



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **3RD DAY OF FEBRUARY, 2016** AT 9:30 A.M.

THOSE PRESENT WERE: Commissioner Fish, Presiding; Commissioners Fritz and Saltzman, 3.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Judy Prosper, Deputy City Attorney; and Jason King, Sergeant at Arms.

	Disposition:
COMMUNICATIONS	
99 Request of David Kif Davis to address Council regarding activist civil rights violations (Communication)	PLACED ON FILE
100 Request of Mary Ann Schwab to address Council regarding brownfields (Communication)	PLACED ON FILE
101 Request of Katherine Wilson to address Council regarding saving Terminal 1 for a film studio (Communication)	PLACED ON FILE
102 Request of Rev. Margaret Hepziban to address Council regarding justice (Communication)	PLACED ON FILE
TIMES CERTAIN	
103 TIME CERTAIN: 9:45 AM – Kids Experience Bull Run (Presentation introduced by Commissioner Fish) 30 minutes requested	PLACED ON FILE
104 TIME CERTAIN: 10:15 AM – Accept the Quarterly Technology Oversight Committee Report from the Chief Administrative Officer (Report introduced by Mayor Hales) 30 minutes requested Motion to accept the report: Moved by Fritz and seconded by Saltzman. (Y-3)	ACCEPTED
*105 TIME CERTAIN: 10:45 AM – Accept and appropriate a grant in the amount of \$500,000 from the National Park Service for the Thomas Cully Park Project (Ordinance introduced by Commissioner Fritz) 15 minutes requested Motion to accept bureau amendments: Moved by Fritz and seconded by Saltzman. (Y-3)	CONTINUED TO FEBRUARY 10, 2016 AT 9:30 AM

<p style="text-align: center;">CONSENT AGENDA – NO DISCUSSION</p> <p>Note: Due to lack of quorum all Consent items were taken individually under the Regular agenda</p> <p style="text-align: center;">Mayor Charlie Hales</p> <p>106 Appoint Becky Hunter, Paul Pappas and Angel Chesimet to the Portland Commission on Disability for terms to expire February 2, 2019 (Report) Motion to accept the report: Moved by Fritz and seconded by Saltzman. (Y-3)</p>	<p>CONFIRMED</p>
<p style="text-align: center;">Office of Management and Finance</p> <p>107 Establish the City Budget Office as the City bureau responsible for managing the Percent for Art program (Second Reading Agenda 83; amend Code Sections 5.74.030 and 5.74.090) (Y-3)</p>	<p>187570</p>
<p style="text-align: center;">Commissioner Nick Fish</p> <p style="text-align: center;">Position No. 2</p> <p>108 Authorize a grant agreement to Portland State University in the amount of \$51,766 in FY 2015-16 for use by Portland State University Institute on Aging for the Age-Friendly Portland initiative (Second Reading Agenda 85) (Y-3)</p>	<p>187571</p>
<p style="text-align: center;">Commissioner Steve Novick</p> <p style="text-align: center;">Position No. 4</p> <p style="text-align: center;">Bureau of Emergency Management</p> <p>*109 Apply for a grant from the Oregon Office of Emergency Management in the amount of \$30,000 for the implementation of Collector, a damage assessment application, for the City (Ordinance)</p>	<p>CONTINUED TO FEBRUARY 10, 2016 AT 9:30 AM</p>
<p style="text-align: center;">Bureau of Transportation</p> <p>110 Authorize the Portland Bureau of Transportation to submit an application to Smart Cities Challenge grant to the U.S. Department of Transportation to implement a Mobility Marketplace (Resolution) (Y-3)</p>	<p>37186</p>
<p style="text-align: center;">REGULAR AGENDA</p> <p>111 Proclaim Thursday February 4th to be Venture Portland Day in Portland (Proclamation introduced by Mayor Hales and Commissioner Fish) 10 minutes requested</p>	<p>PLACED ON FILE</p>
<p style="text-align: center;">Mayor Charlie Hales</p>	

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<p style="text-align: center;">Office of Management and Finance</p> <p>112 Accept bid of Stellar J Corporation for the Columbia Boulevard Wastewater Treatment Plant Stormwater Pump Station 2 - West for \$615,000 (Procurement Report - Bid No. 00000146) Motion to accept the report: Moved by Fritz and seconded by Saltzman. (Y-3)</p>	<p style="text-align: center;">ACCEPTED PREPARE CONTRACT</p>
<p>113 Accept bid of Emery & Sons Construction Group for the 2016 Local Improvement Districts Project for \$580,812 (Procurement Report - Bid No. 00000184) Motion to accept the report: Moved by Fritz and seconded by Saltzman. (Y-3)</p>	<p style="text-align: center;">ACCEPTED PREPARE CONTRACT</p>
<p>114 Authorize a 4-year participating agreement for facilities maintenance, repairs and operating supplies with W.W. Grainger, Inc. for a contractual total not to exceed \$4,000,000 (Ordinance) Motion to remove the emergency clause: Moved by Fritz and seconded by Saltzman. (Y-3)</p>	<p style="text-align: center;">PASSED TO SECOND READING AS AMENDED FEBRUARY 10, 2016 AT 9:30 AM</p>
<p>Commissioner Nick Fish Position No. 2 Bureau of Environmental Services</p>	
<p>115 Authorize a contract with the lowest responsible bidder for construction of the Fanno Basin Pressure Line System Upgrade Project No. E10599 for an estimated cost of \$1,173,000 (Second Reading Agenda 90) (Y-3)</p>	<p style="text-align: center;">187572</p>
<p>Water Bureau</p>	
<p>116 Authorize the use of the Cooperative Procurement Method to enter into a contract with Wolf Water Resources, Inc. in the amount of \$459,445 for the Sandy River Engineered Log Jam Project (Second Reading Agenda 93) (Y-3)</p>	<p style="text-align: center;">187573</p>
<p>City Auditor Mary Hull Caballero</p>	
<p>117 Assess property for sidewalk repair for the Portland Bureau of Transportation (Hearing; Ordinance; Y1088) 15 minutes requested</p>	<p style="text-align: center;">PASSED TO SECOND READING FEBRUARY 10, 2016 AT 9:30 AM</p>

At 11:54 p.m., Council recessed.

February 3, 2016
A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **3RD DAY OF FEBRUARY, 2016** AT 2:00 P.M.

THOSE PRESENT WERE: Commissioner Fish, Presiding; Commissioners
Fritz and Saltzman, 3.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council;
Heidi Brown, Deputy City Attorney; and John Paolazzi, Sergeant at Arms.

<p>118 TIME CERTAIN: 2:00 PM – Accept the first annual report of the North and Northeast Neighborhood Housing Strategy Oversight Committee (Report introduced by Commissioner Saltzman) 1 hour requested Motion to accept the report: Moved by Fritz and seconded by Saltzman. (Y-3)</p>	<p>Disposition: ACCEPTED</p>
<p style="text-align: center;">FOUR-FIFTHS AGENDA Commissioner Dan Saltzman Portland Housing Bureau</p> <p>118-1 Assert the City's intent to engage in a fair, deliberative, data-driven community discussion of potential enabling ordinances resulting from the potential removal of the preemption on inclusionary housing in the 2016 State Legislative Session (Resolution) 15 minutes requested</p>	<p style="text-align: center;">CONTINUED TO FEBRUARY 10, 2016 AT 9:30 AM</p>

At 3:15 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 4TH DAY OF FEBRUARY, 2016 AT 2:00 P.M.

DUE TO A LACK OF QUORUM, THE MEETING WAS CANCELED AND ALL ITEMS WERE RESCHEDULED TO FEBRUARY 18, 2016

Commissioner Fritz gavelled in the session to announce the rescheduled meeting.

119 TIME CERTAIN: 2:00 PM – Vacate a portion of SE Harrison St east of SE 3 rd Ave subject to certain conditions and reservations (Hearing; Ordinance introduced by Commissioner Novick; VAC-10106) 4 hours requested for items 119-121	Disposition: RESCHEDULED TO FEBRUARY 18, 2016 AT 2:00 PM TIME CERTAIN
120 Approve and adopt zoning confirmation letter responding to request for zoning confirmation on SE 3rd and Harrison, submitted by Right 2 Dream Too (Resolution introduced by Mayor Hales and Commissioner Fritz)	RESCHEDULED TO FEBRUARY 18, 2016 AT 2:00 PM TIME CERTAIN
121 Affirm the City of Portland's intent to relocate Right 2 Dream Too onto City property located on SE 3rd and Harrison (Resolution introduced by Mayor Hales and Commissioner Fritz)	RESCHEDULED TO FEBRUARY 18, 2016 AT 2:00 PM TIME CERTAIN

At 2:02 p.m., the meeting adjourned.

MARY HULL CABALLERO
Auditor of the City of Portland



By Susan Parsons
Acting Clerk of the Council

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

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

FEBRUARY 3, 2016

9:30 AM

Fish: Council will please come to order. Clerk, would you please call the roll?

Fritz: Here. **Fish:** Here. **Saltzman:** Here.

Fish: Welcome, everybody. As the president of the Council, I will be standing in the shoes of the Mayor, who is home sick, and he sends his regrets. I also on behalf of the Council want to extend our thoughts and prayers to Commissioner Novick and his family, and we're thinking of him during this difficult period in their life. We hope he's back with us next week.

We have some formalities I need to take care of and we have a lot of wonderful things on the agenda today, and I just found out a half an hour ago that I am in charge. So I will ask you that bear with me and together, we'll get through this agenda, but there's lot of cool things that we'll be celebrating today.

I want to start, as is our tradition, by laying out the rules of the body. The purpose of Council meetings is to orderly consider the public's business. Preservation of order and decorum is necessary for due consideration of matters before the Council. The public, as always, is welcome to attend and participate. During the meetings, there will be time-limited opportunities for public comment on various agenda items. Although citizens can sign up for communications, public testimony on a Council calendar item must address the item being considered. Please state your name for the record, you do not need to give us your address, and you do not need to address me as the president of the Council in your comments. If you are a lobbyist, please disclose the information at the start of the testimony. If you are here representing an organization, I ask you please disclose that as well.

Unless otherwise informed, each community member will have three minutes to speak in front of the Council. At two minutes and 30 seconds, you'll start to hear an annoying beep and a light will flash on the box in front of you. At three minutes, you'll hear four beeps, and the lights will start flashing like crazy. And that will remind you that it's time to stop and make way for the next person who signed up. We ask that you respect the time limits mostly because if we don't, we cut into the time of other people that have taken time out of their busy days to come and join us, and that's just not fair. Please give any handouts that you have to the Council Clerk to be distributed. The only exception we make to that rule is if we have an honored guest that wants to give something directly to the Council. And please, once again, we ask you only testify to the matters at hand.

Council rules of procedure seek to preserve the public order and to ensure that Council's deliberations proceed efficiently, and that all who want to participate get to be heard. Conduct that disrupts the meetings -- for example, shouting during another person's presentation or interrupting testimony -- will not be allowed. Please show your support or displeasure with your hands by waving, thumbs up, thumbs down. And this is technically a warning that anyone disrupting this proceeding may be escorted from Council chambers, and excluded from the balance of the hearing.

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Lastly, if needed, Council will take a break at 12:00 or 12:30, depending on the schedule. I don't think that we'll need to do that today. I hope we get through the agenda, but I will announce when the meeting will reconvene before we take any break.

So, with that formal housekeeping done, before we take communications, we have some honored guests and colleagues. I would ask Mayor of Shiraoui and his entourage to come forward and take a seat. This is a delegation from the town of, and forgive my pronunciation -- Shiraoui in Hokkaido prefecture in Japan. They're visiting us. They are a 12-person delegation led by their distinguished Mayor. As you know, colleagues, the city of Sapporo, Japan has been Portland's sister city since 1959 for the last 59 years.

We are very pleased that Portland State University, one of our leading public institutions, is facilitating these international exchanges. We hope that they will build relationships and trust and commerce between our two great cities.

The purpose of the visit is to develop collaborative relationships with PSU and the Native American community in Portland and those are who are actively engaged with the Native American communities. The town of Shiraoui has a population of 18,000. It has received national awards for the way it is run, including grants for revitalizing the town and the region. Ask the city, like the rest of Hokkaido, was populated by the Ainu people of the first nations. With that, I will turn it over to our honored guests. Mr. Mayor, welcome.

Toda Asahiko [spelling?] From Shiraoui town, my name is Toda Asahiko. [via translator] I've been in this town only for two days, but I've observed that the city of Portland is a very nice place. Thank you very much forgiving us an opportunity to speak with you. I just heard that Mayor Hales is sick at home, so we hope for his quick recovery.

Fish: Could we ask your delegation to stand and we'll suspend the rules and we'll welcome them with a Portland cheer. [applause] Thank you. Thank you for honoring us with your presence, Mayor. [gift exchange] Another round of applause. [applause] Thank you, honored guests. I hope you will stay as long as you like and I hope you enjoy the rest of your stay in the rose city.

We have four people who signed up for Council communications. Would you please call item number 99?

Item 99.

Fish: Mr. Davis, are you here?

David Kif Davis: I'm David Kif Davis, I'm with fight the sweeps Portland -- I'm a founding member of fight the sweeps Portland, and also the founder of Multnomah County copwatch. Today, I have come in front of you guys to discuss some matters.

You guys supposedly have a homeless state of emergency in this town, yet people like me who go out and document the ongoing sweeps are actually falsely being charged with interference just for simply documenting these sweeps that are ongoing. On January 7th, I received charges of interference, and it looks like Officer Dave Sanders and the other officers involved in this sweep that happened right across from Bud Clark Commons gave out four other people that were homeless campers similar charges. I'm not going to name their names out of respect for them, but I could provide you with documents of all of this. There's three people that were charged with interference, four people charged with unlawfully erecting permanent or temporary structures on public property or public right-of-ways, and four people given disorderly conduct charges. So, basically, you know, freedom of speech is disorderly conduct or interference with the police in this town. In such a, you know, supposedly a liberal town, the war on journalists is pretty big in this town, you know. I was arrested here on November 25th for trying to document the arrest of a mentally ill man in crisis who repeatedly called out for medical attention over 20 times. And Amanda Fritz was here. She's a registered psychiatric nurse. Instead of calling the behavioral health unit, other professionals, the police were called and they acted in a very

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unprofessional manner and Barry Joe Stull, a man that is mentally ill that was in crisis mode was thrown in jail, and he still remains in jail.

So you know, I have two criminal charges. One for this arrest here, in the Council chambers on November 25th. You guys still have not released the full surveillance footage to my lawyers, which shows that I didn't touch your little G4S security goon -- that he touched me and tackled me unprovoked when I was doing nothing but filming. So, you guys are criminally charging journalists and beating up mentally ill men -- [beeping] and one of these homeless people --

Fish: Mr. Davis --

Davis: -- that got the charges is actually schizophrenic, so that's a real good job you guys are doing for this homeless state of emergency. And you know --

Fish: Mr. Davis, your time is up.

Davis: -- there is a Department of Justice settlement against the City, you know. You might want to, actually --

Fish: Mr. Davis, I'm going to warn you --

*****: Hey, it's my turn!

Davis: Maybe you guys might want to start protecting the mentally ill people --

Fish: Turn off his mic, please.

Davis: -- instead of just beating on 'em.

Fish: Mr. Davis, thank you for your testimony.

Davis: Yeah, so why don't you do your job better because you obviously --

Fish: Mr. Davis, please take your seat, and you will be warned against future disruptions.

Davis: I'm actually leaving because I can't handle this --

Fish: Sue, would you please call item 100.

Item 100.

Fish: Mary Ann, welcome. We just need your name and you have a full three minutes.

Mary Ann Schwab: Thank you. For the record, my name is Mary Ann Schwab. I'm a community advocate and have been for a number of years, and today, I would like to address my concerns over the 910 acre brownfields and those not noted.

Good morning, Mayor and Commissioners. I'm pleased knowing that the City of Portland's Office of Government Relations, Martha Pellegrino's team, is actively lobbying the legislature to approve House Bill 4084. It would enable the government to provide a temporary tax abatement if an owner who did not cause the contamination cleans it up. Surely, that does not include homeowners like me who stepped up to repair the BDS-approved developers by right coupling of sewers back in 1908. Soon, I will be addressing a newly-elected Mayor as we citizens fight to predict Hayden Island and fight to stop Pembina-type factories at Terminal 6 from becoming brownfields.

First time around, I wanted to know if Pembina agreed to accept liability for any health, medical, and environmental effects of damage to persons or environment, and if Pembina agreed to a bond or a fund that could be used should their operation result in a brownfield or other damage. I believe these questions need to be answered by any new industry moving to this brownfields.

Recently, I read the Portland brownfield assessment summary findings -- this guy really upset me -- it's estimated that there are probably approximately 910 brownfields located in commercial and district areas of Portland. I'm guessing that this is probably inaccurate in the account of larger industry sites, but likely undercounts the smaller commercial sites like vacant lots on Division, Hawthorne, Belmont, and Stark streets that were once covered with a gas station or a dry cleaner or an auto repair shop or a print store.

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Also of concern to me is BDS, state, and TriMet brownfields not included in the BPAS within the inner southeast neighborhoods. And there's three. Number one, TriMet surplus property located at SE 17th and Powell had been earmarked for green space and possible community use as part of the orange line. However, in order for the Brooklyn neighborhood to sign a lease, the attorneys -- I'll clarify that -- refused to do that because of perceived liability issues surrounding lead and petroleum residues in the soil too great for a public health risk. Yes, despite that fact, TriMet agreed to clean up the soil to residential standards. Members of the BCA were disappointed. Understandably, they were disappointed.

For clarification, we do have a paid attorney. We have a pro bono attorney for legal advice. The problem was that the current order -- and I forget which -- demanded that the liability for environmental remediation -- the liability could bankrupt us the second anything happened. The State Department has scattered properties along the esplanade that continue to be vacant and contaminated with the exception to the property located at SE 3rd Avenue and Harrison Street. It's my understanding that DEQ tests found two contaminated areas. [indistinguishable] rendering -- avoiding placing R2DToo tents over those areas.

Three. Lest I forget, the mini brownfield on my side yard, no pun intended, for anyone selling property. My neighbor reported prior to selling --

Fish: Mary Ann, we're a little over. If you could wrap up, we do have your submission and the good news is brownfields is a top priority in our legislative agenda thanks in part to your advocacy.

Schwab: One more sentence, I beg your indulgence. In closing, my highest priority is protecting rh1 zone, 1.31 open field facing SE Morrison Street [indistinguishable] until the Parks bureau finds available resources. I'd like to see dog running in the open field rather than a CM3 industrial complex leave us in 10 years or so with another brownfield. Thank you.

Fish: Thank you very much. Sue, would you please read item 101?

Item 101.

Fish: Are you Ms. Wilson?

****: No, I am not. My name is Cindy Rhodes [spelling?] Katherine Wilson is en route from Eugene and is in traffic as we speak. She will be here.

Fish: So, our rule is that the person who signs up testifies. When she arrives, I will give her the courtesy of three minutes.

****: Thank you very much.

Fish: Thank you very much.

Item 102.

Fish: Reverend, are you here? OK, take your time. Welcome.

Margaret Hepziban: Thank you, Commissioner Fish. Hello, Commissioner Fritz. I was hoping to make a mention about [indistinguishable] -- totally a disaster, so hopefully you will allow me an appointment to maybe share --

Fish: Reverend, if you could put your name in the record and you have three minutes.

Hepziban: I'm Reverend Margaret Hepziban. I live in Lake Oswego in Clackamas County, but I have lived in Multnomah County, graduated from Warner Pacific College. I'm an prophetist and commissioned by god to speak to this nation and leaders. I am American. I care about us and the prosperity of our future generations and our nation. I am being attacked and hunted down by the KKK. My son, Sebastian, was killed in Milwaukee -- found dead, 34 years old in a bed. Just dead at 34 years old. Coroner said that it was natural causes. This has come forth, prophetically now, so I want you to understand, Commissioner Fish, I've been patient. He died on the day of the Haiti earthquake. That

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was 2010. And so, and if god told me, no more talk about that, it's water under the bridge, I would do so, but he brought this up a few days before I was scheduled to speak. And then he's been speaking to other concerns of your Council. So, what I'm trying to say is I'm only saying what he's saying, and I want to hurry.

I want to make an open statement against the KKK. I want hate crimes abolished. I want their activities to stop in our nation. They're on a rise and they are engrained at our doctors, our hospitals, and at our kids' schools. They're hunting my other son, Nick, down. There was a threat on CNN from the wildlife refuge people that held up the building against my son. They said that they are going to kill him, OK? I need help on these, and I want an appointment after this. Three minutes is in no way equitable for these issues. My son, Sebastian, killed by the KKK, pretty sure. Judge Mary Wyatt separated him from me for no reason. I didn't speak to him for a year, and when I saw him, he was dead. Anthony Johnson, Lake Oswego, rented from me and my shelter in Lake Oswego, and he was taken to the hospital, and dead two days later. He was wearing diapers when he came to me about 40 years old, bleeding from his rectum, and having a best friend named attorney tom green from Salem. So, these things are unheard of, and they've got to stop.

And so what happens, Commissioner Fish and the rest of you, when these kinds of injustices continue, then we have ecological judgment. So god is with us, he loves us, he loves you all, he loves us. He's a good god. He's not warring, he's not ISIS, etc. And so what -- let's see -- wildlife refuge, I want to get the justice with this Judge Mary Wyatt, why she wouldn't allow me to speak to my son for a year and I saw him dead in Canby. Why was his body brought to Canby? [beeping] Former President George W. Bush --

Fish: Reverend, I --

Hepziban: One second -- former president George Bush made a statement about my daughter being accosted on his state of address. He said there is never another Bush to sit on any office in this nation. They are done. And that's Jeremiah 33:17. And I don't know why he's even allowed to make money in any campaign.

Fish: I have to ask you to stop. Commissioner Fritz?

Fritz: Reverend, thank you for bringing this to our attention. I am so sorry for your loss. Rachel Wiggins on the Mayor's staff is here. He's in charge of the police and public safety, so, if you could, follow up with her. You mentioned at the beginning there was something that you wanted my attention on, could you --

Hepziban: Ride to care. There is a lot going on with that that lends towards the aggressive and just a lot of unclear but intentional purposes of not getting people to the doctors, or aggravating them on the way or driving fast. I have a brain concussion, so if you remember the last time that I was here --

Fritz: Yeah, so, that is something that -- after you talked with Rachael and the Mayor's office staff, she can take you to Commissioner Novick's office. He's in charge of transportation and he's the one who could look into those concerns for you. Thank you very much for bringing them to our attention.

Fish: Thank you very much, ma'am.

Hepziban: It's "Reverend Margaret," not "ma'am."

Fish: Reverend Margaret. I apologize.

Hepziban: If you want to say, "Ambassador Margaret," you can. I am just telling you for -- I don't want to see blood and all these things happening, and earthquakes. Before the lord, before he cometh, he cometh to judge. He will judge his people in righteousness and with his truth. So, military CIA, NSA, they gotta stop.

Fish: Ambassador Margaret, thank you. We're now going to move to the consent agenda. Two items -- I have two items that have been pulled, 106, 107. Sue, any others?

Parsons: I do not have others.

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Fish: Hearing none, let's vote on the consent agenda.

Parsons: Commissioner Fish, we need four people present for consent, so we'll need to take each of them separately. But the 106, we needed to pull up for the time certain.

Fish: Without objection --

Fritz: Could we pull 109 because that's the only emergency? And then we could vote on consent.

Parsons: We need four present --

Fritz: Oh, for consent in general, even if they're not emergencies --

Fish: Colleagues, we'll hold the consent until --

Parsons: After the time certain.

Fish: After the time certain.

Parsons: Right. With the exception of number 106 -- the appointees are here.

Fish: We're going to here 106 right now ahead of the time certain. Would you please read that?

Item 106.

Fish: We have Mr. Pappas and Ms. Hunter with us. Welcome. Come forward, if you would. Thank you both for agreeing to serve on the Portland Commission on Disability, and it's the courtesy of the house to give our nominees a chance just to introduce themselves. So, Ms. Hunter, we'll start with you.

Becky Hunter: My name is Becky Hunter and it's an honor to be considered to participate in PCOD. I'm hoping with my background, to bring some level of sophistication to the commission in the advisory role to the Council.

Paul Pappas: My name is Paul Pappas. I live in the Southeast Portland neighborhood of Richmond. I have been in Portland five years. I'm a 20-year retired member of the naval services of the United States. And my primary motive is that we have a wonderful transportation system in Portland. I'm not knocking it. My primary motive for wanting to get more involved with the disabled community is transportation issue. And I hate to speak of this in the absence of Commissioner Novick, but we have a horrible sidewalk problem throughout the city of Portland. The bottleneck is over enforcement. We have a code that would work if it were enforced. And I'm trying to propose -- and I've talked to Becky about this and others -- I've been talking to people about this over two years. People are getting tired of hearing me, so that's why I applied for the commission, whereby the numbers of the community of disabled people -- especially mobility issues -- can help the city. There has to be a way that we can help the city do its job. That's what I want to do.

Fish: Colleagues, questions or comments? Can I have a motion to accept the report?

Fritz: So moved.

Saltzman: Second.

Fish: Sue, please call the roll.

Item 106 Roll.

Fritz: The Portland Commission on Disability has become renowned as one of our great advocacy commissions, but also giving us advice. I know if Commissioner Novick were here, he would acknowledge the work done during the transportation for-hire discussions. And now that Nickole Cheron -- who was the original founder of the commission -- is going to be returning to staff in the Office of Equity and Human Rights, I know that you are going to do greater things. So, it's gonna be a lot of work. I really appreciate your willingness to serve the citizens of Portland in this capacity. Aye.

Fish: This is a very important assignment and in the past year, we've made progress on many fronts, including most recently, thanks to Commissioner Fritz, we moved to accept a standard on clothed captioning, which leads the nation. So, this is an assignment where

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your work is going to translate into real change in our community. Thank you both for your service. Aye.

Saltzman: Thank you very much for your willingness to serve. Aye.

Fish: Welcome. I guess you're going to go down now and be sworn in.

Hunter: Yes, thanks so much.

Fish: We'll move to the time certain, and we are joined today by some extraordinarily talented young people from our community we're going to hear from. Sue, would you please read the time certain 103.

Item 103.

Fish: With that, Briggy, would you please come forward with our special guests, and I'll make some introductory comments. Colleagues, the next item combines three of my passions: public art, STEAM education, and the Bull Run watershed.

Portlanders know that our water is special and it inspires a sense of pride. When I travel to other cities and turn on the tap, I know how lucky we are to have access to clean, safe, and reliable drinking water. And when you visit the source, the Bull Run watershed, you feel a very special connection to our drinking water.

Last fall, the Water Bureau invited fourth graders from Boise-Eliot/Humboldt School to the Bull Run for a tour that focused on their senses. When they returned to their classroom, they captured their impressions in art. The art is now on display here in City Hall atrium, and I encourage each of you to visit the exhibit today or any time this month. I visited it recently, and I have to say, congratulations to all the artists who shared their wonderfully creative work with us.

In essence, these students that are joining us today are Bull Run watershed ambassadors. Their art brings their experiences from inside the watershed back to their school, to their families, to their community, and ultimately to each of us. To tell us more about the exhibit, I would like to welcome some special guests. The Water Bureau's own Briggy Thomas, a 2013 Spirit of Portland winner. Kendra Yao, a fourth grader at Boise-Eliot/Humboldt School -- excuse me, Kendra's teacher. A very mature Kendra, I might add. [laughter] Kendra's an inspired, hard-working and dedicated teacher at Boise-Eliot/Humboldt School, and we're joined by dozens of our Bull Run watershed ambassadors. Welcome to all the young people. Briggy, take it away.

Briggy Thomas, Portland Water Bureau: Thank you, Commissioner Fish, and the rest of the City Council for giving us the opportunity to address you today. Is this too feedback-y?

Fish: Yeah.

Thomas: OK. If I stand up?

Fish: We have some technology issues. I think it would be better to use the other one. It just slides down, Briggy. You don't have to move. And we have a video running.

Thomas: Testing. OK, there we go. So, again, my name is Briggy Thomas --

Fish: Do you want the video running or not?

Thomas: Yeah --

Fish: OK. Sorry.

Thomas: It's just to give people a sense of what the kids did out on their trip to Bull Run.

I run the Water Bureau's education program, and in my job I have the privilege of taking thousands of people to visit the Bull Run watershed as part of the tour program. We bring between 1500 and 2000 students and members of the public to the Bull Run each year.

On the Bull Run tour, we teach visitors about water quality, engineering, history, forest ecology, stewardship, and more. By providing community members with an educational opportunity to visit these public resources that are otherwise closed to the public, we cultivate a citizenry that is better informed about their drinking water system.

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With this increased awareness, we promote trust in the management of these public resources and maintain support for the closed watershed that protects our drinking water.

But a key ingredient that makes meeting these goals possible is that these visits to Bull Run are memorable. A visitor might remember smelling the fresh, cool air in the old growth forest or marveling at the beauty of the lake or river or feeling the satisfaction of testing the turbidity of the reservoir water all by herself, or experiencing shaky legs from the thrill of walking down 250 stairs on the face of a concrete dam. We count on these sensory experience says to carry visitors' memories with them for years to come. So, we thought, why not do a tour with students that would focus specifically on capturing those sensory experiences through art?

When we began designing the project, we approached a natural partner. Boise-Eliot/Humboldt Pre-K8 is a STEAM school in North Portland. STEAM means there is a STEM focus at the school, which is an acronym for science, technology, engineering, and math. But adding the A to STEM to make STEAM means that they also prioritize a more right-brained topic, art. This made Boise-Eliot/Humboldt the perfect fit for a project that is typically a science and engineering-focused field trip so it would draw out and highlight the senses and capture students' impressions through art.

We provided STEM-related activities for the students at their school prior to the field trip, and then designed a unique tour that would allow the fourth graders to experience the watershed through their five senses: sight, smell, sound, touch, and yes, even taste. Students took a silent walk through the forest. They made audio recordings inside the dam. They practiced something called photo yoga. They tasted oxalis, an edible plant. Then, they returned to their classrooms and displayed the work here in the atrium at City Hall. I think you will agree the students have beautifully communicated their experiences through very artistic images and really thoughtful words.

We're so grateful for this partnership with Boise-Eliot/Humboldt school. Many thanks to the classroom teachers, art teachers, STEM coordinators, and community partners who were directly involved. They were a pleasure to work with. I'd like the teachers, Bridget Smith, Aimee Havens, Jenny Gonzales, and Kendra Yao to please stand up.

Fish: Let's suspend the rules and give them a round of applause. [applause]

Thomas: And thank you to the Water Bureau team who worked hard to make things happen on our end. And a very special thank you to all of the fourth graders for all the effort and care that they put into translating their Bull Run impressions for all of us to enjoy. I'm pleased to pass the mic to one of our partners, Boise-Eliot/ Humboldt's K-5 art teacher, Kendra Yao.

Fish: Welcome.

Kendra Yao: Hello, I'm Kendra Yao, a K-5 visual art teacher at Boise-Eliot/Humboldt school. This partnership with the Portland Water Bureau has added value to our curriculum by focusing our collaborative efforts into an immersive, important, and local experience. We're a very diverse community in the rapidly-changing Boise neighborhood of North Portland. Our teaching practice is centered on a framework of rigor, relevance, and relationships, and I'm very proud of our ongoing equity work and how it merges with our focus as a STEAM school.

Our students, like all young people, are extraordinarily curious. They want to try things that adults would normally do, and have authentic responsibilities and see what it feels like to make something that's important for their community. As an art teacher, my first impression of the watershed was its stark contrast with our reality in a bustling pre-K8 building. The temperature was cooler, sounds were a bit muffled and also sharpened. I knew that the sheer immensity of the reservoir and the quiet calm of the forest, and even

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the dark isolation inside the dam would be inspiring. And I also knew that our focused looking and sensing would enrich the experience for the students.

I knew that it could bring us closer to national art standards that address essential questions. How does making art attune people to their surroundings? How do people contribute to awareness and understanding of their lives and the lives of their community through art-making? Becoming photographers on this trip, students were challenged to literally see a place from a new perspective. They were not allowed to take the typical snapshots and selfies but instead, they had to capture a slug's eye view, a bear's eye view, or even a clump of moss' eye view in the watershed forest. They were challenged to hunt for light, moisture, and texture. Most of our awesome camera habits were developed with guidance from our professional artist friend, Julie Keefe, and my colleague, Nicole Penoncello, went often along on one of the classes' visits.

Fish: I should also note that Julie Keefe, in addition to being an award-winning photographer, is the city's arts laureate. So the young people got to hang with a very important person.

Yao: That is true. When we returned to the classroom, I worked with students to create abstract watercolors from our knowledge of how water behaves, and then for two classes, we tried reflective landscape paintings based on our memory and imagination of Bull Run at other times of day and year. And all students eventually were forced to select their one single favorite piece of photo documentation from their visit, and they were most proud of these images.

And finally today, what we're about to experience as our exhibition opens in the atrium is the ultimate experience for them. What I hope for my amazing fourth graders in this room with me is that you can see how our dots are connected. That what happens on our field trips and in our classrooms so clearly connects to our community and to stewardship of our land and resources. This moment is for you to educate your families and even complete strangers with what you communicated through art, documentation, and reflection. You go to see how your work will resonate through others' eyes, and that you will always have this ability as you continue through to college and your careers.

On behalf of the teachers and the students, we would like to thank the Portland Water Bureau for this partnership, and Commissioner Nick Fish, Mayor Charlie Hales and the entire Portland City Council for the opportunity to share our students' work. We hope that you will visit our students' art exhibit in the City Hall atrium. And now, we'd like to have four of our students share in their own voice a little about their experience.

Fish: Sue, could we switch off the video?

Parsons: Absolutely.

Fish: And are you going to introduce them? Are they going to introduce themselves?

******:** They are going to introduce themselves.

Fish: Young people, come forward. Welcome. We are honored to have you here today. Who wants to start? All you have to do is give us your name and speak into the mic, and you are among friends.

Maylyn Govea: Hello, my name is Maylyn, and this is my speech. When I went to Bull Run, I felt like I was a part of the special group or I was an important person. I love Bull Run because even though people do work there, it's not overrun by machines and other things like that. It still has its main wildlife.

My personal favorite part of Bull Run was going inside the dam. It was dark, but amazing to go through the dam, even if there was not much to see. It was like a sewer. We weren't allowed to take pictures, so we recorded our voices. I remember hearing water drippings, so me and my teacher recorded it with the voice recorder. We got to go into a forest with our shoes off. You might think the floor was rough, but it was actually very

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smooth. I felt like I was special because I was one of the persons that got to go to Bull Run.

Fish: Thank you very much. Welcome.

Mia Rhodes: My name is Mia, and today, I will be talking about my experience at Bull Run watershed. It was a long bus ride, but it was worth it. It was quiet, the air was cold and refreshing. It was like a walk on the beach. It was a huge honor to be trusted around our drinking water. My favorite part was when we took pictures. We took pictures of moss, trees, plants, and all that kind of stuff. I really enjoyed Bull Run. It was so peaceful. I was really scared when we had to walk down all those steps. We got to walk with our shoes and socks off. It felt mushy and moist, and nothing harmful was on the ground. It was soft, although your feet did get a little dirty. We got to eat a plant called oxalis. It was sort of tangy. I liked that. That was my awesome trip at Bull Run watershed.

Fish: Thank you very much. Young man, welcome.

Zamani Harris-Muldrew: My name is Zamani. When we went to the Bull Run watershed, I was very happy and excited. When we got there, it was really hot. We ate lunch on the deck, and the scenery there was wonderful. There were trees all around the dam, and a huge lake of water separating it all. We walked down 250 flights of stairs. I was really scared I was going to fall. And then when one of the teachers dropped their phone and climbed down, it really worried me. [laughter] After we got back up, a lot of us were really tired and our feet were burning. And luckily, after that was when we took our shoes and socks off and we walked through this path, and there was a tree with a lot of holes in it that we were wondering about. It was really confusing, so we decided to study it. Some of us took pictures and some of us did not. And then we went down -- once we got to the end of the path, we got to this little hut thing that we went inside and we saw a tree that looked like it was burned hundreds of years ago. It was all black and there was only a stump left. Afterwards, we were done with that. We went back to the path and started taking pictures. There was this humongous tree branch about the size of this table -- humongous around -- with holes all in it, and it looks like it had some design through it with white paint.

Fish: Nicely down. Thank you very much. Briggy, slide the thing down, if you would. It moves. Welcome.

Marshaun Lambert: Hi, my name is Marshaun. My impression of Bull Run watershed was "wow" because it was so big. When we got down there, to see it, I captured it in my artwork was that it reminded me about [inaudible]. We always go fishing because I love fish. The reason it reminded me of that is because we walked up and down all of those stairs to the dam and we saw the different types of water on both sides of the dam. One thing that I forgot to add was the scenery because it was so beautiful that I just wanted to stay there. It took my breath away.

Fish: What a great job. Let's give them a round of applause. [applause] Before they go, Briggy, I wanted to say first, you guys did a terrific job. And we have a lot of people who testify before us -- and Commissioners, I don't remember the last time that we had young people who were such great ambassadors before the Council, and on TV, in front of all these people. You guys were great.

Two things that I want to share with you. The Bull Run when at capacity has 19 billion gallons of water. It's the largest water supply in the state. We can use about 11 billion of those gallons. That's drinking water. But the other thing that you probably learned on your trip is that we're the only system in America that delivers the water unfiltered. So we don't filter that water, and that's why every once in a while we turn on the tap and the water might have -- might be a little -- have a little color in it. That actually might be some of those leaves that you saw that were on the lake that then colored the water. We're so

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proud of you for taking time out to go and explore the Bull Run, and I'll see if my colleagues want to say anything.

Fritz: Thank you, President Fish. So, I had heard that the students at Boise-Eliot/Humboldt are amongst the best in the city, and I can see why. Is that true? [cheers] Absolutely. You are not only good speakers, you are good readers and you are good listeners, and your teachers and parents must be very proud of you.

Twenty-two years ago, my oldest son was in fourth grade, and I worked with staff and the Bureau of Environmental Services and got a grant and we were able to take the Bull Run tour. I want to thank Ivy Francis and Patrice Mango and Lynn Van Der Kamp, and I've never forgotten those people who helped us set that up.

For me, it's a once in a lifetime experience. It's not a tourist thing where you get to go to Cannon Beach every time you are able to so. It's a very special thing. We cannot have a whole lot of people going to the Bull Run, so you've had an experience that a lot of people in Portland will never have, and it's really special. I've always remembered that. I want to thank Commissioner Randy Leonard, who was the champion for this program that Commissioner Fish has taken on.

I was particularly moved when you were talking about walking barefoot through the forest. It reminds me that people have lived in this area since time immemorial. Native peoples were here walking through the forests and taking care of them before Portland was Portland, Stumptown was Stumptown. And so, you've had an experience that goes back generations or even thousands of years of walking through that very special place. And I hope that you will also remember it for the rest of your life.

That son in fourth grade 22 years ago is now a social studies teacher at Westview High School in Beaverton, and so I hope that some of you go on to be teachers, to do great things, and maybe even to be elected officials who might be choosing to fund programs like this. Because it does take money to hire the bus, to provide the staff, and that's the taxpayers, the ratepayers of Portland investing in you because you are worth it and you are our future, and we are so looking forward to seeing what you do with all these experiences that you had in the Bull Run. Thank you very much for coming to share and thank you, Commissioner Fish.

Fish: Thank you. Now we'll hear from the only engineer -- professional engineer on the Council, Dan Saltzman. Dan?

Saltzman: I have to correct -- I'm not a professional engineer, I'm trained as an engineer. Thank you very much. All your vivid memories of your trip to Bull Run remind me that I toured Bull Run before you were all born, you know, about 15 years ago. And it just reminds me that I want to go back and cherish the things you saw. I didn't get a chance to walk barefoot in the forest -- [laughter] -- so I want to go back and relive all the vivid memories you brought to us today. So, thank you for that, and I look forward to seeing your art downstairs.

Fish: Briggy, before we wrap up -- the teachers and we have some parents and the young people and an esteemed program. Let me share a secret. We got a briefing last year that this that a lot of people working for the City of Portland are going to retire in the next 10 years. And we have people in very important positions at the Water Bureau and Bureau of Environmental services who are going to be retiring. That means that as these young people finish up high school and get ready to go to college, we'll be looking for the next generation of leaders at the City in good jobs that require a background in exactly the skill set that you are learning in school right now. So, for those of you who took the tour and are thinking maybe someday you might want to work for the City at the Water Bureau, the Bureau of Environmental Services, start thinking about maybe an internship in high school. And remember, by staying in school and doing well and learning these skills, you will have

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the potential someday of possibly working for the City and maybe you'll be taking people on one of these tours. So, keep that in mind. Briggy, do you want to wrap us up?

Thomas: Great. We would like to invite Council to join us on the third floor in front of the mural for a quick photograph with the fourth grade students, if you're able. And then we invite everyone to meet us for a reception in the City Hall atrium to meet the artists and see their work. Thank you very much.

Fish: Without objection, the Council will take a five-minute recess.

At 10:20, Council recessed.

At 10:40, Council reconvened.

Fish: Without objection, we're going to take things out of order. I think Katherine Wilson is here. Sue, will you read 101.

Item 101.

Fish: Ms. Wilson, come on up. Sorry you got stuck apparently on I-5. And we do have your handout. All we need is your name, and you have three minutes.

Katherine Wilson: OK. I want to thank you for letting me do this. If I'm talking too loud, let me know. I can't hear anything, I have a head cold from Grimm.

My name is Katherine Wilson, and I wanted to say hello to Council and I want to thank you for hearing me speak. I am a sixth generation Oregonian who worked in Oregon film for 47 years. My husband and I -- he's on Grimm -- have commuted to Portland for 42 years and have worked on every major motion picture and television show and series shot here since then -- about 50 of them.

You can imagine how much change we have seen in Portland since the early 1970s, especially looking through camera lens as a location scout or trying to get films here. Every time a period era of neighborhood gets gentrified, we feel like lost a location, possibly a film, and jobs. But there is a solution. The solution to this is a film studio. And many people have tried to create one here because our industry really needs it.

I've tried for a year now to save Terminal 1 for this reason, and was told by an office that they liked the plan but it wouldn't fly with the state regarding this zoning only then to be told by a state representative that that was not true and to talk to a specific someone else on this Council, who did not return my inquiries. I know that you are busy people. You work so hard. But perhaps it can still be saved and you can save it -- Terminal 1 -- because it fits in well with goal one of your plan.

In all fairness, part of the problem in my original proposal was having a film academy teaching young people the industry in an HI overlay studio zone, so I've now prioritized the plans to be solely for an industrial studio as we continue to mentor young people elsewhere and on location to meet most or all of goal one's criteria. So please, as an Oregon pioneer film-maker and in the name of my ancestors, I beseech you to look seven generations into the future regarding Terminal 1 -- inarguably, the last great place for a film studio in Portland.

I beseech you to put the land in a land bank and river bank for future generations, and stop the sale of it in March for the following reasons. A, it is on the river and being sold to the highest bidder, which we all know will be problematic in the long run. Two, it's 400 feet from a new residential development and it's at the NW 23rd film-makers beloved quadrant -- the restaurants and everything. A film studio is industrial but also transitional, as opposed to a fracking gas shipping port, for example. C, it is perfect as is for a film studio, and its old growth building is irreplaceable. You know better than I do the huge amount of rent money films can pay to rent the other buildings in the town you own. They would pay more for this one because it would save them hours of labor and gas costs and

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the environment to have everything in one place, including boats. And last but not least, the beauty of Terminal 1 is it has incredible light exposure and it is possible to shoot period films without overhead wires. We can also save valuable city structures from demolition by moving them onto the site to create a backlot village and also take advantage of the breath-taking river view of Portland's incredible bridges. We can create much-needed setup for our widespread film.

Fish: I'm going to have to ask you to close. First, thank you very much for coming. Two, I apologize if you have not received a response to your inquiries. Since the property falls within the Bureau of Environmental Services portfolio and since it is currently being marketed as surplus property and it's also in an industrial overlay -- so there's some complications -- what I will commit to you is we will give you a response to your proposal.

I personally, as someone who was at the Grimm celebration of the 100th episode, I hear you loud and clear about the value of having a sound studio. There are some land use and legal reasons as to why this may not work, but I don't want to prejudge it. I want to get you a thoughtful response. And for those who don't know the location that Ms. Wilson is revering to, it's the temporary home now of TrackTown, and it's where the track -- which is going to be moved to the Convention Center for the big event in March or April -- is currently housed. It is a magnificent structure, and it is something like 16 acres of prime industrial land. We'll take a look at your proposal and get your response. And again, I apologize if you have felt that we have not been responsive. Commissioner Fritz?

Fritz: Ms. Wilson, thank you for taking the time to get here from Eugene and to give your proposal. I want to have a public service announcement. If you are not sure which Commissioner or City bureau is responsible for a particular question or a comment or a request, you can always email CityInfo@portlandoregon.gov or call 503-823-4000. That's the information and referral service in the Office of Neighborhood Involvement. They are absolutely fantastic at finding the right office to take care of things. So, if you don't get a response from a Commissioner's office or even before that, email CityInfo@portlandoregon.gov and they will find you the right person. I'm glad you came here today. Thank you.

Fish: Thanks for coming. Sue, we have two time certain remaining. We are a little behind schedule. Let's start with item 104.

Item 104.

Fish: Welcome. Who wants to kick this off?

Jen Clodius, Office of Management and Finance: I will, and I'm sorry that we're not as cute as fourth graders but we do have information for you.

Fritz: [laughs] It's a hard act to follow.

Clodius: Good morning. I'm Jen Clodius. I am a senior management analyst with the Office of Management and Finance, and I'm staff support for the Technology Oversight Committee. With me are Jeff Baer, the Director of the Bureau of Technology Services; and Ken Neubauer, Commissioner Fish's representative to the TOC. We are here to present the report for the TOC's quarter from October to December 2015.

Fish: Move the mic a little closer, if you would. It slides. Just want to make sure we can all hear you.

Clodius: Sure. This is the quarterly report from October through December 2015. As you know, you each have appointed a member to the TOC. The other members are Josh Mitchell, Wilfred Pinfold, Dyanna Garcia, and Colleen Gadbois. We're going to project the dashboards that you have in front of you. Each dashboard contains information from the project management staff and for the quality assurance contractors and from the TOC. Please note that the TOC did not meet in December, so the dashboards you see are as of

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the November meeting. However, Jeff is going to give you the update through January so that you will have the current information. Jeff?

Jeff Baer, Director, Bureau of Technology Services: Thank you. Thank you, Jen. Commissioner Fish, members of the City Council, Jeff Baer with the Bureau of Technology Services. I want to provide a few brief comments on several updates to the report that you have in front of you which covers that 90-day period from October through December. Let's see which one --

Clodius: ITAP is up first.

Baer: ITAP, OK. So I will follow it in the same order as the report. I want to give a brief summary of some of the activity that happened on ITAP specifically. And even though you will see these are still in red with the scope, schedule, and budget, there does continue to be a lot of activity and progress being made through this frontal, and it's moved past the demonstration phase, which was to pursue -- and we are in this process of pursuing another review period over the next three to five months to really monitor and engage the vendor's ability to manage the various work streams going forward. And I think that this is one of the more critical periods of time that we're going to be pursuing to really determine the project level of work that can occur and can be sustained over a much longer period of time and will come to a decision point at the close of that demonstration period. And I know that Paul Scarlett from the Bureau of Development Services and his team are here, and I know they'll provide a lot more detail about the current progress being made, so I will reserve comments for that on the ITAP. I will turn it over to Ken Neubauer.

Ken Neubauer: Thank you Jeff. Hello Commissioners, my name is Ken Neubauer and I'm here to present the Technology Oversight Committee's quarterly report from October to December.

The first project is the Information Technology Advancement Project, also known as ITAP. This project develops a paperless permit and case management process that allows complete online access to the permitting and case review services. Some of the project's deliverables include digitizing and online access of historical permits and property information, implementation of updated permit and case review information management system, online case and permit applications, and review services, mobile online access for field staff, and implementation of an automated queuing system.

From a status perspective, the TOC continues to have concerns around all aspects of the project -- duration, budget, scope, and overall performance. Some of the accomplishments of this particular quarter was the project team continues to work on amending the contracts to remedy contract gaps, and re-baseline the project. At the 60-day period of the 90-day phase, the land use two modules is on schedule, but other modules are slipping. Some of the upcoming milestones for the next quarter are we're re-baselining the project and pursuing a big bang full-scope delivery with a not-to-exceed date of 2018.

Again, risk, concerns, and comments from the TOC. As I noted earlier, the TOC continues to be concerned about all aspects of the project. As you can see from our dashboard, every component of this project is red and we did not see any change in sight. Jeff, do you want to --?

Baer: No further comments.

Neubauer: The next project is the lien accounting system. The lien accounting system records and manages assessments and liens for the City as required by City Charter and Oregon state law. The application was written in old programming language and was the last remaining application on the mainframe, which was scheduled to be commissioned by July 1, 2015. Because of the tight timeline and resource constraints, the decision was

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made to rewrite the existing application using a more modern programming language and transferring it to the Microsoft Windows platform.

The status of this project is it is complete. The accomplishments for the quarter were the application was launched, the transitioned from project to management and operations. There are no upcoming milestones. And under the risk, comments, and concerns, the project was several months late and over-budget, and it has completed, and the mainframe has been decommissioned. Major accomplishment.

Baer: I would add one note about following Ken's comment that we did go live in October and all systems were cut over. It is operating as we intended it to be. And as Ken noted, we have decommissioned the mainframe and moved it off the data center, so it's actually off the premise.

Neubauer: Thank you, Jeff. The next project is the payment card industry, PCI, payment gateway project. The description of the project is that the City is required to meet the payment card industry and data security standards as part of the merchant service contract, which is required by card networks Visa, MasterCard, American Express, Discovery, and so on. At the time, the City did not meet those standards and was required to remediate the card processing environment or adopt other means of processing card payments to enable the City to be compliant by December 31st of 2015.

At the time this quarterly report was inked, the TOC had minor concerns about the project's deadline. However, we saw significant progress which enabled us to be encouraged. Accomplishments of that quarter were the gateway was 98 percent complete by mid-November. Elavon pin pad solution was deployed, and Treasury and Elavon were providing training. The upcoming milestones were to complete the policy and procedures, documentation, and complete the project. Under risk and concerns, the TOC saw a high level of commitment at all levels to mitigate issues and to complete the project on the target date.

Baer: Great. I want to provide a couple more updates on that. As of today, all PCI card holder data has been removed from the networks and systems, and the payment gateway migration has been completed and all the remaining transactions have been encrypted. So, it's our opinion that as of the end of December, on December 31st, the City is in a PCI compliant status. And we are simply waiting the attestation from the external auditor reports to confirm our compliant status. I will say that on January 15th, we did receive the attestation of compliance for the Parks Bureau.

Fish: I'm going to hold -- do you want us to hold comments until you've gone through the report? Is that easier? Let's do that. Let's work through the report and then we'll have comments.

*****: Congratulations, Jeff.

Neubauer: The next and the last project is the computer-aided dispatch VCAD hardware refresh. The VAD system is operated by the City of Portland's Bureau of Emergency Communications, BOEC, and used by public safety agencies throughout Multnomah County to connect the community and emergency services responders. It's past due for a lifecycle replacement of the system's underlying hardware. The VCAD hardware refresh project updates the system's hardware environment in a manner that meets BOEC business requirements, BTS support requirements, and aligns with the vendor's recommended technical specifications.

In this quarter, the TOC accepted this project for oversight. Their major accomplishments were the in our initial report, and the technical teams are working with the vendor to prepare the new VCAD development environment. Upcoming milestones for the next quarter were to install and configure the environment. Under risk and concerns,

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while the schedule is short, the TOC believes there is little risk even if there is some slippage for this particular project.

Baer: And a couple of updates on the VCAD hardware refresh is that some of the major developments for this past quarter have occurred and the development environment has been completed, tested, and approved, and signed off by the City, and we are pursuing developing the production environment along with the training development environment, and also the disaster recovery so that when we cut over, we have a fail-over system in place for those critical public safety systems.

Neubauer: That's all.

Fish: Thank you very much. I think we're going to have a few questions, and then we'll have more to follow. If I could just take a moment to address the PCI payment gateway. First of all, I have firsthand experience as to what a tremendous achievement this was. And since there were a handful of bureaus that created more challenges than others, I just want to thank you for tremendous work. And it was also a challenge to do communications with the public because this is -- we were required to meet an industry standard even though there was no existing threat to the data, and that was a hard message to get out to the public that there was no clear and present danger but there was a new standard we had to meet, and therefore, we had to make these changes.

One casualty of the process was we had to discontinue auto pay until this was complete. Do you have a sense, Jeff, as to when we might be able to -- let's say at the Water Bureau -- offer our customers auto pay again?

Baer: We're still working through that process. I know that one of the systems that we're looking at implementing is this software called Invoice Cloud for bill presentment and payment. So, we're still working through that process. I don't have a defined date. I can get you something to use specifically on that once we get a little bit closer.

Fish: Well, turns out we had like 40,000 customers who used auto pay. We probably heard from just about all of them. We are very eager to migrate them back to auto pay because it is a convenience our customers like. Congratulations, though, for successfully completing the underlying task, and we look forward to working with you to get auto pay back up and running. Colleagues?

Saltzman: Thank you as always for your good work.

Fish: You have other people here?

Clodius: There are folks here to talk about ITAP if you have questions.

Fish: I don't hear any. Let's see if there is anyone here to testify. Sue?

Parsons: Charles Johnson signed up to testify.

Fish: Mr. Johnson, the floor is yours.

Charles Johnson: Good morning, Commissioners. It was interesting to hear this presentation in this latest version without so much agony over the permitting ITAP problem, although I do think it would be good just to hear -- to have read out some of the total expenditures and some of the exact number of months or years we are behind on that project. Of more interest to me is the hardware changes for the 9-1-1 center and seeing if there's any way that can be accelerated and partnered with the recently reviewed plan to give us 9-1-1 by text and talk about why we think that we can track that program, text 9-1-1, more quickly than this complete hardware update. Thank you.

Fish: Thanks very much. Anyone else like to be heard on this report? Hearing none. Can I get a motion to accept the report?

Fritz: So moved.

Saltzman: Second.

Fish: Sue, would you please call the roll?

Item 104 Roll.

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Fritz: Thank you for this report and for the independent oversight. Thank you for staff in Development Services. Commissioner Saltzman, I know that you are continuing to diligently work on the challenges of the ITAP project. It's very interesting to me to see hardware update for the VCAD computer aided dispatch system -- which, of course, I saw the complete renewal of that system when I was in charge of Emergency Communications. Sure enough, it turns out it is in fact four years later, and many of us have updated our own computers in the last four years. The technology just continues to change.

I know if Commissioner Novick were here, he would thank Lisa Turley and her team in BOEC for their diligence in making sure the emergency system in Portland -- and indeed, for the entire Multnomah County -- continues to serve the needs of our citizens. I particularly want to thank the staff in Parks and in the Office of Neighborhood Involvement involved in taking in money for permits and other things. I know that there's been an entire City team working on the payment card industry standards, and as well as the people in the Office of Management and Finance, and so congratulations, everybody, for a non-story -- that in fact, we did it very well and we got it done on time. Thanks to all. Aye.

Fish: I was very proud to partner with Dan a number of years ago in creating the Technology Oversight Committee, and this -- as Commissioner Fritz reminded us recently when we were discussing oversight of the Portland Building -- this has become the model for engaging community members -- I almost said citizens -- engaging community members with particular expertise in helping us do oversight. This I think has become the model. In fact, it's such a good model that I recently admonished another group and asked them if they would use the color-coding because the color-coding makes it easier to follow this. Thank you for your good work.

And just to put a human face on this -- again, the Water Bureau reaches a lot of people through their systems. We were heavily impacted by the technology protocols. We are urging as many customers as possible to move to monthly billing, and I hope everyone here who has not already signed up for monthly billing does so. And let me put it this way. I was able to sign up for monthly billing, and if I can do it, I really believe anyone can do it. And the beauty of monthly billing is instead of getting a bill every three months and experiencing sticker shock, you pay your utility bill the way that you pay all your other utility bills on a monthly basis and you track usage. But there's been some changes in how you enter information.

The amazing thing is after all this technology upgrade and compliance work, our system is now easier to navigate. I can't say that always happens when we have these dicey technology issues. In fact, I think it's become easier and more intuitive. So, thank you for that on behalf of all the Water Bureau customers. Thank you to Ken Neubauer, who is an expert in technology issues working at the Standard, and thanks to all the other citizen committee members for their time and commitment to this process. Aye.

Saltzman: I want to add my thanks to the committee members. We do very much appreciate your work, even when it's incisive and painful sometimes to hear. But that's what you are there for and that's what we're here to hear, so thank you very much. Aye.

Fish: Thank you all. I'm pleased to announce we're only five minutes -- actually, yeah, we're only 10 minutes behind the next time certain. If Commissioner Fritz was chairing this meeting, we would be exactly on time. Sue, would you please read time certain 105.

Item 105.

Fish: Commissioner Amanda Fritz.

Fritz: Thank you, President Fish. Good morning, everybody, thank you for joining us. Just three years ago, City Council was asked to accept a memorandum of understanding between Portland Parks and Recreation and Verde. That executed agreement and the partnership it defines promises to transform a once parks-deficient area through significant

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investment. We are excited that 407 households without current access to a park or natural area will have access to Thomas Cully Park once it opens. Of course, we haven't yet determined it's actually going to be named Thomas Cully Park. There will be a naming process, but it's a very good working name and it might well end up being the name.

This award recognizes the crucial role that our partnership with Verde has played in leveraging public dollars with private investment and community building, all of which are essential in moving this project forward. I am introducing this amendment which -- an amendment to the ordinance which eliminates the language in two places, which was a remnant from a 2014 ordinance. Do we have that substitute already distributed on the Tuesday memo? Yeah, I believe it was --

Fish: I believe it's a technical amendment, not a substantive change. Is there a second?

Saltzman: Second.

Fish: Sue, please call the roll.

Roll on amendment.

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

Fritz: Thank you. As Commissioner Fish said, there's no substantive change in the ordinance. And we are hearing this as an emergency ordinance. We can't vote on it today because of the absence of two colleagues, but we'll vote on it as soon as we get four members of the Council, and I know that others will be watching so they can vote.

So, welcome, Portland Parks and Recreation's Deputy Director Warren Jimenez, Verde's Executive Director Alan Hipólito, Grace Stratton from Commissioner Wyden's office, and -- I'm going to get this -- Jagjit Nagra. And you and I met at the wonderful Muslim Educational Trust event, and you're from Senator Merkley's office. Thank you very much for joining us, all of you. Warren?

Warren Jimenez, Portland Parks and Recreation: Thank you, Commissioner. I'm Warren Jimenez, Deputy Director of Parks, and it's a pleasure being here today. I think it's appropriate that two former Parks Commissioners and our current Parks Commissioner is here on this item. I believe each of you played a role in this project from acquisition to someday opening this park, and so it's exciting to be here to talk about this partnership in front of you.

Just to give you a quick reminder on the project ahead of us -- and a lot of work has gone into making this park project a reality -- this really shows the strength of partnership and an excellent demonstration about the community coming together on this. At your direction, we built this partnership together. Verde is continuing to leverage and be a really critical community partner in this in going out playing the role of the fundraiser to organizer to being the project designer, and construction.

In 2012 -- like you mentioned before, Commissioner -- Council brought forward the partnership between Parks and Verde, and that agreement established the project scope and then the shared responsibility of how we work together to making this project a reality. In fact, Verde is bringing together the strength of the community through more than 20 community groups that are working together to actively participate in the park design, and that process is ongoing.

If you recall, part of the Parks' Vision 2020 establishes that a significant amount of investment was needed to bring equitable access to Northeast Portland. Our work with this park will provide access to an additional over-400 households in the Cully neighborhood, continuing to close those gaps in our system that is much-needed for access for the community.

Through this partnership and agreement between Parks and Verde, Verde set some ambitious goals for targeting business participation in project design and construction. Because of this partnership, Thomas Cully Park will be designed by the community, built

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by the community, and enjoyed by the community for generations to come. And I'd like to turn it over to Alan.

Alan Hipólito: Thank you. Thank you very much for having us here today. As Rey España would say, it's a blessing to be with you. There are many things to celebrate about this project today: community involvement, youth education, economic opportunity, and of course, environmental good.

On the subject of the moment, I'm very happy to share with you that Verde and our partners have secured over six million to-date from cash and in-kind sources, raising nearly two million a year with support from public foundation and for-profit sources. System development charge funding announced by Commissioner Fritz in February of '14 has had a major impact on the project and is the largest award made to Cully Park by any funder.

The State of Oregon, who has also made a different award to the project, with the involvement of City and Verde, submitted an application to the National Park Service. We were successful, securing \$500,000 from that source, one of only two grantees nationally to receive the maximum award. And so we are here today to ask Council to formally accept that grant award so that we can leverage these funds towards several park features.

We're also very excited and I do want to share with you our excitement of our expanded work with the Portland Parks Foundation, which has selected Cully Park as one of its two priority projects for its major donor campaign.

Lastly and importantly, upcoming we believe we have a real opportunity in front of us to secure significant and discretionary public investments to complete the fundraising and we look forward to working arm-in-arm with our partners at Parks to secure these from local, regional, and state sources. Thank you very much for this opportunity today.

Fritz: If I could just have you switch because I don't think we have any more slides. Thank you.

Grace Stratton: Good morning, Commissioners. My name is Grace Stratton, I'm a field representative for U.S. Senator Ron Wyden. Senator Wyden could not be here today, but I am here on his behalf to express his support for Thomas Cully Park project. I also want to note what pleasure it's been working with the City of Portland Parks and Recreation department as well as Verde and all other partners on the projects. Without further ado, I would like to read a letter from Senator Wyden.

Dear Mayor Hales and City Commissioners, while I could not be here with you today, I did not want to miss the opportunity to express my strong support for the Thomas Cully Park development. The new park will benefit the community and offer unique approaches to promoting neighborhood growth and sustainability. I was proud to support the City of Portland's application for the land water conservation fund grant through the National Park Service and was thrilled when they received it last spring.

Cully Park not only provides better access to natural recreational areas in a neighborhood that has none, it also creates living-wage jobs and offers educational opportunities for families and children. For Oregonians, protecting and creating natural areas in our backyard is a priority, and the LWCF is a critical tool for providing access to such areas. That's why I continue to support the LWCF and ensure that access to recreation and national areas is expanded and protected.

I want to commend the City of Portland, Verde, and all of the partners who are helping this park become a reality. As you know, the grant process is highly competitive, and your success is a testament to this great partnership. Thank you again for the opportunity to share my support of Thomas Cully Park, and keep up the great work. Sincerely, Ron Wyden. Thank you.

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Fish: Grace, I wanted to note for the record, I think we were first introduced when you were Grace Neal, and you were a Rose Festival ambassador. Is that correct?

Stratton: Yes, that is true.

Fish: How long ago was that?

Stratton: I was a queen in 2006, and the name change is very recent. [laughs]

Fish: But you kept the Grace, which is very important to me because that was my grandmother's name.

Stratton: Thank you, Commissioner Fish. I appreciate that.

Fish: Welcome.

Jagjit Nagra: Good morning, Commissioners. Nice to see you again, Commissioner Fritz. Senator Merkley also couldn't be here with us, but he sends his regrets. For me as a congressional staffer, a number of items come across my desk, and it's so rewarding to see these properties actually come to fruition and it's been wonderful working with the City of Portland and the Parks department as well to ensure that this project is seen through completion. And so, without further ado --

Fritz: Could you put your name in the record and teach me how to say it again?

Nagra: Let me give you the two-step right now. "Jaahg-jeet." Two syllables, not too bad, you know. [laughs]

Fritz: Thank you very much. Really appreciate it.

Nagra: From Senator Merkley. Congratulations to the Cully community for being rewarded a National Park Service federal grant award. I was pleased to help support the Let Us Build Cully Park coalition that initiated the fundraising campaign as well as the work so many community partners are doing to revitalize the Cully neighborhood. This grant will support the longstanding needs of this neighborhood for community engagement, and will improve the quality of life for families as well as create a better future for the entire Northeast Portland community. The new gathering garden, playground, walking trail, overlooks, youth soccer field, and habitat restoration make this park a hub for the community. The community also has remained committed to supporting the local economy and has intentionally hired local workers to design and build the park. Congratulations again, and thank you for your tireless commitment to revive and maintain your community. As Portland's largest neighborhood, this grant is not only important to the Cully community, it's a significant award for our region. Best wishes as you move forward with this important project. All of my best, U.S. Senator Jeffrey A. Merkley.

Fish: Let's also acknowledge that Johnell Bell is here from the senator's office. Welcome.

Jimenez: And I'd also like to acknowledge Tara Sulzen is here from Representative Blumenauer's office, who is here today as well. So clearly, this is a demonstration of federal support, state support, and Verde has been front and center leading the charge and pulling together partnerships and has been a great partnership working together. I just want to thank Alan for all of the hard work that he's done. It takes a Parks team as well, and I know, Commissioner, you're going to thank specifics there, too, but it's been a great partnership. We're here to answer any questions that you might have.

Fish: Colleagues? Just one comment as we celebrate this remarkable achievement. I learned just this week that we lost two trailer parks in Cully that were sold. And so, it's a constant struggle -- one step forward, one step backwards -- and I wish we had a more robust tool to preserve that particular class of affordable housing in our community, because in this current market, it's particularly vulnerable. We just don't have a great tool. But congratulations. And when you said that Verde in this application was one of only a handful accepted nationally, I guess my reaction was, why am I not surprised? Congratulations for your relentless pursuit of this goal. Dan?

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Saltzman: Yes, I just realized we are not voting today we usually speak when we vote, so I wanted to say, great work. Very impressive fundraising, Alan and Verde, and it's really nice to have some federal dollars. And thanks to our congressional delegation for bringing home the bacon. That's a big grant -- the maximum awarded. So, thank you very much. I'm sure there were some invisible hands behind the scenes in securing that grant for us. Thank you.

Fish: And thanks to the representatives of our two distinguished senators for taking time to join us. It means a lot to this Council for you to be here.

Fritz: A half a million dollars is a lot of money. The amount of money that Verde has already secured with many partners is hugely significant and it's a great testimony to this different way that we're doing this park. Thank you to Senator Merkley, Senator Wyden, and Representative Blumenauer, and particularly for you for taking the time to be here today. That's special for us. We have 30 other funders of the project, so, a great team, including Oregon Parks and Recreation department, Multnomah County, the Portland Bureau of Transportation, Meyer Memorial Trust, and the Collins Foundation. And I wanted to particularly thank not only Alan and his team, but also Shelly Hunter, Travis Ruybal, Warren Jimenez, and Pooja Bhatt in my office who's now our Parks liaison.

One of the reasons it's really great to be the Parks Commissioner despite some of our challenges that we wish we could do this -- the entire thing tomorrow, and wish we could do it all over the city and indeed, all over the region. All over the country, people need parks. It's a model for how to get things done but it's not easy and it's one step at a time. And this half a million dollars is a significant step. Thank you so much.

Fish: And Commissioner Fritz, thank you for championing parks equity on the eastside. This is another feather in your cap. We're going to hold this over, but I didn't ask Sue if anyone signed up to testify.

Parsons: I was gonna mention that. We have one testifier, Charles Johnson.

Fish: Mr. Johnson, do you have something to add?

Charles Johnson: Yes, I do. Thank you, Commissioners, and thank you, representatives from the congressional and senatorial offices. A half million dollars is an important amount of money for Cully park or whatever we name the park in the Cully neighborhood. But a half million dollars in a city that as Commissioner Fish noted is having a housing crisis, is losing low income affordable housing, is not significant money. A half a million is only the payroll for five of the 40 City attorneys. So, I hope that while these energetic and committed young people that work on the senators' staff and Earl Blumenauer's staff are here, we will redouble our efforts to wrench from the hands of the federal government every penny that we can possibly find to move Portlanders off of the streets so that they don't have to sleep in this beautiful new park. Thank you.

Fish: Thank you, Charles. Anyone else who would like to be heard? So, this matter will be held over until -- next week, Commissioner?

Fritz: We may be able to do it tomorrow if we have four tomorrow, but we'll see.

Fish: So let's tentatively hold this over, Sue, until tomorrow and we'll make a decision at that time. Thank you very much. Sue, let's pick up the remaining item pulled from the consent agenda, which is a second reading item number 107.

Item 107.

Fish: Please call the roll.

Item 107 Roll.

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

Fritz: Excuse me, that one was pulled. Do you know why it was pulled?

Parsons: Well --

Fish: It was pulled for a vote because we didn't have the four --

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Fritz: Oh, so we're just going to work through all of the consent now.

Parsons: Correct, yeah. Basically, all of the consent is pulled today.

Fish: But we're just voting on the two.

Fritz: Why aren't we voting on 108?

Fish: Because that's the instructions I was given.

Parsons: 108 would be good. That's a second reading we could take. And 109 has been asked to be continued until February 10th.

Fish: OK, so let's -- I'm going to follow the instructions of my colleague. If you could read 108 and we'll take a vote.

Item 108.

Fish: Second reading, vote only.

Item 108 Roll.

Fritz: Commissioner Fish and I are both very happy to authorize this since we worked for it very hard in the fall adjustments. Aye.

Fish: Thank you, Commissioner Fritz. I think it's worth noting that we are a city that takes great pride in being designated in age-friendly city. We're a city that adopted an age-friendly action plan. We're a city that has designated PSU as a key partner in implementing it. And after years in which our partner provided services on a volunteer basis, this modest grant allows us to fund some of the work we've asked them to do on our behalf. I think there are such things as good grants and bad grants. I think this clearly qualifies as a good grant with a key partner. Pleased to vote aye.

Saltzman: Aye.

Fritz: I believe we can do 110 as well. That's a resolution.

Fish: Please read 109. I understand that has been returned to Steve's office.

Parsons: Right, it will be on next week.

Fish: If you could just read it and then we will do that.

Item 109.

Fish: That will be held over. Without objection, we'll hold that over until next week. Sue, would you please read item number 110?

Item 110.

Fish: This is a fairly straightforward matter. Anything that you would like to add?

Kyle Chisek, Portland Bureau of Transportation: Just that the application is due tomorrow. My name is Kyle Chisek from the Bureau of Transportation, for the record. We appreciate the Council's support on this item.

Fish: Thank you very much. Sue, anyone sign up to testify on this?

Parsons: I did not have a sheet out.

Fish: Let's take it to a roll call vote, please.

Item 110 Roll.

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

Fish: Thanks very much. We're now moving to our regular agenda and we're on pretty good time here. Sue, could you please read item number 111?

Item 111.

Fish: I am very pleased as the Council liaison to Venture Portland to sponsor this item today, and we're going to ask Heather Hoell, Executive Director of Venture Portland, and Brian Alfano, board chair, to come forward and I have a few introductory remarks.

This past Sunday the 31st was the 30th anniversary of Venture Portland. As my colleagues know, Venture Portland is the nonprofit group that the City contracts with that provides support and advocacy on behalf of our 50 neighborhood business districts. Our 50 neighborhood business districts throughout the city are the hub of our small business economy.

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A couple of statistics that Heather has engrained in my head. Over 95 percent of the businesses that are located within our 50 signature business districts employ five or fewer employees. So, we are talking about the essence of our local economy, small businesses serving the local economy. And second, what we know is that when we shop local and we support our neighborhood small businesses, 70 cents on the dollar stays home. And that doesn't happen when we go online and purchase products that are neither taxed nor have a physical presence here.

We are very proud to be a city that has such a strong and dynamic small business community, and we're grateful to Venture Portland for being the ambassadors for those 50 neighborhood districts that run from 23rd street all of the way to Parkrose and in between, and in particular, for their focus this past year in building capacity with our friends east of 82nd. With that, I'm going to recognize Heather and then after your remarks, I will read the proclamation.

Brian Alfano: Excellent. Thank you, Commissioner Fish. Good morning Commissioner Saltzman and Commissioner Fritz. We appreciate you having us here. My name is Brian Alfano, I'm the volunteer president of the board at Venture Portland.

Earlier this week, Venture Portland officially turned 30. So, we're here for fun today. On January 31st, 1986, a small group of volunteers representing 10 neighborhood business districts incorporated the alliance of Portland neighborhood business associations. Just a few years later, in 1993, the organization started its partnership with the City, what a beautiful relationship it has been since.

In the three decades since our founding, that small group of dedicated business owners grew into a powerful economic engine made up of 50 business districts containing 19,200 businesses and providing 267,000 jobs. 98 percent of Portland's neighborhood businesses have five or fewer employers. As those dedicated business owners know, in Portland, small really is big.

Venture Portland has promoted these critical commercial corridors and supported the dedicated volunteers that manage them with training, technical assistance, and grants. In fact, over the last 20 years, Venture Portland invested more than \$1.25 million in business district growth, leveraging an additional \$3.4 million in private business district investment. As president, I know firsthand that the strength of this organization --

Fish: Wait a second, was that Commissioner Amanda Fritz on that slide?

*****: Yes.

Fish: Shameless. Should we go back? Subliminal advertising!

Alfano: [laughs] So as president, I know firsthand that the strength of this organization has always come from our collective efforts, and believe that the business of Portland is about more than just business -- it's about people, neighborhoods, and culture. It's about passion and dedication and starting something because you believe that your idea is the idea. It's about a vision for our city that business owners, residents, and elected officials share, a vision that celebrates the individualism and distinct flavor that makes Portland Portland. It's the knowledge that our diverse neighborhoods and unique views make up the very fabric that binds our city together. The business of Portland is about more than business, it's about building capacity to build the city, growing the economy to grow prosperity, and connecting capital, creativity, and community. Yes, the business of Portland is about a lot more than just business. It is about growing business and connecting neighborhoods and making more out of the business districts we call home.

The same entrepreneurial spirit and commitment to community that created this organization still drives Venture Portland. As you well know, we are the only entity in Portland that works exclusively at the district level, making us the support system for all of the city's 50 neighborhood business districts.

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As we move together into our fourth decade, I am excited about the opportunities ahead of us to continue strengthening Portland and the business districts we all care so deeply about. Our year-long celebration kicks off this week with a variety of activities that I hope you and your offices will participate in.

First up is our 30th birthday party, which is called celebrate our city. This is tomorrow evening. With more than 200 small business owners and business district supporters confirmed to attend, the party promises to be a festive and fabulous -- especially if you aren't there, but we hope you are. I also encourage you to take part in our selfie challenge. For the next 10 weeks, we are encouraging Portlanders to take a selfie of their favorite neighborhood businesses and post them online and use the hashtag #pdxlovessmall which you might remember from the past couple of years. We'll give out prizes for the best and most creative photos, and I'm confident that you can all be contenders. So, get out there and use your social media.

Venture Portland means business, and so do all of you. I will turn this over to Heather to discuss our current accomplishments and future plans.

Heather Hoell: Good morning, Commissioners. As Brian said, I'm Heather Hoell, and I'm the Executive Director of Venture Portland. I'm thrilled to be here with you this morning. The following brief overview is going to provide a snapshot of Venture Portland's work over the last 18 months.

After four years of sustained growth, we once again expanded access to our capacity-building services. We increased participation in our training and technical assistance program with almost 700 business district leaders from 48 districts attending one of 47 different trainings that cover everything from the legal responsibilities of nonprofit officers to how to best comply with Portland's new "ban the box" ordinance to asset mapping in diverse and rapidly-changing neighborhoods.

However, we continue to transition needed resources to technical assistance, addressing over the last 18 months 635 individual district-specific requests from neighborhood business districts. That's a doubling of the amount of technical assistance requests that we've handled in a very short 18 months. That in-depth assistance helped neighborhood business districts successfully manage major leadership transitions and enabled districts like Central Eastside and Williams to effectively manage significant development and changes to their business mix and demographics in these diverse and rapidly-evolving districts.

We provided almost 3500 hours of training and technical assistance, and in just the first six months of this fiscal year, FY 15-16, we've already provided 110 percent of the amount of technical assistance that we provided to business districts in the entire fiscal year of 13-14. We are clearly in need, and our services are really working well for our district.

We continued our grants program expanding access to funding, awarding \$91,000 to business districts for 32 individual projects. Altogether, those projects leveraged \$275,000 in additional private investment, a more than three to one match. And of note, 30 percent of all grant funding went to business districts in East Portland. Our dollars helped fund projects like Division/Clinton's rebranding. This came out of the great streetscape improvements that PBOT and BES did on the street in 2014, resulted in a new website and map and helped them increase membership 117 percent over six months.

Mississippi. We helped them revitalize their holiday promotion. They produced this winter a passport that on just Mississippi Avenue in a three-week period drove 2500 individual purchases in those neighborhood businesses and almost more importantly, generated \$6000 in a charitable contribution from the business district to the Boise-Eliot neighborhood school.

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We helped Montavilla revitalize their street fair. It had gone on hiatus for several years. And not only were they able to bring it back this last year, but they were able to secure a first-time street closure. They were so successful in this event, thanks to PBOT's help with the street closure, that they brought 10,000 people out to the street fair, making it the largest East Portland event.

And then Woodstock also launched an innovative program called Woodstock gives back in September. This was a coordinated day of giving for the business district in which 32 businesses partnered with 28 individual charities and raised almost \$20,000 in about six hours for each of those community-based organizations. Without this seed funding from our grants program, these incredible events with their charitable and community focus would not have been possible.

The overwhelming majority of neighborhood businesses are neighborhood based, which means that they are truly the power in Portland's economy. All year, but especially during the holiday season, Venture Portland ensures cash register ring citywide. We continued our partnership with Little Boxes this year, and in 16 shopping hours on Black Friday and Small Business Saturday, we incentivized 22,500 store visits, which is a 23 percent increase over holiday 2014, and we generated almost \$450,000 in retail sales, a 35 percent increase over the previous year.

And then the golden ticket program in Multnomah Village and Hillsdale continues to be a huge financial juggernaut for those two districts, having generated more than four million dollars over the last three holiday seasons.

But it's not just about the revenue that is raised in businesses, it's also the revenue that Venture Portland has raised. We brought in over the last year almost \$450,000 in leverage from the grant that we received from City Council.

We also partnered with City Council on a variety of things, helping you all and your bureau directors to connect directly with business district leaders and business owners. Helping BES and PBOT mitigate the impact of construction on business districts, we hosted several mixed use zoning and transportation system planning forums for BPS and PBOT. And coordinating with a full baker's dozen of City bureaus under Commissioner Fish's leadership, we helped to streamline the street fair permit process.

Fish: I have to say, one of my favorite events that you hosted was when we had to deliver the bad news to a local small business that there would be some disruption on the street in front of their business and some jackhammering and replacing pipes. And their business was renting out these spaces where people got into like a saline solution where they were seeking peace --

Hoell: Flotation tanks.

Fish: Flotation tanks where they were looking for peace and quiet and escape from the world.

Hoell: Total sensory deprivation.

Fish: Sensory deprivation. The idea of having all of this work in front of the business was not well received. And one of the things we learned is that they had peak hours. So, there was a time when we were able to change the work schedule so that we weren't interfering with their peak hours, an example of what it means to have those coffees in the neighborhoods that engage local businesses and customize the work schedule so we don't unduly interfere with their work.

Hoell: Exactly. Thank you, Commissioner. It's exactly that partnership that helps to keep neighborhood businesses in business while the City continues to do its work.

We also partnered closely in supporting neighborhood economic development efforts, including the NPI and main street programs; helped to increase sustainability at

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work certified businesses; and Venture Portland itself became an age-friendly certified business this year as well.

Last but certainly not least, I want to recognize Venture Portland's exceptional volunteers, many of whom are here with us today. I'm going to ask them to stand up. In the last 18 months, our board contributed 2455 volunteer hours to Venture Portland. That's equal to .77 FTE or 31 hours a week. That's on top of the efforts of Venture Portland's very small but mighty staff. I'm now going to ask the team to stand up as well. It is this group that makes all of this work possible.

Fritz: Heather, I ask you to make sure that the Office of Neighborhood Involvement knows about all your volunteer hours in the business associations and what you just described. I'm pretty sure that we would be number one in the country on volunteering if we just reported our hours. Thank you very much.

Hoell: Absolutely. We would be happy to do that.

Fish: Is it possible to put the board members' names in the record? I see Ann Sanderson from Woodstock. Can we just go around and having everyone state their name, starting with you, Ann?

Randy Bonella: Randy Bonella, Multnomah Village.

Will Fries: Will Fries, Division/Clinton.

Jerry Harper: Jerry Harper, Northwest Industrial.

Michelle Wood: Michelle Wood, Kenton.

Jo-Anna Dirk: Jo-Anna Dirk, Hillsdale.

Adrienne Sweetwater: I'm not on the board, I'm staff -- [laughter] -- Adrienne Sweetwater.

Marina Martinez: Marina Martinez, board of Hawthorne and staff.

Ann Sanderson: Ann Sanderson, Woodstock.

Jacob Falkinburg: Jacob Falkinburg with Venture Portland.

Fish: Let's suspend the rules and give our friends a round of applause. [applause] Thank you for joining us and thank you for your great work.

Hoell: Briefly, we've covered our past, we've covered our present, I want to talk a little bit about our future and the way that we're piloting innovative solutions in our neighborhoods.

A year ago, you invested additional resources in Venture Portland to launch a pilot project supporting six East Portland business districts. This catalytic effort had three short-term goals: 10 percent to 20 percent increases in membership, volunteerism or leadership, and revenue in these targeted districts. I'm thrilled to say after one quarter or 90 days into this project, we have exceeded all of our expectations. Membership increased 21 percent across all six participating districts. Volunteerism -- meaning the number of people that are serving on these East Portland business district boards -- increased 23 percent. We added nine brand new board members to these districts, and a third of them are people of color. We have lined up a number of additional volunteers that will be joining boards as they go through their election process in the next nine months. And finally, we're well on our way to meeting our goals to increase revenue not only for the business associations, but also for neighborhood businesses.

So, how did we do it? We had three components to the program. The first is dedicated staffing. You just met Adrienne, Brad, and Marina, who are each working 10 hours a week in one of these six East Portland districts. We also provided some dedicated grant funding to these districts to help them launch catalytic projects, and finally, we increased the amount of technical assistance dedicated to these East Portland districts.

And in particular, I'm incredibly proud of the effort that we've done to help these districts set diversity benchmarks to bring not only their membership but also their leadership in line with not only the business mix in their district, but also the demographic profiles of their East Portland districts.

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We analyzed almost 3000 individual points of data, analyzing businesses against nine different diversity parameters and volunteers against 18 different diversity parameters, and helped districts set goals that I am confident they'll be able to meet over the rest of the coming year.

So what does it really mean? I've thrown a lot of numbers at you but I want to put a little personal touch on that. 82nd Avenue launched their new website. It is a multi-lingual site. They also targeted the -- they are the single largest district in the city, five miles wide and five miles long. They targeted some specific nodes in the district that they will focus their effort on. Later this month, they're launching the first in a series of quarterly business mixers. And be on the lookout, because this summer, they'll launch a passport-style event called "around the world in 82 dishes" highlighting the incredibly diverse array of excellent food in the district.

Foster area also launched a new website and a quarterly business mixer. And for the first time, a tree-lighting arrived in East Portland. They hosted a winter tree lighting in Laurelwood Park and had more than 200 attendees come to this outstanding family-friendly event. They also had a 30 percent increase in members of their board, including a representative of the Portland Mercado, the largest destination business on Foster Road.

Gateway revitalized its holiday celebration this winter. They have the second largest district in East Portland. They also targeted some specific district nodes to focus on and be on the lookout from a new event from them in May in conjunction with national small business week called "Gateway celebrates small."

Montavilla East Tabor launched a brand new event, trick-or-treat on Glisan Street. There's your photo, Commissioner Fish.

Fish: You know, this is competing time -- people time. [laughter]

Hoell: Exactly. This was designed to specifically tie in some of the minority-owned businesses on Glisan Street to create a family-friendly event where kids and families could trick-or-treat in these businesses.

Fish: By the way, in this picture, the woman on the left runs a restaurant and makes gluten-free products that she then sells to the New Seasons. The woman on the right is the branch manager of U.S. Bank that manages the small business accounts of a lot of businesses up and down that street. So, it's a terrific story. We just walked up and down and visited with businesses and heard some great stories.

Hoell: This event helped one of the pizza places on Glisan Street have their single largest day of business in their entire operational history with almost a 30 percent increase on normal sales directly attributed to this event.

Midway led the pack with its membership and its volunteer increases. Both have gone like gang busters. They also targeted some district nodes, revitalized their recent holiday party. And next week on Wednesday while you all are in session, they will be kicking off their brand new quarterly business mixer called "business for breakfast."

And last, but not least, Parkrose launched two new holiday events. The first was called "trunk or treat." It was in the parking lot of Parkrose High School on Halloween. And despite the 25 million gallons of water that fell from our sky during this event, they still had 700 kids and families attend and trick-or-treat with businesses sponsoring -- having candy in their car trunks. And then --

Fish: Probably lot more pleasant in the rain than trudging around neighborhoods one-by-one. Worked out quite well.

Hoell: Yes, I think that worked out quite well.

Fish: 300 million gallons of water went through our system on Halloween. It was the all-time record, eclipsed two weeks later by a new record, 450 million gallons of water going through our system. They were both what we call 100-year storms.

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Fritz: The parents are all laughing -- they know.

Fish: And Dan, the Big Pipe worked. It helped.

Hoell: It just goes to show that with all of that water, this was truly a community-driven event that also had some incredible business results. Burgerville provided coupons to folks who braved the rain and came out in addition to candy, and they had the single largest one-day coupon redemption in the company's history following the event, which was great and really a revenue generator for them.

And finally, over the holidays -- the Christmas holidays -- Parkrose partnered with the Grotto, which has 60,000 visitors go through it each year and is one of the destinations of Parkrose, and they partnered with them on a holiday promotion to get people encouraged to shop locally in Portland.

So, it's working. And we are hoping in partnership with you over this coming year, we'll be able to continue our momentum in East Portland and explore expanding this innovative program into North Portland. The issues facing North Portland districts are not exactly the same as those in East Portland. However, what you have in North Portland is start-up business associations. The targeted ones that we're recommending have all been in place for five years or fewer. And in that time, their district has gone through massive change and is dealing with historic gentrification issues.

This last 30 years has been an exceptional ride. We are incredibly pleased to have been able to partner with all of you and we hope that you will continue to celebrate with us as we go through the next 12 months of our diamond year. Thank you.

Fish: Wow. Why don't I read the proclamation that the Mayor has issued, and then if I could beg your indulgence, we'll take a picture with our friends.

Fritz: Can I make a remark before you do that? Thank you so much. It's great when you get City funding and you are asked to do things to come back and tell us what you did and bring so many members who I'm sure are taking time from their small businesses to be here today. I very much appreciate that. I won't be able to join you tomorrow night. I had previously committed to the Madison High School Rebels. They have a group at Madison High School called the Rebels, which is anti-tobacco, and they are having an event in the park to make sure that people remember about our smoke-free parks. So, I will be diligently probably picking up cigarette butts in the rain while you're having a good time --

Hoell: We'll raise a glass to you.

Fritz: I will be thinking of you. [laughter]

Hoell: Thank you, Commissioner.

Saltzman: Thank you. It's very impressive what you've done and what you are doing and how you are growing. And I'm pleased to say that this holiday season, I spent all of my gift dollars locally.

Alfano: Excellent.

Hoell: Thank you, Commissioner.

Fish: Heather, thanks to you and your stellar team for all of your great work. Brian, you've been the board chair for how long now?

Alfano: This is my third and final year.

Fish: You've done a wonderful job. You've really been a model board chair. Thank you for your service.

Alfano: Thank you.

Fish: Thanks to the other board members that are here and representatives of our other districts. I know the Mayor wanted to be here. He is sick at home be no doubt he's listening. I have the great honor of reading the following proclamation that the City of Portland issued today.

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Whereas, 30 years ago, a small group of visionary neighborhood business owners came together to create an organization to strengthen the more than 50 neighborhood business districts in Portland; and whereas, neighborhood business districts serve the diverse communities that surround them, produce a wide variety of high-quality goods and services, drive Portland's local economy, and contribute to the city's goals of healthy, connected neighborhoods; and whereas, Venture Portland works with neighborhood business districts to host 200 public events each year, drawing more than one million visitors and strengthening Portland's unique identity; and whereas, Venture Portland in partnership with the City has invested \$1.25 million in business districts, funding 468 projects and leveraging nearly \$4 million in additional private investment; and whereas, Venture Portland provides almost 2000 hours of training and technical assistance to neighborhood business districts each year; and whereas, Venture Portland has strengthened connections between neighborhood business, business districts, and City bureaus, helping ensure that the city that works truly works for local businesses; and whereas, Venture Portland's passionate volunteer leadership made up from representatives from every business district who collectively contribute more than 1700 volunteer hours each year -- wow -- and whereas, January 31st, Venture Portland celebrated 30 years of supporting neighborhood businesses and business districts; now, therefore, I, Charlie Hales, Mayor of the City of Portland, Oregon, the City of Roses do hereby proclaim Thursday, February 4th to be Venture Portland Day in Portland and to encourage all residents to observe this day. Let's have a round of applause. [applause] Could we get a picture with everybody, including our guests? [photograph taken]

Fish: Well, what a day, actually. Distinguished, honored guests from Japan; kids from Boise-Eliot/Humboldt; a celebration of 30 years of excellence with Venture Portland; and we have a few other items that we need to work through before we break for lunch. Karla -- Sue, excuse me -- would you please read item number 112?

Item 112.

Fish: We will welcome Christine Moody, our Chief Procurement Officer, to walk us through this.

Christine Moody, Chief Procurement Officer, Office of Management and Finance: Good morning, Commissioners. Christine Moody, procurement services. You have before you a procurement report recommending a contract award to Stellar J Corporation. The engineer's estimate on the project was \$880,700. On November 12th --

Fish: Wait a second. Every time the Mayor is not here, you come in with a bid under the estimate, and then he comes the following week and says, "Why aren't we getting more bids under the estimate?" So, we'll have to remind him.

Moody: I have a few items for you this morning.

Saltzman: [laughs] We're not done yet, huh?

Moody: We'll see. On November 12th, 2015, four bids were received and Stellar J is the low bidder at \$615,000. The City identified two divisions of work as potential minority, women, and emerging small business subcontracting opportunities. MWESB participation on this project is at 6.2 percent in the areas of concrete cutting and hauling services. I will turn this back over to Council if there are any questions, and Scott Gibson from BES is here as well.

Fish: Colleagues?

Fritz: That's an unusually low percentage of minority, women, emerging small businesses in this contract. Is there a particular reason for that? Are there subcontracted work and things that don't tend to get minority and women businesses in them?

Moody: Actually, I think there is a representative from the contractor here in the audience.

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Fish: Come forward, sir? We have some aspirational goals that we set, and sometimes we exceed them and sometimes we're below. The Council would like to know what are the unique challenges, if any, with respect to the contract. All you have to do is put your name in the record.

Jeff Carlsen: OK. My name is Jeff Carlsen, I'm the general manager of Stellar J Corporation. This one did have unique challenges as far as reaching the aspirational goal of 35 percent on this job. We identified trucking and saw cutting as the two significant components of the work that will be subcontracted as MWESB. The total amount that we identified as being able to achieve is \$48,000 of the \$615,000. We have electrical, micro piles, painting, concrete structural, bypass pumping, site piping, and earthwork that we found that we did not get coverage from the MWESB firms. Post-bid, we see that we can -- we believe that there's another \$20,000 in asphalt paving that we believe we can get subcontracted to MWESB firms, and intend on doing so.

Fish: Let me just anticipate at least what one of my colleagues will say. If you are successful on that particular component, would you please -- Christine, would you report back to us whether that additional increment is contracted out?

Moody: Yes, I will.

Fish: That could be just an email to the Council.

Fritz: I really appreciate that. And this is an ongoing conversation that we have at Council. Obviously, we want to make sure that when we have public dollars going out the door that all members of our community have a chance to benefit from that and get good jobs from it. Tell me about the equity and diversity initiatives within your company, since you're doing so much of the work yourselves. What are you doing to try to encourage women and minorities to get jobs in your company?

Carlsen: Currently, we have ongoing internship opportunities with local universities. We're going down to OSU this Thursday and Friday to do an internship presentation encouraging both minority and women in our industry to join our firm. One of our project managers is a graduate from OSU, a woman, Katie Caskey, who works for us. She's currently working as assistant project manager at the Tualatin Valley Water District project in Ridgewood, and I see her continuing as a project manager with our company.

Fritz: I appreciate that. Because it's not only about -- it is partly about the minority and women-owned businesses, but making sure that we all are thoughtful about how we're hiring, and I'm glad to hear you are going down to Oregon State. Thank you very much.

Fish: Other questions from colleagues? Sue, did anyone sign up?

Parsons: I did not have a sheet out.

Fish: Anyone want to be heard on this? I will take a motion to accept the procurement report.

Fritz: So moved.

Saltzman: Second.

Fish: Sue, would you please read the roll?

Item 113 Roll.

Fritz: Thank you for taking the time to be here. Aye.

Fish: Aye.

Saltzman: Appreciate you being here. Aye.

Fish: It passes. Congratulations. Sue, please read item number 113.

Item 113.

Fish: Christine Moody.

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

Christine Moody, procurement services. You have before you a procurement report recommending a contract award to Emery and Sons Construction. The engineer's estimate

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on this project was \$500,000. On December 22nd, 2015, four bids were received and Emery and Sons is the low bidder at \$580,812 which is 16.8 percent over the engineer's estimate. The City identified nine divisions of work for potential minority, women, and emerging small business subcontracting opportunities. MWESB subcontracting participation is at 44.6 percent with work being performed in traffic sign installation, concrete cutting, electrical, hauling, and traffic control. I will turn this over to Andrew Aebi if you have any questions for him regarding the project.

Fish: Colleagues?

Andrew Aebi, Portland Bureau of Transportation: Andrew Aebi, local improvement district administrator. I passed out some testimony from Jonathan Malsin of Beam Development. We do have the Burnside bridgehead, which is rapidly nearing completion of construction. They're quite anxious to have a new street serving that development, so we've been on a pretty aggressive design and construction timeline to meet that. So, this is right in line keeping on schedule to make sure that the street serving the Burnside bridgehead. My recommendation is that Council award this contract today.

Fish: Thank you very much. Sue, anyone sign up to testify?

Parsons: I did not have a sheet out.

Fish: Does anyone wish to be heard on this matter? If not, motion to adopt the procurement report.

Fritz: So moved.

Saltzman: Second.

Fish: Sue, please call the roll.

Item 113 Roll.

Fritz: It's interesting -- and thank you for your participation on this one, too, and your great work increasing the minority, women, small business percentage to 44.6 percent. It's interesting one of the divisions of work is hauling services, which is getting over -- almost \$50,000 whereas the previous one, hauling services was getting \$14,000 for a similar sized contract. Obviously, the company here is making greater effort and I really appreciate that. Aye.

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

Fish: The report is adopted. Thank you. Sue, would you please read item number 114?

Item 114.

Fish: We don't have the required four votes, the four members of the Council to adopt this as an emergency ordinance. We'll take -- we'll have presentation, take testimony, and we will continue this until tomorrow. Christine Moody.

Christine Moody, Chief Procurement Officer, Office of Management and Finance: I would be fine next week with second reading as well.

Fritz: It doesn't have to be an emergency?

Moody: It doesn't have to be. We have a current contract in place --

Fish: Let's continue it as an emergency until next week on the regular agenda. Christine Moody, if you'll make your presentation.

Moody: OK. City bureaus purchase maintenance repair, operations, and electrical supplies on a routine basis. Items such as hand tools, safety and cleaning supplies are typically brought through an MRO&E contract. The National Joint Powers Association, NJPA, is an organization that facilitates the cooperative contracts at the national level. NJPA advertised an RFP for facilities maintenance repair and operating supplies. Through this RFP process, a contract was awarded to W.W. Grainger. As allowed for in City Code 5.33, the City may participate in an interstate cooperative procurement after posting a public notice of the intent to use that cooperative procurement. A notice was posted on December 15th, 2015, and no response was received.

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What you have before you an ordinance recommending the authorization of a participating agreement to W.W. Grainger on a cooperative contract for a four-year not-to-exceed amount of \$4 million. I'll turn this back over to Council if you have questions.

Fritz: It would be alright with you if this were not going to effect for 30 days? It doesn't really need to be an emergency? Commissioner Fish, the reason I mention that is I believe we don't have four next week, either. So, we can just pass it to second reading.

Fish: And then if necessary, we could take the emergency clause off.

Fritz: We could take the emergency clause off now and it passes to second reading and just gets passed.

Moody: That would be fine with us.

Fish: I'll entertain a motion.

Fritz: Move that we remove the emergency clause. Thank you, Procurement Officer Moody.

Fish: Second. Sue, please call the roll.

Roll.

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

Fish: This matter proceeds to a second reading next week. We have two second readings back-to-back. Sue, would you please read 115 and then 116.

Item 115.

Item 115 Roll.

Fritz: Aye.

Fish: Thanks to Scott Gibson and the team for their presentation and their good work. Aye.

Saltzman: Aye.

Fish: The matter passes.

Item 116.

Item 116 Roll.

Fritz: Aye.

Fish: I love this project and the idea that we're actually constructing what normally beavers would put in the Sandy River in order to enhance habitat pursuant to a federal regulatory permit is a great story. And appreciated Eddie Campbell's presentation last week. Aye.

Saltzman: Aye.

Fish: And that passes. We have one more item and that is item number 117.

Item 117.

Fish: Good afternoon -- or it's still good morning. I will kick it over to you.

Sherree Matias, Office of the City Auditor: I'm Sherree Matias from the Auditor's Office.

Mike Zeller, Portland Bureau of Transportation: I'm Mike Zeller, I'm a sidewalk inspector with maintenance.

Lee Munson, Portland Bureau of Transportation: Lee Munson from PBOT.

Matias: This ordinance is for sidewalk repair on property that is required by the City. Any remonstrances have been pulled from this assessment and are not in this ordinance.

Fish: That's the most efficient presentation I've heard. Are you giving back the remaining 14 minutes of your presentation? OK. Questions or comments, colleagues? Does anyone wish to be heard on this? Hearing none, this goes to a second reading next week. Thank you very much.

Fritz: I really appreciate you being here in case we had questions. Thank you very much.

Fish: Colleagues, that concludes our morning agenda items. We have one time certain this afternoon at 2:00 and Council is adjourned.

At 11:54, Council adjourned.

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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

Fish: Would you call the roll? [roll call taken]

Fish: Welcome. We have two items this afternoon. First mayor hales sends his regrets. He's home sick and we wish him a speedy recovery. Commission novick has a family matter he's addressing and we wish him Godspeed. We have two items this afternoon, and without objection i'm going to ask we have a four-fifths item which is something that gets put on late in the game if four members of council so deem it appropriate and we have a time certain. If I can indulge our honored guests I would ask sue if without objection you would read the four-fifths item and I recognize commissioner Saltzman.

Item 118-1.

Fish: Quite a mouthful. Commissioner Dan Saltzman.

Saltzman: Thank you, Mr. President. The city's number one priority in the legislative session that just convened on Monday is to lift the ban on inclusionary housing or also known as inclusionary zoning. I have been working closely with our government relations staff and the sponsor of the senate bill to lift this preemption. Senator Michael dembrow. That senate bill is 1533. To assist him in moving this legislation forward in Salem. Last week senator dembrow and myself had a meeting with local developers to learn of their concerns about implementation of inclusionary housing if we get the ban lifted, and i'm pleased to say that many developers are now supporting lifting the ban on inclusionary housing, but they do have some concerns about the implementation of such a policy by cities if that ban is lifted, and in particular with respect to Portland there are concerns about how we will engage the development community in the process, and that we consider the impact of the impending changes that we have on the table in a holistic manner, that we look at issues around linkage fees, around far bonus incentives as well as inclusionary housing, and that we consider those altogether. And so we have a resolution in response to a request by senator dembrow to put the city council on the record that during any consideration by the city of inclusionary housing that we would engage in a community-wide data driven discussion that would include the development community as well as affordable housing experts and advocates, and further they're a panel of housing experts with representation from the development community would be expected to advise council throughout the discussion of the inclusionary housing ordinance. So I do want to thank Senator Michael dembrow. I would like to read the resolution. I want to thank senator dembrow for his leadership. I want to thank sarah zahn and dike dane of williams and dane. Sarah and dike are down in Salem as we speak lobbying senators to support Michael's bill. So if I may just read the resolution. We can't actually vote on it today but I wanted to get the text of the resolution out in the public record. It reads, whereas the city of Portland is committed to meeting its growth needs in terms of households and employment over the next 20 years, Portland is projected to add approximately 260,000 new residents and 140,000 new jobs. Whereas the city of Portland is committed to enacting policies that will meet its need for quality, affordable homes for a growing and socioeconomically diverse population and to help ensure equitable access to housing.

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Whereas the city of Portland in its 2016 legislative agenda has prioritized lifting the statewide preemption on inclusionary housing ordinances. Whereas Portland rental costs have increased and average of eight to the percent or roughly \$100 per month over the previous year. Similarly for-sale units have increased prices have increased by 32 percent, roughly \$75,000 from the market's low point in 2011 as a result it's increasingly difficult for working families to live in neighborhoods close to their employment and where their children attend school. Whereas an inclusionary housing ordinance would provide an affordable housing tool that links the production of affordable housing to the production of market rate housing. Inclusionary housing policies affordable housing by requiring new residential developments to include a certain percentage of affordable housing units. Whereas if the legislature were to lift the preemption on inclusionary housing in the 2016 session, it would allow city council to comprehensively consider the use of the tool while it also considers its comprehensive plan and zoning and linkage fee proposal. Now therefore be it resolved if the Oregon state legislature lifts the statewide preemption on inclusionary housing ordinances the city of Portland would consider the use of an inclusionary housing ordinance to create affordable housing within new market rates residential developments and be it further resolved to the consideration of any inclusionary housing ordinance the city of Portland will engage in a community-wide data-driven discussion that would include but not limited to members of the development community as well as affordable housing experts and advocates, a panel of housing experts with representation from the development community would be expected to advise the council throughout the discussion of an inclusionary housing ordinance. Be it further resolved all discussions regarding an inclusionary housing ordinance would be grounded with consideration of the city's needs to meet its comprehensive growth goals. As I said, we will vote on this the next opportunity we have the requisite number of council members here to do this. I know that's very important to many senators who are considering lifting the inclusionary housing ban that all cities including Portland commit to doing it fairly and having a fair process where all voices are heard in crafting the inclusionary housing ordinance. Thank you, Mr. President.

Fish: Did you want to say something?

Fritz: I had a possible suggestion but I don't think that's going to work either.

Saltzman: Shut down by our attorneys –

Fritz: The charter has something to do with it.

Fish: Thank you, Dan. I'm pleased that the council has made this our number one legislative goal in this short session, and I breakfasted recently with legislative partners and I thought we were very clear we would not consider this short session a success unless the preemption was lifted. To those who doubt that there's a compelling need to address this now, as Dan noted, the breakfast you have to focus -- in the last three years the private sector has added close to 23,000 private units in our city. Less than three percent are affordable under any definition you want to use, and over 85 percent are actually classified as luxury rentals. We cannot afford to wait another year to have a tool that allows us to build in a modest amount of affordability into new development. Thank you very much, Dan, for your leadership. This matter will be continued until next week?

Saltzman: I think so.

Fritz: Do we have four people next week?

Parsons: We'll have to consult with the city attorney. The way I interpret it next week it will be on the regular agenda. Plenty of announcement.

Fish: We'll double check the charter. Let's put it on the Wednesday agenda. We can move it if necessary.

Fritz: We can get it added to tomorrow's agenda without it being a four-fifths?

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Parsons: No.

Fritz: Then the process suggestion comes into play that perhaps -- it has to be four people that vote on it so we need to refile it to another four-fifths tomorrow when the mayor is here in case commissioner novick is out next week.

Fish: We'll be giving college credit to those of you that are here for civics class. Democracy in action. The matter is continued until next week. Thank you.

Fish: sue, would you please read the time certain.

Item 118.

Fish: Commissioner Saltzman.

Saltzman: Thank you, Mr. President. One year ago the Portland housing bureau came before us to present a set of strategies that would begin to address the ongoing displacement of long term residents from the historic neighborhoods of north and northeast Portland. The result of the seven month long community process, the north northeast neighborhood housing strategy was developed with the input of more than 450 community members as well as dozens of faith leaders and community leaders. It began with a question of how to invest \$20 million, an additional 20 million of housing money and urban renewal to have the greatest community impact. Beyond dollars and cents, the strategy would also have to answer another question, and that is how will this plan be any different than all those that have come before it. The plan outlines investments and home repair programs to help homeowners retain their homes. It included plans for the development of rental apartments that families on modest incomes would be able to afford. It proposed strategies to help more community members achieve the dream of homeownership. And it established a goal of giving longtime residents, those already displaced or facing displacement, a first priority for these opportunities through what is known as a preference policy. We established a mechanism for transparency and accountability to the community itself. That is the oversight committee made up of community members and formed and charged by city council with the role of overseeing implementation of the strategy including the investment of the \$20 million and development of the associated programming and policies and to report to council annually. Today is their first annual report to us about how the Portland housing bureau and its contractors are accomplishing the goals and strategy or not accomplishing the goals. Since June the committee, oversight committee has met five times to hear updates from housing bureau staff and partners and to ask the tough questions necessary to ensure the highest level of equity and transparency.

Approximately 400 community members have attended to date. Today the oversight committee makes its first report to city council, evaluating the progress of the city, housing bureau and its partners toward our shared goals in this first year. So we're joined by three distinguished members of the committee. I would like to invite them up as I announce them. They are Bishop Steven Holt, Portland native. Bishop Holt is the committee chair as well as senior pastor, kingdom nation church, where he has served the community for 20 years. Bishop Holt works to achieve lasting social change for the community by facilitating partnerships with public agencies as exemplified by his involvement in the north northeast strategy program from its inception. Dr. Lisa bates, we're pleased to have Lisa bates here. She's an associate professor and director of the center for urban studies in the tulon school of urban studies and planning at Portland state university. Her research exam has a focus on social justice and institutionalized racism, she's engaged from be New Orleans to Chicago to Portland most recently awarded the 2016 prize from cal poly pomona for excellence in urban and regional planning. Congratulations. Our final member is Virgie Ruiz. Virgie has ties to the local community going back to World War II when her parents first came to Portland from Mississippi. She's a graduate of Boise elementary,

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Washington high school, and Portland state university, and today she works at self-enhancement, Inc. Thank you all for being here. Bishop Holt, we'll turn it over to you.

Bishop Steven Holt: Thank you, commissioner Saltzman, Commissioner Fritz and president of council. Good to be together to talk about what is a significant moment I think in the history of our city. I won't go through the background. I think you addressed that, but just to make sure that for the sake of those who are in the audience to talk about what the oversight committee's charge is I want to be clear on that. The north and northeast Portland housing strategies oversight committee is created with the responsibility of three major areas. To advise on and review program proposals and plan development, to monitor the implementation of policy and programming and associated out comes, and then to advise the housing director and commissioner on progress issues and concerns associated with the north northeast housing strategy. This is a brand new activity. It's something that was put in place to specifically assist making sure that promises made became promises kept. What would be different this time? So the oversight committee was put in place in light of that you can anticipate with anything new challenges in the process. One of the things that we did and thought was valuable was to make sure that this was an open community process, so our meetings have been held in the community. We have held them in the community, held them in the evenings so that individuals who are most impacted can come in hear what has transpired. It's been a significant contribution that way I think. Let me identify the people who are on this committee. Myself, I chair it. Felicia tripp, deputy director of Portland housing center. Dr. T. Allen bethel, senior pastor of the church. Miss Virgie is a community member and dr. Lisa bates, who as you've said is associate professor at Portland state university. Katrina Holland, a community member, Lorenzo po, who has been very involved in a variety of areas, now the chief equity and diversity officer of Portland public schools. Sarah Zahn a developer here. Orlando Williams, owner of black owned business. Lisa us for the, senior vice president of continental bank. Thought it was important to have a group of representatives that could look at the issues from a variety of angles. So as to give us the best viewpoint on what we do in relationship to the oversight committee. Now, after the seven month process happened in the community was involved in determining what pest areas, what were the needs, the concerns for the initial \$20 million allocated. There were roughly four areas identified when we talked about those areas. Preventing displacement, creating new homeowners, developing new homes. Creating rental homes and then preference policy, land banking or acquisition. Let's talk about what we actually did. The last few months. The monies I talk about are reflected specifically on what has been done. It does not reflect all the \$20 million but it reflects what has been done in the last six months or so. The first one in preventing displacement. What you have and what you see are the number of people who have received grants and loans. Those who received the funding. That's for grants. This is for loans. The breakdown of those who received loans and what areas they lived in. Where those dollars came from. Now, this slide represents home repair and how home repair money was awarded. The purple houses are the general fund. People received help from general fund monies. The blue houses are those who received help from grant money and the pink are those who received money from the tax increment financing. As we looked at and were engaged in making sure the dollars being allocated were going to the arenas that have been identified. The other portion of that is strategies around homeownership. What's going to happen to help invest in homeowners? So 5 million dollars was allocated or set aside for this particular area and this is I think 5 million dollars has been determined in its allocation and I think here's a process where the process being new runs into challenges. A distinct and separate group was compiled to look at a homeownership strategy and after that meeting or after a series

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of meeting in determining ways to allocate the funds it would have been helpful for once the decisions had come to suggesting point for that to then come back to the oversight committee. So the Oversight committee could then have a view on what the subcommittee so that the decision could be made. I think that as we go forward I think we'll be better in our process because now that it's in place, I think we'll have a system that can work. So the Allocation that's reflected was determined by the Portland housing bureau, but not determined by the oversight, if that makes sense.

Saltzman: And what is AAAH.

Holt: That is for the African-American Alliance for Homeownership. Thank you.

Fish: Can I ask a technical question? On page 4 of your report you have the strategy and you have a column called homes created or households assisted Is that the goal or the numbers of people impacted in these investments?

Holt: Which -- that's the goal.

Fish: Do we have data on the number of homeowners, homes created or households assisted yet or is that still in the pipeline?

Leslie Goodlow, Portland Housing Bureau: That's the funds have just been awarded through the rfp. They have not. [audio not understandable]

Fish: From the rfp, could we back out how many homes we hope to impact off of this investment? At some point it's easier to track people in homes. The dollars don't tell the story. We don't need that right now but it would be interesting to track how many are homeowners, how many homes are built, not just dollars.

Holt: Absolutely. Absolutely. Agreed. We talk about rental houses. Talking about what we have done at this point or what has transpired from the oversight committee's perspective. Creating rental loans. Which was to redevelop one or more additional properties owned by phb, the county or the partners. One side identified has been historically known as mlk between cook and ivy. There will be 81 units that are going in. Then there was the fall of 2015 a notice of fundability for additional tif money. Two sites will be identified. That's what's called the king parks site, Rosa parks and king site, then the Portland site which has been identified. Talk more about the grant warehouse site. There will be 8,000 square feet of commercial space, 1400 square feet of community room. The exciting thing for me is this is the intent is this will be a family supporting rental unit. So 31 one bedrooms, 35 two-bedrooms, 16 three-bedrooms. Part of our conversation is to whether or not they can actually get four bedroom units in. Then the partners that are involved, people were selected, pcri, colis construction, carlton hart architect. One of the other aspects that's exciting for us as the oversight committee is that it's reflective of community partners, stakeholders and involving them in the process. Very important. Then I think probably the thing that we're most excited about, that we were able to accomplish, begin to implement, is the preference policy. And we'll talk more around that preference policy, but to give you an overview, the city urban renewal has marginalized and displaced residents in northeast Portland. Future city actions should designed to give preference to marginalized residents with historic roots in north and northeast Portland. It's probably one of the most significant actions to say that what has transpired historically matters. We want to do something different about it going forward. So that's extremely important. It will apply to rental housing and homeownership programs in north and northeast Portland. Preference policies affect the order of the list of services not programmed, eligibility again will be elaborated in a moment. The housing bureau program is for low and moderate income households.

Fish: That means under 60 percent of mfi?

Holt: I think it means up to 80 percent. 60 percent, yes. The challenges we faced were land banking. I want to explain. That means securing property in advance to purchase

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property that has not been developed or can be redevelopment or repurposed or secured for that future use. To this point the knowledge of what has transpired with regard to that is minimal. That's a major concern because as you know, every day in the city of Portland property values are continuing to climb. It's something we must do. Next steps, I will give an opportunity for Virgie to share the process from your perspective being a community member and being on the oversight committee. Thank you for your time and investment in this.

Virgie Ruiz: Thank you. I'm Virgie Ruiz, a community member. I currently live in the neighborhood and have grown up in the neighborhood and have been educated in the city. Being a part of the oversight committee has been a wonderful experience for me allowing me to come to the public meetings that have been offered to hear what our community residents would like to see and would like to be able to return home again. To see this committee come together to formulate and to come up with preference policy and other important ideas to help bring this to pass, even obtain additional funds to support the programs has been a dream come true. I have learned quite a bit and am still learning as part of this committee what it takes to have a city involved and what it takes to help people that are in need and especially with affordable housing. It's one of the things that has caused a lot of cities in this country to fall apart and to cause problems in the city. But I believe Portland is taking the right initiative in getting a group like this oversight committee together, people that are knowledgeable, even people such as myself that i'm learning about the process to be able to participate and do something in a positive way to help improve things for this city. I think this is a great city and it can have a good legacy by participating as it is participating now and continues to participate and support and to be able to bring back affordable housing so people can indeed live in the city. Work in the city. Their children can be educated in the communities and back into the schools and see some wonderful things happen for our community residents. I was looking recently at Jefferson high school, who has done a wonderful job in graduating students, and that used to be our primary high school where our students went to. I'm hoping by return of residents to this inner city area they will be able to benefit, go to college and be able to be successful in life. Those are the things that I found to be very valuable and I don't mind coming and giving my time and attend meetings to be supportive of it. Thank you.

Holt: Thank you very much. Dr. Bates is going to talk about our next steps.

Dr. Lisa Bates: So some of these are our own next steps, others are expectations that we have from what we'll be hearing about and learning about. First in land banking, our report and expectation from the bureau is to see a plan and strategy develop and have our oversight function as we move into land banking. Land banking was added as part of this \$20 million allocation because of our recognition many community based organizations and recognition about top speed at which the market is moving, that it's really critical to take land off the market now so it can be used in combination with our subsidies to develop affordable housing. As the bishop mentioned it's something that does not seem to have gotten off to a very quick start. We have heard very little about it although originally it was supposed to begin immediately. We're expecting to see more from the bureau in terms of a strategy for what kinds of properties are seeking to be acquired, how it's matched up with multi-family or single family development. Strategy screen from acquiring surplus lands from other bureaus and engaging with other entities, school districts, other owners of land, public sectors of land in the area so we can get to the urgency needed around that strategy. On the preference policy, again, a group that had a small subgroup working closely with bureau staff, particularly matt shovel, to develop this. As a member of that committee I would like to commend that every not only for taking time to craft a careful policy but also to take the time to think about how to communicate about it into the

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community. The community members. It's a complicated thing so we will be -- we're looking forward to the implementation of that as a really significant achievement to roll out some outreach and additional communication for community-based organization and online tool for people to be able to look at their ranking on that preference policy. That will be getting ready for the homeownership down payment assistance funds that we recently learned about being allocated and will be a really important part of this strategy of keeping people in place and helping people to move back.

Fritz: Thank you, dr. Bates. I'm very impressed with the preference policy. It's really exciting. Could you just give a quick rundown about some of the factors that would get you points in the preference policy?

Bates: Sure. It's developed to give a higher ranking to those who own family experience includes displacement due to previous or ongoing actions by the city of Portland. For example, if you are a family member, grandparent or parent or yourself who appeared on the list of homes that were taken by eminent domain or condemned by the city in order to do urban renewal actions in the past that would be a priority ranking. Then following from that top priority having again a grandparent, parent or yourself who has lived in the areas that were designated urban renewal areas over time. It's a policy that will apply both to families or households who still live inside the study area and may be at risk of being displaced as well as to those who have already moved away because of affordability concerns.

Fritz: Entirely based on history of having lived in the area. Regardless of race.

Bates: Right. Having been affected by these historical actions, policy actions.

Fritz: Since there are unfortunately many more people who fall into those categories than we have funds for, how will you deal -- what's the proposal for dealing with if you have 100 applications that all have the same orientation and you can only fund 50, how that will be decided.

Bates: Well, that will be deeply challenging. That's the realty across all of these programs are not going to be sufficient to meet the need. There's all the other kinds of screenings would have to go through that may sort households beyond the preference policy. Of course there's basic income eligibility but at the end of the day there are many more households struggling with affordability who have been affected by past policy and who would like to come back, then these funds could help.

Fritz: It will be important for me to know how many in excess of what we can provide. Again, I think it's a wonderful program. The other thing I would like to offer is we recently dealt with -- not really similar but with a lot of applicants all wanting a fair process when ranked the same in the marijuana program and we came up with a lottery system that may or may not be helpful to you. I'll be happy to share what we have piloted to see if it might be helpful to you. It's so hard when there are so many deserving families there's no way to choose between them. It's real exciting, the work you're doing. It's groundbreaking. It's not been done before. It's correcting what we have done in the past. Thank you for all of your work. [speaking simultaneously]

Fish: I have a follow-up question. Is director Creager available to testify afterwards?

Holt: Sure.

Fish: This question of land banking has been coming up over and over and I would very much like to know what are some of our tools. As noted the clock is ticking and we have nonprofit developers saying we need bridge money to acquire and hold some land ahead of us even determining whether we can fund the project. Bit of a catch 22, because if we don't acquire the dirt we can never have the conversation about whether we can actually fund it. I'm not sure our tool kit is as robust as it could be. I would be interested in knowing the strategies. Question for you is on the -- the question of a preference policy

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recognizing that federal law is very unsettled and with the supreme court and their view it could become even more unsettled, has a preference policy been tested somewhere in the country under the fair housing act? Do we know whether there's been a fair housing screen challenge, guidance?

Bates: I don't think so.

Fish: I'm sorry?

*****: [audio not understandable from audience]

Fish: So it's still a factor because the person that doesn't get the unit is still going to have a claim if they choose under federal law. How that gets framed and how it's adjudicated we may be the test case of how that gets worked out. Fair enough.

Bates: I'm not an attorney I feel optimistic The Supreme Court has recently we're affirmed the disparate impact for fair housing. We have fair housing rules propagated by the federal government that allows for conversation about how we achieve those goals and I think that this work is very much informed by and guided by the rules of fair housing. But i'm not an attorney.

Holt: It has been vetted --

Bates: Very thoroughly and we have had many engagements with the city attorney's office on the policy development committee and then of course with staff extensive contact with the city attorney's office. So thirdly, moving into 2016 we're anticipating allocation of the tif lift fund which will also include programming that the oversight committee will look at. Perhaps expanding into the north Portland area with additional membership. And I think as we look at goals, something which the committee has recognized in terms of how this money would be spend, what kinds of programming, that the bureau posted a series of successful, well attended public forums both in the north northeast area as well as in east Portland where many folks have already been displaced to talk about priorities. Needs. Goals. There's really rich information with which to develop the kinds of new programming or responses or tools with this tif lift money that can respond to be additional challenges besides the programming that the bureau is already rolling out which is the additional \$20 million. We would hope to see the bureau go back to the information from those forums to look for gaps and potential areas for addressing it issues with this additional tif lift.

Saltzman: By tif lift you're talk about the additional money the policy council made to increase the housing set-aside from 30 to 45 percent?

Bates: Yes.

Saltzman: Yes.

Holt: Thank you for that clarification. As you can see there's a lot of work to do. There's a collaborative effort with the Portland development commission. Looking at a strategy for best practice approach how does economic development support housing development. How does housing support economic development? How can we partner to utilize the dollars that are involved in the tif lift as well as the monies associated with Portland development commission's oversight for economic development? How can we partner and leverage these dollars to have the biggest impact and the best impact with a good strategy. That's part of what we're looking at. Another piece, which is really my passion, is education and support for families who will be returning. The neighborhood has changed to a different environment so how do we create a net of support that acclimates, reacclimates, affirms as supports the family's needs of those that are returning. What can we do with the community that presently exists that's grown around that may not necessarily value what it once was? To help to as much as possible get in front of potential tensions, create and foster a healthy community. Then the further opportunities you talked about inclusionary zoning. Super excited about hearing that. The screening criteria, how we do all the things that we're doing, and then city displacement, mitigation

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strategies. There's a lot of work to do. There's a lot of work to do and we have been at this now for six months and our intent is to over the next year meet every other month, again continue to meet in the community, continue to make it available for community members to give feedback in the process.

Saltzman: Your meetings are now being covered by channel 30.

Holt: That's right.

Saltzman: Get the word out.

Holt: Absolutely.

Fish: Can I go back to something you said earlier? You mentioned collaboration between pdc and the neighborhood economic development committee and housing dollars. Let's go back in time. One of the things that caused me heartburn when we grabbed the 20 million was we took it out of economic development. We took it out of a hard-earned economic development pot that the community had fought for. We're shifting from one pot to another. In effect it came at a cost. The idea of using the new tif allocation more dynamically to connect to jobs I think is extremely important. I applaud that for being a priority. I guess the question is who is at the table on that discussion? We hear lots of interesting ideas from a thematic district to attracting certain kinds of businesses to investing in existing businesses. Some people would like to see store front improvement grants, others would like to see c capital, the challenge for a lot of emerging entrepreneurs. There's a ton of good ideas. Who is at the table having that conversation?

Holt: It's a new process, and the people at the table are the ned, the neighborhood economic development leadership team of pdc, which is similar to the oversight committee for the Portland housing bureau and oversight committee. We have come together to begin this dialogue. Part of the dialogue is to assist the ned with the process of how to engage community and hear the voices. Hear those thoughts, those strategies and those ideas. So we're early in our stage how we're going to do what we do but those are the players at the table at the moment.

Fish: Do you have another panel?

Saltzman: No. That's it. If you want Mr. Creager to answer questions --

Fish: There are a number of people signed up to testify?

Parsons: Two people.

Fish: Let's go to the community testimony first. There may be other issues raised. Director Creager, would you come back with Bishop Holt to answer any questions? Thank you.

Fish: Welcome.

Danny Bell: Hello.

Fish: We just need your name and you have three minutes, sir.

Bell: Okay. I'm Danny bell. My family has been here since the 1930s, railroad people. My father came here immediately during the Second World War. My mother was here when he landed. He married the girl next door. My parents were very active in various activities in the community, one martin Luther king where they were trying to zone it for business and they kept it as housing. I have close to 48 years as a community activist starting with Eugene McCarthy and the national campaign. That's that. I would like to applaud those who have been working on this. I'm a small businessman, have been. One of the reasons I'm here the gentleman that owns. Step Above clothing encouraged me to come here. I'm very concerned that there will be a wedding between small business entrepreneurs, very difficult even with the mandate of it's for small business loans to jump through the hoops. Oftentimes what I see, I have to preface also contracting work going to martin Luther king economic survey about ten years ago. Bunch of interviews. Bernie foster, et cetera. Oftentimes this becomes a scenario like -- -- this becomes a scenario of

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middle class sociability's and sensibilities. Some people are out, some are engaged. I'm encouraged to see the new players here. Concerns for small business people, people who have historically been here, it becomes like the count of monte cristo. There's two tiers. One tier excluded toe expense of the other. When I worked on the economic survey there were comments made by people that were very -- people are ignorant. They are ignorant in Portland. Black ignorant. These are the people supposed to be advancing our interests? How much time? A few minutes?

*****: About 30 seconds.

Bell: So that's the major impression I would like to say. I want to again say this is very encouraging. This is something brand new. If you really want to embrace those in the whole horizon you have to open your mind. Open your mind you have to have new players and new criteria. I look forward to getting more data so I can be a little more specific. Thank you and have a good day.

Fish: Thank you. Welcome, sir.

Joe Levesque: Old entrepreneur. I'm Joe Lévesque. I'm an old builder-developer. I could spend hours. I go the three minutes. Could spend hours talking about this stuff. Lot of bad stuff going on in our country. You aren't even talking about it. When it comes to affordable housing that's my background. I'm not going on an ego trip for you. I built homes for over 200,000 people. That's a lot of people. Generated over \$200 million in tax revenue. That's nothing to be ashamed of. I'm from the state of New Hampshire. Live free or die. I was brought up with that stuff, with a hunting gun, a rifle walking through the woods. I went to California, was the golden state. Oh, I felt like an eagle free. I could do anything. You know you can do anything in your 20s. I did. I did a few things. Now California is a bankrupt state. I have been to a state of Washington on some of this stuff. I have been to public meetings before. They are not listening to me. You guys are not listening to me. You guys have committees. Let me tell you about the biggest committee I ever had. 80 percent of the people on there are there for ego reasons. 15 percent are primadonas. The other 5 percent is wisdom. That's why I don't like to deal with committees. I can talk for hours. I get nervous talking in public like this. But there are solutions out there. I want to help. I'm not greedy. I have solutions to a major problem. You hear about the fiasco in 2008. I had solutions to that, those problems. And right now what I'm trying to do, I made several multimillion-dollar pledge donations, not my money but the funds generated from this program. It would help the universities, the schools, it would help the nonprofits. 501c3s. there's two conditions to the pledges. I want them to write a letter to Washington state university to have them look into the program. If the program works, what do we have to do to make it work? I would make the condition if it can't work I want them to tell me why it can't. Affordable housing let me tell you something about affordable housing I got one second. Two seconds.

Fish: Couple more seconds.

Levesque: Five things you need to build affordable housing. Five. Land, loan, build, sell, and but you need five laws. How much do you want to borrow when you have collateral? How will you pay it back? What's in it for the bank, and that's it basically. That's still the same thing. I'm overtime. I'm sorry.

Fish: Thank you for your time and your service in the war. I would strongly encourage you to go to a phac meeting or a follow up meeting. You have a lot of passion. I hope you would sit down with the oversight committees and share that with them.

Levesque: As long as there's not too many committees.

Fish: I would like to invite director Creager to come forward.

Fritz: Do we have anyone from the Portland development commission here?

Fish: I don't think so.

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Fritz: I would like some follow-up to the first testifier, question about small businesses. It seems the preference policy that this committee has developed may be very helpful in guiding Portland development commission in their allocation of their small business loans. If you could make sure that they hear about that that would be helpful. Thank you.

Fish: Director Creager, welcome. Let's start with any comments you would like to share based on the testimony then we may have follow-up questions.

Kurt Creager, Director, Portland housing Bureau: I'm proud to be part of the implementation of this strategy although I was not witness to its formation. I met with Bishop Holt my first week on the job and the first day I started, August 10, was the review panel for the grant warehouse funding. Which ultimately led to the selection of PCRI-- I hit the ground running and north and northeast Portland was a priority from the very beginning and remains a strong priority. With good support of the oversight committee by PHB staff, I have intersected when necessary with the policy development and program development activities including the oversight committee's work on preference policy. Would like to say having operated housing authorities in two states that HUD enabled housing authorities to establish local preferences for the management of their waiting lists so the fair housing implications of a preference policy in this geographic area is not that much different. For instance housing authority would often prioritize victims of domestic violence as a priority so they don't have to wait years to get housing placement. They are in a panic situation. They need to get away from their abusers. Vancouver housing authority which I operated for some 16 years provided a local preference for victims of domestic violence, a preference for people displaced due to the actions of the city of Vancouver. In this case demolition and redevelopment of downtown property.

Fish: Let's be clear, I'm not aware under federal law that's a protected class. That may be a preference but I was getting at the protected class issue.

Creager: Right. And in this instance it will be issued in a color-blind manner. The scoring happens to relate to geography, not ethnicity or race, although people -- there were obviously communities of color in that geography. I'm pretty confident. I'm a member of the housing development law institute, a national institute based in Washington D.C. That deals with fair housing law. While I'm not a lawyer I work with a lot of lawyers on this very issue. I think it's been vetted quite well and we have gotten good guidance from the office of the city attorney who attended each of these meetings.

Fish: Can I ask this general area of land banking? It's coming up a lot. We heard from some advocates in Cully that there's some land they want to acquire. They need bridge loans and other things to acquire the land. If they don't acquire the land they forever lose the opportunity to develop it. It strikes me that it raises at least two problems for us. One is what flexible tools do we have to provide in a nimble way short term financing, bridge financing, other things to acquire land even if we don't end up the primary developer. Second, how do we administer the program? Being opportune is tick which in this market I would be more receptive because I don't think -- we don't have six months to deliberate. What are some of the flexible sources of money and how do we structure it in a way that can seize the moment even if it turns out at some point we don't choose to be -- it doesn't meet our criteria for future development?

Creager: Well, I think it's worth mentioning that the interstate urban renewal area has more money than any other active open urban renewal area, so we're actually better suited in north and northeast Portland especially in the URA, than in Cully, for instance, which is not in an urban renewal area. I spent a lot of my time thinking about the 85 percent of the city not in an urban renewal area and the budget commissioner Saltzman and I transmitted this week does contemplate the tranche yet lodging tax to generate a \$14 million sum of money --

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Fish: Housing investment fund.

Creager: It would go directly to the fund which would then be used to acquire sites previous has ply outside of uras although we could do bridge financing and repay ourselves with tif. The bigger issue I think is one of real estate dynamics. We have made offers on properties. It's a frothy and very volatile market. One of our challenges as a public entity we have to underwrite projects based on appraisals. We have made full money offers within 48 hours of a site coming to our attention which we were outbid by many offers in excess of the appraised value. That puts a challenge upon us, which is -- we do not want to overpay for a site with public funds therefore we need either sites that have not hit the market and are therefore bid up by speculative pressures or who are owned by entities that have a social agenda or social consciousness. We have been working with buyers, brokers that would bring us properties not currently listed. We would be happy to pay them a listing. We do not currently have an exclusive relationship so any buyers, brokers that might be listening in on this conversation we would be happy to do business with them. We have reached out to constitutional and private -- institutional and pretty owners that have property that's vacant or currently underutilized. We're talking with other sister institutions within Portland. The housing fund is where we would go first to acquire sites from perhaps park bureau, park services and the wear bureau then short term revenue will give us more money to work with. Javier Mena is assistant director, he was a wells Fargo banker before he was hired by the city. He's my point person on the land negotiations. I can say that when he brings a site to me we make a decision usually within the same working day about how best to proceed. We're not overanalyzing or overthinking these issues. I respect Bishop Holt's needing to know what's going on so there's a sense of movement and ownership in the strategy.

Fish: I thank you for that thoughtful answer. I think I understood most of it. Are we -- it's implicit in what you're saying that we're constrained in using tif? I'm imagining a third category. In between. You're talking about the bureau acquiring dirt and then packaging it with other tools and finding a private developer. That's the traditional way. That's very important, but I'm thinking about -- another model which is pcri, habitat, someone comes to you and says we've worked out a piece of property, a deal on a piece of property. They will probably goat a better deal than we will. When someone said the government are interested we pay a premium. They have got a deal but they are missing gam money, some this, some that. Are we able to fill that niche to help our partners acquire dirt even if we have to at some point ask them to repay it?

Javier Mena, Portland Housing Bureau: Yes, we are. We actually just finished an agreement with noah that is specifically for that purpose. Noah has a land banking fund that the past couple of years have not been utilized to a great extent. As you would call --

Saltzman: Noah?

Mena: A nonprofit affordable housing lender for the state.

Fish: Partner when we did the preservation.

Mena: Most definitely. They used this fund during the preservation process. They have not been using this fund for the past couple of years. As you may recall last fiscal year the bureau received \$1 million of general fund for housing development which we were not able to fund any projects. So we are using those millions dollars to add to that fund. What that does, it has made those resources flexible for nonprofit or for-profit buyers it gives them four years to identify development resources for that land that they purchased.

Fish: When you come before us later, director Creager, to talk about the budget, about your priorities that you and commissioner Saltzman have set forth, could we carve out a few minutes to talk about what are the pots of money available for this flexible purpose? Combination of loan money, cdbg, tif, housing investment fund, give us a primer on what

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dollars are really flexible and can be used for land banking? I fear that once upon a time people like Mr. Gray, for example, gave that legacy gift to habitat. Habitat during a recession bought huge tracts in east Portland. That's a unique circumstance. Timing, the market was good. Other development failed so they were able to buy it. A source of funds to acquire the dirt. That door is closing. It does seem to me that we're going to have enough of a challenge financing projects. We sure as heck better make sure we have dirt to build on. I want to make sure -- I want to work with Dan to make sure you have as much flexibility in your tool kit to acquire opportunistically even if we don't own, if we're providing bridge financing.

Creager: We stand ready to mobilize all the resources available to us. The idea of using the network for affordable housing as the intermediary is actually much more nimble, more agile. It's two percent money for four years. Interest only on the loan balance for a four-year period of time with the idea being it would not be a long-term hold, just sufficient to get permits. We would essentially replace it with permit financing or whatever gap financing is needed along with hud or bank debt. That money will recycle. Noah doesn't have to take each parcel before the city council for approval. I think that's an excellent way for us to respond quickly to opportunities. I think at the end of the day you want to make sure each project is bankable so you don't have a large inventory of land that is waiting for permanent takeout financing. That's a bit of an art, not entirely science. But --

Fish: Particularly because people are being forced to pay above market for the dirt.

Creager: Indeed.

Fish: Thank you, sir. Questions or comments from council? Is there anyone else who is present who has not had a chance to testify that would like to do so? Seeing none I'll entertain a motion to accept the report.

Fritz: So moved.

Saltzman: Second.

Fish: Please call the roll.

Fritz: This just shows what happens when you put large quantities of money into the hands of good citizens who come up with strategies on how to spend it in the best interests of the community. Thank you, bishop Holt, thank you to everyone involved in this. As I look around the chamber there are so many stalwarts of affordable housing and of champions for north and northeast Portland in the room here or maybe to listen, maybe to just support, all deeply engaged in this process. That's what it takes to come up with a plan that begins to correct some of the wrongs of the past. I'm very, very impressed. As I said I will look to duplicating this in the Portland development commission and perhaps other projects. A little early to declare success yet, but it's certainly an amazing start and I'm very pleased that you took the time to give a detailed report to council and that all the community support. We do have many challenges for affordable housing, homeownership, displacement, a wide range of housing challenges which for the seven years I have been on the council we have tripled the housing Budget, we have done what we thought the most we thought we could do at the time. Now we're doing even more under the leadership of first commissioner Fish, now commissioner Saltzman. It's all of us. Some of the folks who are writing in to us saying what are you doing about housing, what are you doing about displacement, about these injustices. We're working together, it cannot be done by just your committee, it cannot be done by just the housing bureau, just the city, just the county. It's all of us. If you -- before you write me an email asking what I'm doing know I'm going to write you back saying, what are you doing? It's about much more than firing off an email once in a while. It's about doing the due diligence like the committee has done, evening meetings, making sure they are televised and community

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members feel welcome in places that they are holed. There's a whole range of things that you have addressed so thoughtfully and I'm very grateful. Aye.

Fish: I'm sorry mayor haes is not here to -- he may be actually at home watching tv, who knows, but he and Dan launched this initiative, I'm sorry he's not here to see the fruits of year one. A lot of really innovative thinking has come out of this and I'm pleased to receive the report and have this discussion. So I'm going to say 20 million doesn't get us much. That's true, but for people who are benefited it's a new start. Their lives are improved. The realty is the bigger storm out there is there were hundreds of millions of dollars short in terms of the money we need to really address the need. We're backsliding on the focus of zero 30. We have major candidates running for federal office, for presidency in fact, who said they would abolish hud. We have structural problems in terms of affordability and a ton of fairly affluent people moving to our city that are causing ironically huge problems in the marketplace because they are bidding up properties and displacing everyone else. That said we can't control the big storms but we can make progress on a neighborhood by neighborhood block by block. I think there's a lot of good thing here and great community oversight. Thank you, Dan, mayor haes, thank you, director Creager who in his short stint has really made a difference. I'm pleased to accept the report. Aye.

Saltzman: Well, I also want to recognize mayor haes because he was really the genesis for the whole notion of dedicating \$20 million in additional urban renewal dollars specifically to go towards affordable housing production and anti-displacement activities. So thank you, mayor haes. I also want to thank the Mexico of the north northeast oversight committee who we have entrusted with coming up with the policies and programs to make this real, to increase affordable housing production in the north northeast area. To provide anti-displacement activities and funding, and to look at things like preference policy to provide people the ability to live or live again in the north northeast Portland area. I want to recognize staff and Bishop Holt for your capable leadership from day one and to all the committee members. You have worked very hard and i'll thank you in advance because there's still work to do. I want to recognize many key people at the Portland housing bureau. Leslie Goodlow has been with this process from the start. She's. won't let go of it, which is ok. She is born and raised in the neighborhood so she cares very much.

Fish: She's a second member of the rose festival royal family who was here today.

Saltzman: Matthew Tschabold, who has done a masterful job helping the committee figure out the preference policy in a way that will stand legal challenges but will also make a difference in having people come back or stay in the neighborhood. I appreciate all the hard work he's done. For fun he helps the district, school districts review committee make fair decisions. Javier mena, the assistant director, letimya clayton, michelle depass, andrea matthiessen, martha calhoun and my staff, shannon callahan and Tia williams. Thank you all for the work and for the work that remains. Aye.

Fish: Report is adopted. Thank you all. We're adjourned.

At 3:15 Council recessed.

February 4, 2016

Transcript File of Portland City Council Meeting

FEBRUARY 4, 2016 2:00 PM

Fritz: Good afternoon everybody. This is the February 4th session of the Portland City Council, however, we do not have a quorum. Commissioner Novick is out on family emergency and Mayor Hales was out sick yesterday and is even sicker today. Since Commissioner Fish already had an excused absence, we obviously do not have a quorum. I would call what I'm doing right now a dog and pony show, except there is only one of me, so it's a pony show.

So we are here to convene the session. I'm the only one here, Commissioner Amanda Fritz, Sue would you please read items 119, 120 and 121.

[Items read.]

Fritz: Thanks to everyone who was planning to come down to testify today. These three items will be continued to February 18th at 2:00.

We also were planning to consider some items that were left over from yesterday's agenda. Those agenda numbers are 105, 109, 114, 117 and 118-1. All of those items will be considered next week on the regular agenda on Wednesday.

With that, that concludes the proceedings for today. Thank you to the City Attorney, Council Clerk and other staff who have helped with these emergency preparations and dealings. This shows that politicians are real people who have real tragedies and things that happen in their lives too. Thank you for your patience.

Meeting adjourned at 2:02 p.m.

Transcribed by Sue Parsons, Acting Council Clerk