PGE and Pacific Power, and they contribute to upwards of 3% and upwards of \$75 million annually towards all things that contribute to reducing carbon. So, people should note that it's the utility customers that are doing that, and Northwest Natural is too.

We have a very proud track record dating back a long time. One thing -- I'm cleaning my office right now, the drudgery of doing that -- and when Commissioner Lindberg's name came up, all of these files going all of the way back to him and all of the stuff we had done on climate action on some dusty old plans and the early '90s and before. But through a variety of programs that initiated by PGE and our customers, tens of millions of avoided CO2 has resulted. This is a good number to note -- also in reference to Mr. Duncan -- in 2000, carbon intensity was 924 pounds of CTO per megawatt hour, a metric that is now on track to reach 589 pounds in 2025 due to policies and practices that we've already adopted. There are 40 states in this country that are not going to meet that -- will -- we have already exceeded what they're going to do.

As we continue to make progress, we're working hard to continue transition to a low carbon future in ways that hold down customer costs, avoiding rate shock that damages the economy and increases cost on people who can least afford it. We really don't want to hurt our customers. We're very careful about that.

Two to three minutes is not a lot of time to talk about comments and concerns that we have. There are a few in there. A lot of this plan is a lot of things that we do very positively, and electric vehicle charging being one of them. We're hoping soon to have a

June 24, 2015

new electric avenue right in front of our building, the World Trade Center. We touch on components from the economy to transportation, natural environment and more. [beeping] Just one last thing --

**Hales:** Why don't you mention the things that you're concerned about in the plan?

**Funk:** Well, what I want to really say -- because there's things to talk about in detail -- the main message I have for today is we have a level of technical expertise and record of accomplishment in carbon reduction that few other organizations can match. And we're asking you to take advantage of our expertise. And my request today is -- and I think also heard it from Angus Duncan -- is that we ask Susan and Michael to come and meet with us and our executives and that we make that a regular practice. I won't go through the rest of the comments, but just to say electrification of the economy is integral to achieving goals of carbon future and that's a great place for us to be.

**Hales:** We look forward to working with you, thank you. Appreciate that offer to work with them. Sheila, welcome.

**Sheila Holden:** Good afternoon. In the interest of not going over my time limit -- I've already timed myself and it would take me seven minutes to read all of the stuff that I have here. [laughter] So, I'm going to do a quit highlight.

The critical piece for us is that we serve about 74,000 customers in North, Northeast Portland, downtown Portland. We serve 560,000 in the state of Oregon. Our goal has always been to provide safe, reliable, affordable energy to our customers. We've been known as innovators whether it comes to customer service, whether it comes to reliability, whether it comes to renewable energy. We have been on the forefront of energy efficiency -- we were the ones who came up with the idea of demand-side management. So, we have a commitment to the environment. It's a core part of our value system as a company.

What we are hoping that we're going to be able to do is keep in alignment with where the City of Portland is heading, where the rest of our customer base is heading in terms of wanting to have a clean, reliable energy future. And in order to do that, it means that we have to make good decisions. We have to make practical decisions on how to do that and not have it have a negative impact on the cost of doing business for our customers who are in business or for the residential customers who are having to pay for their power source.

One of the main concerns that we have is that as we look forward to what's happening in the federal arena around price and carbon pricing, that we are not going to end up in a position where there will be an additive cost by acting more quickly here in Portland than we're seeing happening on the national level. So, we're wanting to work with you very closely to address all of the things that you're working on and that we've been working on to make sure that Portland and the rest of Oregon has a clean energy future, but do it in a way that is going to be advantageous for our economy, our low income, and vulnerable communities.

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

**Sean Penrith:** Good afternoon, Mayor and Commissioners. My name is Sean Penrith, I'm the Executive Director for the Climate Trust. We are an NGO based in Portland and we invest in climate reduction projects across the country. In the 10 years that I've been in Portland, I've seen Portland firms do a marvelous job at being early adopters of high-performance and low-carbon products and services. But they need a supportive policy environment to advance this.

Climate Action Plan is a good plan. It offers a tremendous business opportunity and a business case. One of the emerging elements that can be harnessed or leveraged is the growth in green bonds. Green bonds are ideally suited for carbon infrastructure development projects like energy efficiency, transit options, electric vehicle infrastructure,



June 24, 2015

smart grid, green spaces, anaerobic digesters, digesters, rural and urban forestry. These are all of the elements needed to develop an equitable low-carbon economy. Climate bonds typically mature in five to 10 years, which is absolutely perfect for low-carbon project development, and these bonds that are issued currently offer a very low coupon or interest rate at around half a percent to no more than four percent. That's very low-cost capital.

If we issue climate bonds at half a trillion a year between now and the next 20 years, we would still not exhaust the global demand for green bond product. The bond market this year is estimated to increase to \$100 billion. Last year, it was \$36 billion. It is growing tremendously. The majority of issued bonds are oversubscribed and often re-up their issuance, as we saw in California. There is very, very strong demand from institutions, insurance, and pension plan sectors.

We can join the efforts of four other states which include Washington, Massachusetts, Arizona, and Indiana who all issue green muni bonds and use the proceeds to fund a wide-range of projects that include clean water, wind, low-carbon buildings. Muni bonds in the U.S. are the fastest-growing sector according to JP Morgan, so securing low cost bond finance offers this City a tremendous opportunity to fund innovation in the clean tech and low carbon sector and will provide benefits to citizens of this city for decades to come. Climate Trust and myself really support the resolution 689. Thank you.

**Hales:** Thank you. Thanks for your help in developing that. Thank you very much. OK, a couple more panels to call. Good afternoon.

**Andrea Durbin:** Good afternoon. Mayor, members of the Council, it's great to be here. My name is Andrea Durbin with Oregon Environmental Council. It's refreshing to be here having this conversation about moving forward with an update of a Climate Action Plan when we spend a lot of our time in Salem trying to get Salem legislators to understand that we need a plan to move forward and follow through on the commitments they made nearly a decade ago to meet the state's emission reductions. I would also like to commend this City and the BPS for an excellent plan, particularly -- many people have noted -- the commitment to equity. We would like to emphasize today that the commitment to equity is a very important one, and we really hope that that commitment is followed through with metrics, as others have said, and apply an equity lens in evaluating different ways to deliver upon that promise.

We will be looking for where the City is prioritizing and looking for ways to help deal with the barrier we face today with providing energy efficiency and retrofits for multifamily housing and rental housing. That's an opportunity I think to deliver on the equity commitment. We will be looking at where the transportation investments are being made and where we're prioritizing making these kinds of decisions -- that will be another place, we're looking at how do we deliver on that commitment.

I'd like to also add our support for the green bonds and I think that that is another way where the City can look at how we finance infrastructure and investments in lower income communities in the Portland area.

The other policy measure we would like to see taken forward -- we would like to thank you again for adopting the energy benchmarking for the commercial sector, and we think it's a good opportunity now to talk about how to apply that to the residential sector. It will help reduce emissions, represents about 20% of the emissions in the city. In looking for a high leverage investment, that's one place that we would highlight and like to work with the City on. And we'd also like to highlight in tackling diesel emissions, diesel particulate emissions and black carbon. For many people who are not aware, Multnomah County has the fourth highest diesel particulate emissions in the country and it is a major concern that affects low income populations in particular and one that we hope we can



June 24, 2015

make progress on in the next year. Thank you very much. Appreciate your leadership and commitment on these issues.

**Hales:** Thank you. Thanks for your leadership. Welcome.

**Julia Person:** Good afternoon, I'm Julia Person, sustainability director with Widmer Brothers Brewing. I'm here to lend support from the business perspective and illustrate how business can be a strong partner with the climate action plan.

Widmer Brothers Brewery is the largest brewery in Oregon, and we're expanding over the next two years. We're committed to growing in a responsible manner. Being in the brewery industry, it's energy intensive, and water is one of the key ingredients of beer. So, we have a direct line of sight on the impact we can make on our local community and make on the environment. As mentioned in our 2014 annual sustainability report, greenhouse gas emissions will be one of the biggest issues facing the brewing industry in the coming years. It's a big industry for Oregon as well.

We're tracking our carbon emissions now for the first time. It's a key performance metric within our operations, and we're committed to reducing our resource usage as we've shown through signing the Oregon climate declaration, through the help of the Oregon Environmental Council, and we've also signed the national brewery declaration alongside 20 other breweries which recognizing the climate impacts on this industry, and it's a call for action and recognizing that it's also an economic opportunity.

We know that our sustainability efforts from our business perspective are a win-win. We're lowering our environmental impact at the same time as lowering our operating costs. In the past two years, avoided nearly \$1 million in utilities cost through our actions in reducing carbon emissions. We definitely support the Climate Action Plan and will continue to do our part alongside the City and County, and we really enjoy brewing beer here.

[laughter]

**Hales:** Thank you. And we're glad you do.

**Fish:** We're especially grateful you're such a good customer of the Portland Water Bureau.

[laughter]

**Person:** Yes, we are a good customer.

**Hales:** Thank you both, thanks very much.

**Michael Hanna:** Hi, my name is Michael Hanna. My family and I own a retailer at 24th and Sandy, Mattress Lot. Thank you for the opportunity to talk with you today. I may not agree with every idea proposed by Council, but when it comes to sustainability, my family, our employees, and I in full alignment with the values and goals of Portland's Climate Action Plan. As a small business owner, CAP aligns with our own sustainability goals and vision.

Strong environmental stewardship is good for business in Portland. We see it every day. Our customers choose to do business with us because we are committed to sustainability. Our customers love the sustainability gold certification we received from the City just a few weeks ago. Thank you, Paul, for your guidance. This is good for business. Our company's sustainability vision reads like a page from CAP 2015. Most of our products locally-sourced. Our innovative mattress recycling and donation program kept 70,000 pounds of waste out of landfills last year. We offer discounts to customers who arrive by bike and by TriMet. Future plans include solar panels and eventually energy-efficient lighting. We believe that CAP will heighten Portland's brand as an international sustainability leader, and we believe that this is good for business.

I'm going to leave you with one area that I urge you to keep in mind. I'm a Meals on Wheels volunteer at the amazing beautiful East Portland Community Center. Our clients include the most financially vulnerable of our City, and I know that CAP includes terrific long-term plans for East Portland, which I fully endorse. However, I just want to make sure that Council keeps in mind any potential costs that may be incurred by financially-stressed

June 24, 2015

people living in East Portland, especially when it comes to rising housing costs, rising fuel, rising water costs, and rising public transit costs. Please be sensitive to how these potential costs may impact residents of outer East Portland. Please know that my wife Mary Ruth and I consider it a privilege to do business here in Portland, a city which cares so deeply about sustainability. We are grateful to be here today with so many business and community leaders to offer our support to the Climate Action Plan.

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

**Carrie Hearne:** Good afternoon, Mayor Hales and City Council members. My name is Carrie Hearne, I'm the Oregon business partnerships manager for Climate Solutions here in Portland, and I also served on the steering committee for the 2015 Climate Action Plan update. Climate Solutions is a regional nonprofit working to accelerate practical and profitable solutions to global warming, and we've been working in this area for over 15 years working to implement energy efficiency, renewable energy, and carbon reduction policies that demonstrate that clean energy and broadly-shared economic prosperity can go hand-in-hand. This Climate Action Plan reflects the bold leadership and thoughtful attention to the fair and effective solutions that we also believe in. So, we strongly support the City in adopting and implementing the CAP, the Climate Action Plan, and especially support the City's commitment to equity and the plan's action calling on the state of Oregon to establish a carbon price. We're also in support of the resolution on green bonds.

The plan's reduction targets for carbon emissions reflect what is necessary to minimize the severest risks of global warming. These targets are consistent with the state of Oregon's greenhouse gas reduction goals and demonstrate the metropolitan's commitment as well. The plan positions Portland businesses for further growth and success in a changing world. The plan acknowledges that the transition from fossil fuels involves the creation of new jobs and economic development, particularly in energy management, renewable energy, and sustainable products and services.

Noting the commitment to equity, ensuring measures to address the underlying jobs -- underlying social and economic issues in our region. It prioritizes investments that create jobs and benefits low income populations and communities of color. Implementing these equity goals will mean actively involving diverse communities in the development of climate programs and it means establishing goals for every resident to have access to things like affordable housing and transportation, parks, schools, and more.

There are two important areas that demand further attention. The first relates to fossil fuel export. Climate Solutions supports the City's opposition to coal export, and we commend you on that and we also look forward to working with you further on other proposed fossil fuel export infrastructure.

The second relates to the accounting for the cost of carbon pollution. So, we join the City in calling for a statewide carbon price implemented through either a carbon cap or a tax. And that is called out in the plan as an action item to occur before 2020.

The plan can serve as a working model for our city, but it also can be replicated in cities and areas across the country and across the world. So, kudos to the City staff and all of the stakeholders for creating an inspiring plan with 2050 vision and action-oriented programs that our community can work on to reach those goals. And congratulations on your invitation to visit Pope Francis and the Vatican.

**Hales:** Thank you. Mr. Yudkin, you get the last word of our invited panel.

**David Yudkin:** Thank you. Thank you for the opportunity to address City Council. My name is David Yudkin, I'm the co-owner of Hot Lips Pizza. I'm proud for over two decades, Portland has been a leader on the most pressing issue of our time, which is greenhouse gas emissions and climate change.

June 24, 2015

The focus on consumption in the CAP plan -- in particular, the carbon footprint of food and food waste -- is particularly important, drawing the attention to its impact on our environment. Somewhere between 20% and 50% of the food that is grown and processed in the U.S. is wasted, largely at the consumer level. Undervaluing of food and the issue of food waste are topics that are simply not on the radar of many Americans, even those who can consider themselves to be foodies, environmentalists, or are class-conscious. Encouraging the consumption of a less carbon-intensive food -- of less carbon intensive foods will be new to many. The focus on reducing food waste will bring immediate cost savings to both businesses and consumers.

Hot Lips is committed to local purchasing and promoting of our local food economy. Our recent switch to mostly meatless Mondays may be small in the big picture. However, this change has spurred discussions about the impacts of meat consumption on our city, society, and environment. Conversations that are sparked are worthwhile and necessary. Portland is a city of innovators and we are leaders in the nation in sustainability and food, and it's up to us to make the bold decisions that will someday become the norm. Together, we are leading the way. They say we're keeping Portland weird, I say we're taking the next logical step in the right direction. Thank you.

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

**Fish:** David, I can't resist on behalf of my kids. We grieved the loss of Pal's Shanty in my neighborhood, but we are thrilled that you replaced them.

**Yudkin:** Thank you so much.

**Fish:** We now have Hot Lips.

**Yudkin:** Thank you.

**Fritz:** I didn't know about mostly meatless Mondays. That'll give me yet another excuse to go. And thank you for your partnership with the Timbers Army.

**Yudkin:** Cheers.

**Hales:** Before we move to the rest of the testimony list, I want to bring Michael up quickly to have him describe these two amendments that have been put before us, and we can put them under consideration so that when people testify, if they want to talk about those, they can.

**Armstrong:** Great. So you have in front of you an amendment that would do two things. One to add an action on -- I believe it's page 80, thank you -- that would work with school districts to make it easier for students to attend schools that they can safely walk or bicycle to. So, there are questions of school boundaries to be dealt with, but this is something we've worked together with the districts on. It was a suggestion that came from Commissioner Saltzman.

**Saltzman:** Yeah, we just felt that -- notwithstanding heated arguments about school district boundaries -- there's a lot of people driving their kids to schools, and we need to really be cognizant of that and realize what an impact that has on congestion and carbon emissions and everything else. So, it's something that meritorious to be included in the policy. That's why we offered that language.

**Fish:** Can I ask a question of the sponsor on this? This is -- on the face of it, no one could possibly be against this unless it works against an equity goal of the district. The reason some families have to drive their children somewhere else is they have opted out because they have a right to -- a failing school under federal law or some other choice. So, I assume we're not suggesting we weigh in on that fight, and we're simply talking about where the boundaries are drawn, create as many opportunities for walking and biking.

**Saltzman:** Yes.

**Hales:** OK, so Commissioner Saltzman moves the amendment that says work with school districts to increase the number of students who attend schools within safe walking or

June 24, 2015

bicycling distance of their homes. Adjust the numbering of subsequent actions in the chapter to reflect that initiative.

**Fish:** Second.

**Hales:** Further discussion adopting that amendment for discussion?

**Fritz:** So, there -- I am interested in the amendment. It weighs in to school board purview and also school choice and where the better schools are.

**Hales:** Yeah, I heard that concern from Commissioner Fish, too. I guess my reading of this is we're going to work with the school districts like we do on lots of other things -- because we negotiate with them on a lot of issues. So, understand that they have prerogatives about how they set boundaries. We have a goal when we have a program already trying to get kids to walk to school and take safe routes to school. The more practical those routes are, the more likely kids will use them, and that mom or dad won't drive somebody to school. I think it's a meritorious idea -- understanding that they still have some prerogatives about how they follow federal mandates and set boundaries.

**Fish:** Commissioner Fritz, I share your concern. I view this more in the nature of looking at safe routes to schools, having proximity be in the discussion but not to interfere with some of the equity policy discussions that are going on which are providing choice to parents in underperforming schools because I think that would be counterproductive.

**Fritz:** Could we insert "can" -- "who can attend schools within safe walking distance or biking"?

**Hales:** Who "can" attend -- I see what you're saying. Sure.

**Fritz:** Yes. So in other words, that addresses our responsibility to provide sidewalks and safe routes to school.

**Hales:** You'd regard that as a friendly amendment, Dan?

**Saltzman:** Yes.

**Fritz:** Thank you.

**Hales:** Good point. Alright. Let's vote to include that amendment and we will hear others agree or disagree. Roll call on that amendment, please.

**Roll on amendment.**

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

**Hales:** The second one is about -- it's fairly technical in nature. Want to walk us through that one.

**Armstrong:** Sure. This has come about as a result of public comments we got expressing concern of lifecycle emissions of natural gas and emissions associated with extraction, processing, transportation, etc. In reviewing the proposed final Climate Action Plan, Northwest Natural brought to us some information about improvements that they've made in the local distribution system where by the end of this year they'll have replaced every bit of the cast iron and bare steel pipe. So, they really have invested strongly in all but eliminating local fugitive emissions of methane. We want to reflect that here, because it's a great example for other gas utilities around the country. We thought it was appropriate to reflect that and it was new information that we didn't have in the earlier draft. So, this sort of rewrite of this paragraph tries to capture that.

**Hales:** OK. So the revised language says, "this Climate Action Plan accounts for decreased carbon emissions from a shift from fuel oil to natural gas for home heating, although recent national studies suggest that the lifecycle emissions from both oil and natural gas may be greater than previously understood. Northwest Natural's Portland area distribution system is one of the tightest in the nation and will have replaced 100% of its cast iron and bare steel pipe by the end of 2015. The City and County will continue to monitor research on lifecycle emissions and advocate for policies that promote lowest carbon fuel options." Is there a second to that amendment?



June 24, 2015

**Novick:** I actually have a question about the deletion of the sentence, “future emissions of natural gas extraction are a continuing emissions source.” It seems to me this amendment was largely talking about distribution, and extraction is a different thing. I was wondering if those two things -- why is that sentence being deleted as part of this amendment?

**Armstrong:** I think the intent was to reflect the full lifecycle. We still have the wording in there around -- the thing that matter here is lifecycle emissions, not just for natural gas but for whichever fuels we’re talking about. I think the intent was let lifecycle capture that, reflect the specific improvements in the distribution system.

**Hales:** OK. Not that we don’t care about the fugitive emissions, but it’s captured in the lifecycle view. OK. Other questions? Roll call on accepting that amendment.

**Moore-Love:** Sorry, who moved and seconded?

**Hales:** Did we get a second?

**Fish:** Second.

**Moore-Love:** And who moved?

**Hales:** I moved it.

**Roll on amendment.**

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

**Hals:** Again, we’ve got copies of that. If you want to comment on those amendments when you testify, please do.

**Novick:** Actually Mayor, as long as we’re on the subject of Northwest Natural, can I ask Michael a question?

**Hales:** Sure.

**Novick:** Northwest Natural sent us a letter where they also expressed sort of a generic concern. They said that in a previous draft of the plan, there was a reference to the fact that other things being equal, natural gas is less carbon intensive than oil and coal. They expressed a concern that language like that had dropped out of the final version of the plan. Now, I know actually that there were parts of the plan -- for example, where it says natural gas is preferable as a vehicle fuel. I just wanted you to speak to that concern that they expressed.

**Armstrong:** Right. I’m not sure I know exactly which reference got changed that they were thinking of. The plan does continue to refer to carbon benefits of switching from fuel oil as a home heating fuel or commercial heating fuel to natural gas, because there are big carbon and economic benefits to that. As you note, there are references to increasing use of compressed natural gas as a vehicle fuel, especially for heavy vehicles. I met with Northwest Natural yesterday as well, and we had a similar conversation. I think they’re sensitive to references to fossil fuels -- kind of blanket, including everything in there with coal and oil, which are in almost every case the highest carbon option. So I can appreciate the perspective. I think there is also some merit in recognizing that all of the fossil fuels deliver carbon emissions, and although natural gas can cut emissions in half, we need to find a way to an 80% reduction. So, there is a role for natural gas, but we were using the more general term fossil fuels.

**Hales:** OK. Thank you. Thanks very much. Let’s move into the sign-up sheet, please.

**Moore-Love:** I believe we have about 28 left on the list. The first three, please come on up.

**Hales:** Mr. Parker, why don’t you go ahead first.

**Terry Parker:** Thank you. Terry Parker. I’m obviously wearing my own hat today.

Much of what this plan represents is a bias, anti-automobile, car-hater mindset. Transit use is promoted, even though public transit on average uses more energy per passenger mile as measured in BTUs and creates more emissions per passenger miles as measured in CO2 than driving a modern fuel-efficient car. Nearly 10% of the jobs in the



June 24, 2015

U.S. are tied to the auto industry. History clearly demonstrates higher rates of personal mobility such as driving significantly contributes to greater economic productivity which in turn generates more family wage and better paying jobs. Attending to thwart driving is a class-separating attack on economy. Remember, people driving cars paid for TriMet's new bridge. Equity requires that public transit must become more financially self-sustainable. And with over \$800 million of bicycle infrastructure in the TSP, adult bicyclists must start paying their own way.

Any price assessed on carbon must equally apply to TriMet. If the City follows through with the attempt to inhibit driving by the public, the City must set the example by eliminating the entire City of Portland auto fleet, including cars used by elected officials. Likewise, since individual airline miles have about the same carbon footprint as driving a fuel-efficient car, air travel by public officials must be severely restricted, and the number of flights in and out of PDX capped. To limit just blowing hot air and reduce energy consumption in the home, financial disincentives must be implemented for the purchase and use of mechanical clothes driers. Incentives in new building codes are necessary for clothes lines and the drip-dry method. Any plan also must mandate that single-family home demolition be replaced by deconstruction. Mechanical demolition wastes reusable resources, fills up landfills, and spews dust, dirt, and hazardous materials into residential neighborhoods.

Finally, totally absent and missing is managing the elephant in the room, the reality that overpopulations of humans poses the greatest threat to environment and climate change. Without advocating for smaller families by promoting contraception and no more than two biological children, everything else is just a band-aid. Dealing with the elephant is an absolute must. Thank you.

**Hales:** Thank you, welcome.

**Lowen Berman:** Hello. My name is Lowen Berman. I hate to rain on the congratulatory parade, but I believe that the 2015 Climate Action Plan is simply too little and too late. Please keep in mind the tragedy of the many thousands who have died in the past weeks in South Asia due to climate change. Please listen to Pope Francis as he speaks clearly about climate justice and the relationship of climate change to poverty, about the ways in which global corporate capitalism and the culture that accompanies it have caused the climate crisis and are the primary obstacles to addressing it. The current Climate Action Plan fails to address both the urgency of the climate crisis and social and economic changes that will be required if humanity and hundreds of other species are to survive.

Right now, we are in a last-ditch effort to avoid armageddon. We need action on this scale of World War II mobilization. We need gas rationing and victory gardens, we need mills and solar panels pouring off of the assembly lines just like the tanks and planes poured off in the 1940s. We need every building in Multnomah County to be appropriately insulated. We need free public transportation and public control of the entire energy sector. We need a Manhattan project to develop new forms of renewable energy production. We need all of this and more. We need immediate action to dismantle the fossil fuel economy and create a sustainable one. We need profound economic and cultural changes.

The plan before the City Council pretends we can solve the climate crisis with little sacrifice and within the context of our present economic and social systems. The plan mentions but fails to address the impact of our consumption on the world's carbon footprint and the extent to which our culture of greed has been responsible for the destruction of the world's ecosystems and the impoverishment of many of its peoples. The Pope has called for an economic, social, and cultural revolution. The Climate Action Plan does not begin to meet that standard. Thank you for listening. Please consider the words of Pope Francis.

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

June 24, 2015

**Bob Sallinger:** Good afternoon. My name is Bob Sallinger, I'm the Conservation Director for the Audubon Society of Portland. I'm here on behalf of Audubon to endorse the plan and express our appreciation to the work of staff and the various committees that worked on. This is one that actually we did not serve on, but they did a great job and I appreciate their work.

I want to focus on two things quickly. The first is the fossil fuel export policy. First of all, we appreciate the Mayor's leadership in rejecting the Pembina proposal, and hope you will remain strong as they continue to advocate for that facility. We think it's essential that you move forwards with a fossil fuel export policy that deals with all of the various fossil fuels. We're going to continue to see the Columbia corridor targeted for export of fossil fuels, and we think it's critical that the City have a policy that does not promote development of fossil fuel export infrastructure that will sustain those industries for decades to come. We need to be moving in the opposite direction and we need a policy that gets us there.

On that same issue, we disagree with those who say we should wait for the state or the feds or the international community to lead on this. We have seen year after year after year of no leadership. Like most environmental change, it's gonna start at the local level and what we do here can trickle up. We have the power to act locally and we should do that. So, we encourage you to move forward quickly on that.

The second thing I wanted to flag is flood plains. One of the first places we're really going to see substantive impacts of climate change is going to be in terms of our rivers and streams in flooding. We have a nice template for aggressive action on Johnson Creek, but we need to look at the Columbia corridor, we need to look at the Willamette River, we need to look at the Columbia River, and we need to do a lot more to protect, preserve, and restore our floodplains. It's alluded to in this plan, but the metrics are not there. I think it's very important that we start to focus concretely on this. It's one of the toughest things we're going to have to do because the edges of our rivers and streams are high-value real estate, but we've gotta cross that threshold and take aggressive action there. Thank you.

**Hales:** Thanks very much. Thank you all. Next three, please. Welcome. Good afternoon.

**Raihana Ansary:** Good afternoon. Hello again, Mayor Hales and Commissioners. I'm Raihana Ansary, here on behalf of the Portland Business Alliance. The alliance appreciates the effort that the City of Portland and Multnomah County have undertaken to update the Climate Action Plan.

We understand that climate change is a significant challenge and we appreciate the attempt to reduce carbon emissions. We are pleased the City and County have analysis showing that our community has reduced carbon emission levels by 14% since 1990 while the population has increased 30%. While this progress is significant, we agree that more needs to be done.

We share similar goals within the plan, specifically around a state transportation package and increased investments in transportation infrastructure. We're also supportive of the plan's objective to improve freight mobility within and through the Portland metro region. The efficient movement of goods is critical for our economic prosperity but also for minimizing emissions that may result from congestion.

We are, however, concerned about proposals for local adoption of a carbon pricing mechanism and a local fossil fuel export policy. A carbon pricing mechanism disproportionately burden low income populations and compromise City and County equity goals. Further, we believe that these proposals will have a minimum impact on carbon emissions, particularly at a global scale. While these actions would have little impact on our total emissions, they would be detrimental to businesses in the Portland metro region and make it less affordable for businesses to grow and develop. Thank you.

June 24, 2015

**Hales:** Thank you for coming. Welcome.

**Tom Sincic:** Mayor Hales and City Commissioners, my name is Tom Sincic. I'm a family nurse practitioner with 33 years of advancing public health through the work of families that I've been serving and also in my community.

Today at this time of global climate disruption, we have a critical opportunity and obligation to prevent the many health catastrophes that are quickly descending on this and the next generation and will decimate future generations and the earth which we are to care for. The Climate Action Plan recognizes that carbon emissions are the problem and must be reduced. In order to do this, serious and immediate policy actions are needed not just by the City but by the state and federal government.

While the Climate Action Plan is laudable, the time table may sadly be too late. While we are already paying the price for carbon emissions in forest fires, drought, reduced snow pack, warming the Columbia River, no one is paying for the carbon. Paying the true price of carbon with carbon pricing is a clear pathway to force the reducing of carbon emissions.

Now, the thing that's been -- the equity issue. What we need now to call for is a dividend on carbon that goes back to all of the people thereby making it an equitable practice. In fact, this measure is still alive in the state legislature as we speak, which is very interesting this late in the session.

I have taken the time out of my day to ride my bike, to do my civic duty to strongly support the Portland City Council joining other cities across the state -- Eugene, Hood River, Corvallis, Ashland and Milwaukie -- in calling for the state price on carbon, but also ask that you put an amendment to attach an equitable dividend back that goes to all of Oregonians on an equitable basis. Will this weekend -- as you said -- set a new record high? The time to act is now. And on a side note, why do I have to buy coal from Pacific Power?

**Hales:** Thank you, thank you very much.

**Mac McKinlay:** Hi, I'm Mac McKinlay. This is an ecological message.

The people of Portland and Multnomah County have received in the Climate Action Plan a gift of hope and wisdom, a document of collaboration and inspiration for all of our work. Will it become a false hope and a lie?

We all live in one world. We all live in the same world. Even while we plan our good works, there are forces outside of here doing their work undermining what we do. These are blind, obsolete, single-purpose, gargantuan forces that have the power to destroy the living earth itself. They come with trains, ships and pipelines full of fossil fuels. They mound the carbon, build holding tanks and terminals, careless of the harm they do to humans, to us and our communities. If we fail to take them into our plans, if we fail to stop them dead in their tracks, we will bear responsibility for their devastation.

Yes, these are wonderful plans for urban canopy, for renewable energy, for conscientious resource use and agriculture, for economic justice, for sustainable transportation -- but are all of these things a little show to make us feel good? Because it will all be for nothing if we stand by and let these blind monsters and their accomplices in government and other industries destroy our earth. If this plan is a real start, it must be accompanied by demands that no fossil fuel terminals or export facilities be allowed to operate or exist in the northwest. If this plan is for real, you will demand that all governments and public bodies divest from all fossil fuel investments now. To make this plan work, it needs a foundation. It needs to take all real world threats into account. Thank you.

**Hales:** Thank you. Thank you all. Welcome.

June 24, 2015

**Patrick O'Herron:** Thanks for having me. My name is Patrick O'Herron. I live in North Portland. I'm a general surgeon and a board member of Oregon Physicians for Social Responsibility, and I'm a member of the Portland climate jobs committee.

First, I want to first express support for the Climate Action Plan. There's some really great things about it. Perhaps the most importantly that it exists and that Portland has been reducing emissions while providing an excellent quality of life to many of its citizens. The climate plan recognizes that these benefits have not been shared equally by all of the citizens and the focus on equity is also fantastic, as are the opposition to coal exports, the attempt to quantify emissions based on consumption, and the inclusion for the need to push the state legislature to start putting a price on carbon. That said, I want to urge two things. The first is to strengthen the plan. And second -- most importantly -- is to ambitiously implement it.

If there was ever a time to act boldly and break the mold of cautious politics, surely climate change presents one. Increasingly alarming reports warn of us catastrophic consequences of allowing global temperatures to rise above two degrees Celsius, yet we're on track to blow past the 2900 gigatons of carbon dioxide that scientists predict will cause about two degrees of warming in perhaps as little as 15 years from now. To paraphrase the bulletin of atomic scientists who possibly put it best -- despite some modestly positive developments in the climate change arena, current efforts are entirely insufficient to brunt the catastrophic warming of earth. Leaders are failing to perform the most important duty: ensuring and preserving the health and vitality of human civilization.

Climate catastrophe is a global problem, so what can Portland do that can have an impact? Well, Portland can lead. We can be a model city, an example of what is possible when we all work together. We can emulate cities like Copenhagen and Demark or Greensburg, Kansas, and countries like Costa Rica and the Maldives that are well on their way to being carbon neutral in the relatively near future. Portland can oppose all fossil fuel exports and divest the City from fossil fuels in the recognition that we're all in this together. We all share one earth whose atmosphere, land, and water sustain us, and fossil fuels burned anywhere harms each and every one of us. We can act in a way commensurate with the raging crisis that climate destabilization presents. We can also act in a way that capitalizes on the tremendous opportunities inherent in our transition to a low carbon, healthier, happier, and more equitable and connected to society.

In my work as an acute care surgeon, I have a great responsibility to act cautiously so that I don't harm any of the patients that I operate on. But when I have a patient that's dying of a gunshot wound or a terrible infection, the safest and most prudent course is to act boldly and decisively, and that's a position that you all find yourselves in as leaders. Please act accordingly.

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

**Elyse Cogburn:** Hello. Thank you, Mayor Hales and Commissioners. My name is Elyse Cogburn. I am here as a recent college graduate of Portland State University. I am also here representing Divest Portland State, a student group working with the PSU administration to divest from fossil fuels. I'm also here in solidarity with the Climate Action Coalition to urge this Council to add three additions to the 2015 Climate Action Plan.

The first: ban all new fossil fuel infrastructure for export, storage, and transfer gas, oil, and coal. Divest all fossil fuel holdings by 2020, and work aggressively to reduce carbon emissions within the City of Portland and Multnomah County by promoting renewable energy products and energy conservation.

The last time CO2 emissions were this high, humans did not exist. Our dependence on fossil fuels is driving climate change at an alarming rate. This information is not new. Through my studies at Portland State, I have taken various classes about environmental



June 24, 2015

policy and regulations and even taken a climate action course by Dr. Linda George. While the 2015 Climate Action Plan provides an abundance of valid information and process to deal with climate change, it lacks the innovative solution that addresses not just environmental justice but economic and social justice.

But first, I must give credit where it is due. Portland was the first city in the United States to create a local action plan by cutting carbon. For over a decade, Portland has been a leader in cutting carbon from our atmosphere. Portland and Multnomah County within the 2015 Climate Action Plan have committed to reduce local carbon emissions by 80% below 1990 levels by 2050, with an interim goal of 40% reduction by 2030. Even though progressive and forward thinking, this is not possible if we are still allowing existing and new fossil fuel infrastructure for export, storage, and transfer.

Divestment is a real world solution to our current climate crisis because it targets large corporations doing the most damage. But more importantly, divesting of fossil fuels is an opportunity. Imagine governments, nonprofits, universities, organizations, residents, and the business community working together to help drive social change to make definitive steps towards ensuring that our world will be here for future generations. Divestment of fossil fuels gives Portland the opportunity to remain a climate champion for other cities to follow and learn from. It gives Portland an opportunity to give the world a sense of hope. Thank you very much for your time.

**Hales:** Thank you. Welcome.

**Jack Herbert:** Hi, my name is Jack Herbert. I'd like to emphasize the testimony had from Lowen Berman and from Bob Sallinger that really pointed out this plan is a great start but we really need to make much more drastic changes. We are not facing it.

The planet we love is going under, and the environment we love here -- these forests, the Douglas firs, the hemlock, cedars -- I think we know if we have winters and springs like we've had, those forests are going to go. And so I think we care enough about them we need to do the work.

The plan -- you know, it needs to have law. It needs to know how it is going to get to where it's going to go and it needs to have a law to force that to get there. You need positive incentives and negative incentives and you need the programs, the specific programs that you are going to do it with.

There were four major problems. The inequity and all exploitative and abusive human beings on this planet. It's getting much worse, and our federal government is driving a lot of that and our corporations are. We need a humane program at this level to turn the ethic around. So, we've got to deal with equity, we've got to deal with jobs and economy, we've got to deal with stopping global climate change. And the chart showed us continuing population growth locally but also [indistinguishable]. People have mentioned that.

Clearly, you know -- what you need is what happened when we had Pearl Harbor. You know, we gotta pool our money -- green bonds are a great idea -- I don't know how we can do it, be we gotta pool our money, put ourselves to work with good jobs -- and you need to make sure that they are good jobs or you know there'll be crummy ones -- and we will solve those problems and do the conversion we need. OK, let's see. [beeping] OK, that's all I have for the moment. Thank you.

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

**Harlan Shober:** Thank you. Mayor Hales, thank you for your enthusiasm with the Pope's encyclical. I'm glad you're getting to make that trip. Please say hi to Francis for me.

**Hales:** I will.

**Shober:** There's a lot of congratulations in order for the CAP, but you're going to hear it again and again -- it's not quite enough. It has to go further. And what I understand is you



June 24, 2015

next piece of work -- or one of them -- is to come up with a plan for a fossil fuel export policy. I want to urge you to keep it simple, and let's just not do that. There's no way we can be a fuel hub without messing with our quality of life. And whether you do lifecycle studies or end of point of view studies, it's just meaning burning more fueling.

Every dollar spent on infrastructure for that kind of thing is a dollar not spent on something else that would be better, and we have to try a lot other things to see what will be better and what will work. So, in your deliberations about fossil fuel export policy, please, let's not go there for Portland. It was a close thing with Pembina -- and thanks for the turn around on that. What we need is a policy so that we don't have to do it case by case by case.

There's a precedent for you there. When Norway was on the brink of the north COL bonanza, the government there tied themselves to the mast. Before they had the money, they implemented a really rigorous policy that they could only spend so much of it. They had to invest the rest. That bound the hands of people who followed them in government. And those politicians -- the political class from that era is still getting lots of regard for making that choice.

So, what we need you to do about export is to lock it down so that it can't happen so we don't have to fight each and everything. And I guarantee you, if Pembina gets its nose under the tent and resurfaces, there will be no place to hide. There'll be no place to run. Thank you.

**Hales:** Thank you. Welcome.

**Richard Tennant:** Hi, my name is Richard Tennant. I'm a life-long resident of Portland, Oregon. My mom was a school teacher, one-room school teacher at Sauvie's Island, my dad was a detective with Multnomah County. I just want to testify also and be kind of redundant about the Pembina and the exportation of fossil fuels, because it usually ends up badly for a variety of reasons, and I brought some little smurfs for my -- these are little plastic deals which are probably the end result of a lot of energy being expended for of production that's something geared for, you know, having playing with for a day and then throwing it into a landfill. I think if we're going to spend energy recklessly with abandon, we're in for a -- we're going to get the end of the -- a physical process. Because the law of physics is immutable as the law of nature. I'm here to protect hopefully my granddaughter and my grandchildren, and I hope that you each consider your grandchildren when you come up with a determination as to export fuel for making a one-day product.

**Hales:** Thank you, thanks very much.

**Susan Tennant:** That's why I married him. [laughter]

**Hales:** Smart guy.

**S. Tennant:** He's been holding out on me. He's got smurfs. [laughter] My name is Susan Tennant. I've been married to Mr. Tennant for 45 years this year, and we were in a high school play at Roosevelt and I had to marry him there. I thought I'd die -- clunky football player. I'm here to tell you to speak for the children.

Today, I went to St. Johns historical meeting and I left, "Richard, go by the community center around the corner." "What would I want to do that for?" "You know, the usual. Go." And so we went together as a couple. I noticed on the left-hand side of the street, a child, seven or eight, disabled, very disabled. And it was hot, very hot, and the caregiver was carrying a chair above the head, kind of keeping himself shaded and pushing the cart and a toddler walking. As they got to the St. Johns community center, they have a blue tarp and that's where you can get sandwiches and I remembered how I had taken my grandkids there.

But something -- as human beings, we are drawn to water. Each of you hopefully has something to drink. And there's no water in that wading pool and it's hot. And the

June 24, 2015

people will -- there was nowhere else to go. There's nowhere, because not everybody can pay for \$4.50 to get into the pools or let alone get there if you're pushing a chair. So that's part of my concern.

In North Portland -- I'm sure you all know where that is -- that's where the St. Johns Bridge is with the oil farms on one side. There used to be three when I arrived there. I remember as a child going up that way. Now, I think there's a four or five hundred. And then on the other side, of course, you have your coal and whatnot.

But I asked, I called somebody and said, "is it safe to go to Cathedral Park?" And he says, "ma'am, for dogs it doesn't matter because their constitution is different." But he said, "I wouldn't suggest going in there above your knees because it could be problematic."

So, we are the ones that have the old garbage dump. We're the ones that have the waste facility and the car wrecking and everything, and the levees that are uncertified -- even the port, Vanport isn't certified -- but we're working on that. Please remember us. St. Johns is a wonderful place to grow up and be human.

My eldest brother is a troubleshooter for Intel, he's retired. My sister worked for UPS and Bank of America. I worked for Kaiser Permanente for 28 years, a mental health chemical addiction member intake service in emergency. Baby brother is a policeman and the other one a longshoreman. We are great people, we are proud people, and we are becoming proud as we get to know you. S

So, give us time. But remember us when you want to put something new out there, please let us know in advance so that we can decide and help you decide, too. Thank you. Hey, and if you can bring any water to the kids in the parks with the 100 degree weather coming up -- maybe we could just turn them on for the weekend.

**Hales:** That's a good idea. Thank you very much. Welcome.

**Cassidy B. Jones:** Hello, and thank you Mayor Charlie Hales and City of Portland Council. My name is Cassidy Jones and I am proud to say I was born and raised in Oregon. I'm a fellow with Oregon Climate, a statewide campaign for fair and effective climate policy, as well as a farm education intern for the Sauvie Island Center. This fall, I will enter my senior year at Knox College, not far from Chicago. Despite leaving the Pacific Northwest for my education, it is my hope -- like many others -- to return to the city of roses next year when I have completed my degree in international relations and environmental studies.

As a young person entering the job search, my home of Portland is very high on the list for many reasons. Aside from being incredibly livable, close to my family, and a quick drive to all of the outdoor recreation that my heart could desire, the environment is also very important to Portland. I must commend and relay my support for the CAP. This plan shows strong leadership from the City of Portland, and will encourage others to follow suit in building strong and thorough blueprints for combatting climate change.

Specifically, I would like to express my gratitude for including putting a price on carbon in the five-year priorities within the buildings and energy section. By urging legislators in Salem to take action and price carbon now, Portland can and will strongly influence the rest of the Willamette Valley and even the rest of the state.

If I may, I'd like to take the opportunity to point out aspects of revenue distribution options in relation to carbon pricing. At Oregon Climate, we are advocating for the dividend option. This dividend is best described as a check distributed to all Oregonians despite income levels, where you live, etc. The dividend option would bring anywhere from \$500 to \$1500 to all Oregonians, and as the Portland State University studies have proved, would have a negligible impact on the economy. In fact, national studies show that there would be significant job growth with a dividend.

June 24, 2015

Why this option over using the money to fund important things, such as education or health care? If we redistribute this revenue from carbon pricing back to everyone, it is a lasting and equitable program. Eventually, the idea is that energy transition would occur. This does mean that the carbon dividend would dry up, making it especially important not to fund things that are so important to our state like education and health care with this dividend.

By redistributing these funds equally to all Oregonians, we can create a strong and lasting program that is simple, straightforward, and the lower economic part of two-thirds of Oregonians would come out on top. Thank you again for your leadership, ownership, and time. I couldn't be more proud to call myself an Oregonian.

**Hales:** Thank you. Hope you do get to come back.

**Novick:** Mayor, if I may just respond to that. Cassidy, I actually really like the dividend idea. A problem that we have in Oregon is that obviously, gasoline is a major source of carbon and we have a state constitutional provision that was passed sometime like 1980 that says taxes on gasoline can only be used on roads. So, we would need to repeal that provision in order to have a portion of a carbon tax that applies to gasoline used for the dividend you suggested.

**Jones:** Thank you.

**Hales:** It'd be a first step.

**Theodora Tsongas:** Hi, I'm Dr. Theodora Tsongas. I'm an environmental health scientist and retired from the state public health division. I'm a member of the environmental health working group of Oregon Physicians for Social Responsibility.

Yesterday, the Lancet Commission released its 2015 report on health and climate change. The commission concluded that climate change is a medical emergency. But because climate solutions are health benefits, getting rid of fossil fuels will reduce asthma, respiratory, and cardiovascular diseases and deaths. Detriments to public health are detriments to long-term economic growth. The benefits of taking action on climate change are local, and they are immediate. Whoever takes measures to combat climate change will get health benefits.

Achieving a de-carbonized economy and securing the public health benefits it offers is no longer primarily a technical or economic question. It is now a political one. To this end, I want to commend the Portland Planning and Sustainability Commission on its Climate Action Plan. It is comprehensive and considers public health improvements from active transport and considers equity. However, it does not go far enough.

One of the conclusions of the Lancet Commission is that we have very little time to take action to prevent the very worst impacts of climate change. Developing infrastructure to replace coal with natural gas is ill-advised and will give a false sense of security, as well as expending scarce resources on a technology that is not solving the problem. We need to expend those resources aggressively on renewable energy development and implementation.

Finally, the Climate Action Plan needs to promote strong actions to address climate change by asking for a ban on all new fossil fuel infrastructure for export, storage, and transfer of gas, oil, and coal -- including propane -- and divest from all fossil fuel holdings immediately. Portland is in a perfect position to lead. It has the political will. Let's do it, please.

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

**Heather Tennant:** Thank you. My name is Heather Tennant, and my parents just spoke. I'm here because of my daughter, Joan. I also have two other children. We have been out on the picket lines with Pembina, the propane, and I thank you, Mayor Hales, for being the one that took a chance and listened to the public.

June 24, 2015

Fossil fuels are not the way. They're not the way. They're not the way to -- we need to teach our children, our younger generations that we have to do better. But each of you also need to leave a legacy for yourselves and your children that you were the ones that made a better place -- not just Portland, but when you do the things that you do and you speak out and you listen to the vast testimony that you heard of very intelligent people about how important the earth is -- we can't eat money, we can't breathe money, we can't drink money. And I know that when I look at you, I see intelligent people. I may not agree with everything -- just like you're not going to agree with everything that I say -- but I have faith in each and everyone one of you. I have faith that you will do what's right to protect your children, your grandchildren, and future generations. Because if it doesn't happen now, it will be too late. It will be too late. So, when you go in chambers and you discuss -- this is it. This is the future. And did you want to say something?

\*\*\*\*\*: Um -- keep Pembina in the ground. [applause]

**H. Tennant:** Keep fossil fuels in the ground.

**Hales:** Good job. Thank you, thank you both for coming.

**Tim Miller:** Thank you, Mayor and Commissioners. My name is Tim Miller, and I'm the CEO of Clean Energy Works. Most of you know my predecessor, Derek Smith. I've worked side by side with Derek for the last three years in partnership with the City, and I look forward to continuing that successful work at Clean Energy Works.

Our organization supports the 2015 Climate Action Plan. We're the largest home performance provider in the Northwest. We're a nonprofit that helps homeowners upgrade their homes for energy efficiency. At the same time, we're creating jobs and boosting the equity and resilience of our communities. Working with local contractors, we have facilitated energy efficiency upgrades for more than 4500 homes now. We support the Climate Action Plan for four main reasons.

First, making homes more energy efficient will have a significant impact on carbon emissions, as has been mentioned. 20% of carbon emissions in the County are generated from this sector, and we're committed to continuing our work with the City and County to help homeowners reduce our community's carbon footprint.

Second, the Climate Action Plan outlines how to connect the economic opportunities that implementing a plan will generate with advancing equity in the region. This connection is crucial to ensuring tangible outcomes for low income communities and communities of color participating in carbon pollution mitigation efforts.

Third, the Cully weatherization 2.0 project that the plan highlights is an example of an emerging model that can address climate change and combat gentrification.

Clean Energy Works is excited to participate in this collaborative effort and working with the City and County to leverage how home repairs and weatherization resources can be combined to address gentrification and energy efficiency. While engaging homeowners on energy efficiency, we can also help them with the health and safety of their homes, solar energy, seismic upgrades, radon mitigation and EV readiness all can happen at the same time so we're aligning multiple interest and resources and leveraging those things together so that all partners get benefit at the same time and help homeowners and help reduce our carbon footprint. Thank you.

**Hales:** Thank you. Welcome.

**Rachel Lileet-Foley:** Hi. I'm Rachel Lileet-Foley. I'm a volunteer with Oregon climate and I'm a raging granny, and I also have a long history of involvement with India, and that's going to come up in a few secs. I want to thank you for urging the state to establish a price on carbon, and I strongly support the Portland City Council joining other cities across the state and calling on the state to price carbon.



June 24, 2015

There are two things. Why a carbon price? A couple supports for that. A carbon price creates a price signal to reward innovation, encourage conservation, and discourages businesses and individuals from using and investing in fossil fuels. And another reason would be that true costs of fossil fuels are currently not reflected in their prices. In 2012, climate-related disasters in the U.S. cost us \$96 billion, and they are only getting worse. And polluters are not being held accountable.

One of the questions that has been raised within the Climate Action Plan is, how can regressive impacts for low income populations be prevented? The answer there that I've been thinking about is to return all back to households, and that is because this is an equitable solution. Several people before me have said that it is an inequitable solution, but I just don't go with that.

The lowest income Oregonians pay the largest fraction of their paychecks in energy and gasoline. By returning the revenue back in the form of a dividend -- which makes it revenue neutral -- the lowest income 70% of Oregonians will get more money back than they pay out in increased costs. Another result of that is that the danger of this being pulled back and people not supporting it in the long run is mitigated with this kind of a solution. Jurisdictions that have gone before us without a dividend -- like Australia, where the carbon tax successful in reducing emissions but it was repealed last summer, and that is what happens when not everyone feels like they're sharing the benefits.

**Hales:** Thank you. I want to get you to wrap up because we're running out of time.

**Lileet-Foley:** OK. The last thing I want to say is the India thing about how bad this whole thing is.

**Fish:** Mayor -- [indistinguishable] -- at 5:00, and we have a hard deadline.

**Hales:** OK, make it very quick.

**Lileet-Foley:** A letter from a friend in India recently. It is not just people are dying in his city. Water has been limited to use for human consumption. That's it. What happens to agriculture?

**Hales:** Thank you. Thank you very much. Mr. Stull.

**Barry Joe Stull:** Hello. I'm going to throw a bunch of numbers around. I think I will start with this one. One. That is how many home planets we have. Two. The number of days since my third neurologist said that cannabis was my best treatment option. We call that marijuana under state law because if we told the truth at the time in the 1930s, people would have said, cannabis, you mean like on the state seal of Oregon, where we have the covered wagon covered with hemp? That's cannabis, right? How about that sailing ship? Oh, the state seal of Oregon. What else does it have? Fossil fuels. The merchant ship, fossil fuel -- in 1859, we had not on planet earth drilled a single oil well. That happened later in 1859. So, I'm not here because whether or not your minds are made up. I'm here because of what your minds are made up with, and basically it is a bunch of lies because you don't know the truth about the simplest things. I have some vegan hemp, Oregon product -- there's 19 of them here. One in the center, each touching each other. That's six more, that makes seven and outside we have 12 and over here on the clock face, we have the same 12:00, 1:00, 2:00 -- this is the way it works. You're trying to make squares when you should be making hexagons. You are not paying attention to the natural world, not paying attention the way natural things work and not going to guys like me who have expertise in energy management. I used to extract the carbon from the heat coming out of the furnace when I was burning natural gas and I used that to enhance the cannabis plants that I was convicted and sent to prison for growing. Also doing waste heat recovery at another place that didn't have a gas furnace. And I was collecting the heat to warm the water to enhance the agriculture.

**Hales:** Thank you.



June 24, 2015

**Stull:** Where you might want to go to NASCAR as a model of what you can learn from moon shine being illegal, they drove fast cars to get away from the cops. We have NASCAR. Now we have legal cannabis. We have energy problems because you guys don't know the simplest truth. Talk to a guy like me. Thanks.

**Hales:** Thanks very much. The next, please.

**Fish:** Karla, how many more do we have?

**Moore-Love:** Four more.

**Hales:** Welcome, ladies.

**Lise Glancy:** Good afternoon, Mayor and Council members. My name is Lise Glancy, the regional government relations manager for the Port of Portland. The Port appreciates the opportunity to provide comments on the City of Portland and Multnomah County 2015 Climate Action Plan. The Port recognizes the significance of climate change and importance of climate initiatives like the Climate Action Plan. We support the City's and County's strategy and emission reduction targets.

As the Climate Action Plan reinforces, we all play a role in reducing climate emissions and protecting the world for future generations. The Port, like other government entities, is reducing the impact of our operational footprint in support of our own air quality policies and priorities and ISO 1401 environmental management system. We are actively working with customers, tenants, and stakeholders to assist them in doing the same.

In the spirit of partnership, the Port mapped our emission reduction efforts and results against the Portland Multnomah County Climate Action Plan. We recently voluntarily committed to energy reporting for all Port facilities and are committed to continuing our partnership on the Climate Action Plan.

Given Portland's role as a gateway to other markets for the state and Port's role as an agency charged with connecting people and businesses to market to support regional prosperity, we appreciate the Portland Planning and Sustainability Commission's refinement of objective five, technology that freight movement by water and rail is more energy efficient and reduces additional burden on the network contributing to congestion and emissions. We'd recommend adding two additional action items that are included in the letter that I provided you.

For objective four, we can't overemphasize the importance of close-in industrial land for middle-income job growth. This is important for two reasons. One, it provides higher-paying accessible jobs in the heart of the city for our residents and offers job opportunities for our workforce without college degrees. Two, it makes the most of existing investment in transportation facilities. And under that objective, we'd recommend adding two action additional action items -- again in my letter.

In developing the proposed local fossil fuels expert policy, we encourage the City and County to consider the low carbon fuels. Low carbon fuels such as natural gas and propane play a critical role as transition fuels, reducing greenhouse gases and hazardous air pollutants globally and regionally. Greenhouse gas and air toxic emissions are global and environmental justice issues. Consistent language within the Climate Action Plan to address the important role of low carbon fuels would clarify and prevent conflict between proposed objectives. The Port looks forward to continuing to work with the City and County and other stakeholders. Thanks for your time.

**Hales:** Thanks very much. Welcome.

**Alex Anderson:** Hi, I'm Alex Anderson. I'm a recent biology student graduate from Concordia University. I'm here today to represent the commuting working class, which does include students, educated people, elderly, disabled, health care professionals, and educators. There's a large population of that person. I have here today some papers that I'd like to share with you if I may --

June 24, 2015

**Hales:** Please. Just give them to Karla and she'll hand them to us. Thank you.

**Anderson:** The very first page you will get -- if everyone can see -- it is a very pretty picture from Pembina's own website and I'm very thankful that that is taken off of the agenda. A big kudos to all of you for your hard work on that.

Without a key, this is not science. If I could ask you guys with me to rip this page off, please. It's obsolete. It's a distraction. And in doing so, you just created your first public action to divest from fossil fuels. Thank you. [laughter]

The second page is a carbon dioxide emissions coefficient by fuels example provided by U.S. Energy Information Administration. These are estimates, but if you look down the page, there are several different types of fuels. None of them are clean. All of them have carbon emissions. And we are at a point where what I hear on the table is we're wanting to reduce by 80% what we had in the '90s. In the '90s, we already exceeded the upper ceiling, which is why we are having the problems today. We need to eliminate carbon emissions completely.

Is that possible? Yes, it is. It takes working together. It takes getting this implemented quickly, and that's the important part. [beeping]

As of June 21st, our carbon dioxide levels in the atmosphere, as taken by the observatory located on the next page over -- it's this cute little diagram here -- was at 402.81 parts per million. That's 128 parts per million above what we had pre-industrial.

**Hales:** Let me get you to stop there because we do have the rest of your handout. That is a pretty dramatic statistic. Thank you. We're have to wrap up here because we are going to lose Commissioner Fritz.

**A. Anderson:** Oh, OK. Well, the rest you can probably see on your own. But just a very brief explanation of why we see carbon going up and down and up and down -- it is still on an incline, which gives us about 53 years at this rate. The reason for the decline is because when plants breathe when they start having foliage, they breathe in all of that, but we don't have enough to recover. We are at our maximum.

**Hales:** Never knew that. Thank you.

**A. Anderson:** Thank you.

**Hales:** Thank you very much. I think you two might have the last word. Welcome.

**Gordon Fulks:** Thank you. My name is Dr. Gordon Fulks. I'm an astrophysicist here representing 31,000 American scientists, 9000 others with PhDs. We all signed this statement. Quote, "there is no convincing scientific evidence that human release of carbon dioxide, methane, or other greenhouse gases is causing or will in the foreseeable future cause catastrophic heating of the earth's atmosphere and disruption of the earth's climate. Moreover, there is substantial scientific evidence that increases in atmospheric carbon dioxide produce many beneficial effects upon the natural plant and animal environments of the earth." End quote.

Not only is this the largest petition ever circulated among scientists, it was also promoted and signed by some of the great scientists of our time. It was signed by the greatest physicist alive today, Professor Freeman Dyson from the Institute for Advanced Study at Princeton University; and the greatest meteorologist alive today, Professor Richard Lindzen of the Massachusetts Institute of Technology. Yet, you failed to consult any of us and even refused to let any of us have our say, shutting down one meeting to avoid hearing any criticism. That's terribly, terribly wrong.

When it comes to Portland's Climate Action Plan, there are no climate performance criteria whatever. That means zero accountability. You promise no climate improvements for dollars expended. Will we get a cooler climate? Will we have fewer hot spells like promised for this weekend? Will we never have another Columbus Day storm? Will you even be able to change the low rate of rise of atmospheric carbon dioxide? Of course not.

June 24, 2015

This is fraud. The people promoting climate control have said, “who cares if this turns out to be wrong? We’re doing so many good things anyway.” That’s what it is all about and that makes you involved in deliberate fraud. It’s time to stop scamming the science and show some respect for all scientists, for taxpayers, and for the truth. Let critics be heard. Thank you.

**Hales:** Thank you. Welcome.

**Jill Denny:** Hi, there, my name is Jill Denny, and I’m the youngest member of the family that owns Portland Nursery. On behalf of my entire family, we would like to say thank you for prioritizing the environmental health of our community. I am here to show our continuing support for reducing Portland’s carbon footprint.

In 2014 alone, we provided inner Portland with 11,972 trees, 14,822 native plants, 63,681 shrubs, 173,333 seed packets, and 311,877 vegetable and herb starts. We offer 220 free garden classes a year and donate to over 400 local schools, nonprofits, and food-based programs mainly so that children can be educated on where the food comes from and other matters such as that to increase horticultural sustainability and education.

In our letter, we have outlined more ways that we assist Portland’s response to climate change. So, please consider Portland Nursery a resource. Please consider that we are here to benefit the community and environment before making decisions about the Comprehensive Plan.

And on a personal note, I recently graduated from Oregon State University with a major in human development and family sciences as well as minors in horticulture and psychology, I am on track to become a pediatric horticultural therapist and would like to work with the youth in the community, and we would really like that opportunity. Thank you for your time.

**Fish:** Thanks for coming in. Your family has alerted us to a fact that there are some things on the comp plan which actually might put you out of business. So, it’s nice to put a name and face together. That is not something that I think we want to see, so we look forward to working with you on that.

**Denny:** Thank you very much.

**Hales:** Thank you both. Anyone else? Does Council have any questions for staff before we act on the resolutions? They’re all three before us as amended. So, if not, then I think we’re ready for a roll call vote on the first.

**Fish:** Mayor, why don’t we do it out of sequence and let Commissioner Fritz go first?

**Hales:** OK.

**Fritz:** Thank you very much.

#### **Item 687 Roll.**

**Fritz:** Thank you very much to staff and for everybody who’s participated in this hearing today. I am proud that Portland is one of the cities invited to the Vatican to talk with the Pope, and I’m very proud to have been part of the previous version of the Climate Action Plan and look forward to implementing it. Thank you all for staying this long, and especially to all of the staff for all of your good work. Aye.

**Fish:** The 2009, City/Climate Action Plan was one of the proudest accomplishments of a Council that I served on, and this builds on that work and enhances it. I’m particularly pleased that we are putting equity more deeply into our plan and more intentionally.

At the City’s utilities, which I have the honor of leading, we’ve learned that what’s good for the environment is also good for our ratepayers. So, a lot of the kinds of practices that we’ve been asked to follow turn out to not only promote a healthier community and environment, but they also end up saving ratepayer dollars. We look forward to doing our part.

June 24, 2015

I have to say, I've been on the Council for seven years and a lot of people who have come before us I happen to know are either agnostic, atheist, or ambivalent about religion. I have never heard a Pope more celebrated in a public forum. I do very much appreciate much of what he wrote, and I particularly appreciate this concept of a common home. I think that's a beautiful organizing principle for thinking about how we as a global community address lots of challenges.

Today, I'm very pleased to support the work. Thanks to the staff, thanks to Susan and her team and everyone who took time to testify today. I'm pleased to vote aye.

**Saltzman:** Well, this is a very ambitious plan, but then I guess that they always have been. I think the ambitions of our citizens and residents have grown and are up for the challenges represented by this action plan. I want to thank the Mayor's Office and also the Bureau of Planning and Sustainability and Jackie Dingfelder and the task force that helped put this together. I think we have -- we certainly have our work cut out for us and some major decisions that will follow from adopting this plan today, but I think that the times are ripe. And even Commissioner Fish embraced the Pope yesterday in his op-ed piece in the Portland Tribune, so I'm jumping on that pope bandwagon, too. [laughter] In fact, Mayor Hales, I want the exclusive marketing rights to the selfie when you come back. [laughter] Aye.

**Novick:** Commissioner Saltzman, isn't it the Pope mobile rather than the bandwagon? [laughter] Michael mentioned in his presentation that this polling that shows that 88% of Portlanders recognize that we need to change our way of life to address climate disruption. And I think we should recognize that we have already adopted policies that are in a way asking people to accept changes in the way of life which some people sometimes find annoying in the interest of reducing carbon emissions. There's a lot of people who already have let us know that they have had a way of life that didn't include having to deal with lots of bicycles, and some of them find bicycles rather annoying. And I think that we should acknowledge that sometimes you do get stuck behind a bicycle and you have to look out for them, and some of them can even be rude -- although not the vast majority. But we are asking people to put up with more bicycles on the road because bicycles don't use gasoline. Part of what we -- people should know that something that they can do to reduce carbon emissions in the city is simply to tolerate bicyclists.

Similarly, there's a lot of people who are annoyed by new apartment buildings going up in their neighborhood and it increases traffic, it might block their view, the construction is annoying. But as Michael said, having more people living close together particularly in cities particularly along transit lines is key to reducing carbon emissions. Because if a bunch of people live together, there will be a grocery store that pops up within walking distance. And there might be a Salt and Straw that pops up there, too. A lot of people think that's a great thing, but there's some people who say, "I didn't mind driving to the grocery store and I have no interest in bubble gum flavored ice cream with kale sprinkles, so I don't really think these are great amenities." And to those people, I think we say, "listen, we realize that to you the new apartment buildings are just an annoyance, but we're asking you to put up with that annoyance as part of your contribution to reducing carbon emissions."

I think that at some point, we're going to get to where everybody recognizes that fighting global climate disruption is the struggle of our time, as Chair Kafoury said. And as some speakers have said here today, we need to take it as seriously as Americans took the Second World War. I hope that we get to the point where people every once in a while walk up to a bicyclist getting off their bike and say, "thank you for your service" and where people at dinner parties say, "you know, there's a new apartment building going up in my

June 24, 2015

block and the construction is annoying and it might block my view, but you know, anything for the cause.”

I realize that may sound crazy, but if we’re going to avoid catastrophic climate change -- or rather, climate disruption, a more precise term -- then a lot of things now seem crazy are going to have to come true. Aye.

**Hales:** I want to thank you all and thank the bureau and my staff -- Jackie, in particular -- and others who worked so hard on this. Just a couple of vignettes to close out my thoughts on this.

President Barack Obama is speaking to the U.S. Conference of Mayors on Friday on this subject and others, and he had a great line, which is, “on an issue where you are asked to choose between ideology and reality, pick reality.” And that’s of course what we’re doing here. And the other reassurance, or the other vignette I want to offer is one of reassurance. We hear the fear and concern about this issue -- and maybe a tinge of wonder, can we in little old Portland actually make a difference in all of this? And I’m here to tell you from my life experience that we can and that we already have, actually. Because I spent the last step years helping other cities start building transportation systems that were modeled after ours. And little old Portland maybe wasn’t on the map at the beginning of that period, but by the end, it was. And now, my wife runs a program at Portland State that deals with incoming delegations that come here to study our sustainability, and they’ve had someone come here from every continent except Antarctica. And if the penguins who are watching the Ross Ice Shelf crumble could figure out how to get here, they’d probably come, too. So, the world has noticed Portland, which is why we got this amazing invitation. I think that the fact that Portland is being a leader is not just of course important in Portland, and we have real evidence around the world and the country that what we do matters to people other than just us. So, I appreciate the longstanding leadership of people like Susan and the folks that we’ve heard from today. I do believe this will make a difference -- and a big one, and it will matter. Thank you all very much. Aye. Let’s vote on the other two resolutions.

**Item 688 Roll.**

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

**Item 689 Roll.**

**Fish:** Aye.

**Saltzman:** I think it’s very intriguing, the concept of green bonds. I’m not sure I totally get it, but it sounds like something we could hopefully make a reality. Aye.

**Hales:** There’s quite a bit that Jonas Biery talks about that it takes me a while to get, but I think he’s onto something here. Aye. And we are recessed until tomorrow at 2:00 p.m. Thank you.

At 5:08 p.m., Council recessed.



June 25, 2015  
**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.

**JUNE 25, 2015      2:00 PM**

**Hales:** Welcome to the June 25th meeting of the Portland City Council. Would you please call the roll?

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

**Hales:** Welcome, everybody. Let me go through some logistics here. First of all, we've got these time certain items 701 and 702 up first, and we'll do those first, but a few of you may be here because we had quite a few items on yesterday's regular agenda that we moved to this afternoon. We'll take those up immediately following the two time-certain items. So, there's item 679 left over yesterday, which is the Central City Concern grant, and then everything on the regular agenda from yesterday afternoon -- that is, items 690 to 700, all of which again we will take up when we're finished with these two land use cases. So, bear with us and we'll get caught up to our own agenda. Welcome, and we're going to return to these two cases. In one case to consider findings on 701. Let's take up that item first, please.

**Item 701.**

**Hales:** Commissioner Fritz, you have some comments here or a motion?

**Fritz:** I move adoption of the findings.

**Fish:** Second.

**Hales:** OK. Any further discussion on the adoption of the findings? Roll call on the findings.

**Item 701 Roll.**

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

**Fritz:** Thank you very much to staff for all of your work both in the Water Bureau and in the Bureau Development Services for your diligence in going through this, also the neighborhood associations who worked really well -- the westside folks -- in coming to agreement on this. Kind of surprising that we are there, and I think this is a good plan for replacing the historic structures with something which will become historic and will be valued for generations to come. Aye.

**Hales:** Aye. OK. Now, we'll move to 702.

**Item 702.**

**Hales:** So, I think we need to do a little procedural work here. Correct, City Attorney?

**Linly Rees, Deputy City Attorney:** So, last time we left it, we had rebuttal and discussion by Council and I think the parties are ready to present.

**Hales:** OK. Make sure I've got this correct -- both appellants get a chance for a rebuttal at this point?

**Rees:** Yes, but I believe they're doing that jointly right now.

**Hales:** OK. We'll give each of the appellants an opportunity to present rebuttal or in whatever format you would like. Mr. Shaff, would you like to start?

**David Shaff, Director, Water Bureau:** OK. I am David Shaff, I am the Director of the Water Bureau. With me is Teresa Elliot, she is the principal engineer in charge of our LT2 compliance program. And with me also are John Laursen and Stephanie Stewart from the Mt. Tabor Neighborhood Association. I'll start off with just a little introduction.

June 25, 2015

We're here today for the scheduled rebuttal in this land use appeal and we're prepared to move forward with our rebuttals. However, at the May 28th Council hearing, we were instructed to talk to the Mt. Tabor Neighborhood Association to determine if a mutual resolution of the appeals could be achieved. We're prepared to outline where we stand in those conversations with the MTNA if that is the desire of the Council.

**Hales:** What's the Council's interest?

**Fritz:** I'm very desirous of hearing that, yes.

**Hales:** Proceed.

**Shaff:** Alright. Since the Council's May 28th hearing on this pending land use action, the Water Bureau and the MTNA have met six times for about 12 hours in order to come to a resolution of their pending appeals. Although we are quite close to an agreement, we still have some final details to work out.

In general terms, we believe this issue may be resolved and a land use decision made as follows. We would like the Council today to agree to delay its tentative decision on the appeals to July 15th. The parties will work in the interim to finalize their agreement.

At the July 15th Council hearing, Council will be asked separate and apart from its land use action to consider and approve a binding resolution that allocates City resources to maintain, repair, and preserve the reservoirs at Mt. Tabor in a manner that's acceptable to the MTNA and to operate them in such a way that they are kept full as much as possible. The Council would then be asked to make a tentative decision to adopt the Landmarks Commission's decision with a modified condition B and no condition E.

Council would then return to make a final decision either August 5th or the 19th depending on your schedules and who's going to be here, and then the final one would be the MTNA would not appeal the Council's final decision to LUBA. That's the overview of where we are.

**Saltzman:** Can you refresh our memories of what condition B and condition E are?

**Shaff:** Condition B is the issue about keeping the reservoirs full and the 60-day time period, and condition E is the adoption -- I'm going to paraphrase it -- the adoption of the historic structures report. I can actually --

**Hales:** The implementation of it, right.

**Shaff:** So, the binding resolution and the commitments are in lieu of condition E.

**Fritz:** And when would the Council get to see the proposed binding resolution?

**Shaff:** We hope we will -- I'm leaving on vacation next week, but we are going to meet either tomorrow or Saturday or Sunday morning and try and work out the final details and then while I'm away, the MTNA will be having their discussions. We'll anticipate filing the resolution the week of July 6th for Council consideration on the 15th.

**Fritz:** So it would be published as part of the agenda for Council so the general public would have the opportunity to comment on it?

**Shaff:** That's the intent.

**Fish:** Just procedurally -- because this is a new procedure for me -- if in the event you were not able to close the gap on whatever differences there are still between you, and because this is a land use proceeding, we're not involved in these negotiations, we would have a date of July 15th for the Council to make a decision in the absence of an agreement? Is that right?

**Hales:** We would continue the land use case to that same date.

**Shaff:** That's our understanding. We understand from Linly Rees that we can schedule two items for a time certain the morning of the 15th, one would be the resolution and one would be the land use decision. I do expect -- and I'm going to let these guys talk as well -- I do expect we are going to reach an agreement.

June 25, 2015

**John Laursen:** John Laursen, Mt. Tabor Neighborhood Association. Commissioner Fish, we've never been here before either, so this is new territory for all of us I believe. One question that occurs to me is if we are both talking to Commissioners at the same time, is it then still ex parte? That is, could we actually -- you said well, we can't talk to you about what this is, we won't know what it is until it's published, but we would be more than happy to be talking with you. We have felt like we could not be talking with you, but if both parties were talking with you simultaneously, it doesn't seem to me that that's talking -- as a lay citizen understands the concept of ex parte -- that that would not be that. It's a question that you may want to consider.

**Fish:** First of all, John, I just want to say -- because we're not privy to the specific details -- but when we were last together, it was the Council's desire that the parties meet and try to find a mutually acceptable agreement. I think it's highly laudable that you're here today saying that you may have the outline of an agreement and I compliment you -- both sides - - for pursuing that. I think we need guidance from Linly, though, as to what role the Council could play in bringing this home because we are bound by land use rules.

**Rees:** So this is a really tricky one and generally, we try not to give you legal advice in a public setting. I think in this particular instance, the answer is yes, it's still an ex parte contact because you have a pending land use proceeding and the question of a settlement within that land use is clearly relevant to it.

What you do when you have an ex parte contact, though, is you disclose it. So while the system discourages ex parte contacts, it also provides a remedy for ex parte contacts. So if on the record today there were a desire to be communication from the neighborhood association, the thing we would need to do to remedy that is to make sure that at the following hearing that everybody on the commission described what the communication was, what the substance of it was and when it happened and who it was with. Sometimes, it's easier to just avoid those contacts altogether, but I'm going to have to leave that to your discretion.

**Fritz:** I know Commissioner Fish and I share the desire for transparency. In fact, I am astonished that the discussions have been -- that you're so close to an agreement, I did not know that. I know that Commissioner Fish did not know that, either. So our staff have been doing a really good job of making sure that we are sealed off from ex parte contacts.

I would be concerned about so-called backroom or back office discussions that the public is not privy to, that the land use process is as open and transparent as it possibly can be. So although I would love to know what the -- I would love to be part of those negotiations, I'm not sure that it's in the public interest for us to do so. Perhaps the best solution is to come to that hearing on the 15th with the understanding that there will then be a public hearing, that there will then be Council discussion, and then maybe amendments or proposed amendments to the binding resolution.

Just as I was reluctant or not willing to accept the directive from the Historic Landmarks Commission that the Council shall adopt something, the Council is elected to make decisions on behalf of the entire city and so I wouldn't -- I can't agree to be bound by a binding -- to rubber stamp a binding resolution without having had a public hearing and a discussion of it. And I think maybe that's the appropriate way to go about it.

**Hales:** So, let me suggest some things here. One, I agree with the caution and the cautious view in this case of the City Attorney about us having contact with parties to a land use case. However, there's a resolution that's being proposed here as well, and that's a different animal. And the Commissioner-in-Charge who will be filing the resolution -- I presume that will be you, Commissioner Fish, but I guess there are options there -- ought to be involved with the preparation of that resolution.

June 25, 2015

As is obvious, I think here the Council's trying really hard to follow the rules about how we do land use cases, and I didn't know this discussion was underway either and I don't feel -- as I suspect most of us don't feel a need -- to be engaged in that discussion. But it's really important that that resolution get filed, assuming you get to a point where the neighborhood association and the bureau both agree on the language of the resolution -- that it get filed early or timely so the community has a chance to see it and call up an opinion about it. And for the public here, you need to understand that we'll take testimony on a resolution on the Council calendar. The land use case is essentially done here but for rebuttals. But if there's a resolution in front of the Portland City Council, people get to come here and have their say about that -- and you will.

So, I guess I would try to divide those two questions quite a bit, that I would expect Commissioner Fish would hear back from these two parties about the language of a resolution, that he would work with them to prepare it and file it for the Council to consider and then the public gets to weigh in.

**Fish:** Mayor, just to clarify -- I think under our rules, the resolution would have to be filed no later than July 9th. Is that right, Karla?

**Moore-Love:** Correct, yes.

**Hales:** And again, since this is new territory I think for all of us -- Mayor, I think you're correct. I would have to file it because it requires a Council person to affirmatively file the resolution. And I think, though, that my role is largely ministerial -- is to review it as to form, not to negotiate new or different terms, just make sure it fits within our form and then transmit that to Council.

**Hales:** Correct.

**Fritz:** I, however -- since it wouldn't be part of a land use case -- would love to be involved in the making of it. And this is a logistical thing, since it might be difficult -- I don't know how quickly you can get there. The Mayor and I are both out at the beginning of August. So, August 19th is the more realistic date for a final decision.

**Laursen:** The plan is that if we're going to reach a resolution, then you would be filing it. We would be talking -- I think it would be better for us to be talking to both the Parks Commissioner and the Water Bureau Commissioner if we're going to do that. So, you're saying that talking about a resolution is not ex parte. Talking about the land use case that that resolution has to do with would be ex parte.

**Hales:** Yeah, and that's a little bit of a fine point, obviously.

**Fritz:** Well, it's depending on whether the resolution is in lieu of a condition of approval.

**Hales:** Right.

**Fish:** I think we can navigate these waters.

**Hales:** I think you can, too.

**Fish:** I think you hear a commitment that Commissioner Fritz and I will jointly review and file the resolution and what we're simply saying is the dynamics of the negotiation we can't be privy to because that's outside, but whatever is in the resolution we can work with you to file.

**Hales:** Yeah, so let me think out loud for a second, this might help -- at least, it might help me because we are trying to walk through this, but there is a land use case in front of the City Council, two different appellants and a set of conditions that were proposed by the Landmarks Commission. The Council is free today or any other time to approve the Landmarks Commission's decision, reject it, or modify it. That will still be true when it comes back to us, whenever that is.

In the meantime, if you as a couple of parties want to get together and craft a resolution on the same subject, that's OK. And you do that in the light of day and it happens in this council chamber in terms of people responding to it, and that directs us

June 25, 2015

when we go back to the land use case -- that's the point of inflection, that when we're in the quasi-judicial role of deciding a land use case, we start and stop that procedure kind of formally as we've done in this case, but a resolution that instructs or informs what we do is a completely separate proposition as long as we maintain that separation. Hope that helps -- helped me, anyway.

**Stephanie Stewart:** My name is Stephanie Stewart and I'm the land use chair for the Mt. Tabor Neighborhood Association and I'd like to weigh in if I could here with a question for you. It's a procedural question. So, we have made substantive and meaningful agreements between the two parties. I myself personally am concerned as to what the right legal mechanism is to record these agreements. I am personally more comfortable with a land use decision process. I know how it works and I have seen just enough policy-making to know that that is a process fraught with blind corners. So, I'd love if possible right now to get your feedback as to whether or not you think that the suggestion from the applicant to move our agreements into a resolution and out of the land use decision is an appropriate legal mechanism.

**Hales:** I think -- I'll jump into that just to respond. I think if the resolution -- we do things by resolution all the time. We adopted a climate action plan yesterday by resolution. Resolutions aren't just ceremonial documents compared to ordinances, they do direct bureaus to do things and they are binding in the force of law in the sense that they are the Council's direction to City agencies to do things or stop doing things. So, if we adopt a resolution -- just speaking hypothetically -- that says the Water Bureau has to do this, this, this and this, that's real and that's binding and therefore they are required to carry out that action as directed by the City Council in a resolution. That's my version of what our Charter says.

**Fritz:** And if I may respond to Ms. Stewart and the neighborhood association -- the challenge with the land use case is that any condition of approval needs to be necessary to meet the approval criteria. It also has to have a reasonable -- anything that we direct to be done has to have a reasonable nexus to the application and the content of it. It also has to have a rough proportionality in terms of the costs. If you were to move forward on a resolution, then in my mind that would mean that we wouldn't have to be quite so worried about either the nexus or the proportionality because it would be a separate resolution.

**Hales:** I hope that helps. I mean, I think it has the full weight of a public decision. Other points and concerns that you want to get on the table? Please.

**Laursen:** Well, I guess I just want to say, we're optimistic. We have worked -- you know, we heard a clear direction from almost all of you that you wanted us to talk and to try to work this out, and we took that very seriously and the Water Bureau took it seriously as well. So we've been -- as Director Shaff said, we've had six two-hour meetings in the interim and of course we've also spent a lot of time that was not in those meetings. So, we've been working very hard to try to reach an agreement. And we have reached agreement on some very big issues, and we've reached agreement on many of the details, but there are still some big issues to be resolved and there are still some details to be resolved. So, we're working hard to bring this to a conclusion that protects the park and the reservoirs and also is appropriate functionally from the Water Bureau's point of view.

I think it would be really good if we could test that solution with two of the Commissioners -- not to say make a backroom deal but to test the resolution and its reasonableness so that we have some better notion. Because for citizens, this is very much -- we're like in a fogbank. We're dealing with a City bureau's appeal of a City commission's decision to the ruler of both of them, and we're kind of on our own out here not knowing where the fences are or where the pits are that we're going to step into. So, it



June 25, 2015

would be really helpful to have some opportunity to test the resolution with the City Council members.

**Hales:** Well, it sounds like you've got two willing participants here from the two relevant bureaus that are interested in doing that. And again, I just want to say I appreciate the fact that this has been underway. That's what I expected as Mayor and I think it's what all of us expected would happen. It doesn't mean that you're able to get to yes on a responsible solution but that you're trying and we appreciate that. I guess I hope you feel the respect that we have for the work that you've been doing and that that will get honored here if you are able to reach a responsible agreement.

**Fish:** Karla, on the 15th, do we have time certain slots that are available?

**Moore-Love:** We've reserved the 9:30 for this item. That's when everybody's in is only in the morning.

**Fish:** Is that time still convenient for all the parties?

**Shaff:** We've discussed it and we're expecting or hoping that what we would do was one time certain but we would have two items, one is the resolution -- we want to go first with the resolution -- and then the tentative decision.

**Fish:** Mayor, under the circumstances, what I would propose we set over the matter to the 15th with the understanding that Commissioners Fish and Fritz will review a proposed resolution and file it for consideration -- and that file no later than the 9th -- and that on the 15th, we would further disclose the full extent of any conversation we've had with the parties at that hearing.

**Hales:** I think that captures the sense of what I've heard from this. If there's no objection, then we'll schedule both a public hearing on a resolution and continue the land use appeal until July 15th at 9:15 in the morning. Thank you. 9:30, sorry -- jumping the gun.

**Rees:** Mayor, just one quick clarification for the purposes of the Council Clerk. It would be helpful to know how long Council would like to set aside.

**Hales:** I will set aside an hour and a half or more because there's going to be public testimony.

**Fritz:** Right.

**Fish:** A 9:30 time certain just to translate that for everyone means that we start at 10:00.

**Fritz:** Do we have something on Thursday?

**Hales:** I'm not here.

**Moore-Love:** Both you and the Mayor are gone.

**Fritz:** Oh, right. There's that.

**Hales:** There's that. We're going to try to avoid other business that morning. I'll practice that in what I file or don't file and maybe others can do likewise.

**Fish:** Execs can work that out.

**Fritz:** Do you think we could be ready by the 9th?

**Shaff:** I do.

**Laursen:** I do, too. I think if we're going to be ready, we're going to be ready by the 9th. You know, it's a little bit of a -- this is what I was talking about -- this is a little bit of a gray area. We don't want to promise you that this is done, but we feel confident enough to sit here in front of you today and say we're working very hard. So, if it's going to be done, it's going to be done by the 9th. I would put that little caveat on it, but I'm only hedging my bets because I don't want you to think, "well, this is completely resolved" because it's not. We're doing our best. Both parties are working hard to get to a resolution that you can live with.

**Fritz:** Council appreciates it when we get to a 90% solution that then we get to tweak a little bit. I have to say that I am so proud of the City staff and of the neighborhood association for doing what we asked of you and really stepping up under very difficult circumstances. I knew you could do it, and I'm just really excited that we could get to a

June 25, 2015

historic -- pun intended, perhaps -- outcome of this very difficult and important case. So, thank you very much for all the work that you've done.

**Hales:** Thank you. With that, we'll continue this item to July 15th at 9:30 a.m. Thank you.

**Fish:** Mayor, may we take a two minute break?

**Hale:** Let's take a two-minute break and then return to the rest of the calendar.

**Fish:** We have the afternoon session now.

**Fritz:** I thought we were doing that at 3:30 because we have a time certain.

**Hales:** We did --

**Fritz:** I think we're recessing until 3:30.

At 2:27 p.m., Council recessed.

At 3:31 p.m., Council reconvened.

**Hales:** Bring the Council meeting back to order and to return to unfinished business. We have one item left over from the morning calendar, and several items left over from the afternoon calendar yesterday.

**Item 679.**

**Hales:** I know there were questions about this and a chance to get informed. There are folks here if you have further questions.

**Fish:** Nope. We're all set, Mayor.

**Hales:** OK. Thank you for being here as resources. I think we're ready to proceed, then. Roll call vote, please.

**Item 679.**

**Fish:** Mayor, thank you for the one-day set-over. I've had a chance to have my questions addressed and I'm pleased to vote aye.

**Saltzman:** Aye.

**Novick:** Aye.

**Fritz:** So, this is a really important program that goes beyond the Police Bureau, and it's something that the three of us who were here during the previous administration prioritized in very difficult budget times. I think Commissioner Fish and my concerns I voiced yesterday are evidence that we continue to be highly invested in this program. I do have continued concerns about the mix of sober and entry-level care that's being offered under this contract, and so I'd like to have some continued discussion, particularly when this contract comes back for reassignment next year. I think that the service coordination team approach is hugely important, and that we need to continue to have all five of us involved in making sure it goes in the direction that we want it to do. In the meantime, aye.

**Hales:** I appreciate the chance to have the discussion. Just wanna say, Ed, I'm glad you're here. You're a great partner and we depend on great partners for these programs to work. I think what we need to be doing in a number of areas -- homelessness, mental health, youth at risk -- is find partnerships that work and do more, take them to scale. I'm very interested in not only maintaining the service coordination team, but expanding it because it works. I want to hear from the bureau about that, from the management of the team, from our partners. The definition of insanity is to keep doing the same thing over and over again expecting a different result. If we're doing things that are different in working well and in any of these intergovernmental issues that are dealing with long-term intractable problems like drug addiction and homeless and youth at risk -- to name three -- let's seize on things that are working and do more of them. I'm interested in not just hearing back from you in how the program's working or how the contractor are performing, but what we could do more of with more resources. I expect that this city is going to have the ability to

June 25, 2015

invest more in things that we need to invest in, whether it's capital improvements or programs that work. Hopefully, that's a clear signal to you that this is something that everyone on the Council is very focused on.

Finally, I've had a chance -- I believe you have, Commissioner Fritz -- and you, Nick, and Dan -- but Steve, I don't think you have yet. If you haven't had a chance to go to a service coordination team graduation -- oh yeah, you have -- it's amazing. I encourage all of us to do that. Please let us know, Lieutenant Hager and Rachel, next one that comes up. I'm certainly interested in attending because it really helps us see and the people that these programs serve and how they work. Thank you all for great work. Aye.

**Fritz:** Mayor, make I make one more comment out of order?

**Hales:** Please.

**Fritz:** I apologize for not going over it in the end. I was reminded as I was having discussions that we're talking about people in a program. The discussion at Council yesterday was about the economics and the Medicaid and such. When we do a transition from one provider to another, we're talking about a therapist being a different therapist for somebody who's in the program. And so I think it's really -- it was a good reminder to me -- because I've become a policymaker now and I think in policy terms -- that we also need to be thinking about the individual people who are part of the program and how we're going to structure programs that work for those particular people as well as the long-term health of the program. I appreciate that Central City Concern is obviously very mindful of that. You obviously have skilled therapists who will help today's cohort make the transition to a different provider, but we all know how difficult it is when a beloved physician or therapist or dentist terminates their practice. I just wanted to remind us all of that.

**Hales:** It's a good point. Thank you all very much. Let's move on to the regular agenda items that were postponed.

**Item 690.**

**Hales:** Commissioner Saltzman.

**Saltzman:** Thank you, Mayor. These proposed revisions are for the Housing Bureau's home ownership and home repair program guidelines, and they reflect the need for greater home ownership subsidies in order to successfully achieve program outcomes in the current real estate market, particularly in North and Northeast Portland. Loan terms for home ownership subsidies are being modified to reflect the significant levels of assistance required to create home ownership opportunities for low income families in the current market. The affordability period has been extended from 15 to 30 years, and provisions for loan forgiveness of homeownership assistance loans have been removed.

**Hales:** Thank you very much. Is there anyone that wants to speak on this item? If not, roll call on the resolution.

**Item 690 Roll.**

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

**Fritz:** I appreciate the explanation that just came. I request that whenever we have changes if we could please get strikeout and underline versions routinely, because it's very difficult when you're just presented with new guidelines to know what's different from the previous ones. So, with Commissioner Saltzman's explanation, I'm happy to vote Aye.

**Hales:** Thank you, Commissioner. I'm going to be interested in seeing what more we can do not just with the funds that you and I have earmarked in the Interstate Urban Renewal area but elsewhere for trying to give people more home ownership opportunities. We concentrate a lot on affordable rental housing, but I think the ability of people to buy homes in the city is another affordability issue that we want to focus on more so. Thanks for tending to that as well. Aye.

**Item 691.**

June 25, 2015

**Hales:** Commissioner Saltzman.

**Saltzman:** Thank you, Mayor. Funding received by the Portland Home Consortium is allocated to three individual jurisdictions based on their share of poverty. Portland's share of poverty and the Home resources is approximately 79% of the funding received for fiscal 15-16 -- the consortium received almost \$3 million and Portland's share was \$2.2 million. The other jurisdictions are City of Gresham and Multnomah County.

**Hales:** Great. Thank you very much. Anyone want to speak on this ordinance? Then a roll call, please. It's an emergency ordinance.

**Item 691 Roll.**

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

**Item 692.**

**Hales:** Commissioner Saltzman.

**Saltzman:** Thank you, Mayor. The TIF set-aside policy is supposed to be reviewed every five years, and we're simply asking -- there's been a lot of activity recently around URA updates and set-aside policy, and we feel that we could give you a better report if we had until September 30th of this year rather than 10 days ago.

**Fish:** Commissioner, I'm going to support this with just one caveat. I would hope on this body that we are not requiring any member of Council to bring an ordinance to get an extension of this limited duration. I would hope that we could do this informally simply through disclosure rather than have to put your bureau through the task of filing and ordinance on something as ministerial as this. You have every reason to ask for and you have every claim on a brief additional amount of time to prepare this report, but I would encourage us to do these kinds of things informally without the necessity of an ordinance.

**Saltzman:** Point well-taken.

**Hales:** Any other comments? Anyone want to speak on this item? Then it comes back for second reading next week.

**Item 693.**

**Hales:** Commissioner Saltzman.

**Saltzman:** Thank you, Mr. Mayor. This will provide over \$16 million of a broad continuum of assistance and services for low income homeowners, renters, homeless individuals, and families and those at risk of homelessness. This master ordinance creates efficiencies for staff and Council by consolidating the multiple contract ordinances into a single ordinance for Council. This strategy has been deployed successfully by the bureau in the past several years and I'd urge adoption.

**Hales:** Questions?

**Fish:** Just a comment, Mayor?

**Hales:** Sure.

**Fish:** I know we're not going to vote on this until next week, but the exhibit A that is attached is an honor roll of mission-driven nonprofits that are core partners of the City in advancing our goals towards reducing and ultimately ending homelessness. We are talking about a mix of funds, including general fund, federal funds, and then funds that are competitive funds. If anyone wants to see the roadmap of how this community on an annual basis attempts to tackle this enormous challenge of homelessness, exhibit A is about as good a document as I've seen that lays out all of our great partners that are working on the frontlines of making a difference.

**Hales:** Questions?

**Fritz:** Thanks, Mayor. I greatly appreciate the consolidated approach. How does a nonprofit apply to have some of this funding? If next year when we get to this point and there's another omnibus ordinance, how would a new nonprofit apply to become a partner with the Housing Bureau?

June 25, 2015

**Saltzman:** I believe it's all competitive, but I can double check and get back to you. That we put out a solicitation.

**Fritz:** Yeah, but if you were -- the one that's missing here for me is Right 2 Dream Too, and I know that they're going to be entering to provide a different kind of service from some of the others, but you also got some terrific partnerships -- for instance, with the Community Alliance of Tenants -- that are not direct providers. So yeah, I'd appreciate knowing the process.

**Saltzman:** OK, I'll check and get back to you.

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

**Moore-Love:** Yes, we have one person signed up.

**Hales:** Come on up, Mr. Stull. Good afternoon.

**Barry Joe Stull:** Thanks. I'll share with you what I shared with the County Board of Commissioners earlier today. I'm wearing my hat because I have a neuropathic pain condition and light is kind of toxic at points. It's just annoying. The reason I took it off is because I respect you.

I could very well be the poster child of the City of Portland for a lot of things that are wrong. I'm going to talk about how a person with a disability -- it was a spinal cord injury. That's like saying the flaming heap of a car at the bottom of the cliff had a break problem.

I came home from work and was locked out of my apartment. My landlord destroyed \$20,000 worth of my property in 2006. You've all heard this, and I know you've all done absolutely nothing about it. I don't think we need to have any other discussion.

I went through a horrible, horrible experience that was essentially criminal, and I can tell you right now that the reason I survived was because I'm highly educated, I'm in the top five percent in IQ tests the way we give them in this society, which doesn't measure my musical talent that I have, and I come from a working class background of people that work really hard. My grandfather survived a coal mining accident and he still ended a 50-year career as a coal miner while he had all these other jobs. So what I'm saying is down the street, Mr. Bradley working for Mr. Shrunck, the Deputy District Attorney or the District Attorney at the time -- Mr. Bradley said that they do not enforce perjury and landlord-tenant actions. I happened to be in a lawyer's office when one lawyer said to the other, "I can't believe that landlords can get away with saying anything and the court accepts it, and if the tenant does one thing that's any -- a hint of some kind of impropriety -- the way they serve the document -- the court finds with the landlord."

The problem we have here isn't a housing problem, it's a social justice problem. I went through Transition Projects. They approved my housing plan. They kicked me out. I tested positive for THC -- it was actually Marinol, it's a federally-approved drug that my neurologist gave me. And then they said my housing plan didn't work anymore, and I filed a grievance and the grievance was never processed. And one of the persons that got a copy of it was Doreen Binder, who we named the men's shelter in the Bud Clark Commons after.

I'm going to tell you all right now, I do know about how heat rises and cold sinks because it's a function of gravity, and I do know how people become chronically homeless in this city. I'm one of them. I'm housed with a HUD grant as a person with a disability that meets the definition of chronically homeless. I'm telling you, I became chronically homeless and endured chronic homelessness in this city because the nonprofit affordable housing landlord no doubt has 4066 NE Grand vacant right now. He's still partnering with them, you're still partnering with them. Why are we keeping affordable housing vacant and awarding these types of things? We have to look upstream to see who's throwing the people in the river and not just deal with an angry person like myself that comes out wet.

**Hales:** Thank you very much.



June 25, 2015

**Stull:** And I'm available, Mayor, I would like you to consult with me on this. I want this to be a two-way street and not be endlessly saying the same thing. You should start asking me some questions. Thank you.

**Hales:** Thank you very much. OK, anyone else want to speak on this item? If not, then it's a nonemergency ordinance and comes back on second reading next week.

**Item 694.**

**Hales:** Commissioner Novick.

**Novick:** Colleagues, this is a joyous occasion. We are going to confirm that we will be participating in the numerous festivities on September 12th, which alas, will not include my suggestion that Neil McFarlane wear a cowboy hat and lasso people out of single-occupancy vehicles and drag them to the orange line, but that would be a nice tie-in with the Pendleton Round-Up. But all sorts of other cool things will happen. Kathryn?

**Kathryn Levine, Portland Bureau of Transportation:** Good afternoon, thank you. With me is Ann Becklund, the director of community affairs of TriMet to tell you more about the September 12th celebration for the opening of the orange line, the opening of the Tilikum Crossing Bridge, which of course means the streetcar can now close the loop and circumnavigate the city. We're very excited to participate in the celebration.

**Ann Becklund:** Thank you, Mayor and Commissioners. I'm very happy to be her to give you just a taste what if we're doing for the NAX orange line opening. Neil showed me a beautiful tie he received from you yesterday.

**Hales:** I wanted to make sure he was properly coifed for that.

**Becklund:** He's very happy about that. We are 78 days today --

**Fish:** He may be happy with it, but the test will be whether he actually wears it. [laughter]

**Becklund:** You will see that on him quite a bit this summer, I predict. We're 78 days out from our MAX line grand opening on September 12th. As some of you may know, we kicked off the catch the orange campaign on May 15th with a spectacular first ride out to Park Avenue in Clackamas. About 500 people attended with us.

We have a very big gamut of events. We've got 27 events over five months leading up to that opening day. We've got talks and walks, we've got lectures on sustainability and bridge building, we have preview rides and safety rides and of course our major public celebrations.

I want to say that our slate of events has been entirely funded by the generosity of local corporate sponsors and organizations. We're very grateful for that.

But why are we doing so much? We realize that this is not just the celebration in our community of the latest great investment and partnership that we've demonstrated among our partners, but it's also one of the greatest teachable moments we have in our community for having people experience what an investment like this can bring -- how the advances in sustainability, redevelopment, education, ability to leverage partnerships has all culminated in the opening of the MAX orange line. So, we're out to make a point however we can reach people.

We've been thrilled with the response to date. We've toured over 2000 schoolchildren, took school safety rides as part of our program in May and early June. They loved being on the bridge. What better way to get them to be transit supporters and users than to train them early? We've also -- the streetcar and MAX orange line are offering six preview rides a week. We expect to tour thousands of people on both lines between now and early August. Currently, we're experiencing packed cars and cheers when we get to the ends of the line.

Last week, over 200 people turned out for a transit on tap where we had a talk about the kind of archeological finds we discovered underneath MAX construction. It's

June 25, 2015

really interesting how transit and beer go together for the best kind of night meeting, and you can really connect with people in those kinds of forums.

There is our catch the orange website that is on your screen right now. If you scroll down, it shows the entire list of our events going through opening day. I'd like to point out just a few of them that you may be interested in. On July 20th, we're going to host Congressman Earl Blumenauer for transit on tap at the new Hassalo on Eighth development, which is served by both streetcar and MAX. Our big public events kick off with the 20th anniversary of Bridge Pedal on August 9th. We'll do bridge pedal in the morning. They're expecting to max out their attendance at 20,000 that day. It will be the first opportunity for the public to ride over the Tilikum Crossing and then in the afternoon, the city of Portland is partnering with TriMet and Providence to host an open day on the bridge so that people get to experience it even if they didn't pay to ride on Bridge Pedal. We're also doing a fireworks spectacular that will be blown off of both sides of the bridge on Saturday night, August 22nd. We expect thousands of people to show up for that. Then on September 10th, as we demonstrated earlier this week, we're calling the first light -- we'll light the aesthetic lighting on the bridge permanently at that time. We have a 9/11 celebration planned for Friday night -- memorial and ceremony that will happen in our town of Milwaukie along the alignment. And then on September 12th we have a very grand opening day planned. Our partners in the celebration, the Grand Ronde Tribe, are going to escort the first MAX train over the Tilikum Crossing as we come up to the ceremony. So, we've got a very big palette of events.

Also, this is the first time since 1998 that we've made MAX -- all MAX and bus free on that day. We're expecting over 80,000 people to come celebrate with us, with the inclusion of street car and the tram. We know that it is going to be a party around the entire central business district and all the way out all of our lines. So, we're very grateful for the partnership that you've demonstrated both on the project and this momentous community celebration. Thank you very much.

**Hales:** Thank you. Questions?

**Fish:** I just wanna observe that last weekend, my daughter and I took a long bike ride and we ended up following the orange line from some place in Brooklyn in, and then we went to where the orange line bisects the Oregon Rail Heritage Museum. And the thing that struck us is how great the bike infrastructure is integrated into all the work that's been done along the orange line. It's pretty neat.

**Becklund:** It's pretty amazing. We tagged the total at \$65 million worth of bike and pedestrian improvements along the orange line because of the participation and the way we were able to leverage all of the partners' investment in it.

**Hales:** Yeah, that's our new favorite route from our neighborhood to the Central Eastside because it's such a straight shot and a nice run. Can you tell us a little bit about the community involvement on the 12th? Are we having high school bands at stops? Are we using --

**Becklund:** Well, per your suggestion, both the symphony and the Royal Rosarians will be participating in the opening ceremony --

**Hales:** Good, glad to hear that.

**Becklund:** And we have major stages at Lincoln, which is the big line. They'll be programmed all day. Down by the bridge, where we expect very heavy crowds, the Grand Ronde is going to set up a Native American village in the area adjacent to the bridge, OHSU is sponsoring the station and opening their new collaborative life sciences building to the public. Once you cross the bridge, OMSI and opera and all-classical and the Oregon rail history -- Oregon historical rail facility are going to have major events there. Our station at Clinton is also going to be really fun, like the gateway to that neighborhood there, that

June 25, 2015

newly revitalized neighborhood. Then you follow on out. People will have an opportunity to visit some of our facilities along 17th Avenue. Then at the City of Milwaukie and Clackamas County are sponsoring events at their respective stations. It's going to be a very big day. And we'll have all of that on our site. Also, Pamplin Media is going to publish an insert that will provide a guide for everyone that plans to come and talk about all the events that are happening that day.

**Hales:** Maybe even the city's golf course in Eastmoreland could even --

**Becklund:** We're giving away orange tees at the Bybee station. [laughter]

**Hales:** Good. I think it's probably the only municipal golf course in the country where you can walk off the light rail train and play golf, so they ought to make the most of that with Travel Portland in the future.

**Becklund:** Right.

**Hales:** Great work. Other questions?

**Novick:** I just wanted to say that the first ride was remarkable in many ways, but perhaps the most was that the Governor -- who was instrumental in getting funding for the orange line when she was in the legislature -- was there, and she had to have been the happiest governor in America. [laughter]

**Becklund:** That was a real boost.

**Hales:** Thank you both. Anyone else want to speak on this resolution? Roll call, please.

**Item 694 Roll.**

**Fish:** Look forward to joining you. Thank you. Aye.

**Saltzman:** Aye.

**Novick:** This is going to be great. Aye.

**Fritz:** I was honored to represent the City at the joining of the two sides of the Tilikum Crossing, so I'm also looking forward to this event. I have to say I'm very pleased to see that it's scheduled on a day that the Oregon Ducks are away, so I may actually -- [laughter] -- though I usually don't during football season. Aye.

**Hales:** Thanks very much, this is going to be fun. Aye. Well done.

**Item 695.**

**Hales:** Commissioner Novick.

**Novick:** More cause for celebration -- TriMet is contributing more money towards the operation of the streetcar. Kathryn?

**Kathryn Levine, Portland Bureau of Transportation:** This amendment is our annual amendment whereby TriMet and the City of Portland exhibit their agreement on the funding for the upcoming fiscal year. So, for fiscal year 15-16, the amount of TriMet funding going to Portland streetcar operations will be more than half, it will be \$7.2 million.

**Hales:** Great. That's great. Questions? Anyone want to speak on this ordinance? Then a roll call vote, please.

**Item 695 Roll.**

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

**Hales:** A long way. Aye.

**Item 696.**

**Hales:** Commissioner Novick.

**Novick:** Colleagues, this spring, PBOT worked with Procurement on a competitive solicitation for streetcar operations assistance services -- in other words, the kind of services that have historically been provided by Portland Streetcar, Inc. We decided to open that up to a competitive process. Evaluations have been completed, and as of last Friday, June 19th, the seven-day protest period ended. However, the existing contract expires on June 30th and the purpose of this ordinance is to provide uninterrupted services

June 25, 2015

while we complete contract negotiations with Portland Streetcar, Inc. Do I have that right, Kathryn?

**Kathryn Levine, Portland Bureau of Transportation:** You do. Thank you.

**Hales:** Understood. Thank you. Questions for Kathryn? Anyone want to speak on this item? Roll call vote, please.

**Item 696 Roll.**

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

**Item 697.**

**Hales:** Second reading and roll call.

**Item 677 Roll.**

**Fish:** I hope someday that someone puts a bagel joint at N. Schmeer Road. Aye.

**Saltzman:** Aye.

**Novick:** And I hope it will also have egg creams. Aye.

**Fritz:** Aye.

**Hales:** Aye.

**Item 678.**

**Hales:** Commissioner Fritz.

**Fritz:** Thank you, Mayor. Adoption of this ordinance will fund a study to conduct an economic survey of the Delta Park recreation complex, which is East Delta Park, the Portland International Raceway, and Heron Lakes Golf Course. We've invested heavily in these regional facilities over the year, and the study will help us understand how to enhance the performance of these facilities through integrated investments and targeted investments. In addition, it may help us hopefully to figure out how to recover lost dollars in the forms of spillover spending that have seemed to cross the Washington-Oregon border into Clark County and support more jobs in North Portland. ECONorthwest is a leading company in this area of research. They have worked as a vendor for the city of Portland many times in the past. I now would like to turn this presentation over to Trang Lam who has almost the impossible -- but she's doing it very -- well task of filling Todd Lofgren's shoes. Welcome, Trang.

**Trang Lam, Portland Parks and Recreation:** Thank you. Good afternoon, Mayor and Commissioners. My name is Trang Lam, I'm the new property and business development manager at Portland Parks and Recreation. I have with me Frank James, the property management specialist here who will be managing the contract for us. I'm here today to request approval of a contract to fund an economic impact study of the Delta Park recreational complex for an amount not to exceed \$48,000.

The three facilities that Commissioner Fritz mentioned total over 700 acres of Parks asset, so it's important for us to take a look at these assets and see how we can find new opportunities. I'm going to turn it over to Frank to tell you a little bit more about the contract and the study that we're doing.

**Frank James, Portland Parks and Recreation:** Sure. Thank you. The contract fee actually is a pretty small investment to make, considering everything else that we've put into those facilities. It's going to be designed to go ahead and bring the facilities to a level that hopefully will be that much more pleasing.

As you probably know, ECONorthwest is one of the best vendors to do this kind of work, as they've actually had previous experience with at least PIR in the past. They've done a couple of studies of PIR back in I believe it was 2006 and 2007. So, you know, they have the kind of background that will allow them to go ahead and be that much more efficient with the kind of work that they're going to be doing with this contract.

There's a great potential to substantially enhance the performance of the facilities, and so we try to leverage their unique uses with the kind of targeted investments that can

June 25, 2015

emerge from the kind of data that is going to be provided by the study. The study will also assist in determining how potential enhancements at the three facilities may increase visitor counts, better meet the needs of local residents, and ultimately support more jobs in North Portland.

The Portland Development Commission conducted a competitive solicitation process, and they awarded flexible services contracts to several local vendors to perform studies. Parks believes that PDC's procurement process meets the intent of the Portland City Code -- of the professional, technical and expert manual by maximizing competition and providing opportunities to local professionals -- excuse me, one second, please -- [cell phone ringing] -- that's the worst thing that could have happened -- [laughter]

**Hales:** We've seen much worse in here, believe me.

**James:** I apologize --

**Fritz:** If that's the worst thing that happens in your day today, I think you're doing OK.

**James:** I meant to shut it off before I took my seat but neglected to do so. Getting back to my point, PDC's process we believe meets the intent of the Portland City Code 5.68.015 of the PTE manual by maximizing competition and opportunities to local professional, technical, and expert service providers and consequently, it should facilitate the awarding of this contract. So, we'd hope that you would agree with what we've had to say about this matter and authorize it.

**Hales:** I have some questions. Obviously supportive of this kind of inquiry, but want to think out loud a little bit. So, we're looking at both sort of the enterprise functions -- i.e. the golf course and the PIR, which is -- maybe the PIR is a little bit of a hybrid -- and the more traditional community-serving functions of the soccer field and the softball complex and so on, right? We're looking at all of those in an economic setting?

**James:** Yes.

**Hales:** And so obviously, there are different cost recovery objectives for each of those. This is a familiar topic because we in effect have rolled back the clock on our cost recovery objectives on our community centers in part with the action that the City Council took in this budget to make recreation more free and available for teenagers and community centers across the city. So, you know, there are policy questions attendant to the analysis -- which maybe the analysis is intended to inform -- but I'm just curious about how you see those playing out. In other words, we may want to make less money on the softball complex so it can be more used by more teens. How do we finesse those issues, or how does this study intersect with that set of policy decisions that the five of us need to weigh?

**James:** Sure.

**Lam:** The study will help us figure out what the opportunities might be if there are other uses out there that can actually be complementary to what's currently -- with the softball fields and the soccer fields and things like that -- for the community purpose. From a cost-recovery perspective, we'll also need to take a look at how those same assets can actually be used for tournaments and things like that so we can bring some revenues in to support the community efforts. So, there's a balance between those two elements and we'll be taking a look at those policies and how we can balance those to provide those community amendments while figuring out how do we bring in some revenues to support that.

**Hales:** And I know we have a Parks board and they have -- you may be reviewing this work with them as you proceed.

**Lam:** Yes.

**Hales:** But we also have a number of user groups there -- whether it's the Portland Softball Association or the car nuts -- I mean, the race car aficionados that love the PIR -- and golfers, and we have a gold advisory committee and so on --

**Lam:** Uh-huh, right.



June 25, 2015

**Hales:** Are you going to involve some of those user groups at least in reviewing what you're finding?

**Lam:** We definitely will. I think this is the first step to understanding what the opportunities are. As we use this study, we'll take a look at what might be able to be implemented. So, we'll use this study to talk to those user groups and say, "here's the variety of opportunities that we see. Let's talk about what the priorities are out here."

**Hales:** Mm-hmm. Good.

**Fish:** Following up on the Mayor's questions -- because this is a very familiar conversation and I'm just delighted you're launching this, Commissioner Fritz. And I'm sure this is going to be part of the analysis but let me just throw out some ideas that I hope will come back to us.

The first is, what are some of the public-private opportunities to complete the turfing of all the fields at Delta Park? And I have to tell you, driving by Delta Park the other day and seeing four fields with turf and lights made my heart sing, because in addition to all the obvious benefits, it opens the door to 24/7, 12 months a year use. And one of the problems with Delta Park was we lost all those hours in the evenings and in the rainy season, so this is a huge win for recreational sports. So that's one -- how could we leverage the other fields?

Number two, how could we capitalize on the parking at PIR when it's not in use for race events?

Number three, how might we better create connectivity between those three venues and the MAX stop? That's one of the challenges. It's great there's a MAX stop there now that I-5 has become a parking lot when you need to get there in the afternoon, but it's a little hard to get from there to the venue. So how might we facilitate that connectivity, including potentially a bus or a shuttle or something?

And the fourth -- since you said economic development and the Mayor emphasized enterprise -- you know, I've spent so much of my life over the last 15 years -- and I'm doing it again with a youngster -- on the I-5 corridor going to places north and south that have a Delta Park that's fully built out. And because they have a Delta Park fully built out, they have weekend jamborees where people from all over the place come, and it's just a mammoth gathering. And it could be lacrosse, soccer -- you name a sport. And what it means is that all the hotels in the area get filled up. And so I hope we're also looking at -- since you mentioned PDC and economic development -- what's the potential economic impact of fully utilizing Delta Park? And I'm guessing it means filling all the hotels in Jantzen Beach and in the surrounding area or maybe leveraging more hotels there. Because I can tell you again as a soccer dad, the ideal situation is to have a world-class venue with a hotel in walking distance. That's heaven. And we are losing so much business to the north -- and I can tell you, southern Washington's all over this -- and we've chance to be best in class. I hope that's an integral part of what you're looking at. Thank you.

**Hales:** Good points. Other questions? Great. Thank you both very much. Anyone else want to speak on this item? Then let's take a roll call vote, please.

**Item 698.**

**Fish:** I enthusiastically support this study and am grateful that Commissioner Fritz is leading this effort. Aye.

**Saltzman:** Aye.

**Novick:** Aye.

**Fritz:** Just as Parks programming is more than fun and games, Parks facilities is an economic asset which we need to make sure to make maximum use of to benefit the taxpayers. Thank you for your work. Aye.

June 25, 2015

**Hales:** I agree with that statement, but I also of course -- and I think we all do -- agree with the need to balance that need for revenue against all the other considerations, and that's why I brought up the groups. The four of us who've had the chance to be Parks Commissioner all have parks stories, but one of my favorites is when we put together the 1994 parks bond measure, it included some funds for the creation of that softball complex. But meanwhile, some years before, the softball association had partnered with Commissioner Lindberg to fund that complex in the levy that was shut down by Measure 5. So they had their hopes up, and then they had their hopes dashed -- and I'm struggling to remember his name because it was 20 years ago -- Cary Thorpe [spelling?] was the president of the Portland Softball Association and he'd gotten an amendment to their bylaws passed after the collapse of the earlier levy strategy that every softball player in Portland would pay a \$15 surcharge, and it would go into a fund to help pay for this complex. This had been in place for like seven or eight years. He also inserted a provision in their bylaws that that bylaws provision could only be changed by a unanimous vote on the Softball Association board, and then he stayed on the board to keep an eye on the growing pot of money, and by the time the '94 bond measure came along, it had grown to half a million dollars. So that's why we built a million-dollar softball complex at Delta Park. So, some of these partners literally have a lot of investment in these facilities and it's important to check in with them, too. Good luck. Look forward to seeing the results. Thank you.

**Item 699.**

**Hales:** Commissioner Fritz.

**Fritz:** Thank you, Mayor. This ordinance is to approve the IGA, the intergovernmental agreement with the Portland Development Commission. Mayor, thank you very much to you and your staff for making this get done quickly.

The Charles Jordan Community Center is a popular venue, typically hosting 50 to 60 events per year. It's one of the few centers to offer five-day per week drop-in activities, and the gym roof has been leaking for the past two years, creating safety concerns and impacting programming. We need to replace the roof in order to continue the excellent programming at the facility.

The project has the added benefit of improving worker safety through installation of roof safety anchors and ladder across the roof, consistent with OSHA standards. Construction is scheduled to begin July 1st, so that's why it's an emergency ordinance with an anticipated completion date of later this fall. Introducing Kia Selley, the Parks planning development and asset manager.

**Kia Selley, Portland Parks and Recreation:** Thank you, Commissioner Fritz. Good afternoon, Mr. Mayor and Commissioners. I'm here today to request City Council approval of an intergovernmental agreement between Portland Parks and Recreation and the Portland Development Commission for the repair of the Charles Jordan Community Center roof in the amount of \$603,000.

Located within the Interstate corridor urban renewal area, the Charles Jordan Community Center is a hub of activity in our community, as Commissioner Fritz described. I would just add that on a daily basis, I have witnessed that it provides not only a place for children to play but also a place for a lot of kids to do homework in a very safe environment.

The roof over the gym has been leaking for two years, and this is really impacting community programming. We conducted recently a third-party review of the roof by professional roof consultants. They recommended that we replace the roof and provided a few options, and we have now of course made the decision to replace the roof based upon their expertise.

June 25, 2015

The design has been completed and the project has already been bid for construction. The successful bidder is Interstate Sheet Metal, Inc. and with approval of this intergovernmental agreement, we're actually going to start work next week as Commissioner Fritz described. And we are thankful that it's particularly dry right now and warm. It's perfect weather for roofing.

Just a note -- you probably already know this, but the Portland Development Commission, their board actually approved the IGA yesterday with an eighth amendment, the Interstate Urban Renewal Area to allow for investment in a public building. So, this is the next step in our process. Thank you. If you have any questions, I'm happy to answer them.

**Hales:** Thank you, Kia. Questions? Anyone want to speak on this item?

**Fritz:** I would expect that community members will want to know if this is going to affect any of the programming. Will the center have to be closed as part of the repairs?

**Selley:** The gym will need to be closed during repairs, that's correct. For most of the summer, the gym will be closed, but it will be reopened in the fall for community programming. This is actually a kind of low season for the gym right now, so this is the perfect time both from a weather perspective and from a community programming perspective for us to do the work. But there will be some customer impacts.

**Hales:** Meanwhile, those kids can go cool off in the Dishman pool, assuming we can get them there.

**Fritz:** Right.

**Hales:** Thank you.

**Fish:** You can cool off in the park adjacent to the Charles Jordan, too.

**Hales:** That's true. Thank you very much. Anyone want to speak on this item? Roll call, please.

**Item 699 Roll.**

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

**Fritz:** Thanks to Kia and the Parks team. Aye.

**Hales:** Very much so. And appreciate the Portland Development Commission being a partner to the Parks Bureau, as they should and also that this is another example of their commitment to equity, so I appreciate Patrick Quinton's cooperative creativity. Aye.

**Item 700.**

**Hales:** Second reading, roll call.

**Item 700 Roll.**

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

**Fritz:** The smoking ban starts in Portland parks on July 1st, and I very much appreciate everybody's support of this amendment to make the enforcement more reasonable. Aye.

**Hales:** [inhales deeply] Aye. [laughter] Thank you. We're adjourned.

At 4:18 p.m., Council adjourned.