



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **21ST DAY OF OCTOBER, 2015** AT 9:30 A.M.

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

Commissioner Novick arrived at 9:31 a.m.

Commissioner Saltzman arrived at 9:32 a.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Heidi Brown, Deputy City Attorney; and Jason King, Sergeant at Arms.

Item No. 1066 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

The meeting recessed at 12:24 p.m. and reconvened at 12:31 p.m.

COMMUNICATIONS		Disposition:
1056	Request of Lightning Watchdog X to address Council regarding Lightning Watchdog X disrupts Uber and Lyft (Communication)	PLACED ON FILE
1057	Request of M. Shane Wrosen to address Council to present a poem (Communication)	PLACED ON FILE
1058	Request of Landon K. Crowell to address Council regarding progress on his housing project in Central Eastside (Communication)	PLACED ON FILE
1059	Request of Mary Eng to address Council regarding Black Lives Matter (Communication)	PLACED ON FILE
1060	Request of Christina Albo to address Council regarding Restorative Justice in Schools (Communication)	PLACED ON FILE
TIMES CERTAIN		
1061	TIME CERTAIN: 9:45 AM – Proclaim October 29, 2015 to be The City’s Day of Giving (Proclamation introduced by Mayor Hales) 15 minutes requested	PLACED ON FILE

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<p>1062 TIME CERTAIN: 10:00 AM – Direct the Office of Management and Finance to solicit bids for the Portland Building Reconstruction project in an amount not to exceed \$195,000,000 with construction to be completed no later than 2020 (Resolution introduced by Mayor Hales) 1 hour requested for items 1062-1064 (Y-5)</p>	<p>37158</p>
<p>1063 Direct the Office of Management and Finance to develop office space rates for specific City-owned or City-leased facilities located in the Central Business District to achieve rate equalization (Resolution introduced by Mayor Hales) Motion to change the implementation date from FY 2020-21 to FY 2017-18: Moved by Fritz and seconded by Hales. Hales withdrew his second. Motion withdrawn. (Y-4; N-1 Fritz)</p>	<p>37159</p>
<p>1064 Direct the Office of Management and Finance to develop a One Percent for Community Opportunities and Enhancements proposal for the Portland Building Reconstruction project (Resolution introduced by Mayor Hales) (Y-3; N-2 Fritz, Novick)</p>	<p>37160</p>
<p>CONSENT AGENDA – NO DISCUSSION</p> <p>Mayor Charlie Hales</p>	
<p>*1065 Authorize grant agreement with Self Enhancement Inc. for programming for at-risk youth in partnership with Portland Parks & Recreation Community Centers in an amount not to exceed \$50,000 (Ordinance) (Y-5)</p>	<p>187382</p>
<p>Bureau of Police</p>	
<p>*1066 Accept a grant in the amount of \$92,143, appropriate \$29,445 for FY 2015-16, and authorize an Intergovernmental Agreement with Multnomah County for the Domestic Violence Enhanced Response Team to be partially reimbursed for a Police Bureau sergeant through December 31, 2017 (Ordinance) (Y-5)</p>	<p>187387</p>
<p>*1067 Authorize disposal of a usable surplus WWI US Model 1918 trench knife and authorize the Portland Police Bureau to proceed with donation of the property to the National WWI Museum and Memorial (Ordinance) (Y-5)</p>	<p>187383</p>
<p>Office of Management and Finance</p>	

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***1068** Extend contract with Gillespie, Prudhon & Associates, Inc. for on-call radio system design through December 31, 2016 not to exceed \$80,000 for the public safety radio system replacement project (Ordinance; amend Contract No. 30002882)
(Y-5)

187384

Commissioner Steve Novick

Position No. 4

Bureau of Transportation

1069 Amend 2013-2018 Contract for Vehicle Towing and Storage services to correct the procedure for Portland Streetcar, Inc. tows (Ordinance; amend Contract Nos. 30003497, 30003504-30003508 and 30003511-30003521)

**PASSED TO
SECOND READING
OCTOBER 28, 2015
AT 9:30 AM**

REGULAR AGENDA

Mayor Charlie Hales

Bureau of Police

***1070** Authorize a five-year grant agreement with Volunteers of America for two advocates for the victims and survivors of domestic violence not to exceed \$630,000 (Ordinance)
(Y-5)

187385

***1071** Authorize a five-year grant agreement with Catholic Charities for an advocate for the victims and survivors of domestic violence not to exceed \$315,000 (Ordinance)
(Y-5)

187386

Office of Management and Finance

***1072** Pay claim of Tasha Jacqueline Moore in the sum of \$12,500 involving Police Bureau (Ordinance) 15 minutes requested
(Y-5)

187388

1073 Authorize a five year lease extension with UPI Commonwealth LLC for the Housing Bureau lease premises at the Commonwealth Building through October 31, 2021 (Second Reading Agenda 1041)
(Y-5)

187389

Commissioner Steve Novick

Position No. 4

Bureau of Transportation

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<p>*1074 Amend contract with TriMet related to the operations and maintenance of the Portland Streetcar system to add payment to TriMet for Operations, Maintenance and Other Services for FY 15/16 through FY 19/20 for \$40,490,618 (Ordinance; amend Contract No. 30002872)</p>	<p>RESCHEDULED TO OCTOBER 28, 2015 AT 9:30 AM</p>
<p>1075 Authorize Central Eastside Interim Commercial Off-Street Parking Pilot Program (Ordinance; waive Title 33) 30 minutes requested for items 1075 and 1076</p>	<p>PASSED TO SECOND READING OCTOBER 28, 2015 AT 9:30 AM</p>
<p>1076 Authorize temporary commercial parking on Oregon Department of Transportation blocks as part of the Central Eastside Interim Commercial Off-Street Parking Pilot Program (Ordinance; waive Title 33 and Stormwater Management Manual)</p>	<p>PASSED TO SECOND READING OCTOBER 28, 2015 AT 9:30 AM</p>
<p>1077 Authorize the Bureau of Transportation to acquire certain permanent and temporary rights necessary for construction of the East Portland Active Transportation to Transit project, through the exercise of the City's Eminent Domain Authority (Second Reading Agenda 1047) (Y-5)</p>	<p>187390</p>
<p>Commissioner Amanda Fritz Position No. 1 Office of Neighborhood Involvement</p>	
<p>1078 Amend regulations for marijuana license procedures and requirements to provide a process for converting existing medical dispensaries to recreational retailers and amend hours of operation (Second Reading Agenda 1048; amend Code Subsections 14B.130.040 D. and 14B.130.080 B.) (Y-4; N-1 Saltzman)</p>	<p>187391 AS AMENDED</p>
<p>Commissioner Nick Fish Position No. 2 Bureau of Environmental Services</p>	
<p>*1079 Authorize a contract with HDR Engineering, Inc. to provide planning services for the Columbia Boulevard Wastewater Treatment Plant Facilities Plan Update not to exceed \$576,200 (Ordinance) 10 minutes requested RESCHEDULED TO OCT 22, 2015 AT 2:00 PM (Y-5)</p>	<p>187392</p>

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<p>1080 Authorize a contract with the lowest responsive bidder for construction of the Columbia Boulevard Wastewater Treatment Plant Influent Pump Station Transformer Addition Project No. E10669 for \$562,000 (Second Reading Agenda 1051) RESCHEDULED TO OCT 22, 2015 AT 2:00 PM (Y-5)</p>	<p>187393</p>
<p>Commissioner Dan Saltzman Position No. 3 Portland Housing Bureau</p> <p>*1081 Amend subrecipient contracts with Portland Community Reinvestment Initiative and REACH Community Development, Inc. for \$210,000 for home repair services (Ordinance; amend Contract No. 32001217 and 32001222) RESCHEDULED TO OCT 22, 2015 AT 2:00 PM (Y-5)</p>	<p>187394</p>
<p>*1082 Authorize an Intergovernmental Agreement with the City of Gresham for \$968,818 for the HOME Investment Partnership Program (Ordinance) RESCHEDULED TO OCT 22, 2015 AT 2:00 PM (Y-5)</p>	<p>187395</p>
<p>1083 Amend contract with Catholic Charities to add \$50,000 to house chronically homeless women for a total not to exceed \$160,000 (Ordinance; amend Contract No. 32001140) RESCHEDULED TO OCT 22, 2015 AT 2:00 PM</p>	<p>PASSED TO SECOND READING OCTOBER 28, 2015 AT 9:30 AM</p>

At 12:49 p.m., Council recessed.

<p><u>WEDNESDAY, 2:00 PM, NOVEMBER OCTOBER 21, 2015</u></p> <p>DUE TO LACK OF AN AGENDA THERE WAS NO MEETING</p>	
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October 22, 2015

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **22ND DAY OF OCTOBER, 2015** AT 2:00 P.M.

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

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

1084 TIME CERTAIN: 2:00 PM – Accept Engineer’s Report on Oregon Health & Science University Sky-bridge and Tunnel Encroachment (Ordinance introduced by Commissioner Novick) 45 minutes requested	Disposition: PASSED TO SECOND READING OCTOBER 28, 2015 AT 9:30 AM
1085 Accept Engineer's Report on Portland State University Sky-bridge Extension Encroachment (Ordinance introduced by Commissioner Novick) 30 minutes requested	PASSED TO SECOND READING OCTOBER 28, 2015 AT 9:30 AM

At 3:10 p.m., Council adjourned.

MARY HULL CABALLERO
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council

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

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

OCTOBER 21, 2015

9:30 AM

Hales: The October 21st meeting of the Portland city council, would you please call the roll.

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

Hales: Good morning, everyone. And commissioner novick is here. Welcome, everyone, we have our agenda before us this morning, and we'll start in a few minutes with communications items. We have a process where people can sign up for three minutes on the council calendar, and people have done so, so we'll hear from them first. Then we'll take up our regular agenda, if you are here to speak on a regular agenda item, let our council clerk know, and she will get you on the list. You need only give your name unless you are representing an organization, you don't need to give us your address and all of that, but give us your Name for the record when you come up to speak. We follow the rules of decorum, so if you agree someone and want to demonstrate it, give them a thumbs up or wave of the hand or if you disagree, give a polite negative hand gesture but we ask we not make vocal demonstrations in favor or against or citizen's points of view so everyone can be heard, that's about all the procedure there is to it, welcome, and we'll begin with item 1056.

Item 1056.

Hales: Good morning.

Lightning: Good morning. My name is lightning. I represent lightning watchdog pdx, one of the concerns I have with uber and lyft, the tnc company, is during the pilot project, we're losing too many profits to the traditional cab companies, and I feel the traditional cab companies, themselves, are losing valuation at a rapid pace, in my opinion, 30% to 50% at this time. Again, I have had an issue on the caps, and I really don't want the flood gate opened for uber and lyft, allowing them as many drivers as they possibly want. I want to have a bit more sensibility on the cap issue. I want more data provided. I would like to see uber and lyft and a cap permitted drivers, uber 250, lyft 250. Until we're done with the pilot project, and have a clear understanding that I think that the direction we're going is that our public transportation is going to be jeopardized, pertaining to tri-met max, streetcar bus. When uber and lyft flood the market with their drivers, eventually, what they are going to do is begin to target public transportation. As you know, my understanding, they are in negotiations with the timbers, possibly, to work out something, and negotiating in a lot of different areas to take that business away from the public transportation. So, when the consumers think that without a cap, and we just flood the market with the drivers, that's to your benefit. It will drop down the prices. Think again, when public transportation begins to lose profits, we are going to come back to you, and ask you to start paying the losses. We are going to come back to you and start asking you to start paying the deferred maintenance because we cannot sustain the systems. We have billions and billions of dollars tied up into the transportation system. We cannot jeopardize it. We cannot look at projected incomes on doing new developments and say, hey, we are going to meet certain numbers on those new developments, based upon projections, when we're not doing the

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data with uber and lyft involved in the picture. Uber and lyft is the greatest threat to public transportation in the city of Portland, and if we don't have the data to substantiate that I am wrong, I do not recommend that we allow uber and lyft to stay in the market without caps, when the pilot program ends. That would be a level playing field, also like the traditional taxicab companies have, and uber and lyft need to have a cap put in position to understand what it's going to do in the future on public transportation, and we can get that data from other states, and again, they are beginning to focus on that profit, and it will hurt the city of Portland. Thank you.

Hales: Thank you. 1057, please.

Item 1057.

Hales: Is he here? Ok. We'll look forward to that another time. 1058, please.

Item 1058.

Hales: Good morning.

Landon Crowell: Good morning mayor hales. My name is Landon Crowell, the last time I was here, I asked for the support of my housing development on 12th and Ankeny. Since then, I managed to raise 85% of my project costs. My project goals were to provide affordable housing, utilization of mwesb workforce and green development. I asked for financial support of 1.5 million. Mayor hales, you said you would review my material and get back to me. Unfortunately, that did not happen.

Hales: You haven't heard back from the housing bureau?

Crowell: No.

Hales: Commissioner Saltzman is not here but we'll make sure that happens.

Crowell: However, Shannon from commissioner Saltzman did get about that, to me and reached out to me and listened to my complaint as she briefly laughed at the response of PHB. My complaint consisted of PBC and PHB refusing to allow me to apply for financing and support advertised to be available. When I called the U.S. Department of housing, they informed me, both agencies, were practicing, comparative discrimination. You see, with both agencies, when I tried to inquire about financial support, they would not return my calls or my emails. But, only would return the calls and emails of my architect, who happened to be white. These acts from pdc and phb are familiar. Since the flood of 1948, black families have been displayed from here to there by the acts of these agencies. However always managing to survive and raise a family. While in the 1970s and currently, we experience various forms of redlining, the lie that blacks moved out because they cannot afford it was just not true. For generations, we have had no access to capital. The same neighborhoods were classified as distressed, banks wouldn't invest in them, until white loan applicants made application. Every area in the city of Portland, once deemed distressed and turned into an urban renewal area, reduced the minority population to less than 5%. They have done this through red lining. The propaganda of equity and diversity championed by the city of Portland seems more like just a red herring, perhaps, this is why no one in the black community believes when the community says it will do this or that, it leaves one disenfranchised. Advertising opportunities for minority communities, in minority communities, in minority publications, shouldn't seem so calculated if equity and diversity were a priority to this council. So, I propose something new. I propose city support of my minority developed project with 40% mwesb workforce, green development, and I want to put some people to work. I think that if you provide living wage jobs for people, it does more than a housing discount. I present an opportunity, I just would like to know what council will do.

Hales: Thank you. If you are talking to Shannon in Dan's office, you are talking to the right person because pdc sends its affordable housing funds to the housing bureau so you are in the right place if you are in that conversation with her.

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Crowell: Nothing happened since then.

Hales: Keep, keep talking with her.

Crowell: Ok.

Hales: Thank you very much. Ok, 1059.

Item 1059.

Hales: Good morning. Welcome.

Mary Eng: Hi, it's a pleasure to see you all, and an honor to speak before this body. I would like to draw attention to the fact that Teresa rayford online is organizing a Dawson park event tomorrow at 4:00. It is in support of the black lives matter issue. I would also like to invite the council, personally, to the 2:00 p.m. Court date with Judge Simon in the U.S. District court. It's courtroom 13b. The 2:00 p.m., allow time for security. You will also need to have a valid I.D. And I would also like to move to the issue of the reparations for slavery in Jamaica and how this ties into why black lives matter is that we have an important thing called loyalty, and that's loyalty, what is good and right. When my grandpa signed a loyalty oath to work in his job for the cia, he's disavowed any affiliation with hate organizations, socialist parties and etc., and it was a long laundry list, which my father signed when he worked there. And when we have an officer, Carl Krueger, who was supportive of the mugalatta hate crime murder, white arianne resistance body, as they dealt with the civil case, we clearly have a breach of national security. When we have German politicians, we have historic cases like the knifing of Anna Lind or the death of Allah hama, we have fbi warning the Norwegian government that Andres Previck is a high level security risk in terms of the neo-nazi threat as it emerges with the war-torn issue in Syria, with massive refugee crisis, like none other since the time of world war II, we must understand that the Portland police union's co-opting, as the black lives matter sight geist is an insult, it is interpreted as an affront to the indignity and injustice for ongoing murders of black people. When an officer, such as Jason sery with I, who killed James Perez in Portland, can move over to Beaverton and work as a, at a security event for a sitting senator, Ron Wyden, and Wyden doesn't have the courtesy to get back with me, as to why he has a killer, at an event where his previous event, in Portland, was taken over by the courageous activism of black lives matter. We are in a state of affairs for our security and for our adherence to the civil rights' Act, and the larger issues which arise from the Magna Carta. So I humbly ask you, here, my learned city council, to not make a joke of black lives matter, to not make a joke of black lives, to not make a joke of the department of justice lawsuit, to recognize that they have shortcomings. They were afraid of the tender box of Ferguson. You could feel the pulse of the nation. We are tired of the killings, I am tired a black boy was lynched in my neighborhood when I was seven. I am tired that the racists wouldn't play with me, and my mother had to explain that to me when I am three. I will respect the time limit and thank you very much.

Hales: Thank you, take care. Ok. 1060.

Item 1060.

Hales: Good morning.

Christina Albo: Good morning. I would like to request to share my time with one of our youth leaders, Mariah cooper.

Hales: Certainly, welcome.

Albo: goo, mayor hales and Commissioners Fritz, Saltzman, Novick, and Fish. I always get that. My name is Christina Albo, and I am the director of restorative justice at resolution's northwest, as you know, the city of Portland began funding our school-based restorative justice work in 2008, as a pilot initiative in Parkrose middle school. The 28,000 the city has contributed since that time has been foundational in planting seeds throughout the city. Since 2008, and with the additional funding from foundations and school districts,

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we have expanded our work. We have worked in varying capacities in Parkrose, David Douglas, pollard public, Reynolds, and centennial school districts. Going from a budget of 56,000, which was initially funded by the city and county, to now a budget of 500,000. Now, given that growth in our work, you may think that the city's funding is no longer needed. I am here to urge you to continue to plant those seeds by approving the 28,000 in the fall bump, and here is why. While initially the city dollars funded a school-based practitioner in one building in the Parkrose middle school, now, the city's funding provides support, building capacity, with youth, families, and advocates throughout the city. For example, we've been in the process of building a youth action team, where youth from various schools we are working with throughout the city, developed leadership to identify and address issues that they face. For two years in a row we have been able to take these young leaders to camp nomanou to build trust and leadership on a ropes course 1,000 feet above the sandy river. Additionally, now the schools and districts see the positive impact of restorative justice in their schools. They are willing to match the city dollars. For example, centennial school district paid to send a number of administrators and teachers to one of our trainings, and in turn, with the city dollars, we were able to provide consultation and facilitation support on a major issue that centennial park school wanted to resolve restoratively. Similarly, Reynolds school paid for a team to attend one of their trainings. The city dollars, in turn, have provided a series of professional developments sessions to facilitate the dialogue amongst classroom teachers about how racism and implicit bias, unintentionally create barriers for youth of color to succeed in school and in turn, contribute to the school to prison pipeline. These drops of water ripple out in unimaginable ways. For example, a librarian, who is also a minister, has brought these conversations to his congregation. I have Mariah cooper, who is an amazing youth leader, and I would like another to share her story, as well.

Mariah Cooper: So, I was a student, a student at David Douglas high school, where the restorative justice coordinator welcomed me into her class, and while being there, I served as the leader on campus where we would strive to incorporate and maintain restorative justice practices throughout the school. I am a junior at warner pacific college seeking my social science work degree and recently, I wrote a poem that I would like to share with you all.

Hales: Please, and let's turn off the timer because we always give students extra.

Cooper: It's called dream big. Dream big, dream proud, dream loud, tell everyone to gather around because we have got dreams to achieve by the pounds. Our feet are on the ground. One day we will wrap the underrepresented, present them as a gift, together we can lift. Together we can shine light on tragedy, it's just the mentality, especially when it's apparent versus reality. I claim a living opportunity to engage, on a daily basis where we don't exclude any races or faces. We're here together so let's form together, let's walk our talk and talk where we walk because together we are the glue, the various colors of chalk. So let's illustrate new messages that embrace creativity, diminish all the negativity. Uphold and live with tranquility. To facilitate honest dialogue is not easy but here to manage and engage meaningfully on a level engraved within us, to serve it's meant for us. I woke up this morning and claimed it was my purpose and everything else I could do in the world was claimed worthless. It's our mission, our vision, values, deepest passion, let's be what we say we are on paper, and those words we shall never taper. We wouldn't be here if we didn't dream magic because we didn't notice the tragic. Let us embrace the havoc in our communities through Unity and embrace our capacity to the fullest extent, be transparent, open and honest about our failures and learning. Hurry all, let's engage, we're burning. I need you, you need me, it's nothing but a dream until we all see. Dream big, dream proud, dream loud.

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Hales: Thanks very much. Let's suspend the rules and recognize her work. [applause] thank you both. Let's move please to our --

Moore-Love: Mayor, mr. Wrosen has arrived.

Hales: Please

Item 1057

Hales: This seems to be the morning for poetry.

M. Shane Wrosen: Good morning, mayor hales, good morning.

Hales: Good morning.

Wrosen: I wanted to present a poem and talk about granting grace. That's what I really want to talk about, is grace today. I made a little handout. I would ask that you will give me just a few extra minutes. I have prepared a succinct presentation, and I would like to -- I will do it as fast as I can.

Hales: We will give you four instead of two.

Wrosen: I appreciate it. So, I want to talk about grace today. That's what it, what I really want to talk about, the first page of that handout is some definitions of grace, and a couple of articles about how forgiveness, practicing forgiveness increases healing. And when I was last in here, it was at the state of the city address, and I declared the city in peril, shortly thereafter, you declared a state of housing emergency, which i've been trying to address for a long time. So, that's great. I want to commend you on the forward action you are taking, that's very -- that's the kind of grace that I am talking about. The poem i'm going to read I read in 1997 in this room to Mayor Katz, and it was sparked, in part, by the death of Karen Holtz, who was a bicycle racer in town, and engaged person in the community, and she was killed by a drunk driver on marine drive on a Sunday afternoon. The way that the bicycling community responded was by reaching out to the drunk driver's families who had lost their breadwinner. That's the kind of grace that we need to get out of the trouble that we're in with the police and the housing, and the economy. And so, that's what I want to talk about, is grace, and this poem is a way that I want to address that, and then I have just a few other thoughts after the poem that I would like to share. In the Oregonian, in the, in february of 1997 or April of 1997, there was a fracture, the edge, and it had factoids, and three of those were the portion of the world's monarch butterfly population that froze to death in a freak Mexican snow storm, and it was 17% of the monarch butterfly in one storm, so we know how perilous it is these days. That was 20 years ago. The ozone hole over the Antarctica is 10,000 square miles and the distance a human can travel on the energy equivalent of a gallon of gasoline is 930 miles. So, that's the title of this poem, 930 miles per gallon. The desire for bike streets is causing me to see red. I said to Fred, I would give my blood, to Kenneth, I say, I am ready to take a bridge, as our hostage, which got up, Ira's ire but I challenge us to risk facing transportation, injustice, all rated second class, we're indignant cyclists, the laws are unjust by design. Ever putting life and limb on the line. Indignance, growing into intolerance. We refuse this bike lane dance, take that meager six-inch strip of paint and well, put it where the sun ain't, we're done with that compromise, we don't believe the lies. You cry with your mouth, a love for the bicycle but your affair with petro, babe you are a gigolo, all you can build is car parts and highways this is 20 years old, a few miles of bike lanes, and you wide be every byway, we're tired of this blank. We're not going to take it. Give us the dignity of our self-responsibility because cyclists see another scene. Transportation, separation, apart from the death machine. This petrol addiction is killing all that we love, green things, two, four legs, swimmers below, wings above, we don't seek to deny the privilege to drive, but the fair share of the road, you better Give, or you have us to thanks for the candy bar in your tank. If you refuse our demand, to implement this bike streets plan, there will be a riot at hand, and we'll only get louder, in fact, we became bike louder. And if it's a hostile take-

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over, we'll extradite you and your car to somewhere in Antarctica under ozone hold, 10 million square miles, and you can drive in high style. But, instead, let's stick together. The change to weather. 10%. 7% of the pavement, as I figure, so, if you look on the next page, this is where I got to get to.

Hales: We'll have to take another time.

Wrosen: Can I please just make this --

Hales: We'll look through the materials.

Wrosen: Can I --

Hales: We gave you four minutes, I appreciate your poem, we will look through your materials and give you another opportunity to come back. We can't bend them any further than that, I'm sorry.

Wrosen: You can, you, actually, you can, but I will have to sign up and finish this presentation at another time. Thank you.

Hales: Thank you very much. Ok. Let's move to our consent calendar, and then to the time certain item. Let's see. I have one request, actually, I made it to pull item 1066 to the regular calendar, so it can go with 1070 and 1071, because they should have all been on the regular calendar together. That was just a mistake. Any other changes to the consent calendar or things to move to regular? Unless there are requests, we'll take a vote now on the balance of the consent calendar.

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

Hales: Aye. [gavel pounded]

Hales: Thank you. Ok, time certain, 1061.

Item 1061.

Hales: This is a good day. This is something that we do each year to kick off our city charitable campaign that runs from now to November 10. Maybe not everyone is familiar with this, but each year, we partner with a whole set of umbrella, charitable organizations representing hundreds of charities, so we do that through an umbrella process where we group them, employees have an opportunity to donate to any of those charities through payroll deductions. There are 500 local, national, and international charities represented through those 16 organizations. And sometime, sometimes, every city proceed will receive a flyer that explains the program, and gives people the opportunity to participate I want to thank everyone who has participated last year as well as anyone who is donating this year, and I will read the proclamation, and I am not sure if we are going to have anyone from omf or otherwise come up to talk more about it. But, I will read this, and we'll launch the campaign. Here comes Jane. Whereas the city's charitable campaign was established in 1989, by then mike Lindbergh as an opportunity to give money to charities with payroll deduction, and whereas the city's charitable campaign represents an easy and important avenue for city employees to support the charities in their community that matter most to them. And whereas 16 charities will participate in this year's campaign, most of which are umbrella organizations representing multiple charities, and whereas more than 500 charities are represented. These groups help to make positive changes in areas including child abuse prevention environment, education, health, social justice, equity, world human rights, hunger, housing, and access to arts and culture. And whereas last year, 479 city employees donated nearly 250,000\$ to local and national and international charities through the campaign. And whereas city employee donations have totaled over 1.3 million over the last five years, and whereas, the commitment to charitable giving is demonstrated by these employees, every year, and whereas city employees have a third payday in October, and that day is October 29, 2015. Now, therefore, I, Charlie Hales, mayor of the city of Portland, Oregon, the city of roses do hereby proclaim the day of October 29, 2015,

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to be the city's day of giving, and encourage city employees to observe this day by Participating in the city's charitable campaign. Welcome, Jane.

Jane Braaten, Office of Management and Finance: Thank you very much, I'm Jane Braaten from omf business operations. We have the pleasure of managing the charitable campaign. Wanted to take a moment to thank the council for your support, we were here asking your support for an ordinance, for us to go forward. On personal note we have had employees share the comments that they have made about how important this is to them, and one of them said I know, I am very fortunate to have my job. And giving a small portion of my salary to charity is the very least that I can do. Another person said, as a city employee, the public pays my salary, the charitable campaign is an easy way for me to pay it back. And finally, I think that this resonates with a lot of city employees that someone shared with us on our poster that people will be receiving, there are not enough hours to volunteer for every cause I want to support, and through charitable giving, I contribute too many organizations. So, those are employees that are in your bureaus, and we look forward to this year's campaign, and thank the council very much for your support.

Fish: I know we're not supposed to lobby.

Hales: Go ahead.

Fish: I was at a work for art cabinet meeting yesterday, and this year the goal of work for art is to reach a million dollar plateau, and that money, In turn, goes into the schools, and funds, local nonprofits. We're in a friendly competition with Multnomah County, and we are slightly ahead of them this year and last year. So, I am proud to have a deduction on my payroll, paycheck, for this program, work for art, but there is an advantage, also, that you get, which you get the arts card. And if you donate 60 or more a year, you get the arts card, which makes you eligible for two for one tickets at all the great events in Portland. That's about as good of a deal as you can get, so I would urge people to, as they go through the list of all the wonderful organizations, think about whether work for art is something that you want to support.

Hales: Thank you. Jane, thank you so much for your leadership. I will be happy to give you the official proclamation, and we look forward to getting the flyer, and signing up to do the right thing. Thank you. Good work. Ok. Let's see, it is 10:00, so we can move to time certain, item 1062.

Item 1062.

Hales: We call up the chief administrative officer and his team to make the presentation, actually, you should go ahead and read the other two, as well. While they are coming up.

Item 1063.

Item 1064

Moore-Love: Okay. 1063, direct the office of management and finance to develop office space rates for specific city owned or city leased facilities located in the Central business district to achieve rate equalization, and 1064, direct the office of management and finance to develop a 1% for community opportunities, and enhancements, proposals for the Portland building reconstruction project.

Hales: Well, welcome and good morning. This is a very important decision for the city. Our chief administrative officer and some great citizens who have come forward to help him as volunteers, to figure out what our options are, have done together, and I want to thank both of you and Fred, you, and all your team for bringing the, the options forward that you think are the most responsible, and for now, us to give the private sector a chance to respond and tell us what they can do to help fix the building, and put it right, and put the city in a position to do its work for the next 100 years. So, this is one of those long-term investments that will make a big difference. I think that we all wish it was done first the, done right the first time but now we have a chance to get it right, and with your good

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leadership, and support, we will. So, thank you for the good work and explain what's before us, please.

Fred Miller, Office of Management and Finance: Thank you very much, Fred Miller from office of management and finance, and my security, Tom Walsh, also on our advisory committee, and you will hear from him in a minute. I have had a chance to speak to all of you about the resolutions, and I don't want to go into too much detail, given that we have had some individual meetings, but I know that not everyone in the listening audience has heard all of this, so I want to get, I want to, to say what I see is the game plan, and I know that you will get, I suspect you will get public comments. There are three resolutions, and simply stated, one of them directs us to renovate the Portland building for no more than 195 million and finish by the end of 2020. The second one is to equalize rates for city bureaus within the central business district. And the third one has to do with community benefits or community enhancements and directs you to sign 1% of the construction costs to that purpose, and then directs us to have a process to talk to the interested parties to develop a recommendation to you and how that money would be allocated. Every one of us will take five minutes or less in the presentation so I would like to think that within a half-hour, you will have heard about the three resolutions, public comment, and hopefully make decisions, if that's the way you would like to proceed.

Hales: Please.

Miller: In terms of project, you will recall given our work sessions that we started off with an idea, when I took this job, of spending 95 million to repair this, or to improve the seismic, repair the leaks and the cost of, to move employees out of the building and back in. And we looked for alternatives since that was the only thing that I saw in front of me at the time. We appointed an advisory committee from the private sector to examine the alternatives, and what evolved was for a variety of reasons, the best alternative would be to invest in this, in the Portland building, and spend, at that time, the estimate was \$175 million, but we're saying 195, given the numbers are a year or two old, and I am not sure we're going to make it to 195, but we're seeing, saying no more, so what our project would do now is take care of the leaks, address the seismic, replace the mechanical, electric plumbing, which needs to be done. Hopefully, get some very livable office space, and look at floors one and two to make them better community spaces, which I think is necessary, so we can do all of that while preserving the architectural integrity of the building. It does, also, as the handout I gave you during the work session, captures a number of values or policies of the city, we would preserve the adjacency to city hall, which is important to a number of people. There is a long standing policy of having a government center, where civic buildings are within this center, they are federal, state or city, it's the best green alternative, the best use of resources, it is accessible by public transit, and it does preserve an asset on the historic register. Beyond that, and I was thinking there is a decent argument even if it were less expensive to go somewhere else. We couldn't do that consistent with the government policy but if it were, but it happens to be the best financial deal. As well as providing these values. So, we're looking for a decision to move ahead, and it doesn't mean it's the last time you get a chance to address the Portland building. We have an rfp out now for an owner's representative, you get to approve that, and we would have the design build relocate contract. You would get to approve. Bond authorization, you would get to approve, so you will have a chance to see that. But, what it does for me, and I am sure Tom will address this because it originally was his idea, was to say let's put a stake in the ground, not spending for everything. Look at trade-offs, and make it fit within that amount, and let's get it done by a given date because these things can drag on, and I think it gives us an ability to manage the project and get to the outcome. I would add one more thing that is we are looking at design built relocate, there is a

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convincing argument that we could do some of the reconstruction in the building with employees still in the building. And depending on how you do the seismic improvements, there are ways to not just completely empty the building. And my hope would be that given that we have about a 30-million item, for moving employees out in back, we could save millions on that if we could reconstruct it with some employees remaining in the building. That's our intention, that's what that resolution would do. Tom.

Tom Walsh, Fire and Rescue: Thank you very much. They have assembled a small committee, not too small but small committee of advisors, and in essence, we bring three things to the table. One is experience. Part of experience is you have done things where you have made mistakes, had had nearly life threatening experiences and you know how not to repeat them. And I think that will turn out to be valuable. Second, we bring collectively real determination as to schedule and budget, in Fred's opening comments he used a word which I almost never use, which is hopefully. I have no hope about this. I have a plain determination, and so does the advisory committee. The budget is 195 million not to exceed, and the schedule, which is the fall of 2020. Not to change -- that is not to say with the diverse constituencies, both employees of the city who occupy the building, the public, who has considerable interactions within the building, won't continuously and appropriately bring things that we may not have anticipated today, that is a given. It happens on every project, it is never a surprise, only the dimension of the detail of the issue is possibly a surprise. They do not impact schedule or budget. There are trade-offs that have to be made. They will be made up until the last month of the construction process, but the budget and the schedule does not change. I think collectively the advisory committee can help Fred and the really very talented city team that's undertaking what I have said before, I think is one of the more challenging construction projects in the city's history.

Hales: Yes, please.

Fish: Tom, you are a very experienced developer, so you have brought the wisdom of having done complex development to this assignment. I know that we have had lots of conversations about this, but this may be the first time that the public, actually, engages on it, so I want to ask you to respond to the two comments that I hear most frequently when I talk to people who are not following it that closely. The first is that we should sell the building and build somewhere else, and we can save a lot of money. You looked at that, can you tell us why that was rejected?

Walsh: I can tell you the cost part of it. That this project, 195 million, is well within the range and probably the low cost alternative. The more important question, which is the policy one, is something that you, as the appropriate body, have made, the building, which is on the historic landmark, needs to be preserved, I concur with that, but that is not a decision that we have made, the counsel has made it, and Fred and his team have, and the advisory committee will know how to execute that within the schedule and budget.

Fish: I think it's important about the low-cost option. It may be counter intuitive when people are looking at a big number and thinking about, you know, what our needs are, that we looked at -- you looked at selling the building, demolishing it, rebuilding on-site or off-site, and I believe that you concluded, in all those scenarios, it would be more expensive.

Walsh: Correct, that's correct.

Fish: Ok. So, the other question that I had, has to do with the 195 million figure. How confident can we be if we structure this a certain way that no matter what happens, we come in at or under 195 million, how realistic is that?

Walsh: Absolute confidence that we will, there is a fact that impacts any project, public or private, that the very best time to set the budget is in the last week before completion of the project. We will always know more, the hardest thing to do, but the most important, is

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to set it very early and to make all the decisions consistent with that. I think I explained things like the Westside light rail project. We set the budget for that project far too early. Far too early. Everybody told us that it was far too early, there were too many unknowns, and the decision was this project will never proceed without the budget being fixed. We will never receive the federal appropriation. We set the budget, we set the schedule. And they never varied.

Hales: That's important to remember. Mr. Walsh has had a private sector construction career but also led tri-met. Those of us who worked in the transit world are, actually, accustomed to setting the budget and having a federal overseer in the form of the transit administration. That is completely intolerant of budget overruns. And the public sector has, perhaps, an undeserved reputation for cost overruns. We know about government cost overruns, they have them at the federal level all the time, and transit projects don't. As a general rule, transit projects don't, and they especially don't here. Tom is part of that, so we are importing that approach to this project of setting the budget early, and making all expectations consistent with that, and making choices consistent with that because we'll make a lot of them.

Fritz: We had a work session on how we were going to pay for this, but maybe not everybody was watching that. For those watching at home wondering where is the city finding 195 million from, how are we going to pay for this?

Miller: We'll make some comments, but Ken Rust is going to succeed us up here, and he could talk in more detail, the easy answer is there is a policy the city puts in a 5% equity contribution, if we bond for the project, which we intend to do, and we talked in terms of 20-year bonds that would be paid off in the lease rates.

Fritz: Taking out a mortgage.

Miller: Yes.

Fritz: Thank you, and my second concern is about the services that are on the ground floor, particularly the two restaurants and the childcare center. They would benefit, if we can do the keeping people on-site as much as possible, what provisions are we thinking about playing for those services?

Miller: I have two answers to that. On the childcare, we found an alternative site, that is four blocks away that we want to invest in, and make available, which I think is very convenient, not only for the city of Portland -- well, Portland building and city hall but closer to 1900. So it would be more accessible, and it's larger, so we plan to do that, in terms of the vendors, you may hear from some of them today, there is no legal obligation for us to do anything, but from a moral end, there probably is relocation that we could help with, but also in terms of the design, we want to be sensitive to how long they can stay. If we have a number of employees in the building, it could be that there will be viable concerns. If we have to empty the building, they need to go elsewhere, but I think the council has a decision on that, that we have talked to them, but that's not a decision that we can make in terms of the financial commitment.

Fritz: I note for myself that I am sometimes totally depend on those services, dependent on those, so if we could help them out, I had appreciate it.

Miller: I pass through every morning for coffee.

Hales: Mr. Saltzman.

Saltzman: I appreciate the philosophy that we're bringing of 195 million and that's it. But I am skeptical, as I said, I think the council has a hard time seeing no, and I can see scenarios where we will be approached about things from our employees, about things that they really want, and maybe when it's at the 90% level, so, tell me, who does the owner's representative report to?

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Miller: Without answering that in particular, or actually, this idea keys off your comment. That you have difficulty saying no, my sense, if you say to us, omf or to me, get this done within 195, it gives me the amount to say no, and it's not that you don't have other opportunities to look at it. But, I would take this very seriously and deal with the advisory committee on managing this within those parameters, and if anything, I think we will come in lower because I think that if we don't have to move the employees out, we can do that. It's not that, when you have other opportunities to look at this, you couldn't say, we know that we told you 195, but we want to do this something extra, but i'm not going to do that. So you are going to find us manage within 195.

Saltzman: I assume that there is a contingency of 10%.

Miller: No, the actual construction project, the 175 was 79 million, and then the contingencies, the 1%, other things add up. So yeah, we do have a contingency build in.

Saltzman: And I was reading the CBO write up this morning, and it's hear on the resolution, too, there is an 11 million cost associated with moving the data center, which is not part of the budget. That seems like a lot of money.

Miller: It does seem like a lot of money. I have not seen the data center number because I didn't think that we had developed that yet. I thought that --

Saltzman: I thought I read that in the cbo write up.

Miller: I have not seen that but there is a data center issue that we have to talk about separately am I am not trying to make that part of the discussion, but I would be happy to bring that back any time.

Saltzman: If that was right, that's a big number, and I have a hard time understanding how --

Saltzman: Ok.

Miller: I think it requires discussion, and I know people are looking at it, but at this stage people are looking at alternatives, and regardless of the project, I think we need to change the data center and worry about disaster recovery. I have that on a separate page.

Saltzman: No doubt about it. It's important, it's just a sticker shock of 11 million, it's very - it reminds me of when we were discussing the sustainability center, and the cost to move the bureau, planning sustainability across the street was estimated to be 4 million. I could never get my arms around how could it cost 4 million to move a bureau across the street. So, I am having the same sort of you know, shock about that figure.

Miller: We will get back to you, but probably get back to the whole counselor to discuss that.

Hales: Mr. Fish.

Fish: You mentioned the value of having a government center and having basic functions of government, located in a geographically proximate area. So, if we are going to make this investment, I think that it really is important that we make it the same time a commitment to maximizing our existing space. And, and I have heard of sort of conversations that are in the ether about possibly investing in new office space and other parts of the city, and frankly, well, I can understand that that is superficially attractive, if we are going to make this kind of investment, and we're looking at our portfolio, that's accessible to this building, I hope that our focus is taking advantage of our existing space long before we consider any new space.

Miller: All right, no doubt. And we can make this a much more efficient building, and with technology, there are opportunities to have different configurations, and we still haven't exhausted the work in other spaces, people say work at Home but there are lots of options there. So, we want to use a space, interestingly, i'm not smart enough to say what a 50% increase in population in the Portland area does over the next 15 years, but it's not going

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to lead to fewer employees. And I think that we have to look at all of that, but yes, we will make the best use.

Fish: And the other thing I want to piggy-back. You explained how this would be financed, with the bond financing and an equity contribution. So, what's the general fund contribution and what's the contribution from the users?

Miller: Let's let ken address that, when he talks about equalizing rates, he can do that, it really depends on who is in the building, and there is a small thing about getting Multnomah county off the 14th and 15th floors and moving bes in, and I think that we'll accomplish. But, once -- you can't say exactly the contributions until you know who the occupants are, and we're close to that, but ken knows more than the rest of us right now.

Hales: Did you have a question?

Novick: Yes, a couple. First I wanted to say that I personally was not invested in maintaining this building because of the, because it is a historic building. My interest is in what's the most cost effective and rationale thing to do regardless of the historic status. So, I was persuaded by the case of the materials, that actually, this is the most cost effective Option. I think that a lot of people feel intuitively it must be cheaper to build a building somewhere else in the city. You reach a different conclusion. I think it would be helpful if you walk through that a bit.

Miller: We have a handout that may be all of you have. I don't have it with me at the moment. Are you looking to walk through that today or --

Novick: I would like to just sort of, for the audience, I have gone through that handout but I think it would be useful for the audience, both here and on tv, to hear a brief summary of it.

Miller: A brief summary, and that's if you want more, there are people in the audience who can do that. We looked at land prices in four or five different areas. We found an area in the southeast, where land prices, actually, were more attractive. When you compared the cost of construction, it's lots less expensive to use the existing shell because you are not looking for new concrete and steel as opposed to all new on the outlying areas. When you looked at all the costs together, it came out that this was the lowest cost alternative. It would be more of a dilemma if it were not, and then you get into the historic building because I think that's a problem if we were to leave it empty or move out, or try to destroy it, I think that's a problem, I am happy the numbers came out that way, but we did look at all the alternatives, and there is a Five-page paper. The advisory community has reviewed all of that.

Novick: Another point that I wanted to raise is in terms of the seismic strength of the building, with 195 million [inaudible] the people will not fall out of the building or the people inside.

Miller: That's correct.

Novick: That's different from reoccupying the building after an earthquake, and I realize there is not going to be much appetite to talk about a higher cost for reconstructing the building, but I would like to see if at some point in the next, you know, several months ago, we can take a look at what would it cost in order to have the building occupied immediately and we could think about it.

Walsh: We had a preliminary discussion earlier this week, specifically, on that subject, and from the minimal standard, that is currently envisioned to an upgrade, which is closer to what you are suggesting, is a modest cost. Needs to be considered, I was persuaded, listening to the structural engineers that the 195 million total budget, why wouldn't we make that a highest priority, so no decision made yet, but it's not off the charts.

Miller: And you will get a look at this.

Novick: Thank you.

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Fritz: I think that's an important point. I was under the understanding it would be still standing after the big one so I am interested in looking at how much would it Cost.

Miller: There are gradations, and it would be standing after some repairs, people could re-enter. The current level is lower than that. There is a higher standard that the commissioner is referring to. We will lay that out.

Fritz: We are spending close to 200 million, it would seem like if it's modest, that it will be well worth the investment.

Walsh: And it will occur within the 195. Those are classic kinds of things that arise. It is only one or two or 3 million, wouldn't we increase the budget, the answer is, no, no, we will not, but there are other things that we might have liked that are not as important, and they will not be provided in the building.

Miller: Ok, for this one, I want to do all three.

Hales: Yes, please.

Miller: We'll be available.

Hales: Let's go through the whole presentation and the others that you have queued up to speak, as well.

Miller: Ok.

Miller: So, from here we go to ken rust and sandy nickel from the Portland equalizing rates, and then Andre Barr will be up here talking about community enhancements and benefits.

Hales: Great, thank you.

*****: Good morning.

*****: Good morning.

Ken Rust, Director, Revenue and Financial Services: Good morning, mayor hales and members of the city council, for the record, I am ken rust, I am the chief administrative officer, and I was that once, financial officer. And director of the bureau of revenue of financial services. The resolution before you today directs all rental rates for city owned or leased office is in the central business district, in a manner that equalizes those rates charged to bureau tenants regardless of the location. As we discussed in the august work session we believe that this approach will best achieve the following goals and objectives. First we think it best conforms to the council direction with regard to our space, our goal is to have bureaus in city owned space, if we are not in the city owned space, that we would be leasing a historic building first. I would also, I think, allows us over time, as we make this building more efficient, and the use of space, to have the potential to bring bureaus that are outside into our own city owned space. We also believe it provides the best opportunity for cost certainty and predictability for the city bureaus in the short run and the longer run, and it helps to ensure our consistent level of service that is provided by city bureaus, regardless of which building they are in or what lease space they might be in, and over the long-term, our analysis has showed us the least cost option for us is to own our own space and to have the city bureaus in it, and an equalized rate approach that helps us to bring the bureaus into the own space as one that helps to achieve that objective. So, those are the reasons why we're proposing this. This is not a new concept, that's been discussed and thought about, in years past. We think that now is the right time to proceed. With me this morning is Cindy nickel, the chief financial officer for the port of Portland. Also is a member of the Portland building advisory committee. I would like to have Cindy share her experience in implementing and managing an equalized rate structure for the ports of Portland facilities.

Cindy Nichols: Thanks very much. I've been able to work on staff at airports, including those at Boston, San Francisco, and Portland, for more than three decades. And I wanted to speak to the value that we have seen in the airport industry, that has parallels to the

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equalized space, office space proposed in the resolution here we found if occupants paid the same rates, locational decisions can be made without concern about paying more or less rent, and can instead, reflect important factors such as being located near entities with which the occupants need to frequently partner. Also, having access to infrastructure that they need in doing their daily business. Also, rent equalization provides more stable, predictable costs for tenants. There are also benefits to those of us administering the facilities, honestly, it helps us to -- we can pull the cost and is manage the debt, and which provides economies of scale. We spend less time tracking costs by specific area, and as a portfolio, we can manage the different -- we don't have to calculate many different rates. We can execute occupant moves and meet their needs. I thought you would find it interesting to hear about a couple. Airports, here at pdx we have equalized rents, which we have had for five years. Actually, ten years. In the 1990s, pdx had different rates for nine parts of the terminal, dating as far as 1956. So, we had odd situations where an airline at one gate was paying \$5 more per square foot than the, at the next gate, which was a different space. The other thing, which you may have heard about, equalized rents has made it very easy for us within a few months to negotiate with the airlines, so we're going to be moving Alaska and horizon from the south, and up to the north, and moving united down, and we're going to be able to add some gates on the north for, for Alaska and Horizon. Those of you who fly out on horizon, know the pain of that little concourse. Because we have had renovation of the space over time, the quality of the space that we offer airlines is substantially similar, and the airlines supported changing those rents. In Boston, it took several years to negotiate moving one airline. In San Francisco, they have equalized domestic terminal rates, and they reallocate the Space every year based on the evolving needs of the airlines. I wanted to conclude by mentioning an important legal challenge regarding equalized terminal rates that came up in the mid-1990s. The airport wanted to reconfigure space from American airlines, and the other airlines challenged that. Five carriers challenged that. The case went all the way up to the U.S. Supreme Court of appeals in Washington, which ruled the equalized rates, saying compatibility of facilities must be assessed over time because the equalization method relies on assumptions different facilities are renovated at different times and at any time some airlines will be using older facilities than others, but over that time, every other airline will obtain new facilities. In other words, the equalization methodology entails measuring compatibility over time, each airline subsidizes construction of new facilities for the others, but then benefits one new, when new facilities are constructed for its own use. I hope that's helpful, and I am happy to answer any questions you may have.

Hales: Thank you.

Fish: Thank you for the briefings. I am persuaded philosophically that the goals and values you outlined are important behind equalization, and I am particularly, over time, have been concerned about the incentives that were built into the system for people to opt out of using city owned property, which runs counter to council directives and policy. I suppose a critic of this approach will say in the short-term, there are winners and losers, because of the transition, some may pay more or less. What do you say to critics who point to that as a flaw in this approach?

Rust: At any time in time you take a snapshot there is the potential that someone could see themselves as a winner or loser. That was the case when we built the 1900 building, that was the most exciting building for a while, and it might be less expensive. The Portland building is an inexpensive building and now it will be a very expensive building if we go through the renovation. At any time that argument can be used. I think what has to happen is you have to look over a longer time frame, and the city is a long-term entity that looks like a need for the building ownership and management. When you look at it and

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think about it in that context, then that point in time, you know, comparison becomes less meaningful, and you get into, I think, the more correct analysis when you look at us as a landlord, we have to look at the right policy for the long-term because we're going to be here for the long-term.

Fritz: I have an amendment which I staff discussed with Mr. Miller, and I hope we'll have support, the issue is precisely that, what point in time do you pick. It seems to me the sooner we start this the better. The bureau of development services and planning and sustainability in the 1900 building are paying higher costs and then as soon as they were figuring that they would be paying lower costs, in 2020, they will be pay are more. My amendment is to change the last be it, further resolved to have it start in 2017, 2018 rather than 2020.

Hales: This is in 1063?

Fritz: Correct.

Hales: So the last line of the resolution 1063.

Fritz: 2017, 2018.

Fritz: Not starting it next year but as soon as possible so bds and planning get a break.

Hales: Ok. You move that, I will second that, and we can discuss it.

Saltzman: I am puzzled, how does that help bds and planning in adjusting to the rate realities?

Fritz: They are paying higher rates because they are paying off the mortgage for the 1900 building that will be done in 2020 so they were looking forward to lower rates thereafter. So if we equalize starting now, the rates for the next, for the two years, 2018, 2019, 2020 would be lower. So that it would give them a bit of relief.

Fish: I don't understand this. The resolve says develop a schedule to achieve. It does not say implement a change.

Fritz: It's so develop it no later than do the change no later than 2017, 2018 rather than 2021.

Fish: It says develop a schedule, it does not say implement any change in rates.

Hales: I think that's what it means.

Rust: The intent, when we crafted the language, is that we want to be able to move toward the equalized rate structure and do it in a planned and orderly manner, probably co-terminus with the actual repopulation of the Portland building, and that makes a logical end date which is the year 2021. The question in our mind, we did not want to say, well, we are going to wait until 2021. We want to start ramping up to that and have a transition. We also need to integrate that rate change plan into the, two things, one, the overall funding plan for the Portland building, itself, in terms of the construction financing, and also, integrate that with the cbo in terms of the impacts on the general fund and other bureaus, the way we crafted the language, to provide us flexibility that gave us options in terms of how we would do that, bring them back into the budget process for adoption. The proposal or the amendment by commissioner Fritz was shorten that, if you will, and have it implemented in 1718, and we can do that. There may be other consequences that we have not worked through yet.

Fish: What will we be implementing under the amendment? Changing people's rates or would we be determining a schedule for a phase in?

Rust: If I understand it, and Perhaps commissioner Fritz, if I don't capture it, she can explain it. My understanding is that we would have a schedule of equalized rates that would be, actually, implemented in fiscal year 2017, not just the development but the implementation, as well, which will probably be co-terminus with the budget process or something like that.

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Fritz: That's correct. My understanding was that we would start the rate equalization in 2021, what I'm suggesting is that we start it in 17-18.

Fish: The only problem that I have with the mayor and the sponsor is sitting here, I don't know what impact it has on any bureau or any budget, and does this have to be decided as part of this or is this something that we could task the cfo to tell us what the implication would be, and come back to us?

Hales: It is tasked with developing a schedule. So, as that schedule has budget implications, it comes back to us in the form of the budget, but maybe otherwise. In other words, it is a resolution, not an ordinance. It says council wants you to do this. This means develop a rate schedule that achieves equalization. What's, what are the gates by which the effects of that come back?

Fritz: Perhaps we could ask Andrew to come up and give his input.

Hales: Come on up and help -- let's hear it from both sides of the Budget equation here.

Rust: Andrew could start and we will correct each other.

Fish: Fred will be the tie breaker.

Rust: It would seem if I understand, what we'll be doing is developing a schedule of equalized rates for the buildings and the least spaces that we've been discussing. We would calculate the impacts for 2017, and 2018, and that would be brought back to council adoption, and it would be part of a budget process, and budgetary impacts, and I will let Andrew talk more specifically about how that might work out.

Andrew Scott, Director, City Budget Office: Yeah. I think that's right. We've been working with ken and his team on this rent equalization. I think that the question, really, just from a timing perspective, is does the schedule contemplate implementation in 1718 or implementation as late as 2021? I think the way it's written, it's as late as 2021. My understanding, this would move it forward and say look, the schedule says we'll implement it then, from a process standpoint, council could do it separately but probably as part of a budget process because of the moving pieces. When that schedule is worked out and we looked through the implications, we would come back with the appropriation level, and potentially, for general fund bureau and is others would be able to adjust to that through a budget process.

Hales: Go ahead.

Fish: I'm -- my questions are intended to understand the amendment, which I have not seen before. So what's the difference in terms of our budget process of taking this up in 2017 versus 2020? We're having, in any event, we're getting a recommendation, which we will then review, and take action on, through our budget process, so it is, it is inherently at our construction. What's the discretion in terms of moving that up?

Scott: As ken mentioned, at any point in time, there is a snapshot of the costs, in 2015-2016, the debt rolls off a few years later that rules off so at any time when you implement this, some bureau's rents will go up and some will go down, as you equalize.

Hales: Let me think out alternate route a bit here, and maybe reassure us about what we're doing. To state the obvious, just in case it's not, the total cost of renting office space for city bureaus is not changed, right, one way or another we're paying the rent we're paying to the landlords that receive it, whether it's ourselves or someone else. What this resolution deals with is whether the rent is equal across the bureaus. If we change from the current environment, which there are winners and losers, some people are paying less rent and others more, but again, the bottom line is the same, it's all us. If we change that sooner, the council will have options about changing the budgets of the relevant bureaus who win or lose in the new, and the new calculation, so there could be a cal target adjustment for a budget, for a bureau, based on the fact that you used to pay 10,000 in rent and now you are paying 20,000, so I am troubled by starting sooner because we still

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have the option to make adjustments and to give bureaus consideration for the fact that their costs have gone up and down against other bureaus. But, it would be, I think, a good idea, that's why I seconded it, it's a friendly amendment, so go ahead and started now, you moving towards equalization. If you need a couple years to make a transition, you will have it. If we can get there more quickly, great. One way or another, let's get out of an environment which bureaus from time to time have an incentive to move out of the Portland building, and we don't want that any more.

Fish: So, and I am sorry that I am asking bank questions because I still don't understand the difference. So if I don't understand the difference, I want to make sure I don't wake up tomorrow saying I didn't see the obvious. You originally recommended that we develop a schedule by no later than 2021. Why did you pick that date?

Rust: A couple reasons. First, it's consistent with when we would be back in the Portland building, seemed like a natural place to start it at that point in time when full debt service was coming online. What's going to happen between now and then, there is a fair amount of things happening to the cost pool, if you will. We have, as Andrew mentioned, debt service for city hall falling away, followed by debt service for the 1900 building falling away, so those cost pools are going down, and all of a sudden, debt service coming back up and so, even if we equalized it sooner, you are going to have some movement around the rate schedule that's going to create some, some of the problems we're trying to avoid, which is the instability, which we think if we take that point in time ramping up or starting it when the cost pool will be more stable, we can avoid some of that. Those are technical issues, we can work through those, but the reason 2021, was to have us work through all of that noise, if you will, in the cost pool and provide a bit more stable platform that was really the logic behind it.

Fish: The mayor views this as a friendly amendment so what's the advantage of moving it up three years?

Rust: I think the advantage is we get through this process more quickly, people kind of accustomed to the way that we are going to manage the properties, and we have that piece of work behind us, and we have the methodology set up to do it. We may, the obvious, is that there will be a slightly noisier period as we adjust, as the cost pool adjusts to changes in that cost pool, but those are things that we can work out.

Novick: I note that the language currently says achieve equalized office space no later than fy2021, so we could do it earlier. I think this is a good policy, and good policies should be adopted as soon as possible. I have a concern about PBOT. I think that PBOT is going to see the rent go up, regardless, and PBOT is in a different position than some of the bureaus because it is in the general fund bureaus, it does not just address the issues. It can't do cost recovery, it does not rely on cost recovery like bds, and it does not have rates that it can raise like bds and water. So, although PBOT rents are going to go up at some point, I am reluctant to sign off on the implementation without having a better understanding about how it will affect my bureau.

Hales: Ok. So, let's take a vote on accepting the amendment, and then we can proceed. I think, unless there are other questions about the amendment. Put it on the table.

fish: To Steve's point, we don't know what the implication is, to the budget of this. There is no actual reason why it has to be taken up today. It seems to me that while I am inclined to support it, and you viewed it -- it as a friendly analysis, [inaudible] so I understand what this means and if commissioner novick has the same concern, I think that we should just hold the amendment, if you are asking us to adopt a resolution, I think that we should hold the amendment so we get an analysis, and bring it back as a free standing issue.

Hales: That's one of the options but how would you like to proceed?

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Fritz: If the policy of equalization is the fairest thing we should do it as quickly as possible, there will be winners and losers, but clear losers if we wait until 2021, when as I said, the 1900 building becomes less expensive. So, if we are going to ask the occupants of the 1900 building to pay more for the Portland building renovation, it seems the least that we could do is help them out with their mortgage right now.

Fish: So, to be clear, I think that the drift of the resolution, you persuaded me as to the merits of the resolution. But simply restating the merits doesn't get me closer to understanding what the financial implication is. Since commissioner Novick is also in the dark about the financial implication, I would like to see the analysis of what it is before I cast my vote. It doesn't impact the time line that we're under because we're talking about an event two years out anyway.

Hales: We can proceed to vote because it does not sound like you want to withdraw it. I am persuaded that we have the option of coming to this sooner, even if we adopt it with the current numbers in it.

Fish: Let me make an observation, this is probably the 100th time we have gotten together to talk about this, I am being facetious. We have had citizens I have financial assessments, work sessions and discussions. An amendment is on the table that three of your colleagues have never seen before. That may or may not have a fiscal impact, and that a couple of us, and Steve is probably the smartest member on the council, still don't know how it, actually, works. You can take that to a vote, in which case you are forcing the issue. Or, you can simply set it over for a couple of weeks so we can understand what the implication is, and we can do it in the collegial way. I don't know why --

Hales: Perhaps you didn't hear me, I am persuaded we should leave it like it is, so I could withdraw my -- commissioner Fritz put an amendment on the table and I gave her the courtesy of seconding it.

Fritz: I did raise this issue at the work session, as a concern, and was, was looking into how could we address it. There is no particular reason that we have to vote at all on this resolution today, so I would, I would defer to the requests to hold this resolution over for a couple of weeks.

Hales: Any reason that we should act on this particular resolution today? My preference would be that we act on it in this current form and be prepared to return to the schedule at some point after people have seen the numbers.

Hales: Then we have to craft another resolution, which --

Hales: We have to tell them to adopt a different schedule. It says no later than.

Fritz: I think we need to give certainty to the city budget office and others, as to what schedule they are supposed to be looking out for over the next several years.

Hales: How would you like to proceed?

Fritz: I would like not to vote at all today.

Hales: I am not persuaded that we should not approve it and revise it later so I will withdraw my second. Unless there is another second for your motion, your motion -- we'll take the testimony on it and consider adopting the resolution as it is before us. As I said, commissioner Fritz, I think that you are right that we should try to do this sooner rather than later, I would like our financial experts and resource folks to give us all those numbers so that we see as to what, if we are in a three-year schedule of equalization, here's what happens to each bureau's budget, and we'll know when we think that the pain threshold is bearable, in terms of whatever winners and losers calculations there are. For everyone else who is wondering why we are spending so much time on this, the bottom line is still the same. The city of Portland will pay the same number of dollars in rent. Each of these years that it would have paid anyway, just a question of which bureau's budget. So, I

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guess I would like to set them on at least this relatively benign schedule of saying, get This done by 2021, at the latest, and we might be able to roll it up sooner.

Fish: So just to be clear, commissioner Fritz makes a compelling argument for moving it up, and I am likely to support her, I think that I have bureaus that are in the short-term going to be paying more, and I still support her. What I am interested in is understanding from the budget office, and from the cfo, what the implication is of moving that date forward, and I leave it to your good analysis. I think a memo of two pages, you can probably have it to us this afternoon, and I just want to understand the impact.

Fritz: This was raised in the chief of staff meeting yesterday, so it's not a new issue for the staff.

Hales: Ok. Other questions or discussions about this resolution? And then let's move to the third, please. Thank you. And then we'll take testimony on the whole package.

Miller: Ok, this will be quick, Andre has about five minutes and I want to key it up. This, in one sense should be the easiest of the resolutions, and it won't be. It has to do with, you started off as a resolution for the council, as a community benefits agreement that was implemented with a couple of water projects and then there's been a community benefit's plan with the parks project or two. That's been an idea. In my view in listening to the parties, it has taken lots of time and money to administer that, to implement it. What this is intended to do is to say let's agree, and the resolution includes a 1% commitment of the hard construction cost to the community enhancements. Things like workforce training technical assistance, women in Trades and so on. I am saying let's say we agree with that and you direct us to do 1% of the hard construction costs, which may be about a million dollars. And ask us, direct us to develop a process to capture the best of all that we have learned in terms of the community benefits agreements, plans, work with the impacted parties and come back to you with a recommendation on how those funds should be allocated. So, I would like to think that there would not be a lot of arguing about that. It may be that some people are invested in the previous processes, but on the first water project, a half% was given to the contractor, and lots of time and committees and the project took 8 months or so to get signatures, of all the signatories, and I would say that maybe in the 100% administrative costs, to allocate the funds. When we do the children's levy we say let's keep it within five. I think we can reach the same objective with less administrative costs, if you just direct us to do that, and then we come back with the proposal. That's what this would do, and Andre, I want to let you speak because you have had experience and perspective.

Andre Baugh, Bureau of Planning and Sustainability: I am a member of the steering committee, and I would say first, because we're talking about community enhancements and benefits, this is an iconic Portland project. It is Portland eccentric, and because of that, we're looking to community enhancements and objectives, be a broader stakeholder group, than the traditional contractors and workforce, and when you look at the comprehensive plan, and these are community groups, that traditionally are not involved in contracting but want to be involved in their community, in building that, those projects. So, its how do we get a broader community, such as parks, used as an example, to target certain communities to ensure that they are involved in parks projects? Looking at the traditional bmpsb workforce contract, you are talking about including nontraditional participants in making decisions about community goals, benefits and objectives. And really you, the resolution is to give us an opportunity to create that, that brings those benefits back to the community, that are not only to the traditional but also to Portland residents in the communities that need those benefits. It's an opportunity to look at best practices from all the bureaus, but also, around the state and around in different cities, and say how can we do this to really bring home some benefits to the communities and to the

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city of Portland in a transparent, accountable, Achievable manner, that works well with traditional Portland contracting.

Fish: We are about to lose Andre?

Baugh: I have two or three minutes so if you are quick.

Fish: You give us 48 hours a week anyway, you can at least make a living on the side, thanks for being here. A prior council adopted a resolution or ordinance on a community benefits agreement. And we were encouraged -- the city encouraged bureaus to look at this, and at some point, it contemplated that we would come back and do a review, comprehensive review by procurement of how is it working. When do we get that review?

Miller: Sometime next calendar year. It's not done yet, and it's one of the reasons, we did not want to wait until that, we wanted to make the commitment and start the process going, and Christine has said that she is aimed at exceeding the mbe, wbe goals.

fish: So in your opening statement you said that we have some examples of customizing that approach. Parts customize it, there's been flexible approaches. What's the critical difference between the resolution in front of us and the approach that you are recommending, and the cda approach that the council has [inaudible]

Baugh: I think the critical difference is we're trying to get a bigger tent. The cba was very focused on looking at the bmwsb firms and workforce. We're trying to bring in a broader tent of participants, the housing coalitions have said how do we participate in a construction project. So they have residents that have low income, that will work, that have construction experience or want to get construction experience, so how do we create a sustainable, long-term process to get Portland residents into the construction industry, which benefits Portland. How do we do that on a project, the cba has some experience around doing that, but some of the groups are not included in that, and we're trying to get a bigger tent. We're looking how do we get this bigger tent. How do we take the best practices, and put them all on one place for this project. So, it's not saying, that those experiences are, if you will, bat experiences. Or what parks is doing has not worked. We just don't know, but we're going to take what we think is working, and look at some other things, and put them all on one place.

Fish: Andre, is -- the principle the council articulated a few years ago was to expand opportunity in our community, and address historical wrongs and barriers. Does the approach reflected in 1064, is that consistent with the approach that -- with the values that the council articulated when we adopted the cba project?

Baugh: It's consistent with that approach, but also with what the residents are saying that they want to be involved, both historic communities, want to be involved not only for contracting but a workforce standpoint, and so it's very consistent with the goal, and it really is saying, taking the goals in front of us and plus the community goals, and how do we do that, and what are the methodologies and objectives and how do we report back to you in a transparent way?

Hales: We need to release Andre from captivity and let him get back to his day job. Any other questions for our super volunteer before he goes?

Baugh: Thank you very much.

Hales: Thank you, Andre, we appreciate you very much. Any other questions for Fred and our support team?

Miller: We have a great advisory committee, and you have seen some of that, and I am working with the best team i've been around, either public or private sector, to get something done. So with these resolutions you are going to see activity, and it's going to be direct. You will hear back at various times but I think it's positive for the city.

Hales: Thank you, Fred. Thanks very much. Ok, I think we're ready to move to public testimony, I don't believe that we have any invited testimony beyond the folks that we have

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heard from. Let's open it up, and if you are here to speak on this package of amendments, or sorry, package of resolutions, feel free to speak about any one of the three as you come up.

Moore-Love: We have 13 people signed up. Behalf.

Hales: Jim, I think you are ready to start.

Jim Whittenburg: yes. Let me just catch my breath for a minute.

Hales: Sure. I am sorry. Go ahead, John. Please.

Bruce M Hall: My name is Bruce Hall, I am a 90 year old retired attorney. I came here to support something that I did not see up in your reader board. I haven't hear from anybody here today, and I haven't heard from anybody in a long time. And that's a topic which I designated as free portlandia, but I did an assumed business name like that some years ago. I continued my practice shamefully, I finally got around to this again. Today here with all this talk that is going on about the Portland building poor old portlandia is not mentioned as usual. My understanding of portlandias attachment is some kind of cement block on the second floor that helps spread and support her weight, but I don't know that, I've never seen any plans. However I have been trying to figure how to get citizen involvement the last speaker was talking about in this process. I've gone to the Oregonian because the Oregonian for a long time has worked closely to follow portlandia then any other paper has. And the Oregonian really came to the point where they were saying we've got the raise or fix up the building and I gather from this today that fixing up the building is the way it's going to go, it's not going to be raised. At the time I got excited about it the possibility existed that the building would be raised. Very poignantly, what would happen to Portlandia? Somehow or other it's gotten under the radar. Today I am asking you i'm going to try if the city does not do what I suggest to get going on a poll of citizenry, well designed poll, to see what the citizens think about moving Portlandia, in my case my vote is for the waterfront facing on a large podium so more people on the east side see it. Or her. In any event that's what I hope the city might do. That's why I appear here today to see would the city consider a poll to bring in people, the citizens, on would they would like to see done with Portlandia. She's not going to disappear from the earth. We've got to do something about that beautiful statue. My own particular vote is for the waterfront for all the reasons that former mayor bud Clarke touched on at the 30th birthday the other day. He started talking about the marine background, how she arrived and so forth, probably from his bird's eye aboard a kayak. Why not do something about Portlandia now, not 2021. That's it. Thank you.

Hales: Thank you very much. Good morning.

Chang Sim: Good morning. I'm Chang Sim owner of the Bentos and Coffee in the Portland building. Thank you, Commissioner Fritz, thinking about our situation. We have to tell our situation if you don't know about it. Because of all this planning and talking about this renovating the building our building -- we can't sell it. We have become basically a hostages until things get resolved. So obviously Fred Miller doesn't have the power to help us unless you guys say so please give more power to him to help us. This is the only income I have to pay my mortgage and raising my three boys. My 17-year-old will be a senior, he's a senior. He will go to college. All these things, no future for me. Then the city will give us a month to month death sentence to the small business. Happen to be you guys helping city kids. Talk about we'll work with you as best we can.

Hales: Thank you for coming and making sure that we're all aware of your situation. So obviously Fred is aware of it and you are a valuable part of our local neighborhood here and appreciate having you here so thank you. Obviously we will be back in touch with you as a tenant of the building as this proceeds and work with you as best we can.

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Sim: Thank you. I'll speak one more, please. Talking about helping people keep rent high. You are the also the -- instead of -- April of lose our business which led to homeless for us and we end up in city hall then you got to help us. That's not what I want to see. The way other people want to see from the city council.

Hales: Thank you very much.

Hales: Jim?

Jim Whittenburg: Mayor, city council members, my voice has changed a little bit over the last few years. I hope you can hear me. I'm Jim whittenberg. I'm sorry. I have been going for 50 years now, almost 50 years now. I started with Senator Morrison and senator Hadfield. Until this building is built and put up. I do have a feeling about this, I learned about this hearing from the Portland Tribune on Thursday, October 15th that you were going to do this. I have tried very hard to get some information about this through your offices. It's been almost a complete road block that I've talked to different people, I've asked for information and very few people have offered to help in any way. We talk almost every night at my living arrangement and I don't see this comparing very much to what the public thinks. We're going to build this building and do it our way. We'll let you know when we decide what's going to happen. I think that this is kind of the same attitude that I reached back in 1978 when we put the property tax amendment on the ballot. Nobody really cared in government about it until it was on the ballot. It was reducing the amount of taxes for property, it was up to \$35 a thousand here in Portland. What I see i'm not against moving this building, I care about the people but the building will come down if we have an earthquake in the next few years. I think we should move them right now as soon as we can then worry about replacing a damn building. Buildings are buildings, but people's lives matter. Public employees' lives matter. I think you ought to think about them. I have been trying to get you to think about the people of Portland, not the buildings of Portland. People first, buildings second. It doesn't seem to register anywhere. I have done my level best to get you to do that. I have been back from the wars for since I have had a stroke and heart attacks for three or four years now, but I don't want to die here thinking that my nieces who are in this town and their eight children who are in this town, their husbands and my brother who lives in the west hills are all going to be subject to whatever you decide here. They ought to be part of the process. This gentleman is right here when he says we're not doing that. Senator Morrison and Hatfield would turn over in their graves if they saw how little the public matters to people in power today. I know that because I worked with both of them back in at the '70s. It seems a real problem that we don't move these people and get them out, take care of their safety first and worry about putting up a building. We have buildings all over town, it doesn't matter. Build something that's going to stay, something that's not something that's -- last thing I will say, 1968 republican convention in Miami, your dad may have been there, I don't know. Went a couple of times. I went there in '69, I was there five years. I worked for a couple congressmen. But when Senator Dirksen was senate majority leader at that time he statement about government he says, a million here, a million there, pretty soon we're talking about some real money. Now it's 100 million there, and 100 million over here. Now we're that's real money. That's got to be paid for. I don't see why we're not valuing that. I read the article. I voted for his dad in the state legislature. I don't see how this is how we got to learn. We should have more before we start voting on a resolution. I like Mr. Miller. He's a good guy. But we got to be informed a little bit before we start voting on resolutions that cost 195 million. That's a lot of millions of dollars. I don't know if you recognize that but we got to pay for that. For the people who are still working they have to pay for that.

Hales: Thank you. We had a public work session in august. Thank you very much. Crystal, go ahead. Go ahead, please.

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Crystal Elinski: Good morning. My name is crystal Elinski. Really glad to be here. Able to be here. I represent 10,000. I am really struck by -- seems like the testimony thus far has struck also by the same images that the team was talking about, the wording was really strange to me. Talking about the benefits of development of the community and life-threatening situations and all I could think about the entire time was what we could do with that 195 million for the homeless. We're putting maybe 2 million there, 5 million there for the homeless, state of emergency, let's put another couple million of the last time I attended one of these meetings that for some reason you think that most residents of Portland can make it to, the money went straight into construction of the building that it was right in my neighborhood that I have been evicted from and homeless for a year. The rent there is \$3,000 when I saw it on craigslist. That was a bit shocking. We have been told this is great for us, but I agree that the residents are the citizens, but we don't know what's going on with this and there's been a lot of talk for a long time. So when tom said, well, Andre was talking about the life-threatening situation and tom said he had never worked with a better team, now, if this was my team the way they are speaking today it doesn't sound organized or planned very well. I would get rid of the team if it was mine. We're not ready to make any decisions on this, but I think that my suggestions were pretty simple and they could be implemented immediately. But I want you to pay attention to homeless situation, what is really life-threatening with people losing their jobs and their houses and why we would put money into this right now, especially when it's a bit hypocritical with all the shoddy construction that's just everywhere now. Nothing seems like it's permanent. So because Portlandia has become such an icon, built to get us on the map. We all know that. A lot of tourists come here and say they want to see Portlandia. I think we could maybe start a social media -- what do you call it -- put money into -- donate to the redevelopment of this building and fix it up and save the lives of the people that work there for the city of Portland. Let's start that campaign right now.

Hales: Thank you. Thanks very much. James, good morning.

James Posey: Good morning, Mr. Mayor and commissioners. You all know me as James Posey. I have represented many groups. This morning i'm representing myself as a citizen. My comments are for the from any particular group but when I saw this resolution I had to come and talk about it a little bit because I see the red flags. Mr. Mayor, with all due respect to you, sir, this resolution does not from my perspective there's no mention of the office of equity in the whole process. Quite honestly it's disturbing to me to see these sort of resolutions come to council and no collaboration or no sense of synergy about these organizations centered around equity working together. To me that's a huge issue and it speaks to the leadership of how we get this done. I just wanted to say that from the outset. Secondly, I have never seen a resolution relative to so many vague concepts and expression. Tom looks younger than he was when he was at trimet, but when he's talking about brick and mortar he's talking about clear expectations about cost, budgets, et cetera. We all talk about the equity, it's not precise it has no relevance to dollars. There's no economic means on what the outcomes might be, et cetera, et cetera. How is that? Brick and mortar is important but people are important so you really want to get some value for your expenditure of funds relative to trying to deal with this long standing issue. Then you bought your office of budget and finance stuff. Really, you've got an auditor's report that talks about their inability to implement and execute anything relative to equity. And or minority contract participation. I'm not trying to cast aspersions but the facts are the facts. When you failed at something you don't get rewarded by getting a resolution or any other sort of accommodation for not achieving your particular goal. The structure and participation of this amendment or this -- not amendment, resolution, is really a sad commentary on what we're doing around this thing. It just is not

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organized in a way that makes any sense. Public safety, whether you know it or not they know the left hand doesn't appear to know what the right hand is doing. There's no substance in the outcomes and the ability to produce something meaningful for the committee. I would suggest you go back to the drawing board, this particular resolution should be tabled and like you said, let's see what the cpas are really doing. Let's drill down on the numbers. How many consultants are benefiting from this versus contractors, et cetera, et cetera, et cetera. Let's get that data so we can make a good decision about any resolution going forward.

Hales: Thank you. I'll get fred to respond to that later. The call forbids is the first resolution. The third one is probably most relevant to your point. I'll make sure that he responds later.

Posey: Thank you.

Fritz: Mr. Posey, I share your concerns. I'm noting that the resolution, the third one, directs office of management and finance to come back to council with a recommended proposal. No later than May 1 of next year. So I certainly find your comments very cogent and sure they will now direct the commission to be involved in the development of that proposal and also looking at --

Hales: My assumption is they would be.

Posey: Put it on the record. Make sure it's part of the front end as opposed to the middle or back end.

Fritz: I particularly appreciate your mention of the office of equity and human rights.

Hales: Next three.

Hales: Come on up.

Bryant Enge, Director, Office of Management and Finance: Good morning, mr. Mayor, good morning, commissioners. As we're getting set up let me provide background on why we're here. This morning i'm here as the chair of the equitable contracting and purchasing commission. With me this morning I have commissioners of the equitable contracting and purchasing commission, four of them with me. I have Michael Burch, executive director of the Pacific Northwest regional council. [audio not understandable] regional council -- [speaking simultaneously] we also have Rosa Martinez, owner of pmg. We have. [audio not understandable] we also have Marcella alcantar, president of alcantar and associates. If I said that wrong, Marcella, you can correct me.

*****: Okay.

Enge: So just some background on the commission, the commission was officially formed by council to advise council which city efforts are most directly related to increase in minorities and women on city contracts increasing and increasing women and minorities on city contracts. We have had several commissions. Commission meetings. Most of those have been well attended of the last night we had state representative Frederick with us. There have been some good discussions around issues facing the minority and women contracting. One of the things that has been a struggle for us is to try to get good data in terms of what are the baseline numbers. One of the things in terms of in order to increase numbers we need to know where we're starting from. We are trying to develop baseline numbers. But around that one of the things that the commission moved to last night is they wanted to actually start taking some action and one of the things they came up was a discussion around the cba. So today we have four commissioners here. It was a unanimous decision last night to move forward with three recommendations, one specifically related to the cba, the other two related to the implementation of the cba. Let me start with the first one. It's the deferment of the resolution as it is written. So it was the unanimous vote last night to defer the resolution. I'm going to go through all three and ask each of the commissioners to speak to the specific recommendation. Secondly, the

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commission voted unanimously to ask city council to implement certain audit recommendations regarding the city's contracting processes that the auditor recommended. Then thirdly, surrounding support staffing of the commission. Those are the three recommendations that the commission is going to make recommendations to city council. With that I will let the commissioners speak.

Hales: Thank you. Who would like to go first?

Michael A Burch: Good morning, commissioners. I'm here as bryant said as a commissioner on the ecpc, and i'm here as a representative to ask you to defer on the resolution number 3 directing office of management and finance to develop a proposal dedicating amount equal to 1% of construction budget for community enhancements and opportunities in businesses. Someone mentioned how vague that was. It strikes me as something I still can't figure out what that means. However, there is a model cba and resolution that was signed in 2012. It was developed after more than four years by a collaboration of a host of community members, stakeholders, I believe there were over 30 involved in that collaboration. There were two projects that model cba was modified to utilize on that Kelly Butte interstate renovation project, which as of today are 90% complete. Kelly butte is done, the remaining project is 90% complete. The numbers surpassed the goals set at the outset. The numbers that are in are amazing by any account. I think we have done a few presentations to community on what those numbers actually equate to in terms of contractors, minority contractors, and the work force. This is a formula that we believe is a recipe for success and we would urge you to not defer to multiple other imitations of what the model cba is but to use the cba intact because it's a proven vehicle for success. We would be happy to provide you with the presentation at the December council if that's what you would like to see. We have been attempting to provide this data to you for quite some time but have been prevented by numerous various -- but the data is amazing. There are a number of community folks who would be happy to testify to how they participated in the process, and I might mention this is not a union agreement. It serves the entire community. I would conclude by asking council to review the data before the data from the cba and the other proposed benefit plans and other plans in the community before deciding on this resolution. I believe that you will be very impressed by those numbers. I urge you to use the formula that is in place on the resolution because without having that particular formula, it's doomed to failure.

Fish: First, I know it's going to be a long morning, probably we'll be here all afternoon in council, but this is critically important so we're going to take the time to get it right. First you have given me the presentation on the data. I have asked that data -- that data has been submitted to procurement. As you know, we have asked procurement that is tasked with assessing the track record of the cba to evaluate the data. To your first point the city is taking very seriously the information to the second point about deferring to the resolution, you're hearing a tension in this hearing between wanting to get it right on opportunity and contracting but also wanting to put a hard cap on the cost and launch the process. And one of the challenges that is occurring to me as i'm listening to the excellent testimony is that for some they cannot be resolved today. So one of the options will be to defer six months to a year deciding on the fate of the building, which will bring Mr. Whittenberg back with a lot of vinegar because we will be postponing, or we would launch a process but agree to have the right people at the table working out the contracting piece. The resolution as I read it is thin on specifics. So someone has to come and prepare what is our expectations, what does accountability look like? But it's very clear in terms of cost it's 1%. So as you look at this proposal, can you separate cost from the specifics? In other words, can the council move forward today agreeing to allocate the money with a process to determine how it will be invested? Otherwise, you know, I have a couple colleagues

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saying there has to be precision on the overall cost, we would be deferring indefinitely launching the project because we wouldn't be clear about cost. One thing this does specifically is allocates a cost. It does not with any specificity explain how we're going to spend that money and that is the process that we're going to need your guidance going forward, but can you separate out -- can you as you're giving us advice today separate out those two issues?

Burch: It's a difficult dig. I say this because there have -- decision. There have been months thrown at other plans since the model cba began. Those did not use the formula. And I would venture to guess that they are not nearly as successful as the ones that had the model cba used. Now, if you propose to commit \$1 million, I would say if that's a hangup -- 1%. Sorry. 1%. If you propose to commit the 1 million, I would say set it aside but don't commit it to a process until you have the proper information in front of you to make that call as to where -- how that money will be --

Hales: Let me jump in. We'll get fred to respond. When I read this draft resolution I don't think we have committed to a process. As I understand this it was to set a parameter that we're going to spend 1%. Then come to your commission and to the community and say, well, we've got as it says in the resolution we have a number of processes under way that we're utilizing now to improve the utilization of mwesp firms, go look at those and fit them into a budget of 1%. So i'll get the drafters of the resolution to give their version of it. That was how I read it. This doesn't say how, this just says how much.

Burch: Mayor, for the record that's what concerns me. You have a model. You have a process. And yet multiple times over the last two years there have been proposals that didn't use the model. They didn't have the data in front of them. My concern is that it's too loosely designed and doesn't have the language in the model cba to help direct the money to a process that folks. [audio not understandable]

Fritz: To clarify the parks process was not required under the previous resolution. The previous resolution referenced projects of at least 15 million. That we used a modified process for the two smaller park projects. I share your concerns on this bigger one, things like the 2012 resolution did call for a more extensive process. Thank you.

Hales: Thanks. Good morning.

Marcela Alcantar: Good morning. Members of the council, thank you very much for the opportunity to speak to you today. I'm here today as a member of the commission, ecp.c. One of the recommendations that I would like to present and put forward for adoption and implementation is the five recommendations, items as per the city of Portland auditor, the audit services division of the city procurement process for intervention. In order to make a meaningful contribution to leveling the playing field, the adoption implementation of those recommendations.

Hales: Thank you very much.

Hales: Thank you. Good morning.

Rosa Martinez: In order for the commission to be effective in analyzing data and collecting the information a halftime person is not enough. We need a full-time staff for us to get all the data that we need for moving forward.

Hales: Thank you. Welcome.

Maurice Rahmine: Thank you, mayor, commissioners, for having us here today. I'm Maurice rahmine, one of the commissioners for the ecpc. One of the things with this resolution I also feel it's too vague and would like that postponed. I think the dollar value, there's not enough clarity as far as how those dollars are be used, what the leverage points -- in the cba, there's a lot of leverage dollars that were committed would be leveraged through the programs and a series of other social equity groups and members. I don't see any leverage positions there. I see a dollar just being allocated almost seems

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1% although sounds good we really don't know if 1% is too much or too little. So I would like to have a little bit more conversation about what the actual dollars, what the right fit is and how we could leverage those dollars.

Fish: Let me offer a suggestion, Maurice. I think we're -- there man are more agreement than disagreement but there's also trust but verify, then there's who is at the table making the decision. We haven't had a work session on cbas. We haven't had the council presentation on cbas in our track record. We haven't had a council work session on a range of contract issues including frankly inviting this city chartered panel to come advise us. You have four, five recommendations today. And what we have before us is simply an aspirational goal to set aside 1%. Fred is being admonished whatever it is to stay within the budget. If the council were to proceed today by adopting a resolution that says we are spending \$1 million that should be 1% -- he said we could -- we're negotiating against ourselves. If we said 1% and then it seems to me one other option because we don't want to hold this project in abeyance, we don't have six months to a year to continue to work -- what if we adopted the resolution with a clear process for incorporating your voices in the crafting of how the money would be spent? In the context of lessons learned from the cba, and whatever advice you have for us about how to maximize these investments, that's the goal, everyone here shares the same going of making sure that at the end of the process, as many people as possible benefit. Get apprenticeship training. Create opportunity. Have a chance to develop their skills. Participate in a major capital project. Can't we do both? Or can't we set the goal and then agree to sit down and hammer out the details? If not, why not?

Rahmine: I think it's like a complicated question and complicated answer. I will try to be brief. Because of the way we're looking at trying to incorporate the community organizations and the organizations and the trades themselves have that flow-through we have a lot of communications between all those groups in order to say, okay, what do you need to make sure this outreach is adequate, to make sure people that historically have been unto-utilized can have those opportunities and the awareness of those opportunities. You look at the contractors and say how does technical assistance actually work for those contractors you look at as far as this type of project. Because we're asking so many people so many questions I chaired the committee, I also sit on the labor oversight committee for the facets agreement. So it's really I think really difficult to put ourselves in that box and say, okay, this is where we're going to sit. At the end of the day until we get all the input from all those groups we really don't know whether or not 1% is enough or 1% is not enough. So I think that by having that earlier conversation, get the input from everyone so we can all agree that this is the way that we're moving forward and this is the dollars we feel like we need to actually have the most success is vital to have a successful program.

Saltzman: Isn't that just inviting the first budget overrun? The committee is not going to come back and say you should spend less than 1% if anything it will be more than 1%.

Rahmine: If we actually leverage those dollars, if we have input we could know where those dollars are being spent. We're saying 1% but we're not saying what percentage of that 1% is actually going -- what has gone for outreach, for people that are interested in this industry, what percent is actually going to help the pre-apprenticeship programs. I think that that is the once we get the input from those groups I think we could actually come up with -- we hope it would be less than 1%.

Saltzman: Are you going to accept a 1% ceiling and work within that 1%?

alcantar: The question I would have for you, how did you come up with 1%? What was the basis to determine 1%? Because that's what we're trying to determine ourselves as a group, as individuals and community to determine a fair, equitable percentage. Now, is it a

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fair 1%? I don't know because we don't have the data and the people to come up with a number. Then my question to you would be how do you determine that 1% is equitable for what we're trying to do?

Hales: We'll get the staff to respond to that.

Fritz: You both worked a lot with me in 2012 on setting up the previous community benefits agreement. I don't have the exhibit to the resolution in front of me now. Can you refresh our memories as to how we decided on the level of support in the model cba?

Rahmine: It's a model, cba was a little different because that was the community coming to the mayor and the commissioners with a concept. It was bubbled up from the community saying this is what we feel. So four years prior to bringing that to you we actually had those conversations with all the participating parties that you saw and that's where we had come up and said, okay, we feel like this is a good number for these types of projects, this is a different project. I think that we can come up with a number that actually can meet or exceed goals. I just have a few stats but as far as minority apprentice participation the goal is set at 18% on the Kelly butte project. We went over 15% and the project is complete for african-american firms participating on the project and the maintenance facility project. That dollar value exceeded that which was valued at the entire period of the disparity study. So we have a model that works. Has a lot of players involved and so it's just a matter of making sure that we're utilizing taxpayer dollars the most effectively that we possibly can. I feel like we can do that. I think that we need more time to be able to set up and have that conversation with all of the stakeholders. I think that the comments of whether 1% is the right number, we don't know that. We don't know where that number came from either.

Hales: We'll get them to respond. Thank you. Other points that any of you want to make?

Alcantar: Just in general, to point out is that in general, you know, the commission and individuals, we're all interested in doing the maximum for the less because we don't want to have an handout. We don't want to perceive as that. We want to do the right thing as the commission. That's what we're interested in is making sure that that 1% that you get the best for the bang. That you get out something out of it including ourselves maximum benefit allowed.

Fish: Marcella you have been working in this field for a long time, you have tremendous credibility on this issue with me.

Alcantar: Oh, thank you.

Fish: Again --

Fish: We all share a set of values. We're trying to figure out the best way forward. Council adopted a cba framework and said we encourage the city to experiment with this model. It was not handed down biblically it was a concept. With all due humility we expected to refine it and make it better. We expected it would have weaknesses and strength. The problem is we don't currently have that data. It does not help the discussion to cherry pick numbers and say this proves it's been successful. We have to have an independent review of these projects to figure out what worked and what dent because you are just as committed as we are to fixing, to making it work as well as possible. So that has not been done yet. We can all put numbers out there and say this proves the point. Until we have independent review none of us here up here can make that judgment.

Alcantar: All right.

Fish: Other than we're committed to the outcomes which is expanding opportunity. What I want to see when we scrub the numbers is has it really resulted in people benefiting or are we creating a lot of process along the way. Is it people or middle people? Is it institutions taking their piece and not getting the people on the ground? That's one question i'm going to have. I don't want to create bureaucracy around this process and not

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see the money filter through to people. Frankly, not a single person in this room can answer that question right now until there's been an independent review. So we have to do something about this building or it's going to fall down. I have never in my seven years on the council, and you'll correct me, Michael, I do not remember any time where the council has said specifically 1% is going to go to creating opportunity. I have often heard that there's not enough accountability. Well, you can't be more accountable than having a percentage. You can agree or disagree with the percentage. I would not argue it should go less but I would say Dan's point about it may be a ceiling but maybe it's 1% is the right number. We'll ask about that. But for purposes of moving this project forward, we have to have some agreement as to how we're going to create opportunity. The proposal on the table is 1%. What I'm hearing is not sure what 1% means and want to look at the details and to me that's what we would do over the next year. With your assistance to get that right. So again, I don't see us at odds here. I think it's a different approach perhaps but I think we share the same outcome. One of the important things for me is that we once and for all decide the question of the fate of the Portland building. Because if it's not this issue it will be another issue and we'll be back here a year or two from now still futzing on this and I'm done futzing. Either we're going to fix it or do something else but in fairness we have to call the question. Even Portlandia is beginning to shed tears as she's watching up there. Bud Clarke famously said on Portlandia's birthday she's held up better than the building, which was a heck of a comment. I appreciate your testimony.

Alcantar: Thank you.

Hales: Thank you all very much. We appreciate your willingness to do this work with us. Thank you.

Hales: Three more.

Hales: While they are coming up, let's do a time check. Since this is the end of public testimony I'm going to propose we get staff back up to answer questions and see if council is ready to proceed. My proposal would be we try to work until 1:00 and try to get it all done by 1:00. If we can't, we'll probably -- I have a 1:30 and Commissioner Fritz and I have a 2:00. We may need to come back at 2:00 and be late for that.

Fish: I can't come back at 2:00.

Hales: Here's my proposal. Work until 1:00 and anything that has to be carried over will be carried over to tomorrow afternoon. We have a council meeting tomorrow afternoon. Just had to do our housekeeping. Bear with us. Welcome.

Hae Pae: Hi. I'm Hae. I'm the owner of the gallery gift shop. I have the same situation -- so it's my father bought this store since 1991, so I used to work with him since that time, which is long time. My father passed away ten years ago, and right now we trying to sell the business because it's slowing down and, you know, I cannot work there anymore, but I just cannot -- we can't have our contract right now. So I just -- been our situation. That's our family business. Please understand. That's what I came for. Thank you for bringing to speak our situation.

Hales: We look forward to working with you. Thank you.

Nate McCoy: I'll go next. My name is Nate McCoy, executive director of day mac Corrigan. It represents minority contractors in our community. We're really about trying to eliminate barriers to foreign profitable participation on public and private projects. I'm here today to commend the commissioners and mayor for the appointment of equitable contracting commission. That's moving in the right step to ensure accountability in the process. I have been afforded the opportunity to have worked for Commissioner Dan Saltzman as well as nick Fish, with the Portland housing bureau where I was senior construction manager overseeing a lot of the housing projects. They had a great opportunity to give me leadership and voice to the community working with minority

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contractors. I can tell you that without a cba, without a lot of these community benefits plans, the bureau was able to excel in a lot of ways within our contracting community and really supporting the growth and capacity building a lot of minority contractors. We represent I would argue minority contractors in the community. We see this project as an opportunity to engage effectively in a way to advance a lot of this stuff we're talking about today. I'm very moved by a lot of Nick Fish's comments related to where we are in this process. To date we have not once been identified as somebody who can contribute to this conversation. We're very well positioned to be a part of this conversation. So I'm really here in a way to put us on the radar for you guys that we're here to be a part of the conversation. Help work out the 1% allocation in any way that it might direct funding in the appropriate areas. I would say that as we're collecting data and trying to really do research on effective use of a cba, if that is the direction we want to go, that we also start tracking not only just the apprenticeship and work force hours that are participating on projects but also looking at what people are doing when they journey out. Are these people getting real jobs? Are they being tracked in successfully finding work, not just sitting in a hall not being utilized? Odot, Boli, a lot of organizations are doing research with psu. I have had a chance to meet with some of the researchers and we're finding there's not a lot of research and data talking about are people retaining jobs. Work force and training programs are great and they should be used, but ultimately if you go through these programs and you're not afforded a real job or a real opportunity what have we done for our community? As we think about these community benefits, plans, agreements, we should also spend time thinking about how we continue with these people go through these trades, ensuring that they are actually filling these jobs. As most minority contractors will tell you, the more capacity they build within their business the more they are going to recruit and retain people that look like them in their communities. If people are not getting opportunities we're not creating jobs. So that's what we're about. We want to make sure we're a part of this conversation. Thank you.

Hales: Thank you very much.

Jeff Moreland: I'm Jeff Moreland, owner of Ray More Construction. We're a large employer. We employ 35 people, 90% are minority either Hispanic or African-American. I'm also on the board of national association of minority contractors. The issue that I really have today is like you said in one of the comments you made, Commissioner Fish, my concern over the fact that we're looking at broadening things without having the data. I know the way the resolution is written, the third resolution, I also heard the testimony of Mr. Baugh and Mr. Miller which concerns me that we don't know how it's currently working. Especially when we historically have had, you know, city auditor's report, a lot of the baseline numbers there's concern about how minorities have benefited and women have benefited in the contracting community. Me being a contractor for 20 years I have witnessed a lot of this. My concern for you guys as a commission, I know you have to move forward with it. My concern is way it's written and the testimony of the people that wrote it is broadening something and opening up more without vetting out whether what's happening is fixing the issues that were at hand in the beginning. That's my concern.

Hales: Great. Thank you very much. Thank you both. Anyone else want to speak on this item? Come on up.

Lightning: Yes, I'm Lightning. I represent Lightning Watch Dog PDX. I'm a little bit skeptical myself on this Portland building project. I think when we start reaching a number of 195 million, there needs to be a number where we meet that we say, hey, maybe we need to look at building something new. I mean, this is too high a price. I'm really surprised that the building was even put on the historical status. I do want to have Portlandia moved. I want to have the Portland building put up for sale. I would like to see some prices that we

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come in at. I want to look at the Multnomah county courthouse, work with Multnomah County to purchase that property. I want to build a brand new building in that location, and I want to use the remaining funds when we sell the Portland building to purchase that Multnomah county courthouse and also to apply additional funds to building the new building. If we go in that direction, the Portland building can remain there. Keep the employees there. Work with Multnomah County in a plan that we can build something new. 195 million to reconstruct this building. To me it's outrageous. It's outrageous. We need to look at the cost of building something new. I haven't heard any numbers. Why aren't we hearing numbers on that? What is the difference? What's the difference in the value there? I want to see a new building built. I want to see something brand new. Can we get a different resources to help build that building such as they are doing on the new courthouse from the state? Are there ways to get them to match the money on this? Why not build something new? Why not at this time admit that that was a mistake, the Portland building, it hasn't lasted a tremendous amount of years. We all agree on that. If anyone in this room disagrees that building should have lasted at least 75-plus years. Hasn't done that. Is it up to today's seismic standards? Absolutely not. Then why should we dump a tremendous amount of more money in there when we can possibly build something new, get much more longevity out of it, and I think in my opinion it's going to be more value added to the city to do that. To hold on to this building it does not make any sense to me and the 195 million I would like to see various bids on that because that number just seems very outrageous to me at this time. Thank you. .

Hales: Thanks very much. Let's bring Fred back up -- I'm sorry. Just quickly, please.

Mary Eng: Thank you, council. I want to thank lightning for his incredible devotion to the city and everything he has done. I was also particularly moved by crystal elinski's speech about allocating money for homeless resources. Just to tell you about my experience last night I slept in a box around 14th with newspapers about your emergency declaration. They kept me somewhat warm. That's because I don't have an affordable housing in this city. I think this passionate need for jobs and housing are incredibly important and i'm incredibly important by the move towards equity and construction and i'm very impressed with that, but I think when you decide to patch together something that is somewhat broken you can run into a lot of problems. And I think lightning's point about the architecture is very compelling. I think full review of the structure would be helpful towards having a long-standing permanent good governance in the city which we clearly don't have. We have historic loss of faith. The public feels there's been breach of trust on numerous issues. Building a firm foundation will be good. A house on sand or rocks or some phrase like that. I want you to know i'm doing well and i'm committed to the city too but i'm living far away because of the incredible price of housing including my family's emotional problems. But I'm happy to be here and honored to see you all and hope you make the right decision and good due respect to the excellent points that have been made here. I would like to see some recognition for the citizen activists who spend a lot of time and I find these meetings very difficult to pay attention and I thank you for your leadership too. Often you're victimized and misunderstood and probably have extremely difficult decisions to make but this is one of them and it deserve as great deal of patience. And good ideas to come from many kinds of people so we can actual buy build a city that is not a laughingstock in terms of this massive runaway gentrification takes and pushing people out of the city.

Hales: Thank you. You take care. Fred, come on up and bring any folks we need including the most recent ones, which are how do we get to 1% in this proposed 1064 resolution. What about the engagement of the commission.

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Miller: I think I can handle this in very few minutes. If I need help there are lots of helpers here. The first comment I would make is Kelly ball is going to help me, following up on Jim's comment there's a website with all this information, all the reports, everything else on it, which is -- Portlandoregon.gov/Portlandbuilding.

Miller: All that information is out there. We do have a public involvement communication plan that Kelly has worked up. Once we have approval and we know where we're headed. We can address that I think. Turning to the commission and the 1%, 1% was taken out of the community benefits agreement resolution. That's the amount that was there. So there's a .25 and .75 which added to one.

Fritz: The one I have was .75 and .5. It was the total project cost, not hard construction costs.

Miller: Of the total?

Fritz: Yes.

Miller: I guess that depends how it's defined. My information, and i'm looking --

Hales: Come on up.

Fritz: .75 for continued training, outreach and .5 of the technical assistance fund of the total project cost.

Christine Moody, Procurement Services: Christine moody, procurement services. I believe the 1% came from the modified cba, which was implemented on the two water bureau projects.

Fritz: I was quoting from the exhibit on the model cba.

Moody: There was a modified cba that was implemented on the two water bureau projects and because of the where they were at when the model was passed, and the water bureau had not allocated that money because they were in the middle of the procurement process, that piece was negotiated.

Fritz: Was it total project cost or hard construction costs?

Moody: I don't remember that. I can get that to you.

Fritz: Thank you.

Miller: In any case with the number I took from the 1% saying let's not have any disagreement on the number let's just accept the number and say we're committed to it. That was point 1. Turning to the commission's comments I guess i'm surprised because I might have thought that they would be here supporting this because Brian is a member of our management team looking at the building as well as chair of the committee, and my discussion with Brian would be the commission may be the body that should allocate the funds because we have been looking for a public body something exists let's not add administrative costs. Maybe that's the way to pay for staffing, which is one of their concerns. That would be an additional burden. Arguably some of that money could be used. I would think that in less -- unless someone really wants to do the original cba, which water didn't, parks didn't, so on, if we go to the modified it would seem we're generally in agreement on the 1% and I would have thought the commission would be interested in in a role in that.

Hales: I was assuming they would have one. One comment I would have on the percentage is that i'm not sure what the right model number is either, but there's a big difference between building new reservoirs on Kelly butte and this project not because one is a building and the other is a water project but a big portion of the cost of this project involves moving thousands of city employees out of a building, renting another building and moving them back. That's a typical for a public works project. So if .75 -- sorry, if 1% is reasonable -- sorry. 1.5% of total construction cost is reasonable on a public works project, just saying, that's what is in the model agreement, then maybe 1% is reasonable in this project given that what, \$30 million is the cost of moving people out, putting them in

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another building and moving them back. That's not construction cost. It's not architectural design cost, it's just the cost of doing business for this project. Again, i'm not subscribed to 1% as a hard and fast number. I like the idea of what the team has brought forward here and that is saying at the outset it's a \$195 million project, period, including construction. Including design, including moving people in and out. Including being responsible with our tenants. All the other goals that we're going to have and 1% of that construction cost is going to go to work force training and the other elements that are outlined here.

Fish: Another example of that to make the point is that the water bureau will be coming to council sometime in the next few months to talk about the fortifying the pipes under the Willamette river.

Hales: \$50 million project plus.

Fish: Thank you for highlighting that, mayor. [laughter] it's a heavy on technology, light on work force project because of the technology of putting a bladder within an existing pipe. There's equipment and technology. It's not a big public works project by definition, so it isn't necessarily well suited to the cba model reservoir project, which is heavy on men and women doing lots of work over a period of time that was sort of the original vision. Commissioner Fritz's example of parks even though it fell below threshold she tailored it to make it adapted to a park -- the point is it was always a concept that meant to be adapted. It meant it was a concept and we are adapting it to meet the realities. I think in this instance it's a question of what is the right percent.

Fritz: May I make a process suggestion given the hour, really only the first of the three resolutions needs to be voted on today in terms of getting the bureau moving forward. Given that we have a commission who are recently appointed to ask for more time to discuss the community benefits plan, we could perhaps hold over the second two to get the questions answered for the second one and have more discussion on the third one.

Hales: I'm open to that.

Miller: I would rather have them all. You're right the first is the most important one. I thought the equalization I don't think there's much debate about. When you get it back you're going to do what commissioner Fritz suggested. I understand you need some time. On the 1% I think the value at least partially is to separate it from the project per se because all the time before where there was something like an eight month period before signatures could be gathered, that would cost us another million bucks. I want to just say here's the pot of money and I frank lip don't care if you want to say 1.5%, the principle, we're aimed at this, you do the best practices you can, involve people and come back with a recommendation which we can improve, i'm not sure where that should be objectionable.

Hales: I would be inclined to do that and let the commission come back with a recommendation to modify.

Fish: Say that again. You just said something very important that may capture two votes. You don't care where it lands in terms of percentage. The most important thing is you can deliver this project for under \$195 million.

Miller: Correct.

Fish: We have had three small businesses all of whom are minority owned come before us and say, time out. This project is going to put us out of business or hurt us financially. One is a gentleman who runs the larger restaurant, another woman who runs the convenience store, the third is my favorite bento restaurant within walking distance of city hall. How are we going to cushion the blow during this transition?

Miller: If I were sitting where you are I would probably direct me to come in with a recommendation.

Fish: Mayor, can we make a friendly amendment? These are family owned businesses that have provided great service to our community just like the daycare provider and we

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have gone to some length to cushion the blow. Can we direct Fred to come back with a plan?

Hales: I think he has just been directed. I think you should do that, Fred. Doesn't have to be in the resolution but obviously it's the sense of council we want a socially responsible plan for how we operate as a landlord in this situation. That's again not quite the normal situation for city government but it is here in this particular --

Fish: One gentleman's testimony about the cloud of uncertainty over his business rendering the value of his business almost zero, that's very compelling. We're the sole contributor to that cloud and I think we have an obligation if not a legal, a moral obligation to --

Miller: Another reason to move ahead is to get the analysis that would tell us are we going to leave people in the building in which case it's a different proposition for the businesses so I would like to move ahead. But I will come back with a suggestion on how to handle the relocation or how --

Fish: We have the ecpc, which the council has established, made up of distinguished people in our community who care about this issue and have history. Other groups in the community have strong opinions on this subject. I would hope that through that process that namac, other groups that have strong opinions and lots of history are welcome to fully participate in developing a plan that would come back for review and approval.

Miller: That's our intention.

Hales: Further questions for Fred. Then let's take a vote on the first of the resolutions, which is 1062.

Novick: Obviously this is an important issue, critically important that we address the concerns of that building, we have employs' already in an unhealthy atmosphere. It's going to get worse. That building is not seismically sound. And we've done.....Omf has done extensive analysis. I want to reiterate that regardless of historic character of the building, shows renovation is the appropriate course. Obviously, we're not today committing to spend \$195 million on anything. This is the first step in the process. I really appreciate the analysis that was omf done. I think that our employees really appreciate the fact that we're finally addressing the concerns of this building and i'm pleased to vote aye.

Fritz: I appreciate those comments and the diligence of the staff. Thank you for multiple briefings on the work sessions to get to this point. We still have city employees in other buildings in disgraceful conditions, so that is -- this is only a start. This is a building that rents can pay for the mortgage, so i'm able to support it. Aye. [laughter]

Fish: Fred, I want to thank you and your team for the way you have managed a very complicated process. I don't remember a process or issue that was more complicated in some respects, and I have had a lot of conversations with friends and people I meet about this. It's a hard thing to explain. We're talking about a lot of money. I think instinctively people say, well, if you've got a building with these problems, ditch it. Level it. Do something else. I appreciate the comments of my two colleagues. You have walked us through all the options. And i'm persuaded this is the most responsible approach because it's the least cost, it meets a set of values we have clearly identified, things like proximity and accessibility. And frankly, it allows us to start thinking how we can configure our work force. I'm very keen on having bes all together. I have had concerns about the bureau being dispersed. I want them all under the same roof with their leader. This has been an incredibly complicated and difficult process but I think you have been the captain of the ship leading us through turbulent waters. You've done a great job. Ultimately since i'm not a developer and I don't play one on tv, it's our -- part of our job is to put good people in place and ask them to give us their best advice. We have a chief administrative officer, a

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cfo that I fought for, an independent panel of experts who do development and some peers from other levels of government saying this is the right approach. With some humility i'm going to accept those recommendations because they are coming from people that know a heck of a lot more about this than I do. I also appreciate in taking this action we're not resolving all the questions. We are resolving one question that's important to all of us up here, which is this project will not exceed \$195 million. That's the last conversation we'll have about that issue. Thank you, everyone, for your quality of your work and professionalism. I'm going to vote aye.

Saltzman: Well, I think that I actually hope this is the last conversation we have about the 195 million. I'm not necessarily persuaded this will be the last but i'm hopeful, so hopeful because I really appreciate the good work that staff has put in but also the stellar advisory committee, you have assembled people that speak from experience. My original instinct when I heard it was 95 million was to demolish it and build something ourselves, nice, shiny, more sustainable, energy efficient and seismic resistant. I realize there are a lot of political, logistical issues that are probably insurmountable to do that, so i'm prepared to support this recommendation that has been brought to us with a lot of thought about how to make this work. I still await the answer about whether we move people or we stage them or not, but my tendency is to think we probably need to move everybody. This is a well thought out process and i'm pleased to support it. Aye.

Hales: Fred, thank you. Ken, the rest of the team, thank you. When I asked Fred and ken to like me return to public service for something of a victory lap, to come back into these difficult issues it was in part because I knew that Fred could help guide us through this kind of very complex, very high stakes question for the city of Portland. So thank you. Well done. And more great work ahead. This is a day that we wish we didn't have to be here for. We wish that the Portland building had been built so well the first time and that corners weren't cut and that it had not leaked, and all those other would have, could have, should have, I wish we didn't have to do this but we do. The question is, is this the most responsible thing to do under difficult circumstances. I have had some of the same reactions and skepticisms that my colleagues have had. I think all of us in a situation like this say there's got to be a cheaper alternative than that. But it appears that that's not the case. That building a new building would be more expensive than repairing this one even as odious as the bill for that repair might be for all of us. We figured out a responsible way to pay for this with what the bureau's pay in rent over time and with a mortgage that we carry for a long time in order to do the right thick. Again, this is a difficult conclusion to get to but you've gotten us there in the right way. So I also believe that you have put us in a position to say to you, you have 195 million. Repair this building. Get it done right. Make us proud. And no more discussion about whether it's 196 or 197 or 198, and we should take this opportunity to empower this effective public servant with that budget and say, that is it. We have done this before in other public works in this community, particularly transit projects. So it can be done. But you put us in a position to exercise the kind of discipline that the public would hope for from their city council. Thank you very much for doing that. Aye.

Hales: let's take up the next one, please.

Moore-Love: 1063.

Novick: Aye.

Fritz: This is on the rent equalization, one of my core principles has always been who pays, who benefits and is that fair. Under the resolution currently structured without the amendment, the beneficiaries are those who will be in the Portland building after it's fixed. The bureaus that lose are the ones who are currently paying higher rents in the 1900 building. To be very clear i'm not commissioner in charge of any of those bureaus. My

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bureaus will benefit from the resolution as structured. I can't support it because I don't think that's fair. If we believe in the principle we should be implementing it as soon as possible and it's unfortunately I can't support it as written. No.

Fish: Just to be clear, when we get an analysis of Commissioner Fritz's amendment and I understand it i'm likely to support it but I don't think it makes this particular resolution fatally flawed so I will support it. Aye.

Saltzman: Aye.

Hales: I agree with commissioner Fish's statement. Aye.

Moore-Love: 1064.

Novick: I'm torn about this. I think it's a reasonable proposal but I was concerned by the opposition of the members of the equitable contracting and purchasing committee, so it's out of respect to them and the other community members that testified with the assumption that we can reach a reasonable resolution on this issue for today i'll vote no.

Fritz: I agree. I don't have the confidence that 1% is the right number. Especially construction costs rather than total costs. I would like to see a revised resolution to include mention of the commission and the office of equity and human rights and to be more inclusive in setting up the resolution so our community partners understand that we are indeed committed to doing the right thing. I know you are, but part of the process is having a community benefits agreement rather than something that's handed down and we were very careful when we did the community benefits planned park to engage the community in figuring out what that looked like. No.

Fish: I am proud to serve on the council that really believes in this concept of opportunity and equity. As with many noble aspirations, these are very complex matters. The devil truly is in the details. I know that more than anyone up here because of the fact the water bureau has hosted the two biggest cba projects and has a track record of pushing the envelope on equity and opportunity. Too me the question is, is this the right frame work for moving forward realizing that all the hard work follows. Provided, Fred, you follow through on the commitment you made to the council to bring the commission together to review this, provided we have a subsequent work session on cbas generally and how we're doing, because that report is going to be critical to deciding how we move forward with that plan, and provided this comes back to council for our ultimate deliberation, which I think we have committed to on all three scores, i'm comfortable supporting this approach because I do think it's a package and frankly while I take this concern about accountability very seriously, there's nothing more accountable than putting a number or percentage in a legal document and saying we're operating off of that. If at the end of the day smarter people than us conclude that that is the wrong figure then you will come back to us and report that because we want to get it right. But I think this is a suite of actions and I think in respect to all the work that's been done they should be adopted as a suite so I will vote aye.

Saltzman: I appreciate the concerns brought forward by the equitable contracting commission members and other public testimony today. But I am persuaded that we can tweak those details with their help and figure out what the right projects or activities are but i'm otherwise very comfortable with this determination of 1% community benefit. Aye.

Hales: Well, I brought forward the resolution to create the equitable contracting commission and believe in it very much. Thanks to the discussion that we have had here today both with members of the commission raising issues and with our chief administrative officer making commitments to follow through on their concerns, I am going to support this. Here's why. We have said this is 195 million dollar project. We said 1% is going to go to these specified purposes. And we have said we're willing to change that 1% based on what we hear further, the commission, and from our administrators, but the top

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line number doesn't change. It is still \$195 million project. The question is how much are we going to devote to these purposes as opposed to other hard construction costs that go into the reconstruction of the building. Since we all have that understanding I think it's better for us to start with a percentage than to start with a question mark or any confusion that this would just start adding to the cost of the project. That would be a shame if we did that. So with those understandings that we'll return to this issue and we'll hear more about what the percentage should be and how it should work, I'll support the resolution. Aye.

Fish: Mayor, can we take a two-minute --

Hales: We're going to take a two-minute compassion break and come back at half past the hour.

[break]

Hales: So I think we could run through 1078 please and we're going to try and get the rest of this work done. With these understandings.

Hales: Items 1079, 80, 81, 82, and 83 are moved to tomorrow's calendar at 2:00 p.m. And we'll try to deal with the rest of them while we're all still here. Could you please take up 1070, 1071 and 1066, the item that we brought forward from the consent calendar.

Item 1070.

Moore-Love: 1070, a five-year grant agreement with volunteers of America for two advocates for victims and survivors of domestic violence, not to exceed \$630,000.

Item 1071.

Moore-Love: 1071, authorize a five-year grant agreement with catholic charities for an advocate for victims and survivors of domestic violence not to exceed \$315,000.

Item 1066.

Moore-Love: 1066, accept a grant in the amount of \$92,143, for fiscal year 2015-16. And authorize intergovernmental agreement with the county for domestic violence enhanced response, partially reimbursed through December 31, 2017.

Hales: We welcome acting captain Wendi Steinbronn and Annie Neal from Multnomah county, welcome to you both.

Wendi Steinbronn: Thank you, good afternoon. I'll start with 1070. 1070 and 1071 are of a grant we've applied for and received every year since 2005. And 1070 has to do with contracting for two advocates from volunteers of America to work in our office. They are cohoused with us and they work alongside of the domestic violence investigators and the purpose of having them there is for enhanced services to the survivors. They do things like safety planning, seeking shelter, and getting other resource services for survivors outside of the actual police investigation.

Steinbronn: 1071 is for one advocate to do the same thing, work in our office side by side with the investigators. I should probably mention that we have a total of eight advocates in the police bureau, sheriff it is three, and Multnomah county sheriff is 5 advocates. We supply the office space, computers, vehicles for them to drive. We have a day shift and afternoon shift that respond directly to the scene to help officers out. I should mention that's part of the cost, as well. So the 1071 is for the one advocate. 1066 is part of the DOJ, United States DOJ grant to supply this year .25 fte of a full-time sergeant assigned to the divert program. It's the enhanced response team and they work with really serious offenders and the more serious cases, some of the cases that take a longer time to resolve.

Hales: Thank you. Welcome, Annie, welcome.

Annie Neal: I'm just here to provide any information or answer any questions if you need it. The domestic violence enhanced response team is what I consider a homicide prevention unit. They do great work, they work collaboratively with law enforcement during their evaluation, offender accountability, and the victims service partners providing wrap-

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around support beyond the criminal justice case. It's been a great partnership for many years.

Hales: Thank you both. Question for the city-county team? Thank you both very much.

Steinbronn: Thank you.

Hales: Does anyone want to speak on those items? If not, let's take a roll call vote on each in turn, starting with 1070.

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

Saltzman: I just want to thank you for all the good work that you do, dvert team, aye.

Hales: Women and families and safety, doesn't get more important than that. Thank you both very much. Aye. [gavel pounded]

Moore-Love: 1070.

Novick: Thank you very much for your work. Voting first sometimes catches my by surprise still. I forget to be appropriately polite. Aye.

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

Hales: Aye. And the third one, please.

Moore-Love: 1066.

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

Hales: Please keep up the good work. Aye, thank you. [gavel pounded] okay, let's move on.

Item 1072.

Moore-Love: 1072, pay claim of Tasha Moore in the sum of \$12,500 involving the police bureau.

Hales: Good afternoon, it's afternoon now.

Randy Stenquist, Risk Management: Commissioners, Randy Stenquist I'm the liability claims manager for risk management. It will resolve a tort claim for Tasha Moore and her attorney. The underlying incident followed a traffic stop which led to a vehicle search. She was charged with two offenses including a drug charge at that time. The officers held back other drug charges from that engagement after having a dialogue with Ms. Moore and an agreement about her acting as a informant in other drug cases. The following week after failing to meet with the officers they went to her house and arrested her and booked her on the underlying charges from the week before. The Multnomah county d.a. Later dismissed those charges. Our investigation has revealed that the officers did not follow well-established protocols spelled out in the police directives about working with informants. There's an active internal affairs investigation underway to investigate further, but there's clearly a problem with how it all played out in this particular instance. The directives have been updated further to clarify the responsibilities of command staff to coordinate the processing and review of informant information and these are currently under review. The proposed settlement of \$12,500 compensates the claimant for the loss of her freedom on that February arrest as well as her attorney fees and costs resolving the claim at this point will prevent us from having to spend more money litigating the case and an uncertainty of the outcome with that. We recommend approval of ordinance.

Hales: Questions? Thank you so much, appreciate the summary. Anyone want to speak on this item? If not, roll call, please.

Novick: Aye.

Fritz: Mary, I appreciate you putting this on the regular agenda. I also appreciate the follow up in terms of police protocols and trainings. Aye.

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

Hales: Aye. [gavel pounded] thank you all, thank you. 1073.

Item 1073.

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Moore-Love: Authorize a five-year lease extension with upi commonwealth, llc, for leased premises. Second meeting roll call.

Novick: Aye.

Fritz: This dovetails nicely on the discussion we just had on the Portland building, the lease will be expiring very close to when the Portland building will be reoccupied. Aye.

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

Hales: Aye. [gavel pounded]

Hales: 1074.

Item 1074.

Moore-Love: Amend contract with trimet represented to the operation and maintenance to add payment to trimet for operations, maintaining and other services for fiscal year 15-16 through fiscal year 19-20 for \$40,490,618.

Hales: I understand there's a request to reschedule this to October 28th. 1075.

Item 1075.

Moore-Love: Authorize central eastside interim commercial off-street parking pilot program.

Novick: 1075 and 1076 are related and have to do with removing regulatory barriers promoting shared use of parking stalls. This would allow such shared use of an interim basis in the central eastside while permanent changes are developed as part of the central city 2035 plan. The central eastside, it's been a major theme in the parking management discussions for over three years. In 2012 pbob worked with local stakeholders to develop the parking management plan. On street parking reaches full by 8:00 a.m. But off-street parking is not utilized. Changes are expected to be before the council sometime in 2016. The second ordinance will specifically address parking along Water Avenue that has seen the most job growth since 2006 and has added significant pressure on the street parking apply. Several vacant parcels are purchased from odot and intends to create parking for employment. Temporarily allowing parking will provide immediate relief to the oversupply parking. There's been extensive public outreach related specifically to this issue and there's broad support for the special pilot parking program. We talked about this concept to share parking a couple of weeks ago. If a bank has a parking lot that is not used by bank customers then the bank can rent out those spaces to the general public under this pilot, for example.

Fish: Commissioner, I fully support your ordinance but I have a question. In this concept of shared parking, particularly in the example you used of a bank that might make the space available in the evening hours, would that property owner be subject to a different regulatory framework than a typical property owner in the full-time business of providing parking services?

Novick: Grant, do you want to take a shot at that?

Grant Morehead, Portland Bureau of Transportation: I don't believe that they would, no, I don't. Under this interim program we're proposing that commercially shared parking would be limited to monthly agreements at least during this 18-month period and pbob would manage the administration of those contracts.

Fish: Let me state it in plain English. I've heard they want to capitalize on after hour's spaces like bank parking spaces. One of the things that will discourage people from doing that is if we overregulate that use. You heavily regulate the people that run our full-time parking. There's all kinds of rules about what you have to do and you have to have an operator and equipment. I'm hoping that we're developing a lighter touch for shared parking since its more episodic, more opportunistic.

Morehead: That's our approach. And removing regulatory barriers is what this ordinance is all about.

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Fish: Thank you.

Hales: Other questions? Thank you very much. We want to read the second one.

Item 1076

Moore-Love: 1076, authorize temporary commercial parking on Oregon department of transportation blocks as part of the central eastside interim commercial off-street parking pilot program.

Hales: Further explaining of this, I know you covered it a minute ago.

Hales: Questions?

Novick: There is anything in particular?

Morehead: You did an excellent job of summarizing what would have been my presentation.

Hales: Good answer.

Novick: Actually I summarized by looking at talking points.

Hales: Great. Anyone want to speak on these items? Both 1075 and 1076 pass on second reading. [gavel pounded]

Hales: Let's take 1077.

Item 1077.

Hales: Authorize the bureau of transportation to acquire certain permanent and temporary rights necessary for construction of the east Portland active transportation to transit project through the exercise of the certifies eminent domain authority.

Hales: Roll call vote, please.

Novick: Aye.

Fritz: Thank you to commissioner novick for getting back to me about my concerns. Aye.

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

Hales: Aye. [. [gavel pounded] 1078.

Item 1078.

Moore-Love: Amend marijuana licensing procedures and requirements for converting existing medical dispensaries to recreational retailers and amend hours of operation.

Hales: Roll-call vote, please.

Novick: I'd like to thank the stakeholders who have engaged on extensive discussions on this issue over the last few weeks. Aye.

Fritz: Thanks to the mayor for signing with the office of neighborhood involvement, and it's been an honor to participate in this extensive community process, particularly working with my staff, Teresa, Victor salinas, Amy archer and also Claire Adams and my staff. It's a new program, we're going to manage recreational marijuana sales much better than historically our state has managed liquor sales. I'm looking forward to implementing the program and ensuring the wise and safe use of this legal substance. Aye.

Fish: I want to thank the Oni staff and thank the stakeholders and community member whose provided input and helped us craft these regulations. I believe the city is taking a balanced approach trying to be faithful to the intent of the voters, and also to the intent of the legislature to create the right fit for Portland. These regulations take into consideration the rights of consumers, the impact on neighborhoods and the investments of lots of local small businesses they have been working thoughtfully, intentionally and transparently to create a unique Portland solution and I believe they have found the middle ground. I want to offer my special thanks to friend and colleague Commissioner Fritz who has led this process thoughtfully and openly which is evident in the final product before us. This is new territory and everyone in my judgment has done their best to find the right answer. Today i'm pleased to vote aye.

Saltzman: All due appreciation to Commissioner Fritz and everybody, the office of neighborhood involvement and the public who worked hard on these regulations. If

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anything in the ensuing weeks I have become persuaded that this is regulations that are unnecessary. We are -- I watch every day in the newspaper and on the news, the activities of the olcc as it moves forward with its march to regulating the same things we're trying to do here today. I'm convince we had don't need two layers of regulatory authority. And we don't need as a city to be spending a million dollars a year hiring four to eight people to oversee an effort that 21 days into legalization of recreational marijuana, all's quiet on the western front. I'm not persuaded that we really need this. To me it's regulatory overkill and it's being duplicated at the state. I appreciate the work that's gone into this but I think this is a regulatory effort we can't sustain funding for and I don't think we should mimic what's happening at the state level. I respectfully vote no.

Hales: I want to join in thanking you, commissioner and the oni staff who worked hard on this. Commissioner Saltzman, I think we'll have the opportunity in the future to dial back regulations which every now and then government actually does if we turn out to not need all the rules that we propose, but we have had bitter experience having the state operating a system of selling controlled substances it doesn't work out very with follow neighborhoods and communities. An excess of caution in this case and very new territory for me is justified. I want to note this again, I think we noted it at the hearing. I often hear from people who say it doesn't do any good to talk to government to, got involved in the political process, things are always decided behind closed doors. They come to one of these city council hearings and say something smart and new and we hear them, and we change the plan. It happened again in this case. It happened more than once in this case where people come to their city council, have their say and have the five of us listen to them and make change in this room. I hope people get to see that, whether it's on television or in person. It actually happens. Maybe it doesn't happen in congress, it does happen at the state legislature, they should get credit for that, too, but it happens here all the time. It happened on this issue and one more reason why we should celebrate democracy actually works here. Thank you all for good work. There was a lot of careful thought to get to this point, as well. I'm very happy we ended up where we are. Aye [. [gavel pounded]

Hales: We are recessed until tomorrow at 2:00 p.m. [gavel pounded]

At 12.49 p.m. Council recessed

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

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2:00 PM

Hales: Good afternoon everyone and welcome to the October 22nd meeting.

Hales: Please call the roll. [roll call]

Hales: Welcome everybody. We have four items I believe it is a total of four -- five items left over from yesterday's calendar. We will take those swiftly and move to the scheduled time certain items. Please call 1079. And do you want those two together commissioner Fish or separately? 1079 and 1080.

Item 1079.

Item 1080.

Fish: Bureau of environmental services is leading the Columbia wastewater treatment plan in 2010. Since then, treatment plan has completed some significant improvements to treat the increased wet weather flows. The Oregon department of environmental quality or deq is requiring us to update the 2010 facilities plan by December 30, 2016. First item is a budget request to complete the update of that plan. Second item that Scott will brief us on has to do with a contract, authorize a contract with the lowest responsive bidder for construction of the Columbia boulevard wastewater treatment plant influent pump station transformer addition, blah, blah, blah. This ordinance authorizes the contract for a transformer addition project on a facility that pumps wastewater into the Columbia boulevard treatment plant. Since this is a family program, I have kept the other details out. Program of this project will provide redundant electrical services to the pumping facility to ensure that it can continue operating in the event of a power failure. Scott, take it away.

Bill Ryan, Bureau of Environmental Services: Thank you, commissioner, and Scott is mountain biking in Utah. I'm bill Ryan, mayor, commissioner --

Fish: Shame on you for coming here and posing as Scott Gibson. Bill Ryan, welcome.

Ryan: I sent him away, last time you said tell Scott we miss him last time I filled in. I'm chief engineer of the bureau and with me today is Muriel Gueissaz-Teufel, and she is a senior engineer. A supervisor and project manager and she will tell us about the facilities plan update.

Hales: Thank you.

Muriel Gueissaz-Teufel, Bureau of Environmental services: Thank you. I have a presentation on that ordinance. So the Columbia boulevard treatment plant -- sorry.

Hales: We've got it. It's here anyway. I am not sure if it is up on that screen.

Gueissaz-Teufel: Trying to get the next page. Columbia boulevard treatment plant is the main wastewater treatment plant that the city owns and operates. Located along Columbia Boulevard in north Portland. And the treatment plant treats on average 60 to 80 million gallons of wastewater that is conveyed to the plant. But -- wet weather, it can treat up to 415 million gallons. A really big peaking factors to average flows to peak wet weather flows. For that reason, treatment plant has a unique wet weather and dry weather treatment configuration. It has -- it has a primary treatment train and a secondary treatment train. This is just a schematic -- I won't go into details. Illustrating the two different trains, dry weather and wet weather treatment. In 2010, when we completed our last facilities plan, the -- we looked at alternatives for expanding secondary treatment process. In 2011,

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that is when the city entered into a mutual agreement and order with the -- the department of environmental quality. The mutual agreement and order stipulated conditions that we had to comply to. There is a compliance schedule attached to it. City has met all of the requirements of the compliance schedule to date. Updating the facilities plan by 2016 is one of those requirements that we have to meet. Other requirements that we have met since the meo was implemented in 2011 included large investments to capital facilities. Improvements to secondary treatment, cost of \$16 million. Improvements to our primary treatment for wet weather flows and that was about \$5 million. So, after the completion -- i'm sorry, I will back up. The importance of the facilities plan is to lay out capital investments for the planning horizon. Typically that's 20 years. This one will look at 25 year horizon. The picture here shows the limit of the property currently owned by the city and reserved for the treatment process. The property is within that yellow boundary. In 2010, before we entered into the meo with deq, we looked at alternatives to expand secondary treatment, which is what deq is asking us to do, push more flow through secondary treatment as opposed to doing secondary and primary treatment during wet weather. We looked at alternatives and the response or outcome of that study was to add a lot of facilities across the railroad tracks here and north Portland road. So, the initial capital costs to do these improvements is significant because of the railroad crossing, and -- which you can see in that red box here. Really, the objective of a facilities plan is to -- engage into that discussion at deq and the epa to meet the clean water act conditions. As an outcome of the facilities plan, recommending long-term capital improvements. So, at the -- when we completed the secondary process improvement in 2014, we started up that system. And then we initiated the process to write an rfp for -- starting the steps to meet our compliance schedule with deq. We started an rfp, engaged in the selection process and selected competitively. Received four proposals, interviewed three teams and the ordinance today is to initiate that contract. The -- here's the overview of the tasks we are asking the consultant to do. They will do a regulatory review analysis, focused on wet weather treatment and compliance for cfo plants and things that have changed since the meo was put in place and prepare a no feasible alternatives analysis, a requirement from the mao. Evaluating the performance of the newly improved facilities. You will provide a basis of planning update for flows and loads projections based on population growth, aging facilities, and regulatory requirements in the future. So, ultimately we look at biological treatment expansion alternatives. Other tasks include the master plan update. We will have public involvement as always. And ultimately it will lead to an updated facilities plan update to submit to deq with a no feasible alternatives analysis. Optional tasks included which are sustainable return on investment evaluation that might help in differentiating some of the alternatives we will look at. Effluent hydraulics mainly focused on how we operate our outfalls and a traffic analysis might be needed as part of the master plan. So, the base contract with hdr is just under \$500,000, which is what we had budgeted. Typical facilities plan is in -- is about \$1 million. That's the typical fee we have for our facilities plan. This one is a mid-year cycle \$500,000. The optional tasks at \$76,000, and then the total contract would be \$576 to \$100,000. The total budget for the effort is estimated at \$731,000. And that includes the internal costs and the submittal of the facilities plan is required by December 30th, 2016. That is a little less than 14 months from now. And delays in authorization of this contract will adversely affect compliance with the mao and we are hereby requesting an emergency ordinance for initiating this contract. After the facilities plan update, I wanted to give you an outlook on what would come after this. Because there are other requirements in the mao. We would submit by December 30th, 2016, deq will have 90 days to provide a response and tell us, let us know if we require expansion of the facilities. After which we would submit a schedule, and then next June,

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and extend the facilities would have to be operated -- operating by December 31st, 2021. I will leave it here for the authorization request.

Hales: Great. Thank you. Questions anyone? Mr. Saltzman.

Saltzman: One question. Did you say that deq or epa wants us to do secondary treatment only? I thought you had to do primary treatment before you got to secondary treatment?

Gueissaz-Teufel: Yes, we always do primary treatment, but during peak wet weather flows, we have an enhanced primary treatment process. Normal, what we call dry weather primary treatment when we get peak wet weather flows, those facilities are overwhelmed. We go into an enhanced primary treatment but it doesn't go through biological. Enhanced primary means we're using chemicals for increasing the settling.

Saltzman: The goal is to get all of that to secondary treatment, is that --

Gueissaz-Teufel: That is what -- yes.

Saltzman: Deq -- that is what we are looking at.

Gueissaz-Teufel: Yes, exactly. Perspective in 2014, 89% of all of the flows coming to the plant have been going through secondary treatment and 11% are -- have gone through that enhanced primary treatment process.

Hales: Other questions?

Fish: I want to note that you have taken a mind-numbingly complicated matter and reduced it to a five minute presentation that even I can understand. Even if I don't recognize the guy sitting next to you. Congratulations.

Hales: Thank you very much.

Fish: Take a vote and go to second matter or take the second matter and do two votes.

Hales: We can take the second matter.

Fish: At this time I will recognize bill Ryan -- and don't do that again, okay. Go ahead bill.

Ryan: Muriel can probably fill you in more.

Fish: Second reading. We have an emergency under the first and a second reading so I think we're done. Thank you both.

Hales: No need for explanation on the second reading. Thank you both very much. Any testimony on item 1079? If not, we will take a vote, please, on that emergency ordinance.

Novick: Aye.

Fritz: Thank you for an excellent presentation. Good to see so many senior engineers in environmental services and water bureau being women who are serving with distinction. Thank you. Aye.

Fish: I think this is another example of how busy council your utilities are going to be in the next five years, maintaining and upgrading our system and we appreciate the support that you have given us in this endeavor. And thanks for an excellent presentation. Aye.

Saltzman: Thank you for the presentation. Aye.

Hales: Thank you. Aye. [gavel pounded]

Hales: 1080 please, roll call.

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

Hales: Aye. [gavel pounded]

Hales: Thank you. Okay. Now 1081, please.

Item 1081.

Hales: Commissioner Saltzman.

Saltzman: Thank you, mayor. This amend. Amends two existing contracts that the Portland housing bureau has with Portland community reinvestment initiative and reach community development. Adding money that mayor hales led the charge to bring to the north, northeast housing strategy. \$20 million in additional tax increment funding that council approved last january and this funding will be used for greatly needed home

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repairs for low-income homeowners so that they can hopefully stay in their homes rather than sell them.

Hales: Thank you. Questions? Anyone here to speak on this item? If not, it is an emergency ordinance, so, let's take a vote, please.

Novick: Great program, aye.

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

Hales: Appreciate commissioner Saltzman you and the bureau moving this initiative into actionable pieces quickly, and obviously the community wants that and more. Thank you. Aye. [gavel pounded]

Hales: 1082.

Item 1082.

Hales: Mr. Saltzman.

Saltzman: Thank you, mayor. This is a -- authorizes our annual intergovernmental agreement with the city of Gresham. This is for \$968,000, which is Gresham's portion of the home funding, which is a federal funding formula for housing assistance determined by population and other criteria. City of Gresham intends to use this to fund tenant-based rental assistance, development of affordable housing, and down payment assistance to low-income home buyers.

Hales: Just in case anyone is wondering, this is not a spending Portland general fund on Gresham. Conduit for federal funds to Gresham. Anyone have any questions about this item? Anyone here to speak? And if not we will take a vote, please.

Novick: Aye. **Fritz:** Aye.

Fish: I just want to make one observation. The two principle funding sources we get from the federal government are community development block grants and the home program. It's been a long time since congress was able to adopt a budget. We have been operating under continuing resolutions. This past year, the jurisdiction, senate, voted to essentially the home program, which will not happen because it would otherwise get a presidential veto and we're back to continuing resolution. So, the good news is it will not be eliminated even though it is one of the two most effective tools we have from the federal government to help leverage affordable development in our community. The bad news though is that it is each year being reduced by sequestration, and, so, it is steadily declining even though the need is increasing. So, I wish frankly in a perfect world we weren't talking about cuts to home and cdbg and we were looking elsewhere in the federal budgets for cuts but that is the hand we have been dealt. Aye.

Saltzman: Aye. **Hales:** Aye. [gavel pounded]

Hales: One more item from yesterday's calendar, 1083.

1083.

Hales: Commissioner Saltzman again.

Saltzman: Thank you, mayor, from our 2015 point in time homelessness count, we know on any given night, more than 1,000 women experience homelessness in Multnomah county, including more than 560 without basic emergency shelter or transitional housing. Without too much detail, this funding within this amendment will allow catholic charities to help 10 additional households to move from homelessness into housing. Representative -- it is really a reprogramming of funds from join to catholic charities serving the same population. I urge adoption.

Hales: Anyone to speak on this item? If not, it passes to second reading next week. Not an emergency. Let's move on to scheduled items for this afternoon starting with 1084.

Item 1084.

Hales: Commissioner novick, do you want the two read together or separately?

Novick: I think they're separate.

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Hales: I will turn it over to you and the bureau.

Novick: I will give a preview. Construct two structures, bridge across southwest Whittaker connecting the existing to the new center for health and healing south and tunnel under southwest vine -- to the guest housing. Sky-bridge purpose is to connect the existing -- surgical suite -- private transport of patients to and from surgical suites. And the tunnel will be used to transfer of materials -- ohsu employees will have access. Tunnel will keep patients' families separate from the transfer and delivery of materials and supplies -- sterile patient environment is maintained. With that introduction, I will turn it over to Kurt.

Kurt Krueger, Portland Bureau of Transportation: Good afternoon mayor and city council. My comments will be brief but I did want to frame today's discussion. It has been approximately 10 years since the sky-bridge has come before the city council. One of the tasks that I actually say no to pretty strongly and firmly in my day job is proposals for sky structures. I believe the mayor made comments back in may expressing his concern around sky structures and I have used those comments to help inform proposals that come our way. So, we actually have two sky structures before you today. A lot of work has gone on behind the scenes. I want to highlight the fact that we have a rather old antiquated 1982 document that strongly discourages these sky structures and the bar is set extremely high for applicants to propose a new sky structure for the city of Portland. Primary reasons for doing that, we want to keep the streets active, people on the street, retails to thrive, we want people not above, not below, but at the ground level in our streets. That in short is the reason behind this document and why the bar is so high for these sky structures. I have asked my staff today for to keep these brief. There has been a tremendous amount of work and conversations to get to this point. Although brief, a very important presentation and then I think you will hear why the bar is high and how they reached that bar from both of these proposals today.

Fabio de Freitas, Portland Bureau of Transportation: Good afternoon, Fabio de Freitas from PBOT. Here to present the engineer's report for ohsu major encroachment for the sky-bridge and the tunnel concerning blocks 25, 28 and 29 in the south waterfront district. Just a general overview of where we are. No doubt council is aware where we are. South waterfront, we're west of i-5 freeway, south of Ross Island Bridge. And we're here talking about blocks 28, 29, and actually 25 as well. Aerial perspective of the south waterfront district again in the area that we're talking about. You will see currently there is a surface parking lot on block 28. There is an existing below-grade parking lot on block 29. And there is the existing center for health and healing on block 25. So, this is a good overview of the site and general project description on block 28, where the proposed next-use building, including above-grade parking. Block 28, the new chh south building on block 29, and importantly, connection between -- for the tunnel is between blocks 28 and 29, below southwest bond, and the sky-bridge connecting the two buildings on blocks 28 and 29 and 25 over the southwest Whittaker right of way. This is just a graphic representing the connection of the sky-bridge between the proposed chh south to the existing chh north building. You can see they're outlined in yellow at the third and fourth levels, sky-bridge proposing to connect the two buildings. In plan view, again, we're talking about levels three and levels four of the existing building on the north side and the proposed building on the south side. One of the policies that we had to consider was in relation to the sky-bridge was its relationship to the right of way and proximity to the corner. Where in the policy suggests that sky structures should be closer to a mid-block location. Very impossible to do in this consideration in this situation. Existing facilities within the existing chh north building, where in the only connection point that could be made was here towards the intersection. Some quick images, proposal in front of you is the proposal for the sky-bridge with the building on the left side of the slide that proposed chh south building, connecting

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to the existing building on the north side of the -- of Whittaker. Closer perspective of the proposed sky-bridge, you will see that it is two story structure, two levels to it. Dimensionally we're talking about 38 feet from grade of the street to the bottom of the structure. The height of the structure itself is approximately 33 feet. And overall width of the structure is approximately 26 feet.

Fritz: Why does it need to be a double-decker?

Freitas: Again, because connectivity between the functions and operations of the existing chh north building to the similar functions in the proposed building. And i'm sure the applicant can provide you with more detail.

Fish: Clarifying question, developing both block 29 and 28, parking block 25 at block 29, will the parking connect to the building, block 28 as well? Will you have access to that parking to both buildings?

Freitas: There is no proposal for parking garage connection below grade. So, there will be separated, existing separated garage structure under existing block 29, under the new building, and a new garage above grade actually on block 28.

Fish: I was just actually there yesterday getting my flu shot. Great -- one of the great amenities here is when you go to ohsu, the clinic there, you can park and take the elevator straight up. You're saying that you can theoretically continue to park at the existing place but it will not give you access to the new buildings?

Fish: You will address that in your comments.

Hales: Parking under the chh --

Fish: There is a great amenity about being able to park and access the health care -- a lot of people in wheelchairs or whatever. So, maybe the technical team will address that later.

Freitas: Just a section of the sky-bridge again, demonstrating that it is two levels. The connection for the tunnel between blocks 28 and 29, below grade, below southwest -- and tunnel again in section view, you will see the top of the tunnel is approximately 18 feet below the street grade. Tunnel itself will have a continuous 12-foot height within. That concludes my presentation about the project. I just want to identify as kurt mentioned, we did a thorough analysis of the policy document. So we have a number of standard policies that we are to consider, including a number of area-wide policies and standards that we have to take into account. Staff identified that all of the policies are met and satisfied, all of the standards, including some very stringent environmental standards, which we received support and documentation through a number of different reports that were reviewed throughout the city. Were all satisfactory and met the policies as well. I should note for your purposes, as well, there is a design review element to this project that is in process. Applicant filed the application for design review several weeks ago. I believe the current status is incomplete, though the applicant filed additional information this week. Our design commission will be considering the two buildings as a whole, however, there has been a public hearing in front of our design commission in relation to the sky-bridge structure itself, and they have blessed the proposal for this single sky structure. I should also stress that the project initially began with two sky structures connecting both of the new -- all three of the new buildings. The design commission urged the applicant to rethink that option of two sky-bridges. The applicant has done so. And before you today are consideration -- one sky-bridge and one tunnel.

Krueger: Last thing that council might find of interest, 1982 document references different parts of the city. South waterfront did not exist in 1982 as we know it. Tried to apply this as best as we could.

Fish: If you look at the small print, it was authored by Charlie hales.

Hales: I waived it a lot but it was done before I got here.

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Fritz: I think to remember in other encroachment situations, we charge for use of the right of way. Are we doing that in this case?

Krueger: We are. We moved the lease discussions and agreements out of the council discussion and back to pbot. Something the right of way section does, looking at land and lease values in the area.

Fritz: That happens separately.

Krueger: That is happening.

Fish: Now that i'm looking at the right slide on page two, you have the proposed sky-bridge is in yellow. That connects the existing building with the new building, and the tunnel connects it to the building to the east.

Krueger: Right.

Fish: And the tunnel, therefore, connects the garage.

Krueger: You will hear more from the applicant. More of a goods and services movement of material. Not a movement of the necessarily people, vehicles.

Hales: Because block 25 and 29 do share parking.

Krueger: They do.

Hales: Right, yeah. Okay. Okay. Any other questions for our team? Thank you both very much. I think we have a presentation from the applicant. Good afternoon.

Brian Newman: Good afternoon.

Novick: Hello Newman.

Newman: Hello novick. Mayor hales, members of the commission, it is a pleasure to be in front of you today to testify on this matter. My name is Brian Newman. I am the associate vice president for campus planning develop and real estate at Oregon health and science museum, and i'm joined here with David. Seeking approval of two major encroachments for our new outpatient tower that will begin construction next year the center for health and healing south. One a tunnel under bond avenue which I will get into more detail to answer commissioner Fish's questions and another sky-bridge between chh south and center for health and healing. We're prepared to give substantive testimony in support, as far as programmatic justification for the sky-bridge as well as the level of design excellence that we think will enhance the public realm. We understand that sky-bridges are not prohibited or discouraged. We are not asking you to lower the bar. We feel because of the programmatic justification in the design of what we're proposing we more than exceed that bar. Design commission when endorsing the proposal was careful in the write up and comments to make sure that they were not creating a precedent-setting decision that others could easily follow whether others are ohsu or anyone else. So we took that very, very seriously. We worked in an iterative fashion with the staff and design commission to get what you see in front of you as good as it could be for your approval today. Let me start by talking a little about the ohsu strategic plan. Maybe you can click forward for me. Thanks, David. So, we call the -- our growth into south waterfront and the programmatic elements of that, cascade of acute. Marquam hill is almost out of all developable land. Very few remaining sites. We have prioritized those sites for in-patient expansion, and moving outpatient care more to the waterfront and beyond. Big change in health care right now is this change in mode of care from in-patient to out-patient, things that were in-patient, bone marrow transplants and hip replacements are becoming more and more outpatient procedures and reimbursed on an outpatient basis. Much of this care is high acute outpatient care. South waterfront, high acute outpatient facility. Let me orient you to the block. We refer the six blocks from the tram to waterfront, ohsu commons. Where ohsu over the next 20, 30 years will be building a major medical center here in downtown Portland, all six of those blocks and possibly block 33 along the freeway as well. Block 25, existing chh north. Flagship outpatient facility that opened in 2006. Chh south is on the

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parking garage. So it is connected to the below-grade parking garage directly south, guest house to the east. Guest house is something that I'm extraordinarily excited about and proud of. One of the biggest barriers to care from people from outside of the Portland region, and 50% of our patients come from outside of the region, as high as 60 percent in some service lines like cancer. One of the biggest barriers to care is not just insurance, which has largely been addressed with the affordable care act, it is access to housing for people here weeks at a time, if they can't get affordable housing, they can't get care. That guest house, if you will, 76 units of housing, much of it free for those people who stay there is to meet that need. The program stacking is as follows. Chh north is our specialty clinics. But chh south and then combined with the surgical floor in north, it is not a medical office building with day surgeries. We call it an ambulatory hospital. It is going to have 15 operating rooms, a whole floor of invasive procedures with 14 procedure rooms. It will have two floors of extended stay care. 48 patient rooms, bigger than a lot of community hospitals and these patients will stay overnight up to 48 hours because that is the threshold for billing under out-patient care. We are topped by a six-story cancer center for the cancer institute. So, it is highly specialized. It is high acuity and operates like a hospital 24 hours a day, highest seismic, structural and life safety as it exists so it's built at the same level as a hospital in case of emergency. How do you fit that into Portland's 200-by-200 foot block? We love Portland's 200 by 200 blocks like everyone else. One way vacating streets and creating super blocks. Studies of peer institutions like the Dana Farber in Boston, almost four blocks large. The next one, Memorial Sloan Kettering, downtown Manhattan, as large as three blocks. The Mayo Clinic building, which recently opened is also much larger. We are not asking for a street vacation and making a super block. But in order for us to fit our program in a way that we committed to doing and expending the south waterfront, it requires some flexibility, but setting the bar high and meeting it. Third and fourth floors are the essential connection between north and south for procedural and surgical care. Next slide to get into more specifics to answer Commissioner Fritz's question. Fourth floor is where the 15 operating rooms are, as well as our pre-op, stage one recovery, stage two recovery, all accessible to our care teams which we have interdisciplinary team care on that section. So, there is a corridor that is behind the red line for infection control, patients being wheeled on gurneys and these are not people who are going to be on the street crossing as pedestrians. The third floor is really connecting our diagnostic imaging, which we're making a major investment in with image guided procedures. GI, interventional radiology, bronchoscopy -- pulmonary -- bronchoscopy. And finally it is cardiology, our cat lab. Having that connection as well where patients can get between diagnostic imaging and our procedural space is very, very important. These are patients being wheeled and transported, but it also is an important connection for sterile processing and material flow that serves all of these procedural areas. Next I will turn my attention to the tunnel. The tunnel is not for the public. It is not for parkers. OHSU employees or not. What we have done with the support of the design commission and staff at the city is really look at centralizing our dock function. Whether than having a large dock in every one of the buildings, building one large dock, block 28, it will serve all three of the blocks and future blocks as well. We are building phase one of the tunnel to the west to connect it to chh south. And, so, we did originally propose a sky-bridge. That was going to be mixed between material and patients parking. And back and forth with the staff and design commission, you know, they acknowledge that those patients are ambulatory and we have a harder time justifying the connection above grade. We agreed to drop that in lieu of the tunnel. The tunnel is not for patients or parkers. Beckett house, connected to the dock, and those patients that do park there will cross the street. Many patients will be directed to below grade, below the existing building so that they can park and come up.

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Some of the patients will cross the street. The tunnel is -- in section, is there, and we're doing -- we're going to be boring under as opposed to cut and cover. We do not interrupt surface traffic or transit operations during construction. We have to start construction as early as this January to get down 30 feet to make that connection since we're not doing the sky-bridge. Let me close before I give David the opportunity to talk about the design, by saying we have done our homework when it comes to outreach. We have had two open houses that have attracted 300 neighbors to the facilities, presentation to the land use committee, met and presented to the Mirabella, closest neighbor to the southeast. And we met with anybody who has asked us to. We have tried very hard to answer every question presented to us and all of the feedback with this refined proposal has been very positive. We are enthusiastic about that and we're hoping that you will find that this also meets the bar that you set very high to justify these connections.

Davis Staczek: Mr. Mayor, commissioners, good afternoon. David Staczek, my very brief design discussion will be focused on three key areas, scale, vision, and detail. And so I will start with scale slides so that we can understand how this building and how this project is going to relate to its neighbors on the south waterfront. First slide, representing the new 15-story building and the relationship to the Mirabella its 30 story residential tower next to it you can see at 15 stories and almost the same size of chh north, buildings are the minor players in the skyline of the south waterfront. This view shows you a view, a west elevation that shows the relationship of the bridge in scale to chh north and the new building chh south and you can see it as a double high bridge. It is 38 feet above the street. And you can see it is spanning the Whittaker right of way, which is 62 feet. If we want to talk about design vision, ohsu set a very high goal for the design vision of this building and this bridge. Aspirations are light, bright, and uplifting and we are going to achieve that with a very light material palate of lightly tinted glass vertically oriented textured metal panels the material palate will be very light and bright. How does this relate to the bridge? Bridge has not been conceived as a simple tube between two buildings but more of an expression or extension of the lower floors of the new building. Third and fourth floor will extending out from the new building and reaching out to meet chh north. The two levels of the podium will be light and open and allow daylight to enter the building and allow views to and from the spaces. If we peel some of the building away at the bridge, we can kind of see how we're going to do this. We are going to span between both buildings with plate girders. This allows us to have a column free span between the two buildings, just the curtain wall and the glass there. And the other thing that these long span beams will do is allow us to suspend the third floor of the bridge with pane rods you can see how much thinner the third floor of the bridge is in that illustration and that's because we're suspending it. That is not standing between the buildings. We are maximizing and trying to minimize the -- make the bridge structure as thin as possible. The other thing that Brian mentioned when walking through the floor plans, this bridge is divided down the middle. Divided down the middle to help separate that procedural and surgical space from the more family and caregiver space and that is divided down the middle with a full-height glass wall. Translucent film up to about six feet. It will provide privacy back and forth from those two spaces but because the film stops at six feet and it will be clear glass above that that allows light and views through the bridge. At night, we will try to use lighting to emphasize the warm wood walls and the fascia's in the ceilings of the bridge and podium floors of the new building, and by placing the bridge at the intersection, you know, closer to the intersection as opposed to mid-block, it helps identify that northeast entrance to the new building as well as provide shelter over that entrance. As we zoom in, we can see the openness and transparency of the all-glass façade. We can see the warmth in the wood of the ceiling and the materials. You can see the lightness and skinniness of the structure. You almost don't see it there. In

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closing, this bridge is a very crucial and integral part to the success of ohsu's mission in the south waterfront and we think it will be a very warm and welcoming addition to the south waterfront neighborhood. Thank you and we will take any questions.

Hales: Thank you very much. Questions?

Fish: So, thank you for -- it looks like an absolutely splendidly beautiful building. And block 29 will overlook one of the great parks in our park system. So, let me go back to what I tried to raise unartfully before and have you respond to it. I will use an example. So, I get all of my -- my family care medical services I get from the existing facility, block 25. And recently I raced to an appointment, parked in the parking structure, walked safely to the elevator, took the elevator up, and took another elevator up to the family doctor and was told I had gone to the wrong facility.

Newman: Uh-oh.

Fish: So, and that happens as you get older. So, I went down to the ground floor, went out the entrance, got on the tram. Didn't have to cross -- there was no hazards along the way. Tram drops me off and I walk out the exit, into a building to my doctor's appointment. It was all protected. It was all safe. And I didn't have to cross any intersections.

Newman: Sure.

Fish: And I think i'm probably not atypical of someone who coming to this complex is going to park wherever I can.

Newman: Yes.

Fish: And you will have parking at block 28, but you could as easily park at block 29. As I understand it, though, the way this is configured, if i'm going to the new facility in block 28 I would have to cross the street to get there.

Newman: That's right.

Fish: No protected place. Partly because design commission discouraged you from putting a sky-bridge, but i'm wondering, since the idea here is to have connectivity, what is the barrier to having some connection from the parking in block 29 so that you could access either building in the health care services? Is it a cost issue or is there some other technical barrier?

Newman: The last point though, the question you made, what is the obstacle to doing what, i'm sorry --

Fish: If you park in the existing parking structure but you want to go to the new building --

Newman: You will be able to. Thanks for clarifying. The blue gray parking structure under the one you parked in when you were there, well, that is a two-block parking structure. Under blocks 25 and 29. So, it is a two block and we built it to anticipate a future tower on block 29. So, you actually enter on block 29 and drive under right now block 25, which is chh north.

Fish: Right.

Newman: There will be two elevator corridors in that parking garage that will bring you up to the existing chh and new chh south. If you continue to park below grade, you will still be able to use either of those elevator cores --

Fish: That I understand, that part I do understand. But I can't get to block 28 without going upstairs, out the door on a rainy day and crossing a busy street and going in. And the beauty of what you -- what you have accomplished in the existing structure is you don't have to do that. You can park and everything is protected.

Newman: Yes. So --

Fish: Including the trip on the tram if you go to the wrong place for your appointment.

Newman: theres a lot of people at OHSU who have a similar concern. What we are trying to do, below blocks 25 and 29, a mix of employee and patient parking. We are moving all of the employees out and they will be parking in block 28. So, all of the parking below chh

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north and south is going to be patient parking. We will still need some patient parking in block 28. And we're going to do as best we can to direct people there that we know from their prework before they register, when they register, that are ambulatory and that won't be a challenge for them from a physical access or a convenience perspective. But you're right, they are going to have to cross the street. The small group of patients that do park in block 28. One of the reasons we had a proposal for a sky-bridge initially was to avoid that. We understand that this is iterative and it was a harder justification to the design commission and the staff to justify that sky-bridge connection. And, so, we drop that in order to make sure we have a stronger case for the other sky-bridge which is absolutely essential. Another need for the central dock to connect, which we're doing by a tunnel. I'm not trying to avoid your answer, your question. You're actually right. There will be a minority of patients that will have to cross the street to get to chh south parking block 28.

Fish: It sounds like you thoroughly vetted that as an issue. What struck me if it was just a passageway at the parking level that would allow people to walk into the -- you could allow someone who parks at block 29 to go to the new structure to the east or to the structure to the north.

Newman: Connection at the parking level. We talked about that and patients parking above grade. It is a question of how far out of direction do we want to send the patients because then they would have to walk through the parking garage once they got to the other side of the tunnel I think for a lot of different reasons, there is others as well, we just - - we arrived at this --

Fish: The other question is for the architect. The housing above block 28 is on the north end of the building, running on an east west axis. What made that the most appealing in your design?

Staczek: A couple of reasons that we did that. One of the first reasons by sliding that tower to the north and sliding the new tower, levels above the podium of chh south to the south, a little closer to Caruthers park, that kept some views for chh south over that now 5th floor terrace that was the space that the tower could have been in. The second is to maintain as much south facing terrace on the top of the parking structure for those folks in the guest housing. So we have a completely landscaped and hard-scaped terrace that is an elevated terrace that overlooks the south and facing south and has views of the river. To get the patient housing -- so we could maintain the breathing space between the urban structures.

Fish: Good answer. Thank you.

Hales: Other questions? Thank you both.

Newman: Thank you very much.

Hales: Anyone else here to speak on this particular item? And this is not an emergency ordinance. The way this is structured, get council questions answered by staff and maybe make some comments and then schedule this for second reading in a week. So, comments, concerns.

Fritz: I do have a question for staff.

Hales: Please.

Fritz: And for the commissioner. Certainly appreciate the proposal here and as a former worker at ohsu 22 years, fond of our tunnels and sky-bridges and connections and such. It will feel like home to have a tunnel -- or a sky-bridge and a tunnel. My question is about the 1982 policy, and about other perhaps less well connected facilities such as Russellville where we don't have patients going back and forth, but the reason I ask my question about the second floor, certainly makes sense where you have surgical and recovery rooms to have a connection, the second floor doesn't seem to have quite that compelling need for connectivity, and I also think that seniors living at Russellville and need to cross a small

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one-way right of way should be allowed to have a sky-bridge there so that they don't get rained on. There is no public happenings happening in that right of way. No shops for them to shop at, holding on to their walkers and wheelchairs trying to get to activities. What is the process for another entity in a different part of town to come and ask for something which is needed for their residents and clients?

Krueger: Great question, thank you. Remembering back to 2005, when the Cherrywood village sky-bridge was here, younger days at PBOT, this room was full of a lot of interested parties. Residents of that facility and they made a compelling case to council. And I think other entities like that could go through the process that has been there. Comments made by the council and I believe Mayor Katz at the time that said there should be an encouragement to allow these special circumstances to exist. And that has resided at least in my mind and unofficially there. I will say that this document needs to be updated. I'm trying not to highlight that as a work plan that council is going to ask us to be given the other volume of work. That document needs to be updated. Maps are out of date. City has changed. Capturing your comments something that would be wise in updating in that document. But certainly Russellville could make an application like this and make this case and go through the criteria, go through commission and work on design and bring a proposal to council.

Fritz: I would hope if that happens that we would be as accommodating for a lesser known entity as we are for ohsu. Thank you very much.

Hales: Well, up to a point. I will make some comments. You know, maybe the document needs to be updated, but the philosophy of lively public realm and weariness about sky bridges I think is still justified and it has been 10 years since we have -- yes, 2005. So, given the amount of construction in the city in the last 10 years, if we haven't had one for 10 years, I would say we're operating at about the right pace. These ought to be rare and exceptional. Philosophy behind that document is not outdated which is that a lively city happens at street level and that is why the design regime is so much about the first 30 feet of a building. I'm happy that this is a rare exception and I think in order to pass the test, proposal has to rise from being an internal convenience to being a necessity or serving a public purpose. And I think this one passes the test. My version of that test. Because, again, we have a community interest in a lively public realm that we have tried to capture in the policy and in making this a very high bar. I think ohsu and their architects have done a good job of both meeting that requirement, and doing it in a way that the design does honor the public realm. I particularly appreciate that the transparency, even though this isn't a design case before the council, transparency of the sky-bridge is carried into the whole floor plates of the building because it does make it clear. This is a public way that's connected to what's happening at the street level. I think you have finessed both in design and how you have been measured in your use of the tool here in a way that certainly as these guys know, I had concerns about this, and I just want you to know that I think you met my standards for when this is appropriate. So thank you for doing a great job.

Fish: As a consumer, I agree with your comments. If there was an example of a particular use where having the maximum circulation seems to me to be in the public interest, it is in a health care setting, because as I noted, the alternative is people having to go out on the street level to cross and -- to cross to other buildings, and i'm struck every time I go to this particular area how many people arrive by -- in wheelchairs or have other barriers. So, the idea that the -- it's internally structured in a way that you can seamlessly go throughout the campus without actually having to cross the street or go outside, is one of the charms of how I think you're designing this campus. I agree, I think that is a bar that is higher than the mere convenience of connecting one office building to another just for the convenience

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of employees, for example. I also have to note that while it is not necessarily before us, it does look like a spectacularly beautiful building.

Hales: Any other questions for staff? If not, this passes to second reading next week.

[gavel pounded]

Hales: Item 1085. Same subject.

Item 1085.

Hales: Mr. Novick.

Novick: Psu -- existing sky-bridge connecting the school of business and administration, southwest montgomery, replaced with a new sky-bridge, much shorter -- reducing the -- [inaudible].

Krueger: Mayor and council, transportation. My comments still applicable to this one, although I will note that the mayor's comments about our target of one per 10 years will drastically be reduced in half.

Hales: 20 years from now the council is going to have another hearing like that.

Krueger: We're moving this one in the right direction. We are getting shorter, presentation on the sky structure as well.

Bob Haley, Portland Bureau of Transportation: Bob Haley, pbot development review. Here for the city engineer's report, above-grade sky structure for psu. This drawing gives you an outline of all of the seven buildings that are connected with the existing sky structure. They began as early as the 1960's I think there is one that predates the '60s.

Hales: Yeah.

Haley: This was even in long before we -- the old document that kirk keeps dusting off now and then in front of us. What you also have is -- these are values that psu has identified that the sky-bridge will provide for them. Decreases travel time between buildings, provides alternate evacuation routes, and allows for efficient provision of utilities. Psu, as you probably know, is also a licensed franchise with the city. They do have some utilities strung underneath the sky structures. And it supports a distributed parking system. And centralized shipping and receiving, similar to ohsu had stated that they have one super dock and then this tunnel will be used for moving goods. Psu has a central loading on the southern campus and they use the sky-bridges for delivering goods and services above level so that at least it is preventing conflict with pedestrians as they move goods between buildings. Also additional value to individuals with various abilities. A number of the buildings and existing buildings on psu's campus do not have ada entrances to them. They have elevators that are not ada accessible or in awkward locations. Also there is about a 12-foot grade change from I think northwest down to southeast across this one city block. We also received two letters of strong support. One from the Portland commission on disability. And we received another one from the psu's accessibility committee. Talking about the value that this provides. There is about 85% of the student's population, the classroom for these are served by this sky-bridge and they have a 10-minute change between class in their schedules. A lot of people with disabilities would be unable to make that 10 minute change and they would highly utilize this sky structure system. This is existing, photo of existing sky structure, the one that will be removed. It is about 107 feet long from the existing school of business out to the existing sky-bridge, which is remaining that runs parallel on Montgomery. Just over the sidewalk. The school of -- business administration school is expanding out over this plaza area to the property line. There will be another plaza, I think, on the corner. Just another view from Montgomery. One more view looking east on Montgomery. That's, again, the structure will come down. This is an illustration that shows the -- are we getting this on here? I guess not. You can see the longer structure running north and south. On the right side, structure that will be removed and the new sky-bridge structure replacing is moving a little closer towards Broadway, and

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it is only about -- it will only be 7 1/2 feet into the right of way connecting, I believe, to an open sort of second or third floor open plaza on the expansion of the business college. This is from street view. And, again, that is a 7 1/2 foot piece shaded in light. 12 feet wide and it is open to the air. New structure will -- and this is an elevation of the new expansion of the school and you can see the small segment that will be replaced. Design commission wanted them to really lighten it up and not have it as heavy as the existing sky structures are. This one will be made of a thin steel and translucent panels with a mesh grate. The last slide is just a little bit closer. That is what you are approving today that one segment connection to the existing sky structure which remains. And that's the end of my presentation. If you have any questions, I will be glad to try to answer them.

Hales: Questions? Thank you both. Applicant is here. Good afternoon, dan.

Dan Zalkow: Good afternoon mayor hales and commissioners, associate vice president for planning and construction and real estate at Portland state university. I do have a presentation. I am not going to pull it up. I did not coordinate with my colleagues in PBOT and I have almost the identical slides as you just saw. My five minute presentation will be about two minutes. That is the benefit to you all of our lack of coordination.

Saltzman: You don't have to apologize for that.

Fritz: Doesn't usually work out that way.

Fish: Extra credit for that statement.

Zalkow: As mentioned, we are moving 107 foot connection -- it is going down this Saturday. If you have any interest in seeing the sky-bridge come down, we welcome you on Saturday. And what we have designed and shown the design review commission is the 7 1/2 foot or so section that you have just seen, just reconnects the expanded school of business to our sky-bridge system and it is particularly important because the school of business building is in the heart of this sky-bridge system. And for people to travel around the loop, keeping this connection there, is particularly important. The building right across Montgomery from the school of business, university services building. For example, which is on the fourth floor, sky-bridge level is where our advising and career services is. Main entrance to that building, university services building on Montgomery does not have an elevator. Those using an elevator have to go around to a side entrance, travel through a loading dock area to access the elevator. That is just one example of why the sky-bridge system continues to be important for us and why we would like to reconnect the building with this connection. Thank you.

Fritz: Current sky-bridge have an inspirational saying on it?

Zalkow: It does not. Only the two across Broadway do.

Fritz: I didn't want to be losing anything inspirational.

Hales: Any other questions for Dan? Great. Thank you very much.

Zalkow: Thank you.

Hales: So, again, this comes back for second reading next week. Other comments from councilmembers about this one? Again, appreciate the careful application of policy and common sense. It certainly makes sense with a little more sky-bridge to have a lot less so we appreciate what psu is achieving here. This also passes my test. I'm glad, Kurt, that my various culminations about sky bridges are quoted by you what is more important, we have policy that has been around for a long time that has worked for a long time regardless of who is in these chairs. 20 years from now when they have the next hearing like this i'm sure it will still be true. This passes to second reading. Thank you all very much. And we are adjourned. [gavel pounded]

At 3:10 p.m. Council Adjourned.