



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **21ST DAY OF DECEMBER, 2016** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5. Mayor Hales was left at 12:05 p.m. and Commissioner Saltzman presided. Mayor Hales returned at 1:30 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Denis Vannier, Deputy City Attorney at 9:30 a.m.; Lory Kraut, Senior Deputy City Attorney at 2:05 p.m. and 3:18 p.m.; Kathryn Beaumont, Chief Deputy City Attorney at 2:40 p.m.; and Jason King and Mike Cohen, Sergeants at Arms.

Item No. 1429 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

The meeting recessed at 11:32 a.m. and reconvened at 11:36 a.m.
The meeting recessed at 12:33 p.m. and reconvened at 1:34 p.m.
The meeting recessed at 3:14 p.m. and reconvened at 3:18 p.m.

		Disposition:
COMMUNICATIONS		
1419	Request of Charles Bridgecrane Johnson to address Council regarding bridgecrane the police contract, enhance COAB and CRC, DApl solidarity with Standing Rock, stop Jordan Cove (Communication)	PLACED ON FILE
1420	Request of Michael Withey to address Council regarding homelessness (Communication)	PLACED ON FILE
TIMES CERTAIN		
1421	TIME CERTAIN: 9:45 AM – Accept the final annual report of the Public Safety General Obligation Bond Program Independent Citizens Committee (Report introduced by Mayor Hales) 30 minutes requested Motion to accept report: Moved by Fish and seconded by Fritz. (Y-5)	ACCEPTED

December 21, 2016

*1422	TIME CERTAIN: 10:15 AM – Appropriate \$300,000 of contingency funding from the City general fund to the Portland Bureau of Transportation for emergency Vision Zero improvements and community engagement efforts on Outer Division (Ordinance introduced by Mayor Hales and Commissioners Novick and Fish) 20 minutes requested (Y-5)	188161
CONSENT AGENDA – NO DISCUSSION		
Mayor Charlie Hales		
1423	Appoint Wendy Chung and Annie Mahoney to the Historic Landmarks Commission for terms to expire December 31, 2020 and reassign Matthew Roman to the Historian membership category (Report) (Y-5)	CONFIRMED
1424	Confirm appointment of David G. Shaff as Commissioner for the Civil Service Board for a term to expire December 20, 2019 (Report) (Y-5)	CONFIRMED
Bureau of Planning & Sustainability		
1425	Authorize an Intergovernmental Agreement with Portland State University in the amount of \$83,482 for the Single Family Weight Study 2017-2019 to determine weight of garbage for ratemaking purposes (Ordinance)	PASSED TO SECOND READING JANUARY 4, 2017 AT 9:30
City Budget Office		
1426	Adopt the Budget Calendar for FY 2017-2018 (Resolution) (Y-5)	37258
*1427	Amend FY 2016-17 Fall Supplemental Budget ordinance to correct technical errors (Ordinance; amend Ordinance No. 188061) (Y-5)	188154
Office of Management and Finance		
*1428	Pay claim of Emily Johnson Purry in the sum of \$250,000 involving the Portland Parks and Recreation (Ordinance) (Y-5)	188155
*1429	Provide one-month City paid health insurance to certain staff of outgoing elected officials' offices (Ordinance) Motion to amend staff list in Exhibit: Moved by Fish and seconded by Fritz. (Y-4; Hales absent) (Y-4; Hales absent)	188166 AS AMENDED
*1430	Authorize a grant agreement with Janus Youth Programs, Inc. for \$66,000 to help sustain the Village Market in Portland (Ordinance) (Y-5)	188156

December 21, 2016

<p>*1431</p>	<p>Authorize a Special Appropriation grant agreement with Focus on Youth in an amount not to exceed \$60,110 to fund expansion of their program and construction of an attached garage for use as an indoor classroom/demonstration kitchen and bathroom for students and volunteers (Ordinance) (Y-5)</p>	<p>188157</p>
<p>Commissioner Steve Novick Bureau of Transportation</p>		
<p>*1432</p>	<p>Amend contract with Axiom Event Productions, LLC for volunteer and course management services through the Portland Sunday Parkways program for an amount not to exceed \$151,000 (Ordinance; amend Contract No. 30003708) (Y-5)</p>	<p>188158</p>
<p>*1433</p>	<p>Authorize a contract with Toole Design Group, LLC for the development of Safe Routes to School Project Planning in the amount of \$345,366 (Ordinance) (Y-5)</p>	<p>188159</p>
<p>*1434</p>	<p>Accept a grant in the amount of \$36,660 from Oregon Department of Transportation for the Enhanced Transit Corridors plan and authorize an Intergovernmental Agreement (Ordinance) (Y-5)</p>	<p>188160</p>
<p>REGULAR AGENDA</p>		
<p>1435</p>	<p>Provide affordable housing through an Inclusionary Housing program (Second Reading Agenda 1381; Ordinance introduced by Mayor Hales; amend Title 33, Planning and Zoning) (Y-5)</p>	<p>188162 AS AMENDED</p>
<p>S-1436</p>	<p>Provide affordable housing through an Inclusionary Housing program and update the Multiple-Unit Limited Tax Exemption Program (Second Reading Agenda 1382; Ordinance introduced by Commissioner Saltzman; add Code Section 30.01.120, amend Section 30.01.030 and Chapter 3.103) (Y-5)</p>	<p>SUBSTITUTE 188163 AS AMENDED</p>
<p>Mayor Charlie Hales Office of Management and Finance</p>		
<p>*1437</p>	<p>Approve settlement of claims with Level 3 Communications, LLC for past due franchise fees (Ordinance) 10 minutes requested (Y-4; Hales absent)</p>	<p>188167</p>
<p>*1438</p>	<p>Authorize an agreement with Cellco Partnership dba Verizon Wireless to provide wireless services for a three-year contractual total not to exceed \$7,500,000 (Ordinance) (Y-4; Hales absent)</p>	<p>188168</p>

December 21, 2016

<p>*1439</p>	<p>Approve findings to authorize an exemption to the competitive bidding requirements and authorize the use of the alternative contracting method of Construction Manager/General Contractor all in connection with the Tryon Creek Wastewater Treatment Plant Headworks Project for an estimated amount of \$54,000,000 (Previous Agenda 1402)</p> <p>Motion to add emergency clause due to the critical aspect of getting the exemption soon: Moved by Fish and seconded by Fritz. (Y-4; Hales absent) (Y-4; Hales absent)</p>	<p>188169 AS AMENDED</p>
<p>1440</p>	<p>Clarify definitions, administrative authority and make housekeeping changes to the Transient Lodgings Tax Code (Second Reading Agenda 1403; amend Code Chapter 6.04) (Y-4; Saltzman absent)</p>	<p>188170</p>
<p>1441</p>	<p>Amend Tourism Improvement District code to update definitions and change the due dates and delinquency dates to match those in the Transient Lodging Tax code (Second Reading Agenda 1404; amend Code Chapter 6.05) (Y-5)</p>	<p>188171</p>
<p>Portland Development Commission</p>		
<p>1442</p>	<p>Authorize the submittal of a boundary change request to the State of Oregon to add .92 acres to the East Portland Enterprise Zone (Resolution) 15 minutes requested (Y-5)</p>	<p>37259</p>
<p>Commissioner Steve Novick Bureau of Transportation</p>		
<p>*1443</p>	<p>Authorize contract with Kimley-Horn Associates Inc. to provide consultant services to develop a Parking Management Plan, formerly Performance Based Parking Management, not to exceed \$205,835 (Ordinance) (Y-5)</p>	<p>188172</p>
<p>*S-1444</p>	<p>Authorize a permit fee surcharge and additional Supplemental Plan provisions to the Northwest Portland Zone M Area Parking Permit Program (Previous Agenda 1417)</p> <p>Motion to accept substitute ordinance: Moved by Fish and seconded by Novick. (Y-5) (Y-5)</p>	<p>SUBSTITUTE 188173</p>
<p>Commissioner Amanda Fritz Office of Neighborhood Involvement</p>		

December 21, 2016

<p>*1445</p>	<p>Amend City's marijuana business regulations (Second Reading Agenda 1416; amend Code Chapter 14B.130, Portland Policy Document ADM-20.01) Vote #1: (Y-5) Motion to reconsider: Moved by Fritz and seconded by Fish. (Y-5) Motion to add emergency clause so the permit process can be expedited: Moved by Fritz and seconded by Fish. (Y-5) Vote #2 on ordinance as amended: (Y-5)</p>	<p>188178 AS AMENDED</p>
<p style="text-align: center;">Portland Parks & Recreation</p>		
<p>1446</p>	<p>Create a local improvement district to construct park improvements in the Portland Open Space Sequence Local Improvement District in partnership with the Halprin Landscape Conservancy (Second Reading Agenda 1410; C-10054) (Y-4; Saltzman abstained)</p>	<p>188165 AS AMENDED</p>
<p style="text-align: center;">Commissioner Nick Fish Bureau of Environmental Services</p>		
<p>1447</p>	<p>Authorize a contract with the lowest responsible bidder for construction of the Safeway Pump Station Upgrade Project No. E10292 for an estimated cost of \$1,090,000 (Ordinance) 10 minutes requested</p>	<p>PASSED TO SECOND READING JANUARY 4, 2017 AT 9:30</p>
<p>1448</p>	<p>Authorize a contract with the lowest responsible bidder for the Airport Way 1 Pump Station Improvements and AW03 Forcemain Repair Project No. E10529 for an estimated construction cost of \$2,374,000 (Ordinance) 10 minutes requested</p>	<p>PASSED TO SECOND READING JANUARY 4, 2017 AT 9:30</p>
<p style="text-align: center;">Commissioner Dan Saltzman Portland Housing Bureau</p>		
<p>1449</p>	<p>Establish annual sale price cap of \$350,000 for the Homebuyer Opportunity Limited Tax Exemption Program (Resolution) (Y-5)</p>	<p>37260</p>
<p>*1450</p>	<p>Amend subrecipient contracts with Unlimited Choices for \$110,000 and NAYA for \$260,338 for home repair services (Ordinance; amend Contract Nos. 32001386 and 32001382) (Y-5)</p>	<p>188174</p>
<p style="text-align: center;">City Auditor Mary Hull Caballero</p>		
<p>*1451</p>	<p>Initiate foreclosure sale on one property for the recovery of delinquent City liens placed against the property (Ordinance) 15 minutes requested Motion to add emergency clause in order that the current Council may act on the foreclosure: Moved by Fritz and seconded by Saltzman. (Y-5) (Y-5)</p>	<p>188164 AS AMENDED</p>

FOUR-FIFTHS AGENDA		
Commissioner Dan Saltzman Portland Housing Bureau		
*1452	Authorize the appropriation of \$51,000,000 for a Housing Property Fund (Ordinance; add Code Section 5.04.540) 20 minutes requested for items 1452 and 1453 (Y-5)	188175
1453	Authorize a temporary operating loan of \$51,000,000 between the Development Services Fund and the Housing Property Fund (Resolution) Motion to amend resolution to state that HUD loan—not a grant—will be used: Moved by Saltzman and seconded by Fish. (Y-5) (Y-5)	37261 AS AMENDED
Mayor Charlie Hales		
*1453-1	Authorize an Intergovernmental Agreement with the City of Milwaukie to revise urban service boundary of unincorporated areas between City of Milwaukie and Portland (Ordinance) (Y-5)	188176
S-1454	TIME CERTAIN: 2:00 PM – Amend the Official City Zoning Map, Planning and Zoning Code and Transportation System Plan to carry out Portland’s 2035 Comprehensive Plan; establish a new Community Involvement Program and Committee; amend related codes, the 2035 Comprehensive Plan and Plan Map to coordinate policies and programs (Second Reading Agenda 1414; Ordinance introduced by Mayor Hales; amend Code Titles 3, 17, 33 and Ordinance Nos. 165851, 177028, 187832) 30 minutes requested for items 1454-1455 (Y-5)	SUBSTITUTE 188177 AS AMENDED
1455	Adopt a Connectivity Strategy for Comprehensive Plan Centers in Eastern Neighborhoods (Second Reading Agenda 1415; (Ordinance introduced by Commissioner Novick) (Y-5)	188179 AS AMENDED
1456	TIME CERTAIN: 2:30 PM – Extend to December 31, 2017 the Council-approved Corporate Securities Do-Not-Buy List (Previous Agenda 1418; Resolution introduced by Commissioner Novick) 2 hours requested Motion to add Wells Fargo and Caterpillar to the Do-Not-Buy List: Moved by Novick and seconded by Fritz. (Vote not taken. This motion was overridden by Fritz amendment.) Motion that the City not invest in any corporate debt and restrict investments in corporate securities to those meeting a to-be-determined minimum rating. City Treasurer to return to Council by April 1, 2017 for approval of City’s Investment Policy: Moved by Fritz and seconded by Fish. (Y-5) (Y-5)	37262 AS AMENDED

At 5:15 p.m., Council adjourned.

December 21, 2016

THURSDAY, 2:00 PM, DECEMBER 22, 2016

**DUE TO LACK OF AGENDA
THERE WAS NO MEETING THURSDAY**

MARY HULL CABALLERO
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council

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

December 21, 2016
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.

DECEMBER 21, 2016 9:30AM

Hales: Welcome to the December 21st meeting of the Portland city council. Please call the roll. **Novick:** Here **Fritz:** Here **Fish:** Here **Saltzman:** Here **Hales:** Here

Hales: Good morning. We have our regular council agenda including communications from the public and time certain and council business, but before that, we have a special order of business, which is a proclamation about an amazing organization in our city and who we are as a city, which is, of course, the track town, and having the experience this year of having the world indoor track and field championships here has been one of the highlights of the year for me, for a lot of people. It was just amazing. Our community came together, to put that event on it, it put Portland on the world stage, and there was amazing competition, and even gutsy enough to have the metals ceremonies in pioneer courthouse square in march. They pulled it off. Didn't start raining until 30 minutes after the last metals presentation. So apparently even god was on the side of this event because did not have rain for that long in Portland for outdoor ceremonies, quite an accomplishment so I have a proclamation and we have folks here to talk about this organization, namely, of course, The Bowerman track club. Whereas Portland has a reputation for world class and community running from Olympic and world track and field cross country competition to community trail and road racing, and Whereas in this rich environment the Bowerman track club, formerly the Bowerman athletic club was founded in 2002 as a grassroots running club. Today the Bowerman track club has grown to include many Olympic athletes, masters, age 40 and above, and youth runners, all joined in the same organization. And whereas the Bowerman track club draws the best athletes from around the country, but by including the local youth under the same team umbrella organization, the professionals and master's runners inspire and mentor young Portlanders. And whereas each year the united states track and field holds a national masters club cross country running championship to determine the top running club in the country, and whereas facing top competition from substantially larger clubs across the nation, including the legendary Boston athletic association, the Atlantic track club and others, the Bowerman's masters obtained a three-peat, that is the third time, masters club championship and whereas with the team that included Greg Mitchell, John Howell, Arleen Bowerman, Oscar Bowerman, Joshua Gordon our own Matthew Farley and Orin Schumacher. They won the national club cross country championships in the following years and locations, 2014, in Bethlehem, Pennsylvania, and in 2015, in San Francisco, and in 2016 in Tallahassee. The Bowerman track club won all three. Whereas in each of these years the prize money won by the master's team has been generously donated to the Bowerman track club youth program thereby continuing support for our community. Now therefore I, Charlie Hales, mayor of the city of Portland, Oregon, the city of roses do hereby proclaim December 21st, 2016, to be a day of recognition for the Bowerman track club in Portland in recognition of their positive impact on the city, particularly the accomplishments of the masters team and encourage all residents to observe this day and maybe go for a run. Let's hear it for the Bowerman's. [applause] so we have three people here that we would like to just briefly bring up and tell us a bit more about this. Chris Cook, who is the youth head coach, Jerry

December 21, 2016

Shoemaker. Good morning and come on up. Please. Have a seat. How did you pull this off winning three times in a row? That's impressive.

Matthew Farley: Well, we do have some amazing runners here in Portland, and just in terms of the masters, the masters is really just a nice way of saying the old guys. And so we still love it and still enjoy the competition but I think that the larger focus is the elites and the youth and that's why I asked Chris cook to just say a few words.

Hales: Good morning.

Chris Cook: Good morning. Yeah. I think that the proclamation was very good, and I think that it covered that, the club office is a wide range, and from youth all the way to masters. With sort of adults and pro athletes in the middle. That was when we set up the club and that was our goal was to cater to the people that wanted to be competitive about running but at any level it did not matter if they were fast or slow, they wanted to be competitive and we wanted to give them a club and a place to have other people to run with and train with and expert coaches, so when we started out, it was with the masters and with the youth and it sort of gradually built over the last 10 or 12 years, and so I think that it's been really exciting, especially the last couple of years with the success of the masters team, but the success of different age groups, last year we were the national champions in 11, 12 boys as well as the master, and then the year before that we were national champions in 2013, 2014 girls so we have done it at many ages, and like last year, we have these guys in the back. Where is Anna? Hiding in the back.

Cook: Right over there. She took second place at nationals last year as an eight-year-old, last year, we had a national champion as a 60-year-old, Doug, I think, Doug is here, are you here?

Hales: Good morning.

Cook: And then this year we had, a silver medal at the Olympics from one of our professional runners. Evan Jager He's here, as well. So I think that that's pleasing for me is having started the club and seen it grow is to see that success at every level and every age group. What's been really exciting the last couple of years is the professional athletes have been coming out and doing the coaching with the kids, so I think that that's, that meant that the kids' program is probably the premiere in the nation in terms of the level of coaching that the kids are getting because they are getting the champions and Olympians as their coaches, so it's hard to beat that. So thanks for inviting us along, and we are excited to have this day of recognition. We are excited to see the club continue to grow and support people of all ages in the Portland area.

Hales: That's great. Phil knight and bill Bowerman have touched this community in lots of ways. Obviously we have a world class medical institution growing in our city because of the knights' generosity, and then the ability for them to put the world indoor track and field event together, my chief of staff, and he made the case for that, and really it was a community support as well as the deep tradition of running here that caused Portland to get that opportunity. So I certainly appreciate it and enjoyed that. We would love to get the athletes and all of your members up year for a photo with people that are, in our case, better at running for office than running, per se, but we would love to take a photo with them. Come on up, please.

Cook: Bring everybody up.

Hales: Impressive athletes and thank you all for being here this morning. Ok. We'll get started on our regular calendar before we take up the communications. Let's check on the consented agenda. I believe that we have -- do we have one item that's being pulled from the consent to regular, Rachael? Is that right?

Moore-Love: Correct. 1429.

Hales: 14 which?

December 21, 2016

Moore-Love: 1429.

Hales: 1429 is going to regular. Any others? Ok. So then let's take 1419, please.

Item 1419.

Hales: Good morning.

Charles Johnson: [inaudible] outgoing personnel, I know it's on the future agenda, we'll be talking about whether some staff for departing personnel should be covered with the health insurance, and the holiday spirit. I am in favor even though it's pulled from that consent. So on my item, before we get to the messiness of going up to the ninth circuit court of appeals, it seems that the people that we have expressed solidarity with, the city, the Sioux people in North Dakota, while they are experiencing severe weather, the army corps of engineers has, for now, taken their side until the country gets a new commander in chief. Who is making rick abolish the energy department Perry, the secretary of energy, if we can't work with Mr. Merkley and Mr. Wyden to build a coalition to stop such insanity. Unfortunately, the insanity is not fully localized in Washington D.C in trump tower in New York. We have it here, too, when -- very outspoken activist who has been arrested in this chamber many times, talks about the city attorney, assistant city attorney who used to work in the administration or alongside people working with the state of Haiti when he has a very verbal expression in federal court, federal court, where the united states of America versus the city of Portland processes its settlement, we think that we need to tar everything with the racism brush, when we know that a large number of our african-american neighbors, the black people, the people that we need to tell more often, black lives matter, are not very persuaded by the way that we try and improve or say that we are trying to improve our police department. There is an idea now that the hard working volunteers that have stayed with the community oversight advisory board should be phased away in that motion or suggestion to the court, there is some talk about not having them covered by the Oregon public meeting laws, and I think that that's -- there is a plus and minus to that, not that hopefully they will be a secretive behind closed doors body but interface with the public without being labeled public officials because they are not receiving 100 plus thousand dollars a year like some on the other side of this table. So we seem to be moving in the same direction as the trump administration away from vigorous robust work and dropping names and labels on our enemies, or people who are taking opposing positions, and I hope that we will move away from that. Thanks very much. I have nine seconds left, actually. I will say it again --

Hales: You are counting up --

Johnson: I see my negative sign is gone.

Hales: Thank you very much. Whether the, thank you. 1420, please.

Item 1420.

Michael Withey: Do you want to switch it in this is about the tiny house communities that we're trying to produce here in Portland. So over the past three years I've been invited to panel present on the tiny house movement and the fancy facets, so I have done, let's say, Georgia alliance to end homelessness in savannah. Many, many. You have them listed there. So the tiny house movement is, basically, five different sections, or, so there is the tiny house movement, which is on wheels, we see them around Portland, and constructed well, and what we call tiny houses. We have accessory dwelling units which are built in backyards, and they could also be converted into garages and basements, and we have intentional communities, which sometimes are small dwellings here in Portland so intentional communities are basically for religious or agricultural reasons. Or just living off of that, so there is also the individual shelter units and clusters. That's what this is about today. So I studied over the last few years' successful examples, and some unsuccessful examples around the country. What I put together is sort of what these clusters are

December 21, 2016

supposed to be and what they are not supposed to be. We are a national movement. We are probably in about 15 cities now, where we are using these tiny houses without, without electricity. Without plumbing. Just as a very -- so we have a temporary solution to the lack of shelter space in the city. These are mobile, so all of these, whether they are built on wheels or whether they are built to be picked up with a forklift and put on a back, the back of a flatbed are easily moved around. So you could have at least for six months, move them to the next place. The individual shelters are not permanent housing. They should have six-month increments where people can stay if they are working with the caseworkers and moving forward. They should be administered by outside sources, not the people living inside of the community. It's good to have them manage the community but not to administer and to right the rules. It is not a place to be complacent, people need to volunteer and they need to participate not only in that community, but in the community surrounding them. That's about it.

Hales: I just want to thank you. I was able to participate in that design bit that you and others were involved with, with young architects and activists and people from Portland state and they built -- many of us got to see -- the prototypes of the designs and display them out in a park block. Thank you, commissioner Fritz, for your help with that, for a week or so and you are working with ben morrow to find a location for those that I think is going to house 14 women that are living outside.

Withey: That's right.

Hales: So talk about taking it from idea to reality, so I appreciate your work, and a lot of people's work on doing just that, and this tiny house idea is important, an important ingredient in what we are trying to do as a city.

Withey: And we thank you for heading that up.

Hales: It's going to make a difference. Thank you, Michael. Let's take the consent calendar minus one item, 1429 that we will move to regular. Any further discussion about the consent calendar? Roll call on the consent calendar as amended.

Novick: I have one thing to say before my vote. Shaft, can you dig it? Aye.

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

Hales: Aye. [gavel pounded] ok way to make the non-boring -- way to make the boring consent calendar non-boring. Thank you, commissioner novick. 1421.

Item 1421.

Hales: We have folks here to present on this item.

Kirk Hall: Good morning commissioners and Mr. Mayor. I am kirk hall, the chair of the independent citizen's committee. We're going to present a brief annual report to you. I think this is our fifth report and its good news. I am joined here today by two of my fellow commissioners, Nicky Johnson on my left and mick Seidl on my right and they will each be making a short presentation, as well. Just to remind you this was a project based on a bond issue in 2010 that funded four projects, the emergency coordination center for roughly 19.8 million. That's finished. The fire station 21 for roughly 10.5 million. That's finished, both successfully and we reported those to you in the past, and the two open projects that are nearing completion are the fire apparatus replacement project for roughly 22 million, and that's due to be completed by December 2017. And the public safety emergency radio system project, roughly 50 million, maybe the most complex project, that also is slated to be completed 2017, so this may be actually the last in-person annual report that you get from this committee. I am next going to introduce mick Seidl, or ask him to go over a few details about what the bond was and what the icc does.

Mick Seidl: I think that the council probably is familiar with the background. There's a \$72 million general obligation bond issued in January of 2011. As kirk indicated it was around emergency and fire protection issues, and the bond issue had embedded in it the citizen's

December 21, 2016

committee oversight. I was fortunate about three or four years ago, commissioner Fish asked me to be on the committee, and I will say again this year what I said, I think, the last two years, which is that it's really been a pleasure to do this. And it's something that unfortunately more citizens in the city don't have an opportunity to see the accountability and the way that things really do work well in the city, so it's been a pleasure for me to do that and work with my fellow committee members. I think that the committee has been successful in doing what our mission was. And we are winding down the process. So it's again, it's been a pleasure, and I think that the Council should be very confident in the work that's been done.

Hall: I am going to ask Nicky Johnson to read our icc assessment, and sorry, this is the most important part. I have asked her to read it all, half a page.

Nicky Johnson: We will try to not make this too boring. This is the assessment of the citizen's committee. As previously noted the icc held quarterly meetings with the city staff responsible for each project funded by the public safety geo bond. Icc members are going to review the progress of each project, in addition each received guidance and input from the project oversight committees. The members of the icc found information provided by the city staff to be comprehensive, timely and informative. The staff members have been responsive to icc questions, and have supplemented their regular presentations with an additional information upon request. Icc members also provided city staff with various ideas and suggestions concerning the projects, to which the city staff were responsive. The relationship between the icc and the city staff has been collaborative and productive. The icc does not provide either a financial performance, auditing function that can only proceed with the information presented at its quarterly meetings. With this observation, icc members believe they have been kept fully informed by the city staff, and are satisfied with the quality and presentation of information presented regarding the project. Based on the information presented to the icc, it appears that the projects funded by the public safety geo bond are consistent with the border approved purposes of the geo bond and that expenditures to date have also been appropriate. Review of the multi-year projects has revealed that there were no service interruptions or schedule upsets. Furthermore, there was significant savings to taxpayers, to the frugal use of bond money, since the bond sale, bond money was raised by bond issuance, then originally approved by taxpayers. This and the fact that the city staff consistently found ways to purchase more with less. And led the icc to conclude that the city has used taxpayer money wisely and responsively. Overall, the icc members are impressed with the focus and professionalism of the city staff responsible for executing the projects, and appreciates the staff's courtesy and responsiveness.

Hall: I was really impressed with the quality of the work of all the city bureaus and the people we met with, so I would say that this is a successful model, if anything like this happens in the future, this is a successful model that may be the city will want to use again. Do you have any questions of us before we yield to Aaron beck, Marco Benetti and Karl Larson to give you individual reports?

Hales: Questions.

Hall: I will ask for Aaron to give a financial report and Marco on fire apparatus progress and Karl Larson to give a report on the radio program. Thank you very much.

Aaron Beck, Office of Management and Finance: I am Aaron beck with omf business operations and work with the oversight committee on the finances for the program. This morning I am going to give you a quick recap of the overall finances for the geo bond program approved by council back in 2010. If you will turn to the spreadsheet after page 4 on the report, you will see a comparison of the revenues and expenses with actual revenues and expenses through the end of last September. The original budget for the program was just over \$101 million, and when factoring in the cost and resources for the

December 21, 2016

radio system replacement and the emergency coordination center projects. For example, the emergency coordination center project, for that, the geo bond program provided 4 million of the total 19.8 million for that project. And this sheet shows that the voters, the 72.4 million that the voters approved was the primary resource for the program. The current budget is 104 million, and that increased from 101 mainly for grants that the apparatus program and the station 21 project received and then some other resources that became available for the station 21 project so through September of this fiscal year or this year we have spent about 87.1 million. One of the requirements the council had for the program in addition to the oversight committee was that prior to the final sale, an in-depth analysis be done of the cost to complete the program to determine if any savings could be passed onto the taxpayers. And so prior to the third debt sale that we had for the program, we did that analysis, and we realized that we had savings in the station 21 project, and in the radio replacement project, and we also had interest earnings, and so we factored all them back together and what that meant was that we could, actually, we would need to sell the entire 72.4 million that the voters had authorized. We, actually, spent 1.87 million less, I mean, sold 1.87 million less of bonds, and that ultimately resulted in savings to the taxpayers, so right now we are just in the latter stages of the program, and with our budget we will be including these two remaining projects, and we anticipate closing out the fund in about, in fiscal year 2017-2018.

Fritz: I have a question about that. It's good to save taxpayers money whenever possible. Was the bond so specific that there were not additional infrastructure needs in the Portland fire and rescue that could have been used for some of the other projects?

Beck: It was specific. Station 21, radio replacement, ecc and the apparatus so we would not have been able to use any of those bond proceeds for like say fire infrastructure for fire stations. Very specific.

Fritz: What about the apparatus?

Beck: Other apparatus, we would have been able to. I think that there was -- it was fairly broad in that respect.

Fritz: Just knowing how constrained the general fund almost every year now, I am a bit concerned that we did not use it for more apparatus, and I am worried that five years will not be coming to us in this budget or the next one saying please give us 1.7 million to do apparatus purchases.

Beck: That didn't come up within when we were doing the final analysis of the program.

Fritz: Thank you.

Hales: What do you think of that idea?

Marco Benetti, Portland Fire and Rescue: I am Marco benetti, Portland fire and rescue, and I think currently we're on track to purchase all of the apparatus that we have identified that was in the geo bond, and we're down to two final apparatus, and we're just about to order. Additional funding for more apparatus, would be a good way to spend that money. Our ongoing replacement cycle, we used our front line apparatus for 15 years and put them into the reserve for five years, so the geo bond's intent was prior to the passage was to catch up the replacement cycle that was deferred year over year for a decade prior to the passage of the bond. We've been able to catch up to the point that we are about the breakeven point but the fire bureau and the city will need more apparatus. We are into the regular fund moneys now purchasing our replacement apparatus. We just ordered three more, or two more tiller trucks, about 2 million, or \$2.3 million, any funding, you know, that would be beneficial for the fire. That would be a decision the chief and council would have to make.

Hales: I am glad you raised it. And obviously, you, commissioner Saltzman, might want to examine that. We have to stay true to the voters' intent, and not spend proceeds on

December 21, 2016

something that the voters did not authorize but since the apparatus purchase was one of the purposes of this measure, and you mentioned actually something in passing, chief benetti, the issue of phone trucks. Very happy that we as a city have decided we're not going to have massive fossil fuel export facilities in our city but one thing we don't somewhere control over is whether the railroads move oil through our city and trains, and having seen the incident in Mosier, I am glad you are buying phone equipment, but the question I guess that I would pose is, and we talked about this, is do you have robust enough equipment for the kind of incident that just occurred in Mosier? Is that a purchase we ought to think about making in terms of the inventory of equipment that the bureau has, so you know, on that specific point I would say take another look and certainly on the larger question of, there an apparatus that is reasonable for us to include in a capital program funded by this bond versus the bureau coming to the council, in the budget process, saying we have got these capital requests competing against the rest of the bureaus for one-time money.

Fritz: Just considering if it's 1.2 million, we have 600,000 people in Portland, that's \$2 each, and I personally would like to invest my share of that into getting more safety equipment.

Saltzman: That's a good point and we will take a look at that.

Benetti: The wear and tear on the apparatus is, you know, increasing as well, and our repair and maintenance costs go up. The older the apparatus gets so by maintaining our ongoing replacement cycle and minimizing the impact of a possible catastrophic failure of the reserve apparatus, being ahead of the curve on the apparatus replacement for emergency response and a public good is a really good investment in the city. And one last thing, to date the geo bond has purchased 29 apparatus for ongoing resource that is will serve the city for the next 15 to 20 years.

Hales: Anything else?

Benetti: I was going to keep it brief but that's a very good point and money is a challenge when it comes to the replacement, as technology increases, manufacturing costs increase. We want to maintain our advances and not purchase the old stuff with old things. We want to make sure the investment is prudent for whatever the technology is in front of us. We are looking at the cost associated with what the technology might be, but we want to keep our safety features associated with protecting the people on those up to snuff and that comes with significant costs also. We are doing our best to keep the costs down and make sure the trucks are designed just for that. We also want to be sure that we have the best quality and the best apparatus because they have got to work every time you need them.

Hales: Thank you very much. Good morning.

Karl Larson, Office of Management and Finance: Good morning. Karl Larson, public safety systems revitalization program. The last time hopefully I will have to say that whole title. I would like to compliment the fire bureau and the representative here because any time I come before the council and I get money thrown at me I would be doing hand springs. I think that's good. We appreciate being able to talk to you one more time and will probably be back in front of you for a final report. On the radio project to give you a wrap-up, but for you mayor hales and for commissioner novick, it's nice to be able to speak to you one last time on this project because although this project was started before you came into office, this project was really the bulk of it was done with you and with commissioner novick's assistance and support so we appreciate that very much. The project, if you look at it, touches all the bureaus and all of the commissioners in some form or another. Your employees take advantage of the radio system. Over the last year or so we have Touched 15 radio sites, 14 of which are in operation, one has been decommissioned. We touched 12,000 pieces of equipment in those radio sites, and over

December 21, 2016

6,000 radios, both hand-helds and mobile radios touched and will be touched again for this project. The project went live in two weeks in October. October 12 we turned on the east simulcast system, and the next week the west simulcast system, and the day after we had that catastrophic event on the 23rd, so it was unfortunately a good test for our radio system, as well. All the activity that happened in November, and for all of the operations to take advantage of the system that went well, as well. It's important to look at what else we touched in the project. Both shelters on the sites that we have updated or re-purposed. Generators have been upgraded to make sure that they are going to work under catastrophic circumstances. Backup the battery systems have been touched to make sure that they are working and all of the communication between the radio sites has been upgraded to internet protocol which allows us to take advantage of many of the features coming down the radio system as we go into the future. Lots of things going on here, and not just public safety. A lot of different agencies from schools to hospitals are touched by this, so for public safety systems, pssrp, myself, and my co-project manager mark tanner are excited about seeing this being wrapped up here in the next few months. We are a small part of the project. We know the employees that we've been able to work with have been wonderful. Particularly for police and fire. We have had a couple of people that are really, have taken the project by the tail and made sure that we had all of the information taken care of for those agencies, but we have had a number of employees, bts-comms employees or engineers are technician that is do that. And working with the boec staff and making sure their needs are met. All these things have been taken care of, and we've been very, very successful in the project. Along with the icc, and helping us analyze and digest the information that we know is important for the public to see. So we're pleased with the project and we'll be back to tell you about the conclusion.

Hales: Questions for our team that managed this effort. Thank you.

Benetti: I wanted to say thank you to the committee staff. They have been a joy to work with and echo their statement about this is a model that should be followed with other types of resource management. We have a great relationship with the financial staff. They have helped us to figure things out at times. These were very complicated. A lot of balls in the air all the time, and everyone involved did a phenomenal job so I want to commend everyone involved and thank you very much.

Saltzman: We are following this model. We have a parks bond oversight committee, which is five people. We will have a housing bond oversight committee, also five people. So you have set a good path for us to follow and we are following it.

Hales: Thank you very much. Before we take action on this, is there anyone else that wants to speak about it?

Moore-Love: I have four people signed up.

Hales: Go ahead.

Nancy Newell: Should I go ahead? This is related to public safety --

Hales: Related to the bond project.

Newell: All the officials would be involved in a nuclear accident, and the nuclear plant just was shut down in frozen conditions. How many people in this council know that? How many people know that we're on the Bonneville transmission line? How many people know how much risk that there is, army Gunderson who pointed out that those were three melt downs in japan. This can be a meltdown situation. You are talking about catastrophic conditions. This, you cannot control. It's in the waters. It's in the waters already with all of the flushing of radioactive water this is a 31-year-old plant that has design failure. Arnie Gunderson got out of the engineering business with the nuclear industry and this is one of the biggest critics, and he's totally credible, and he knows what he's talking about. I have asked this council several times, will you please passes a resolution? You are now paying

December 21, 2016

the most cost of any customer, and I just had that proved by Robert McCullough, and you are also subjecting us to radioactive cancers. So I am asking that this council pass a resolution. I don't know how much money this group has in order to respond to a radioactive accident because nobody talks about it. And this is an oversight that is inexcusable. It is something that should have stopped a long time ago, 13 governors demanded it be stopped. We are in a similar position now. We have 28 mostly public utilities that refused to listen to the reason. I don't really want to be part of another nuclear accident. I already have been. I know what goes on. I know the chaos; I know the storage of the waste. I know that there is no place to put it. You know that. You have got all the facts. You are getting more facts as the soils and the waters are contaminated by fukushima and the people can't eat Fish in Hawaii. Why do we want to be part of that history when our own governor was wise enough, Barbara Roberts, to say that's enough? Now we have Fred miller as the budget director and he left the country because of his involvement in Enron. That's the truth. The county ran an illegal election when we tried for public power, and did an illegal ballot title and won by federal case. What did I get? One page in the Oregonian. All you are going to have is a page in the Oregonian and public safety will have records of the people with cancer because you did not do your job. I am asking you for the future of our children at least get it done. Talk to the administrator. He can close it tomorrow. There were frozen conditions. Nothing was done. Nothing is done, and it's ongoing. And it's an act worse than a nuclear bomb because you cannot stop it. You get into a nuclear accident and you cannot stop it, and I am asking you to please pass that resolution. Thank you.

Hales: Good morning. Ms. Elinski I think you are next.

Crystal Elinski: I thought joe was next.

Joe Walsh: Go ahead.

Elinski: Okay. I find two contradictions here.

Hales: Please put your name in.

Elinski: I am sorry. It's been a while. I was going to perfect it by next week but I heard you canceled the city council next week. So I will try to be perfect next year. I am crystal elinski. I find two contradictions coming up, one is oversight committees that we don't have them -- a lot of our boards and a lot of our bureau committees that handle certain projects, and I don't know why there is a discrepancy, how some get them and some don't. It seems arbitrary. And those that do, I will say housing bureau for example. That's where we should have it. Obviously. When we have it in places that do seem to work, or even ordained by well, the federal courts, we want to somehow dismantle them, like the citizen oversight on the advisory board on the judge Simon's 2012 doj agreement. And that was only yesterday. I remember testifying and all of a sudden we're talking about getting rid of it so that was weird. The other thing speaking about health concerns, is I would like you to get that activist lawyer you kept talking about to come and look into this, and in addition to Monsanto, we are explicit and responsible. I talked about that last week. It is on all of us to change this. And this would be a good way, a good route for us to go is to hold those responsible and to make sure that this does not happen again. But if we are going to be exposing our emergency, I have testified about the Portland cops, with their new machines and toys and how, actually, it turns out that they are exposed to more and more electro-magnetic radiation, and I understand that the new technology that comes out is not improving the bad technology they came out with for the emergency responders about 10, 15 years ago. I can't remember what it's called right now, but what I have read is that as far as health safety, as far as the concerns for the exposure to electro-magnet issuing radiation, our responders, people that are supposed to keep us safe are not safe. And I would love to yield the rest of my time to my colleagues here.

December 21, 2016

Hales: Thank you very much. Mr. Walsh, go ahead.

Joe Walsh: Good morning. I am Joe Walsh, and I represent the individuals for justice. Right off the bat, individuals for justice really supports the fire department. We like the fire department. One of the few bureaus that we really like. They try. They are not perfect. They just try. We don't see that up here at all. You people do not try. You just make decisions that you think are right, and the hell with the citizens. Over and over and over and over again. So we are, we object to you voting on this. This is going to have implications through the following mayor, and we will object to everyone that you vote on and commissioner Novick votes on because you have spent four years corrupting this body. That's our opinion. We hope that you sit on your boat, and when it gets really boring you have to think about all the people you murdered on our streets. 88 last year, that you did, you stole their blankets. You stole their tents. You, mayor, that's what you did. 88 people died because of you. And even the professionals say that they would not, that was not necessary. 88 human beings sit on your goddamn --

Hales: Mr. Walsh not in this room.

Walsh: Sit on your boat then and look out at the sunset and say I am going to help because that's what I wish for you. You could go to hell and take that guy with you.

Hales: Thank you very much. Happy holidays. Who else would like to speak?

Walsh: No, not happy holidays.

Elinski: That's not funny when 88 people die.

Hales: Who would like to speak next? Come on up.

Johnson: Good morning commissioners, for the record I am Charles Bridgecrane Johnson. I don't know how well people relate to this presentation, but they should know that the ICC, independent assistance committee does have a comprehensive 21-page electronic attachment on this, and we learned that fire station 21, on page 5, looks great as it should for being \$2 million over budget. Our radio system may come in under budget but when we talk about public safety and emergency it's important to go back to item 1420 when Mike Withey talked about the fact that thousands of people are unsheltered on our streets. We know this is bond money, we cannot save lives of homeless people with that money in theory. It would be illegal. But Miss Newell mentioned the fact that there is all kinds of risk to the city that you know, what we are doing, while we are doing our bit with this obligation bond money, Becktel is raking in a lot more money to screw up Hanford where the Columbia generating station is so I hope that as we finish out this last bit of money we will make sure that when things go wrong, at Hanford CGS our fire department has resources to deal with whatever will come. I think that needs to be part of, when we consider that, the big one is coming, the earthquake, the preparedness to take down our current courthouse, because we have not seismically upgraded that. Our emergency services department needs to be prepared for things that will originate outside the city limits including well we get a shutdown and even after. Hanford has not been giving us the plutonium to nuke the world with for a few years now but there are risks and the other thing is what percentage of the residents are living above the tenth floor, 12th, 20th floor? We have a new fire chief, and I am sure the fire department thinks about these things, but we also should. What if that gas explosion in the northwest had happened next to a 20 or 30-story building? Somewhere we purchased adequate fire safety resources to protect people that live 300 feet off the ground? Thank you.

Hales: Any further discussion? Is there a motion?

Fish: So moved.

Fritz: Second.

Hales: Roll call.

December 21, 2016

Novick: We always appreciate people who sit on volunteer citizen committees, especially ones that are not particularly glamorous because they are sort of seeing how we're spending money we decided to spend and make sure that we are doing it the right way so we really appreciate our citizen advisory's work. Thank you very much. Aye.

Fritz: Thank you to former commissioner Randy Leonard for passing this bond in 2010, and to all the folks who put hard work into it to make sure that that was spent on the right things that were promised. I think especially to Nicolette Johnson who served as my representative on the committee, I really appreciate the work that they have done and the mayor, you and commissioner Saltzman, you are going to look again at the last amount that was promised in order to buy more equipment. Thank you very much. Aye.

Fish: We referred this to the voters in 2010, and I think commissioner Fritz has appropriately acknowledged commissioner Randy Leonard, the author of the referral, and then ran the campaign. The day after the election we nick-named him Landslide Leonard because he won that 50% to 50%, and it was literally hundreds of votes was the margin of victory. After all we have had a great tradition in this council referring things to the public and asking their permission. The children's levy, the housing bond, the gas tax, public safety, geo bond, and we wish we had more resources from the federal government, state government, and more stable tax system so we did not have to do this on a regular basis. The voters gave us their ok, and what we owed them was a report we spent the money wisely, and that's what we are acknowledging today. I want to thank Mick Seidl, who was my appointee. I met Mick before I was elected. He's a prominent consumer and plaintiff employment lawyer. He's the kind of lawyer we hope doesn't sue the city because he rarely loses. He's a public spirited person and threw himself into this assignment, and we owe Mick and all the volunteers a big debt of thanks. One historical note about the deferral that we sent to the voters. Commissioner Leonard in 2010 proposed there be a small amount of money carved out to fund a memorial to fallen firefighters. Every year one of the most solemn things we do is gather the Campbell memorial on Burnside, and we honor men and women who have paid the ultimate sacrifice for serving our city. We remember Chief Campbell for whom that was named and one of our vessels is named. In 2010 the council and commissioner Leonard made a decision to take that money out, that could be used for a replacement memorial. Colleagues, I hope that this year as a broad community coalition is moving towards raising private funds to build that memorial, I hope through our appropriation process we can find a way to make a contribution on behalf of the citizens of Portland. We owe our fire bureau, and I think it's an appropriate use of our funds to honor those who have perished, keeping us safe. And I hope that either on the anniversary of Chief Campbell's death or on the anniversary of 9/11 this council can announce support for the community initiative to build the new memorial on the Vera Katz esplanade, which I think would be entirely appropriate. Thanks to all who worked to make this day possible. I am proud to vote aye.

Saltzman: I want to thank the Portland voters for approving this general obligation bond measure. I want to thank commissioner Leonard for bringing it forward. Ask the oversight subcommittee for their diligence in making sure that we have spent this money wisely. I believe that we have. I believe that as a result we are a safer, more prepared city with a new fire station and emergency communication center. A new radio system, and a host of other things, too, that are all important for assuring the safety of Portland residents in time of need. So thank you to all those, and I also wanted to note that we also purchased, with this bond money four rapid response vehicles that allow the fire and rescue department to provide a more nimble response than sending out a ladder truck or an engine or both with the name ambulance for low level medical calls, we can use these rrv's or rapid response vehicles staffed by two people to respond to the low level medical calls, and it provides a

December 21, 2016

more nimble and cost effective public safety system. Thank you all for your service and I am pleased to vote aye.

Hales: This is a case of both citizens playing an appropriate and constructive role and capable people delivering a success, and it's one of those things that probably won't get a lot of press attention but deserves to because one more case where the city of Portland has carried out the voters' intent, gotten the job done, and even had a little money left over. So excellent work all around. I had a bit of involvement in some of the issues that had to be worked out for this program to succeed including that difficult negotiation with Gresham about the location for one of the radio sites but we got to yes on that as well, thanks to your good work, and for any kind of emergency as we have just seen a couple times here recently we have to be able to communicate with each other so that system is key, in having the equipment that we need and the facilities that will be there after the earthquake to serve people that will desperately need help as part of the work and this advances that so well done, indeed. Aye. [gavel pounded] let's take up the next time Certain item, 1422.

Item 1422.

Hales: This is a timely item and I appreciate us being able to get this on the council calendar. You know we are a safer city in a lot of ways than we were once. Our homicide rate is down quite a bit, although we still have a serious gang violence problem. Drug overdoses are a plague on the city, and we have not even yet addressed the issue of fentanyl that is devastating other cities. Luckily not much here yet and traffic violence is up, up markedly and tragically, and having had two of our neighbors killed in one day on one street was a terrible reminder of how much we have to do to achieve vision zero. We have a lot of streets in our city not designed for pedestrian and bicycle safety, and were designed for speed. Our automotive speed, and that's deadly, and we keep relearning that lesson. So this appropriation allows us to do a little more, a little more quickly. And I appreciate us being able to put that together, I think my colleagues have comments before we start as well.

Novick: Thank you mayor. But on the evening of December 7, less than a week after the council passed the historic vision zero language we had two Portlanders lose their lives in traffic violence. Both deaths occurred on the same night and on the same street outer division. While in-depth analysis of these incidents is in progress nothing changes the fact that we have Years of data showing the travel speeds and high injury network speeds continue to hurt and kill Portlanders. I want to acknowledge Margi Bradway for her efforts immediately after the tragedies. She was in communication with [inaudible] and Lori Boisen from the division of midway alliance who work alongside the outer division. When the mayor convened a conference call to discuss these incidents, the day after they occurred, I really appreciate the mayor's office attention to this issue. Margi had those conversations and had some suggestions to offer us. The mayor was in a conference call with Leah Treat chief Marshman and other city staff working to make our streets safer and pbot identified the strategies that could utilize to make the division safer. There is a mix of infrastructure improvements and speed safety cameras which were already on pbot's agenda. We discussed whether the timetable could be accelerated. But Margi also discussed the idea of multi-lingual and competent outreach material for people walking and driving and biking the area. The examples might be traffic signs and different, in different languages. We know those are tools proven to increase traffic violence on our streets, although the infrastructure improvements, are funded through pbot's existing budget, we don't have funding for that kind of outreach, which is why the mayor suggested we bring a proposal to the council for General fund contingency. So mayor I want to thank you for your role and your urgency addressing the deaths and injuries on our streets, and I will

December 21, 2016

turn it over to Margi Bradway pbots active transportation safety division manager, you can provide more information about our thoughts.

Hales: Thank you. Anything before she begins?

Fish: Yes, thank you. Steve, I think the work you have done around vision zero is among the most important things that you have done during your four years on the council. We have committed to continuing this work in the future and I want to thank you for the tremendous leadership you have shown. The skepticism we hear is it's a wonderful concept, is the city willing to act and put it into action? I think our action speaks loudly. If we can take actions like this and prevent one person have going through the trauma of losing a loved one, we will have done something important and I want to thank the mayor and commissioner for bringing this forward so quickly.

Hales: Thank you very much. Other comments? Good morning.

Margi Bradway, Portland Bureau of Transportation: Good morning. Thank you, I am Margi bradway. I am the active transportation and safety division manager. Thank you. It has been my absolute honor just to repeat, to work with mayor hales and commissioner novick on these issues. I am going to try to keep my comments brief so you can hear from the community members, and I want to recognize quite a few people are in the room and have traveled here today to testify. Three slides, which is short for me, so just a reminder that when we brought the vision zero action plan we introduced you to the concept of the high crash network. You can see the outer division and division is a high crash corridor. The circles on this map indicate high crash intersections. This is, unfortunately, where Mr. Jang and Mr. Ouh died while crossing division street near the high crash intersections. The ordinance before you today is going to provide much needed funding for outreach and education. This was something that we piloted in 2014 with apano and other groups to do the trainer, programs with my staff, Sharon white, and different class this is Cantonese, Hmong and Russian. We are going to do more of that, in addition to materials and outreach and street teams, very specific request that came from the community was having more traffic signs and way finding signs in different languages. This will allow us to do that, and I don't want to skip over it. We are also going to have a community forum and listening session, the first step is listening and partnership and this money will allow us to do that. In addition, we have -- we're taking other actions. Probably the most significant action is we're going to accelerate the installation of fixed speed cameras on division. You may remember when we presented to you about six months ago, I guess, nine months now since we presented to you on six speed cameras, we proposed to do a six-month rollout, so we have cameras pointing in each direction on Beaverton/Hillsdale highway. The next set would be on 122nd in January, that's still slated for January, and 156th was slated for July. We're moving up that installation and installing the cameras on 122nd, and on the outer division at the same time. The cameras have been hugely successful. We talked about this a bit at the vision zero presentation, and on Beaverton/Hillsdale, they reduced the speeds by 95%, top end speed.

Saltzman: Is that installed by 2017?

Bradway: Installed by January, that does not mean, so there is installation Xerox, the vendor has agreed to install them within their contract. We are meeting with the courts on January 5 and police to figure out when the warnings begin. We can start the warnings and citations. When they begin that will have an impact on court staffing, as well as the police staffing. We are working out the details. Thank you commissioner Saltzman. We will be installing speed reader boards, also known as effective efforts for speeds. We'll be pursuing a speed reduction of 30 miles per hour with odot, and I am happy to answer questions on how the requests work. It is better to get the speed down before you put the request in, something that odot considers.

December 21, 2016

Fish: Can you tell us how that works in terms of the request to odot and what's the process?

Bradway: Sure, so generally we put in a request to lower the speed. If there is an existing work order, and it does not fall within the categories, they will look at different features of the road, and this is the 85th% speed. The current speed, on our last data collection is around 42 miles per hour. Even though the posted speed is 35 miles per hour. So to change the speed, odot's answer would say, that's a little bit of an uphill battle because you are not doing the enforcement or the design speed, does that make sense? The road is designed to be faster so we are going to see my next slide propose engineering improvements as well as enforcement to compliment the posted speeds.

Fish: Can I ask you a provocative question?

Bradway: Sure.

Fish: If the mayor or the commissioner in charge on any street within the boundaries of the city, made a judgment that there was a clear and present danger in a public health and safety, and decided to reduce the speed postings, and I am reminded the mayor has the power to shut it down, declare it unsafe and have a fire truck block it. Direct the water bureau to bring up the pipes. The mayor has a lot of power if he wanted. What is the consequence if we just engage in self-help if we choose not to wait for odot?

Bradway: Commissioner Fish you don't have the authority to do that currently. The law is clear --

Fish: And I am not trying to get you to violate any oath. Just saying if the council chooses to act, what is the practical recourse if we act ahead of odot? If the mayor directs to have new signs put up, what's the consequence?

Bradway: Police probably -- I would have to look into it. But the police probably couldn't enforce it if it wasn't consistent with state statute, the best way to do that is to go to the state legislature and ask for a local control of speed and that is something that we have discussed with the legislative team and with certain partners at the state legislature.

Hales: Just before Leah continues, it's important, a lot of people don't understand that odot has this authority, not just on odot facilities.

Bradway: Right.

Hales: Powell is an odot facility, highway 26 is an odot facility but division is a city street. Nevertheless, we have to ask odot for speed changes on division.

Bradway: Thank you, mayor, for that clarification.

Fish: That's the current law,

Bradway: odot has jurisdiction over all roads.

Fish: At some point I would like to know like what is the practical consequence, the director of odot comes and expresses displeasure to the mayor?

Fritz: What about if we left the 35 signs up and put underneath a new one that this please drive 30 so you would not be able to cite people going between 30 and 35 but like the signs, slow, children playing. There is no practical enforcement but it does let you know.

Bradway: Yes, we could do that, and we looked into the message signs and probably the most appropriate way to do that.

Hales: You had some comments?

Leah Treat, Director, Portland Bureau of Transportation: No, I think that she is doing a magnificent job. I just thought, veering in a different direction, I wanted to be here to support.

Hales: When we are asking a city employee how to break state law, yes. Thank you for bailing her out. We want to move on, but this is an important issue for the legislative program next year.

December 21, 2016

Fish: I'm glad that mayor on the record, you clarified that we have to seek this permission even on roads that we are responsible for. It is not just on the state roads but on a road that may pass by a school where you may determine there is an imminent public safety issue, but you have to get permission of a state actor.

Hales: We don't want to get into the legislative discussion in depth but I want to flag that and there is a strong interest on the current and future council, to include that in the legislative program, that having at least more if not total local control over speeds on our streets is a reasonable thing to ask for, crazy in my opinion to have odot making these decisions. I understand there used to be small towns that were speed traps so that's the rationale for why the state has been involved. We are not a small town and these are not speed traps so there ought to be for larger cities with a big network an exception and let us do our job. My opinion.

Bradway: Wholeheartedly agree. Thank you. I am happy to bring you in-depth, commissioner Fish, at another time.

Bradway: Ok. The last piece of this in terms of the next step is infrastructure changes and through what we call east Portland active of transportation grant as well as federal safety funding we have many projects lined up. We have \$7 million of funding lined up for outer division. We're doing our best to accelerate those projects, there are many pedestrian projects that include median islands, hawk signals and flashing beacons. Three of those will go into construction this summer and be completed by the end of the year and we are seeing if we can move forward with our partners, odot and tri-met and the federal government to accelerate those projects. The last piece on the engineering side is that through commissioner novick's leadership, there was money allocated for outer division for protected bike lanes, \$168,000, director Treat has agreed to take extra gtr in our project and add 500,000 to make it a complete traffic combing project. The project will now include pedestrian refuges and lighting of the community has asked for, and other ways to slow down the speed. We are looking at doing that by removing parking. It would also potentially restrict access points. We are going to bring a couple options to the community and get input on that project. There is a map that you should have received in your handout. It's difficult to see but here's a visual of everything I talked about from speed reader boards to the photo camera to the projects slated for 2017.

Fritz: I'm glad you mentioned lighting yesterday we had a parks board meeting in the east Portland community center and driving back in the dark and rain. Even though the streetlights were changed to the led, it was not enough street light, so I hope that we are working with the streetlight providers to add more lighting. The other thing, I apologize for not seeing this before but we need to correct the findings that says 41 people died on Portland streets in 2016, since December 11, I think you mentioned, you meant or through December 11. It's a horrific number. I want to clarify that.

Hales: That's a scrivener's error, thank you very much.

Hales: Other questions for the staff? Thank you very much. We have a number from the community here to speak to some invited testimony.

Novick: Invited testimony from Rosaline Hui, Duncan Hwang and Lore Wintergreen and others.

Rosaline Hui: I am Rosaline Hui, the editor of the local Chinese newspaper, and I am also the steering committee member of the jade district so thank you for giving me this opportunity to share the story of our community. We have our community elder, 65 years old, Mr. Chung when he was getting off from work at the restaurant, which he was doing, and on his way home he was hit and killed by a car. And this was so sad. When I heard this, I was thinking this will be Chinese, so we find out it was a chinese, and together with our members we tried to find out this family and see if they need help finally we got a hold

December 21, 2016

of them, actually, only his wife here, so we went to his house, the wife was so hopeless, and he told me on that day he was like usual, expecting his husband to come back to work. Come back from work but he didn't, and then around 11, she was worried so walk the path where his husband used to walk to work and try to, hoping to see his husband. When she walked along the path and at the end, saw -- she saw the police cars. She was saddened and was praying that it was not his -- her husband. But finally, it is. And she knows no English. With the help of her niece, he will be able to communicate with the police there. So he's 65 years old, both couples. They just came to stay here for a year's time and they come here to look for a better life and also trying to find opportunities for their son and grandkids to have a better life here. But because of the death of Mr. Chung, it's all, seems like it's all vanished. So, and when I saw her, she was so hopeless, and no English speaking and doesn't know what to do. Our community members are coming together to trying to help her. So in this case we just, our community members, and everybody pitched in to help with the money and with funeral arrangements. We care about our committee members much but we don't want to care them in such a sad way so we do think that the city can do something on the safety in that area. Because that is in the jade area, mostly the people there are immigrants, and a lot of them are new immigrants. They don't drive. They walk to work and to buy things and do groceries and everything. Just walk. And it is such a horrible road. In Chinese saying every day when we walk into the street, it's just like we are walking into a tiger's mouth. You put your life into danger. So just like two years or three years ago we have another accident that we have another elder that is killed and crushed, and we think that, we think within three years, two of our elders are killed by a car. This is too much. Too much for us. So everybody is talking about equality, equity and justice. When we are talking about road safety we want this, too, so we really hope that if we can have the road sign into different languages, like not only Chinese, but a lot of Vietnamese or other people there, then different languages, at least the people that they understand and know what should they do and also educating them in different languages is really important. Division is really -- the road is too wide. It's really -- it takes forever to cross the road, so it's really dangerous. And we really want the car to lower the speed and at the night-time, the visibility is really low. We think all this matters, with what happened, and last night I received a call from the, one of the members that saw this years ago and another elder was hit and killed by a car. He told me that you need to tell them that there is not only this case that everybody knows. There is a lot of small accidents too. He said very frequent because he's in the middle of that section of the road so we do hope that the city can do something to help this -- help the people in our community. Thank you.

Hales: Thank you very much. Mr. Hwang, good morning.

Duncan Hwang: Good morning. Good morning, I am Duncan Hwang, the associate director at apano, and I am here to say that our neighborhood is facing a crisis in public health. Our elders are dying and we believe that that is our, that is preventable. Traffic safety is not a new ask from us. Since we started working in the jade district three years ago we started with a multi-lingual envisioning, in Chinese, Vietnamese, Russian and Spanish and English, and the issue of traffic safety was not just in the Chinese community or Vietnamese but every community you know, said that the streets are dangerous and something must be done. So in our vision we prioritized the infrastructure investments and the lighting and language signage. We cannot continue to let this happen. And working in the neighborhood and midway, these are diverse areas and the solutions are diverse, as well. In the short-term like we want to get started next week and do our listening sessions to the community members, this is something that people have asked about and we want to have town hall with our decision-makers and with pbot and get to work on the signage.

December 21, 2016

These are things that we can do starting tomorrow. In the mid-term, these are really things that are more infrastructure focused. We want to see crosswalks and community members have identified specific inter-sections where cross walks would be helpful and slower speeds and lighter, and the outer division needs a street redesign, traffic combing, and potentially a road diet. These are things we would like to explore with our decision-makers over the long-term. It will require multiple interventions to move the dial. We believe infrastructure is key but these things take time, and so we want to get started with the indication immediately. I was on the zero vision task force, and I believe that these accidents are preventable and our vision for having no fatalities in the streets can be achieved, so, but most vulnerable in the community, feels safe and are protected. So I urge the city council to pass this emergency ordinance and to act in all due haste to fix the streets. Thank you.

Hales: Thank you very much.

Lore Wintergreen: Hello, council and mayor, I am Lore Wintergreen with the East Portland action plan. Lori Boisen was supposed to be here but she was sick instead. She asked me to read her testimony. And she says that Division Midway Alliance is asking city council to approve the Outer Southeast Division Near Term Strategy. Safety strategy, which is currently under consideration. As you know, the Division Midway Alliance district boundaries are from 117 to 148th Avenues, on Division, and the largest percentage of fatalities this year have occurred in the Division Midway Alliance district. All fatalities impact the community, the Division Midway staff volunteers, and the board members have personally felt the impacts of recent fatalities in and around the district. Damon Burton, who was struck near 122nd and Division in September, was a tenant of the Division Midway Alliance president. Mick Hughes, the most recent fatality at 156th and Division, frequented this. And the mid-term safety strategy is a good start to the safety improvements along Outer Southeast Division Street. The Portland Bureau of Transportation's recognition of the importance of the pedestrian education in this area is essential to the success of this program. A large percentage of the residents living in and around Division Midway Alliance district are immigrant refugee new Portlanders. Many of whom as refugees and the large percentage of these residents are pedestrians. Navigating a seven lane road which the street is considered, in the Midway district is difficult and dangerous. Further understanding Oregon's pedestrian laws can be confusing for new Americans and Portlanders let alone residents who do not use English as a first language. Signage in language and she stresses in-picture will be essential to the success of this project. In-picture refers to using symbols and recognizes that a significant number of people are immigrant refugees, new Portlanders and may not be literate in their own language let alone English. Division Midway Alliance is pleased to see that the strategy has basic infrastructure improvements such as additional crosswalks, sidewalks, and speed cameras. As stated this is a good start towards achieving a vision zero for this area. However, Division Midway Alliance urges the city council to establish a longer term strategy that will change the landscape of the Division Street. The Division Street needs a road diet. Community has called out road safety as the number one issue, and impending livability on Division Street, and council has the power to address that. Division Midway Alliance urges the city council to approve the Outer Southeast Division Near Term Safety Strategy which will be a significant step towards creating a safer, more livable and Outer Southeast Division Street, and will aid to the transportation of this part of Portland to a more livable city. The alliance also urges the city council to prioritize a long-term safety strategy for Outer Southeast Division, and that will include the road diet and improving the livability for this part of Portland and I would add that the street-lighting is an essential component. Thank you very much.

Hales: Thank you very much. We have some other invited testimony?

December 21, 2016

Novick: I think that's all.

Hales: We have other people signed up to speak, I believe so let's take those. Thank you very much.

Moore-Love: 12 people signed up.

Arlene Kimura: Good morning, council members. Mayor Hales. I am Arlene Kimura, a resident of east Portland. I am here on behalf of the residents with the Portland bureau of transportation. Thank you for doing the safety camera infrastructure improvements, and also to consider continued education. It is part of the program that was passed, but I do believe that it needs to be an ongoing proposition. We are seeing an influx of Arab speaking, refugees in our part of town and I think those need to be addressed separately and not be done in one language, so signage is important. And thank you again but I urge you to not forget that this, this condition be a one-time thing. It needs to be an ongoing thing. Thank you.

Hales: Thank you. Mr. Johnson I think that you are next.

Charles Johnson: Good morning commissioners, for the record, Charles bridgecrane Johnson. Although usually I am coming down from the mid-town library, a bit closer to Stark, than it is to Division, these deaths remind us of what we are supposed to be about as a weird city, that we need for -- it's unfortunate that we did not come together better to look at the needs of the elderly people and people with challenges throughout the language impressive, whether it's in the native language or in English, and rally around the people sooner so I think that you as handed commissioners and representatives of the people will be as generous as you can in these constrained budget times both with city staff as well as with the bottom line numbers. As you know I'm a great skeptic of the time constraints and shortage of man hours in the police department when I see the huge responses our police department is able to mount to no violent activity and I hope that chief Marshman is watching or will see this video and will be in that neighborhood and engaging with the leaders from Apano, the storage a long division just east of PCC. As we move east from there that is what real community policing is, is having people from the police department of all ethnic backgrounds and from the office of neighborhood involvement talking with the neighbors in addition to outing in props to these people with the infrastructure sign a full on onslaught of infrastructure changes and people in the community working together to improve safety. I hope you'll find my number and man-hours for this thank you.

Joel Walsh: Good morning for the record my name is Joe Walsh I represent Individuals for Justice. I live on Division believe it or not I live in the 70's, but I also take the max out by 92nd street and I don't know if any of you have done that coming from the max station to pick up the four bus, but very dangerous I've almost got hit twice. The outer lane of cars cannot see you. The first lane stops. So the person who pushed the button did everything right, and I'm old and I'm getting a little frail, so I'm a little slow. So when I walk into that second lane twice in the last year I have almost been hit by a car going at least 30 miles an hour because they don't see me, they don't see the blinking light at whatever time it is, 2:00 p.m. At nighttime it's probably better, but at daytime they don't see it. I looked at this and this is the way a city council is supposed to work. People come to you with a problem, you look at it, if it makes sense to do something, do it. If it's \$300,000 or \$600,000 I would be more in favor of more money than less. I know I hammer you guys about money but in this case, you have to do something. You could be you could be stars on the east part of this city. So please, do this and if it takes more money, give them more money. I really like commissioner Fritz's idea about getting more lights in. I like lights. They make the cars stop. The rest of it is a cheap way of doing it and it's supposed to be temporary and then we end up 20 years later we're still doing the same thing. Get the lights in. Get the money

December 21, 2016

done. Be proud of what you're doing. I really like your questions for a change here, commissioner Fish.

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

Ken Marks: Good morning. I'm Ken marks. I live in east Portland. I have worked along division and I was the epap representative on the powell division high capacity rapid transit project. So I know division very well. I would like to start by saying please approve this measure. But do that knowing full well that this is just a Band-Aid, and that this is not going to have a significant impact on the situation on outer Powell. The reason for that is that this road needs significant redesigning to curtail what is happening. Everyone who knows anything about traffic knows that even with a 30 mile an hour posted sign or speed limit, that drivers tend to go 10 to 15 miles above that whenever possible. That's especially true in east Portland, where you have highways running through our communities. I would second those people who have suggested that there be a road diet on outer division, and the nice thing about that is you won't have to violate state laws on speed limits because you'll redesign the street so that it meets the requirements for lower speeds. But here's something that you should all know now. You have the opportunity before you to do this now, and it won't even cost you all a whole lot of money. The reason for that is because of the high capacity transit project that is going along division. A lot of that redesign can be paid for by the federal government. You'll get your road diet. You'll get your infrastructure. And you'll actually make this system that's going along outer division a true brt, not just a bigger bus that's going to take almost as long as it currently does to get people downtown or to wherever else they are going. So I urge you, yes, please, pass this piece of -- this resolution, but go bigger. Go strong. Do what's really going to be needed or that is needed. Otherwise I'll make a prediction. I'll be very sad when I'm in this chair two, three years from now. We will be talking about this same issue then if you don't do what's really needed. Thank you.

Hales: Thank you, ken. Good morning.

Jessica Engleman: Good morning. I'm Jessica engleman, one of the co-chairs of bike club pdx. I am actually really impressed with all the people who showed up today and said a lot of what I wanted to say. So on December 10, bike club pdx in response to the two pedestrian crashes on division held an emergency traffic calming endeavor where we placed hay bales in the outermost lanes of division to get it down to a three-lane moving traffic road. You know, the community normally when we try to do something like that people push back, we can't do that because whatever reason. We have actually had a lot of community members from the jade district come up to us and say this is great. Are you going to keep working on this? What they specifically are look looking for are infrastructure changes. There's a lot of great ideas for education and signage as well but I really want to push the infrastructure part between southeast 60th and 80th for \$100,000 pbob redesigned the road. They reduced speeding by 50% and crashes significantly. We want that same effort continued out. I got to say the same thing that joe was saying here about you've got that two-lane problem where one car stops, the other car doesn't, that's endemic to the city. I see it all the time on the streets there. It's everywhere. You know, definitely I would say the lane reallocation because there are so many things they could do with those lanes. We have the five moving traffic lanes and two parking lanes. We could have buffer protected bike lanes and bus rapid transit lane and still have three lanes devoted to moving vehicles. The opportunities are immense. Let's be creative. I agree with commissioner Fish here.

Hales: Thanks very much. Good morning.

Kristi Finney-Dunn: Good morning, commissioners and mayor hales, I'm Kristi Finney-Dunn and although I'm wearing a families for safe streets t-shirt I'm here as a mom. I want

December 21, 2016

to warn you I'm highly emotional today. On December 7th one of my group members was talking to me about having just lost another member of our community at the exact same location that her son died on 156 and division. Just a few minutes later I realized that there had been a second traffic collision at the exact same location that my son died at 87th and division. I'm feeling extremely emotional, like I said, because people are still dying on the same road and at the same location. I'm feeling as though victims are still minimized in this arena because we personally wrote a letter to the council and to pbot and we got no response about our concerns. Not, oh, we're sorry this has happened. Still people are dying. We are the reason that this is so important. My son was 28 years old. He was a college student. He cared about equality for all people. I want to applaud you for taking the immediate action that was taken in this case and I'm not going to talk about the infrastructure needs and the education needs because you apparently know that and you've already heard it so I just want to stress the urgency. I want to stress that I'm here taking time off work. I was at the meeting yesterday taking time off work. And you're not seeing very many victims because nobody wants to talk about it. I hope that you don't think, and I know you don't, it seems to me that maybe people think that I'm the only one who lost a child, I'm the only one who has lost someone because no one else is willing to talk about it. They don't talk about it because they can't. So please, take us seriously. Put us in those education outreach things. Use our pictures, our stories, at least those of us willing to have you do that. Again, thank you so very much for the immediate action that you're taking on this and remember it's here for the long haul too.

Hales: Thanks very much. Good morning.

Ted Buehuer: Mayor, council, thank you very much for attending to this issue today and thank you for the emergency funding for this. I encourage you all to vote --

Hales: Sorry, put your name in the record.

Buehuer: I'm ted Buehuer, co-chair of bike pdx. I thank you for attending to this issue today. We don't want to take about the same sort of thing again. As you saw in Margi's slide there's about 12 other roads in Portland just as dangerous as division. I would encourage you all to see about getting those things accelerated and made safer so that you don't have to have us coming up here and telling you about people dying on the streets and you folks having emergency measures. There's all sorts of reasons to have fewer people dying on the streets of Portland and it's in your hands to get the direction and the budget to bureau of transportation and the direction and budget to your bureau to make sure existing laws are enforced and improvements are made to the infrastructure. I think you all should get those things funded then you won't need to listen to us again. We don't want to come back but we will if needed.

Hales: Thank you. Good morning.

Noel Mickelberry: Good morning, mayor, commissioners. I'm Noel Mickelberry, of Oregon walk. Outer division has been an emergency for far too long and this month's tragedies brought that to the surface again. Spoken to you many times about the drastic need for improvements and attention in east Portland. To reach zero we have to be proactive as well as responsive when our streets show us that change is necessary. We have asked for immediate change after fatalities before. This isn't the first time. I will say that this is the most comprehensive response that I have seen. It includes community driven needs and priorities as well as explicit needs laid out in the vision zero action plan that include speed reductions and infrastructure changes moving forward. That's something to applaud pbot for responding so quickly. I also want to say thank you to council for funding the proactive requests that pbot had for funding infrastructure changes on outer Halsey. That's a really good example of seeing that a street needs changes and putting the money forward before tragedy happens. I just encourage us to continue to look at ways to do that as well. So just

December 21, 2016

want to say to use this chance to fund the community driven request that will support this short term and needed speed and reduction safety actions. This is not permanent but it's a desperately needed start to no longer be an emergency.

Hales: Good morning.

Doug Klotz: I'm Doug Klotz, one of the founders of Oregon walks 25 years ago. Doing this for too long and with too little result unfortunately. There's just so many issues throughout the city and we're hopefully we can get to them one at a time. I support this, obviously, and this is -- a start to all the other projects that Margi listed there. Also there's an opportunity to do a road diet, lane reconfiguration, especially with the division transit project. I know we have been told that, well, we can't take out a lane to put transit in there. Maybe we could rethink that. Maybe that will break up the crossing distance. There could be islands between the transit and the auto lanes as well. I want to speak to what commissioner Fritz said about lighting. It's my impression in the '80s, standards were lowered to save energy so they got dimmer. Those lower standards maintained through incandescent to mercury vapor and as far as I know with leds we're going for the same lower standard. Meanwhile car headlights are getting brighter for safety. Except that when you're driving on a two-way street the car lights get in your eyes, you squint and they are fighting the lighting. They say the lights are cut off but every time somebody comes over a bump they are up in your eyes. I think we need to increase the lighting standards and either put the lights closer together, in between existing one or up the wattage, shouldn't be nearly as much of an increase in electricity use as before. That's what I have to say. Thank you for acting so quickly. Hopefully we can have an effect.

Hales: Thank you all. Others?

Hales: Come on up, please. Sorry you had to wait. I didn't realize you were waiting to speak. We usually let people with small children go first.

Alan Kessler: We were in the hall.

Hales: Would you like to go first?

Kessler: That would be great. Thanks for the opportunity to speak. My name is Alan Kessler. The reason I'm here is I'm watching -- I live near inner division street. I'm watching the progress that pbot is making. You've added rapid flashing beacons and used implemental upgrades. Everyone admits the problem is it's too fast and crossing distances are way too large. If speeds are too fast and crossing distances are too large there are some people no matter the perception, literacy, sight, hearing there are members that don't have that perception. You can't rely on that to get to zero. Anything is else is getting to vision more than zero. If we want to fix the problem, we should fix the problem. It's frustrating to watch money drip drip drip away on a quarter million-dollar rapid flashing beacon when we know we need to reduce throughput. That's political really difficult. Vision zero is admitting we're making this tradeoff, either accept that mortality is a cost of mobility or we're not. If we're not, we need less mobility. I would like \$189,000 dedicated to traffic cones, narrow the lanes. It could make people really mad but also make people safe. If you rein in the lanes, make cars go slower, the hay bales work. That's something you could do right now. Commissioner Fish I was listening in the hallway look at 810.180 of the ors, you can declare a 120-day reduced speed limit. Put up cones, bring the speed limb down to 20 for 120 days. See how that works. You could probably play with it. If you're willing to be bold like you were talking about use the provisions now. Declare emergency.

Hales: Thank you. Joe, good morning.

Gerald Fittipaldi: I'm Gerald fittipaldi, a transportation safety advocate. I would like to offer my condolence to Mr. Chung's family and also -- I don't know his name but the other gentleman who died at 156th street. I would like to make an analogy between transportation and water. I think that safe drinking water is something that we take for

December 21, 2016

granted in this country. It's not like that everywhere in the world. You can imagine if you go to another country they don't have safe drinking water it would be helpful to have signage education but ultimately the root of the problem can be fixed. The root of the problem is the infrastructure. Maybe lead in the pipes or other properties causing the drinking water to be dangerous. That's what I see here. Okay, we have a band-aid, you know, new people coming into the city. Let's put up signs in other languages. Fine. Let's improve the lighting. Ultimately to get steps to zero we need to overhaul the street, reconfigure it, reduce lanes, add bus only lanes and really four out of five of these deaths this year have been to pedestrians trying to get across the street. So with we need to keep that as a focus, reduce the crossing distance. One more point, vision zero is a concept that originated in Sweden. The idea was people are human. They are going to make mistakes. Even if you have all these things in place, they shouldn't die if they make a mistake. The idea is to lower the speed, how can you get people to go slower so if they do something stupid, have had a couple drinks, if they forgot to do something they shouldn't die for it just the same as we shouldn't die for drinking water that we forgot to filter or something like that. So thank you for your time. I hope you pass this measure.

Hales: Thank you very much. Good morning.

Paul Jeffery: Good morning. I'm Paul Jeffery. Everybody said everything I wanted to say, but I have another thing. It's ironic or not ironic that we're all here for a street called division street. Streets should be centers of communities. They should not be dividing communities up with many lanes of barriers to prevent you from getting to one side of the neighborhood to the other. So division street is actually like its name, it's dividing that community. We need to make streets back into the centers of communities again. I think part of that is to stop considering only car capacity and car needs when you look at a street, start considering and planning for people capacity and people needs. To do that you have to reallocate the space that you have for cars and the space that you provide for people. Cars are really inefficient ways of getting people around. They are convenient for people that have them but really inefficient. We need to make space for buses, to make space for people to just walk around. We need to change the way we think about streets and make them parts of the community again, not dividers of the community. Thank you.

Hales: Thank you very much.

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

Hales: Any further discussion or questions before we take action?

Fish: Mayor, a question for the commissioner in charge. I just googled chapter 810. I'm obviously not a lawyer who understands that code, but could we ask the bureau and the city attorney just to give us a memo on the contours of chapter 810?

Novick: Absolutely.

Hales: Any other discussion or follow-up? Let's take a vote on the emergency ordinance.

Novick: I really appreciate the community members who talked to us and to the bureau over the last couple of weeks. I appreciate everybody who came here today. Many of whom have worked on these issues for many years. I also want to express my appreciation to the council for its willingness over the last few years to start spending some general fund money on transportation. For many years the council basically did not do that. Partially due to commissioner Fritz' resolution authorizing half of one-time money to go to maintenance projects including transportation we made a significant movement toward transportation in last year's budget. We just made another commitment in the fall bump and it's really encouraging this council is willing to allocate general fund contingency to do as much as we can as quickly as we can to end the carnage on outer division. I want to say how much I appreciate this council for something a change in philosophy of the allocation of general fund money to transportation. Aye.

December 21, 2016

Fritz: Four years ago I was thinking this would be my last council hearing. Things changed. And today it's 21 of 12. One of my husband's favorite albums was 2112. I appreciate everyone being here and everybody's attention to this crucially important carnage on our streets. Aye.

Fish: I want to thank pbob. I want to thank Steve and Charlie. I want to thank our community partners who have come out today. I want to add my voice expressing my deepest condolences to the families that are grieving. Aye.

Saltzman: I want to thank the mayor, commissioner Fish, commissioner novick for bringing forward this emergency request. I'm pleased to support it. We have to do something better than we're doing now. We're clearly failing at pedestrian safety and we need to do a better job. Vision zero is great but it's against a backdrop of record fatalities so something clearly is not right. We need to fix it. The will of this room is here. The will of the council is here. I believe it is on the next council as well. We will find ways to make our environment safe are for everybody who uses our roads. Thanks for being here today. Aye.

Hales: Let me put a couple of things in context and talk about some things that maybe we as a community can do ahead that I'm committed to when I'll be a private citizen and activist again. A long time ago the city of Portland annexed east Portland inheriting more streets. We had some already in the city that were designed by a previous generation of traffic engineers for automotive convenience and speed. That was the design philosophy, that division street was built to. It was wrong. But it now falls to us to correct that wrong. Not just on division. As has been expressed well today. Over the years that I have been involved in deliberations in this room, city councils including this one have understood that we are redesigning our city to make the pedestrian and bicycle rider and transit rider the first class passenger and that automotive convenience needs to be damped down to have the quality of life that we want to have. We all agree on those values but we have a long way to go to make vision zero and those values real. There's some people doing great work, captain Krebs is here from the traffic division. When we convene that conference call the morning after these tragedies police bureau and pbob immediately started think ways they could do right away in addition to what they are already doing. They are already doing good work and I appreciate it. We need more officers on patrol and they will need to be assigned to traffic. That will be a decision for the mayor and police commissioner and for the council to make sure that we have enough people doing the work because if there's an officer on the street that's another way to stop something from happening just like a speed camera is. This council went to the legislature and asked for that authority for speed cameras and I'm glad we did. It will make a difference. It is making a difference. Good friends of mine's daughter was killed at that intersection at Beaverton Hillsdale highway and there are a lot more places where the equipment needs to be installed. Something that may have been forgotten, commissioner novick both in deliberations about a street utility fee and about what our gas tax would be spent on fought a long battle with some of the business community that said all this money should go to repaving many of you argued we should spend it on safety. You made sure that a lot of the money our voters approved is going to make our streets safer. Not enough but it's a lot and it's a good start. This council I want to celebrate the decision that we made about foster. Another case where the street was designed the wrong way and where the community had a good idea for how to make it better and not everyone agreed and where there was some noise but we as a council did the right thing. So let me talk about what might happen in the future because I think there's more work that this coalition can do. Obviously there is. One, bike loud pdx , apano, division midway, Oregon walks you have work to do not just in this chamber. Let's make sure that our district attorneys are charging people who commit traffic violence with the

December 21, 2016

most serious offense for which they can be charged. Operating a motor vehicle is a privilege, not a right. If you kill someone by exercising that privilege you've committed a heinous crime and we need to make sure our partners and county government including the district attorney share that philosophy. You have advocacy work to do there. Let's make sure our legislature gives us the tools to be the safe city that we want to be. So getting rid of this ridiculous requirement to go to dad or mom or whatever you want to call odot and ask them to give us permission to make our streets safer is nuts and we need to get rid of it like a number of other state preemptions that were unhelpful. We need to find more money. It will be expensive to fix the streets designed the wrong way. Some of it can be done inexpensively as you said well here today. Paint is cheap but paint has to be enforced. So there's a need for officers and equipment to make sure it's done right. Finally, I want to celebrate both Steve, your commitment, and our transportation director who you hired commission to vision zero. I know where Leah treat's heart is on this issue and I appreciate. You really do understand it and we should get to vision zero. This is a sad day with a deeply shared resolve among all of us here that we can make our city safer. Thank you very much. Aye. Let's take a two-minute recess then come back to work. Thank you.

At 11:32 a.m. council recessed.

At 11:36 a.m. council reconvened.

Hales: We're going to take the first two items on the regular agenda then item 1451 and the one we pulled from the consent calendar. Would you please read 1435 and s1436?

Item 1445.

Item S-1446

Hales: These are second readings. Any comments? Roll call on 1435.

Novick: First of all, I would like to thank commissioner Saltzman and Martha Pellegrino and Tina kotek in particular for their hard work getting the state preemption lifted on inclusionary housing. If that had not happened, we would not be able to act today. I'm extremely pleased the city has this new tool to address the issue of housing affordability. I really appreciate Jim Callahan's work, of commissioner Saltzman's office the staff's work in bringing this to its conclusion. These are tough choices. We don't want to err in either direction. If we don't provide enough incentives or expect more than the market will bear in terms of development of inclusionary housing, we run the risk of reducing overall housing production. We need more housing production in order to have supply and demand work in our favor. And have housing costs reduced or at least increases across the spectrum. But if we demand too little or provide more incentives than are needed we run the risk of not being able to take full advantage of the housing market we're in now, which is when it's ideal to demand and expect more. I really appreciate the thoughtful comments of people in all walks of housing life throughout this process. Particularly I want to extend my appreciation to dr. Lisa bates for taking me through the extensive deliberations that the expert committee had and explaining that in each step along the line the committee used conservative assumptions about housing costs to come up with the ultimate recommendation. I do trust that the council will continue to monitor the inclusionary housing rules and calibrate them as seems appropriate given how the market responds. It's a great honor to be part of this council as we approve this program and I really hope that it will bear fruit beyond our wildest imaginings. Aye.

Fritz: Commissioner novick said exactly what I wanted to say. I'll just add thank you to the community groups, are Portland tenants united and everyone who has been working on this for so many years I'm thank Gretchen Kafoury right now. Aye.

Fish: This is going to be the last or second to last housing issue we take up this year. Again, you've had a remarkable year. I want to echo what my colleagues saying, thank you for your leadership. Thanks to the housing bureau and the staff and everyone who worked

December 21, 2016

on this. I'm proud to serve on a council ha-ha prioritized investments in affordable housing and addressing housing crisis in our community. Martha Pellegrino was mentioned. We have had two farewell parties. I hope we have a few more because they are fun but we have a great team at the office of government relations and they serve us well. I'm very appreciative of all the citizens who took time to testify and advocate and those in particular who spent the last several sessions working to lift the preemption. The groundwork was laid many years ago when we fell short but we built the momentum. I think the thing that we need to be very clear about today is that this is a new tool in our tool kit but it does not solve the problem. It's just another tool. Combined with all the other actions that we have taken we hope to make a difference but inclusionary housing if you look at the record around the country in and of itself does not solve the housing crisis. But it does do something very important which gives us a mechanism for ensuring that affordable homes are disbursed in high opportunity areas throughout our community. Dan, you said this and others and I want to reiterate, I hope that the fee in lieu provision is used sparingly. Because the genius of this is building affordable homes for the long term for 99 years in high opportunity areas and to put that in plain English, when my family looks to see what neighborhood we want to live in we look at houses, we look at commercial districts, we look at transportation, we look at schools. Most low income families don't have the opportunity to do that because they are priced out. So when we build affordable homes in high quality, high opportunity areas we're welcoming everybody into our community and that is vitally important. I'm pleased that we have linked the change in parking minimums to iz, and I hope, Dan, that becomes a tool, an additional bartering chip to get more deeply affordable and pleased that we're doing affordable homes at 80% of median family income but the crushing need is 60% and plow so we have to be as creative as we can to buy down to get the deeply affordable units. I want to say one other thing. My chief of staff Sonia Schmanski got a lot of calls from housing advocates saying where is nick on this? We're worried nick is going south on inclusionary housing. I think that there's a tendency particularly maybe now because of the anxiety caused at the very top of our government in Washington all the way down, that when we have hearings and we ask questions and we engage people and we say how do we make something better and ask the tough questions that we're somehow being unfaithful to the cause. I hope we don't bet into that rut of mistaking questions designed to get answers and improve things with being unfaithful to underlying values and principles. I have heard from a lot of people who are much smarter than I am about development that we may have this slightly out of whack. I don't know whether that's true or not but the one thing I'm not prepared to do is extend the clock and let another 10,000 apartments get entitled before we get it right and already because of the February effective date we're going to see the biggest bull run in multi-family development get in under the gun under our deadline. Meaning they are not going to be covered by this. Dan, I will support next year a request from the general fund to add additional staff people if necessary to make sure we have someone negotiating voluntary inclusionary housing deals with those developers. Otherwise we're missing an historic opportunity. Asking tough questions does not mean you're not a supporter, it means you're a real supporter. My final comment is if in six months or a year we start seeing development on the east side is 19 units or fewer in other places other indicators this isn't working then I will join with my colleagues in bringing it back and asking tough questions about how do we make sure it works because if this doesn't work, then we have missed an opportunity. So back to just the thank yous. Thanks to everybody, thank you, Kurt, especially thanks to Dan Saltzman. Aye.

Saltzman: Well, this is I want to thank my colleagues for their support. It's the culmination of an incredible year on the inclusionary housing front starting with the legislature's repeal

December 21, 2016

of the ban in February, a miracle of itself in a 35-day short session to tackle something that's been around for at least I believe 10, 15 years, and then to take that repeal and be the first city in the state of Oregon to really come forward with the program to implement inclusionary housing I'm very proud of again my colleagues and the city for doing this. As well we should be. We should be doing this as soon as we can. We are doing it as soon as we possibly can. Because the decline in the affordability in our city for all families have been swift and dramatic. It's had a real human toll. Working parents are taking multiple bus routes, spending hours to get to their jobs. Kids are not able to complete the year, the school year in the school they started in September. Families are scared that they may have to look for new housing on short notice. With this vote today we are taking a critical step forward, assuring more affordable housing for Portlanders now and for future generations. Affordable housing will now be included in market rate developments throughout our city. I believe that Portland will be better for the inclusive community we are creating through this policy. A policy this far reaching does not come without many, many internal and external community partners and the remainder of my speech will be to recognize all the people that have helped get to us where we are today. I want to start out by recognizing some of the outstanding advocates that have been with us from the legislative session up to today opal environmental justice, Vivian Satterfield has done yeoman's work in organizing people to show up last week and in Salem. She was there herself for a lot of the hard work that led us to where we are today. I also want to -- she served on our panel of experts as well. Amanda Saul, also a panel member. Meggie Tallmadge of the coalition community of color and planning and sustainability commission, served on the panel as well. I want to recognize them for their outstanding work. I would like to note at the forefront of our partners helping with this policy is the private development community itself. Members of the development community provided input and advise throughout the development of this policy. While we may not agree with all aspects they may not agree with all aspects of the policy we're about to adopt I truly believe we all want this to work and to achieve more affordable housing options. You can't do that without the development community. So I would specifically like to thank all the panel members, the ones I previously call out. I want to recognize dike Dane and Sarah Zahn who served on the panel of experts. Greg Goodman, Sarah and dike serve on the Portland advisory council. Locus for the careful work and analysis they provided us in this policy. Our former governor relations manager Martha Pellegrino, who was absolutely instrumental in getting the city and other local governments giving this ability to include inclusionary housing. And then I want to recognize the entire team of the planning and sustainability bureau who prioritized this issue on an already full plate of comp plan work. Specifically, Susan Anderson, joe zehnder and Tyler bump. Want to recognize Lauren king of the city attorney's office who has worked on this issue as it was pending in the legislature at the bill stage and through the writing of the final policy before us today, the code. The team of the bureau of development services, especially matt Wickstrom and Robert walker who are made sure the policy would be streamlined to work with the development process and to mayor Charlie hales, who has always recognized the need for safe and affordable housing and zoning code for this program. Certainly last but not least the team at the Portland housing bureau. Director Creager who from the moment he was in the interview process for this position about a year and a half ago I believe believed we should adopt an an inclusive housing plan. It really helps to have somebody who has been place where it's done. It's undercut a lot of arguments about the world is going to end by adopting this policy. So I want to thank director Creager, dory van bockle, a big thanks to Matthew Tschabold, equity and policy manager at the Portland housing bureau, who worked hard to organize all the internal partners to the table. Crunch numbers, burn the

December 21, 2016

midnight oil to bring this policy forward. Last but certainly not least Shannon Callahan and Brendan Finn of my office. Shannon, my senior housing policy advisor, worked countless hours to make this work from the moment it got signed into law by Governor Brown and even before that she worked tirelessly with the housing bureau and the other players, Bureau of Planning and Sustainability to make sure we could be at this point of taking this road with this Council this year. As Commissioner Fish noted, we can't wait. We have many, many units already grandfathered into the process so the sooner we get this on the books voting today and implementation February 1st, the sooner we'll get more mixed use neighborhoods and more affordable housing for everyone in our city. Again thanks to Shannon for her hard work and Brendan Finn my chief of staff. Pleased to vote aye.

Hales: I want to second all those thank yous and bravos for great work in the community and the city. I want to just add the same for my colleagues here. A year and a quarter ago we declared a stated housing emergency and said there were things we needed to get going on right away. One was just this, going to the legislature and getting approval for our ability to do our job here and create inclusionary housing projects. I'm proud of the work. This is really important work and it's making a difference. As has been said this may need to be tuned. It may not be working perfectly in the marketplace but Council will have the opportunity to do that just as we have had to do with other public policies and requirements. This is a case of doing the right thing, trying really hard to do it the right way. And focusing on the here and now. It's going to make a difference, make us a better city, a more just one. Thank you, Dan, for your leadership. This is a good piece of work in a day and a month in which we're bringing a lot of things to successful conclusion. Aye. 1436.

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

Hales: Aye. Try to take a couple more items before I have to leave for a speaking engagement. 1451. I want to do 1451 next.

Item 1451.

Hales: I met with this team again yesterday. They are doing an outstanding job of carrying out this Council's mandate to do something about zombie houses and as you'll hear there's only one house on the ledger today to deal with because the speculators have gotten the word and that is that we're serious about foreclosing on houses that are toxic for neighborhoods and the city has become the involuntary property manager for people that are simply waiting for their land values to rise. I want to commend this team and admonish my Council colleagues to make sure that this keeps going. Because sometimes in a bureaucracy things can just stop and no one will notice except that if you talk to the people who live next door they notice. Thank you for your good work. Good morning.

Sarah Landis, Auditors Office: Good morning. Sarah Landis, city auditor's office. With me are Michael Liefeld enforcement program manager Bureau of Development Services and Marco Maciel the foreclosure program manager in our office. As the Mayor mentioned, this is the third list that we're bringing to Council this year. There is only one property remaining on this list. We initially got a list of 14 properties from BDCs to consider for foreclosure of these. Many were in the process of being sold. Efforts were made to repair some of the problems with the properties or other mitigating circumstances for the own they're led us to a determination that foreclosure was not a good option at this time. We worked up case files and did analysis of the remaining four. Three were very recently removed from the list because of pending sales or lien payoffs leaving one property on the list. We did commit to trying to bring a list to Council every quarter so decided that we would come with what we had. I would like to stress that the process is working, that the increased attention and movement toward foreclosure has caused owners or lenders to take action on properties in a large number of the cases. I'll ask Mike Liefeld to walk through the specifics of the property on Vermont Street at this point.

December 21, 2016

Mike Liefeld, Bureau of Development Services: Good morning. Mike Liefeld, bureau of development services. The one remaining property is 0233 Vermont street. This is 17 years old. It originated in 1999 regarding property maintenance conditions for the structure. In this case it's unique in that it poses a safety danger. What we're going to get to will show that but we have liens totaling over 129,000 and the ownership is in a private individual, Jan or Yan and they are on record with Multnomah county. So the conditions, I'm sorry the pictures -- it's hard to capture pictures of all the conditions. This is a 5,000 square foot lot. We have safety issues in the front of the house where pedestrians would take entry to the front door. We have a collapsing porch roof that's been temporarily shored but is not nearly done in an appropriate manner. We have unsafe porch and entry stairs with gaping holes in them that somebody could fall through. We have just general over growth around the property. It's been vacant according to our records we believe the house has been vacant since 2010. It's located near a park and a school. We have had no contact from the property owner of record. So we cited violations in 1999 and in 2008 we were working with the property owner at that time. Our city records indicate that they acknowledged the violations existed yet had some dispute over the liens and fines and the correction action we were asking them to take. We have had no response since 2008 from the owner. The property continues to deteriorate. In reviewing the property that property taxes are paid current and the water service is active so this is unique for a vacant home. Even though we believe it to be vacant. We have record in the lien accounting system that buyer contacted the city in 2015 regarding potential sale of the property. That individual indicated that the property was a total tear-down thus providing more information on the conditions of the property. A title company also contacted the city in 2016 regarding potential sale. So even though we have not been contacted by the property owner there appears to be some interest in the property. Regarding this process, we had no response to the official notice of pending foreclosure. We reached out to every address, phone number on record for the individual. We even contacted an associate of the property owner asking them to pass along information and that individual did commit to giving that to the property owner. Still no response so we feel we're in a position where we do need to take this action today.

Fritz: Do we know that the property owner paid for property tax themselves?

Liefeld: We do not. No, we did not verify with the county who made those payments.

Fritz: I notice you passed an emergency clause. If we did not add the emergency clause and we would like to do it past the new year would the property owner at that point have the option of showing up and saying, wait, wait I've sold it or something.

Landis: Property owner has the option to do that any time regardless of when we vote up until the date of the foreclosure sale. We could vote today and they would have that right to come and pay off their liens up until the date of the foreclosure sale or you could vote in two weeks or three weeks' time and they would still have that time.

Fritz: When would we anticipate the foreclosure sale to happen?

Landis: I believe the treasurer is working on early 2017. I would guess that this would not be among the first chosen. It would be the ones that were voted on in June. I would guess it would be a number of months before we could anticipate a sale on this property.

Fritz: I'm comfortable if everybody else is adding the emergency clause which the council declares an emergency exists and in order that the council can act on the foreclosure therefore this ordinance should be in full force and effect after passage by council.

Saltzman: I'll second that.

Fritz: Thank you. If we could just have the legislative intent to direct the treasurer to have it in the second offering than the first one. I think this is obviously a very serious thing that we're doing. Even though you've given them multiple last chances that would make me feel more comfortable with adding the emergency.

December 21, 2016

Landis: I believe she is here today. That's her preference on that for sure.

Hales: Anything to add? Any other questions for our crack team that is solving this problem? Thank you so much. We have this working group that again met yesterday and includes a woman who lives next door to one of these houses. She has been a great reminder of why we're doing this. Thank you. Anyone else want to speak on this item?

Moore-Love: I think I had a signup sheet. If anyone wants to speak to this.

Hales: Thank you. Let's have testimony, please. Come on up.

Steven Entwisle: Good afternoon, council, mayor. I'm Steven entwisle. I'm a whistleblower for the less fortunate. The foreclosure process I went through a foreclosure process. I know what that's like. It's not fun. When you talk affordable housing, when Dan Saltzman says commissioner Saltzman, excuse me, says everybody is going to get housing, it will help everybody, I'm thinking affordable housing starts at \$60,000. What about the people that make zero to 60,000? They are not included. In any of the affordable housing that you've mentioned today. And yesterday and previous. We need to not keep fooling the public that affordable housing is something that includes everybody because it doesn't. The people that you're trying to ignore are not going away. I'm not going away. I was born here. I'm not going anywhere regardless of how tough things get. You're not going to trap me. I'll sleep under a tree if I have to but I'm staying here. I was born here. This is my home. Okay? I lost my house. Okay? Affordable housing should include everybody, not just people that make \$60,000 and above. That doesn't include me. That doesn't include thousands of people that are on the street right now and when you say everybody, that's intellectual dishonesty. Thank you.

Hales: Thank you. Anyone else? Let's take action on the emergency clause first.

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

Hales: Aye. On the ordinance as amended.

Novick: Aye.

Fritz: Thank you mayor hales this is another thing you have started and sending us off with the program in good shape and I do commit to continue to ask about it in the next term. Aye.

Fish: Aye.

Saltzman: Good work, mayor hales. Aye.

Hales: I relearned about this from as you all know by going on a ride along with our east precinct officers and saw the appalling situation that some of our neighbors live with. This is government doing its job and doing at the right way and really making a difference. Thank you all. Aye. Let's take one more item before I have to leave, second reading vote on 1446. The lid creation.

Item 1446.

Hales: We further amended this last time. I think we're ready to vote. Let's take a vote, please.

Novick: Aye.

Fritz: Appreciate Andrew Aebi and everyone from the conservancy. I'm glad that everybody is going to have to pay into it including the vast majority of property owners choosing to pay into it. Aye.

Fish: I made my comments last week. Just say that I'm proud to live in a city where Lawrence halprin designed his great master work. I'm grateful for the partnership of the halprin landscape conservancy because everything we do in this city depends on strong partnerships. Thank you. Aye.

Saltzman: I appreciate everything that's happening here. I will abstain from this vote because my family does own property that will be assessed and will be paying into the local improvement district. So there's probably not a real conflict but I just feel to be above

December 21, 2016

and beyond any question I will abstain but I'm very excited about this lid being formed and these fountains preserved.

Hales: Thank you, commissioner Saltzman, to you and your family members and to other people who have voluntarily stepped up to do the right thing to make a great place even better. Karen, thank you for working with our staff in getting this good thing for some of the best public spaces in the country put into nice repair. Aye. Thank you.

Saltzman: So do we want to take the pulled item 1429?

Moore-Love: Yes.

Item 1429.

Saltzman: Is there anyone making a presentation? I think it's a pretty --

Moore-Love: we need to amend it.

Saltzman: Oh, we need to amend it.

Moore-Love: Updating exhibit 1.

Fish: I'll move the amendment.

Fritz: I'll second it. Can someone tell me what that is?

Fish: Here we go.

Rachel Wiggins, Mayors Office: The amendment removes one name that was listed of the staff who are being granted an extra month of benefits. This is just for staff remaining until December 31st and don't have the opportunity to receive health care from the potential new employers right away.

Saltzman: Thank you. Anyone wish to testify on this? Okay. Mr. Walsh. Come on up.

Walsh: I'm joe Walsh. I represent individuals for justice. We support this. We really like staff. We don't particularly like you. We like staff. Our understanding is that these are people that are going to continue for the rest of the year and then they have some services to wrap up and we're going to continue their medical expenses as they were doing prior to the exit of the commissioner and the mayor. I presume that's reasonable. Now, we did have a question about you guys. Does that include commissioner novick and the mayor?

Saltzman: No.

Walsh: Because we like staff and we don't like you. So again, we really like staff. We appreciate the hard work. One time when I was very young I was an intern in California for an assemblyman so I know how hard staff works. I know the hours they put in and I try to be really nice to staff. Not so nice to you but really nice to staff. I will continue to do that into the year and we wish the ones that are leaving good stead. All have employment and some of them that we know personally we talked to and actually suggested some people that they might talk to. So we again I'm going to tell you one more time and shut up because I'm losing my voice totally. We like staff. And you should honor them and do this and be proud of what you do. Because if you honor your staff you elevate yourself also. Thank you.

Saltzman: Mr. Johnson?

Johnson: Thank you. I'm always nice to staff. Charles bridge crane Johnson. This is as Mr. Walsh pointed out the work of staff is important even though we know there's at least not necessarily applicable staff person but staff at the city sometimes makes \$80,000 a year, a great raise if you using to a 20,000 a year state senator then become a mayoral staff person. The worst part of this is that this conversation probably could not happen in Canada, in the United Kingdom, in the Scandinavian countries, in the single payer civilized democracies. So it's important that we support the staff workers and that they have coverage in the private market. It's a great time to remember that on the internet, hcao.org, even though we have reason to be disillusioned about the incoming presidential administration maybe they will make the states run wild and maybe some federal money will flow. Hopefully in the next election cycle we won't have to have a special agenda item

December 21, 2016

to help somebody have health coverage. We have a real Oregon single payer health care market. Hopefully Vermont and Colorado can move forward similarly.

Saltzman: Thank you. Please call the roll.

Moore-Love: On the amendment?

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

Saltzman: Aye. That is adopted. Now on the ordinance.

Novick: First of all, Mr. Bridge crane Johnson I suggested to pbot what happened on my watch I suggested they give everyone adequate notice when the bridge crane is first used. If nobody cares about the bridge crane they won't be able to see it in operation. Mayor haless and I really appreciate those of our staff who have been willing to stay on and continue to do their work until the bitter end. I really appreciate in gesture to make their lives easier. Aye.

Fritz: We're learning as we go along and we're certainly doing things that help staff. As Mr. Walsh correctly points out staff has done a fantastic job. This year for the first time the city budget office allocated transition costs just in case. Now we're going one step further by making it clear we want our staff that will be moving to other jobs to have this one month of paid health insurance. They will still pay the 5% themselves. Total cost is a little over \$10,000 so it's well within the existing budgets of the mayor's office and commissioner novick's office to pay this cost. There's no extra money being allocated for it. Aye.

Fish: I'm glad someone testifying called out the importance of the staff that we have in this city and I want to just acknowledge the public service. We're going to be doing a lot of goodbyes and thank yous today up to the end of the year. But the people that choose to work in this building as staff people and who work very long hours for very little glory are the people that make this system of government work. If the folks in each of the offices are not talking to each other, not building relationships it makes it hard for us to do our work. We have had some terrific people working in this building, in the mayor's office and in Steve's office. I just want to applaud them for their public service. Aye.

Saltzman: I think this is a very compassionate thing to do for people who we all appreciate both in mr. Novick's office and mayor haless' office and I'm pleased to support it. Aye. The ordinance is adopted. I'm going to propose we work until 12:30, break for an hour and come back at 1:30 to finish our morning agenda and head into the afternoon. Is everybody okay with that? I guess we're on now item 1437.

Item 1437.

Fish: Thank you for that succinct presentation. [laughter] I move the ordinance.

Saltzman: Good news for us I think.

Thomas Lannon, Bureau of Revenue and Finance: You're welcome. Thomas lannon with the bureau of revenue and financial services this is a settlement agreement resolving franchise fee and performance disputes with level 3 communications llc and subsidiary companies in 1999 city council grant level 3 a franchise to provide telecommunication services. In 2006 the city initiated a audit of franchise level 3 payments. The city's auditor identified irregularities in the amount and methodologies in the franchise fee payments. Level 3 disputed the claims in 2008 the city council passed a resolution authorizing the cities attorney's office to file suit against level 3 to recover past due franchise fees. During the process of preparing litigation, the city identified further issues regarding use of conduit for fiber optic cable. The parties have agreed upon a global settlement to resolve these disputes. The settlement has four key components. First level 3 has agreed to a one-time payment of \$2.75 million. Second level 3 and the city constituent have agreed upon the terms and conditions for renewal franchise for level 3 including lines of revenue that were in dispute in the past. Level 3 has been making franchise fee payments pursuant to this methodology since 2013 and will continue to do so. This franchise ordinance will come

December 21, 2016

before council sometime next month. Third, level 3 and the city have reached an agreement for the city's use of approximately 58,000 feet of level 3 conduit that extends from the steel bridge south to Clackamas county. Fourth and finally level 3 and the city have agreed the city will grant permission to level 3 to use city conduit over the steel bridge and level 3 will in exchange will allow the city to use level 3's conduit south of the Fremont bridge. I would like to thank the city attorney's office and in particular ben Walters, office for community technology and Jennifer lee, and the bureau of technology services and rob durr again for their hard work on the city's behalf. I would also like to thank Mr. Steve Gordon of level 3, who is here today. I have a staff here to answer any questions you may have.

Saltzman: Any questions? Thanks. Anyone wish to testify on this? Okay, seeing none it is an emergency ordinance. Please call the roll.

Novick: Thank you. Aye.

Fritz: One of the most interesting assignments my first term was I was assigned to the office of cable communications and franchise management it took me six months to learn the name. One of the things they did or still do is make sure that the franchise companies are paying their fair share and what they agreed to. It was always obviously in this case too it's very helpful to have an extra 2.75 million. I certainly join in the thanks to Jennifer lee and Ang Goldenberg from office of community technology and ben Walters not only for this but for other duties as assigned regarding the sign downstairs. Aye.

Fish: This is my favorite sentence in the agreement. The parties enter into the settlement agreement freely, knowingly and voluntarily. Boy, would the world be a better place if that happened with greater frequency. Thanks to our legal team and to the bureau for their work in bringing this to a satisfactory conclusion. Thank you, sir, for joining us today at this hearing. Probably less drama than you expected. I'm pleased to vote aye.

Saltzman: Sounds like great settlement. I particularly appreciate the sharing respective sharing of conduit. The city and level 3. That seems like a very good deal and nice part of the settlement. Aye.

Saltzman: Ordinance is approved. Now to 1438.

Item 1438.

Saltzman: Good afternoon.

Christine Moody, Procurement Services: Good afternoon, commissioners. Christine moody procurement services. The bureau of technology service us is responsible for support and upkeep of the city's communication system and bureaus rely on cellphones for routine emergency communications. Specifically, bts provides and supports 2822 cellphones, 1115 air cards and 717 I-pads. As allowed for in city code 5.33 the city may participate in a permissive cooperative procurement after posting for public comment. It was posted august 19th, 2016, and no responses were received. You have before you a procurement report recommending authorization of a cooperative contract to selco partnership, dba Verizon wireless, for an amount not to exceed \$7,500,000. I'll turn it back to council for questions.

Saltzman: Any questions? Seeing none, thank you. Anyone wish to testify on this item? Okay, this is also an emergency ordinance. Please call the roll.

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

Saltzman: The ordinance is approved. 1439.

Item 1439.

Saltzman: Commissioner Fish?

Fish: Mr. President and colleagues, we set this over last week because of a very busy agenda. The Tryon creek wastewater treatment plant located where Tryon creek enters the Willamette river was elk constructed in 1964, expanded in 1976. It's owned and

December 21, 2016

operated by the city of Portland under an agreement with the city of lake Oswego. In 2015 the Tryon creek treatment plant treated 2 billion gallons of wastewater. The plant provides critical treatment service for an area including the city of Portland, lake Oswego and incorporated areas of Clackamas and Multnomah county. Here with more details are bes engineers Jim brown and Scott Gibson and Larry pelatt financial services procurement division. Scott?

Scott Gibson, Bureau of Environmental Services: Thank you, Mr. Commissioner. Good afternoon. For the record I'm Scott Gibson. Principal engineer with the bureau of environmental systems, with me is Jim brown and Larry pelatt from purchasing. We here today to request council approval for an ordinance to authorize exemption from competitive bidding and utilize the construction method of construction manager general contractor all in connection with the Tryon creek wastewater treatment plant. We have two parts. First Jim will give you a description of the project. Then Larry will walk us through the procurement details. Before I turn it over to Jim first this is in very early stages of development. We have started the design but we're in the zero to 10%. We're examining options so we expect it to evolve. Second, we're here to ask for the use of the alternate project delivery method because we believe it will help us come up with the right project for the city. Use of the cmgc method will help us make the best decisions possible because we'll be allowed to work more closely with our construction manager. We're looking to getting through several important decisions with them. Our schedule is to have the contractor on board at an early point. At a point where they can be most beneficial to the design. We appreciate time on busy schedules and calendars.

Jim Brown, Bureau of Environmental Services: Good afternoon, members of council. The Tryon creek wastewater treatment plant was constructed in 1964, expanded in 1976, located in the city of lake Oswego. The plant is owned and operated by the city of Portland under an agreement with the city of lake Oswego and service area includes areas of Portland, city of lake Oswego and unincorporated areas of Clackamas and Multnomah county. Next slide. This photograph shows the plant location with downtown lake Oswego and Oswego lake in the background. In 2014 bes completed an engineering planning document required to ensure that the plant continues to meet bes levels of service and regulatory requirements for the next 30 years. The head works project was one of the projects identified in the 2014 facilities plan. The purpose of the head works project is to replace aging equipment and open air treatment plant process areas with new equipment and enclosed process areas to allow for capture and treatment of odorous air. It will increase plant peak treatment capacity and improve plant electrical redundancy and reliability. Additionally, the new head works location at a higher elevation will allow for gravity flow through the plant with collection system modifications. The 2014 facilities plan recommended that bes evaluate these modifications during the head work project pre-design. These photographs show the location of the existing Tryon creek interceptor sewer located above ground in the lower section of Tryon creek. Modifications to the collection system to allow gravity throw through the plant will also allow bes to remove these above ground sections of the interceptor. A preliminary analysis has been completed by the project consulting team and at this stage it appears that horizontal directional drilling replacement of the lower 2500 feet of the interceptor is a viable alternative that could provide significant long term benefits.

Fritz: Essentially drilled underneath the forest?

Brown: That's correct.

Fritz: Not in the riverbed.

Brown: It would be drilled underneath much deeper ground in hard rock, not under the riverbed at all.

December 21, 2016

Fritz: Thank you.

Brown: The scope of pre-construction services to be provided by the contractor will include both technical and estimating services from a contractor experienced in horizontal directional drilling and treatment plant construction to allow the team to select an alternative with a clear understanding of costs. Next slide. The current project budget estimate to complete varies with the collection system alternative. With replacement of the Tryon creek interceptor the low level of confidence project construction cost estimate is \$54 million. The project pre-design and design efforts will continue through autumn 2018 with construction schedules from early 2019 to autumn 2021. Now I'll turn the presentation over to Larry pelatt.

Larry Pelatt, Procurement Services: Good morning. The bureau of environmental services in conjunction with procurement services is requesting an exemption from the low bid competitive process used in most standard construction projects. The ordinance requests approval to use the construction manager general contractor abbreviated cmgc method of competitive bidding. This is still a competitive process which engages the constructing contractor significantly earlier in the project development while design documents are still being developed and encourages owner designer constructor collaboration. This process allows constructing contractor to have usable input into the document development and bring to light potential problems and solutions earlier in the process in order to essentially design them out to the resulting project. This process does not discourage competition nor encourage favoritism. The exemption requested allows the city to engage in the competitive bidding process and Portland city coat 5.34 and pursue cmgc competitive bidding process. The council through its bureau of environmental services is required to make certain findings in support of this competitive process. These are listed in the body of the ordinance and the city attorney's office and procurement services have determined that these findings have been met at project is available to be approved. The cmgc process allows the city to increase participation of disadvantaged minority women and emerging small business certified contractors and subcontractors as the city is negotiating both guaranteed maximum price and other attributes of the resulting contract as the project is being developed. Our current community benefit plan goals are in disadvantaged minority women and emerging small business contractor utilization, 22% of hard construction costs apportioned 12% minority, 5% women and 5% emerging small business. Apprentice workers 20% requirement, 31% diversity goal. 22% minority, 9% women, journeymen level workers apportioned as follows, 28% work force diversity and 22% minority, 6% women. Recent projects completed under this type of process have achieved the following results. Portland bureau of transportation streetcar loop 24% disadvantaged minority women emerging small businesses subcontractor participation. 33.57% minority work hours. 9.85% women work hours, pbot southwest moody interchange 32.4% dmwesb subcontractor participation. Portland parks and recreation, gateway park, 81% dmwesb participation including minority owned prime contractor. And lute view park 82% dmwesb. If there's any further questions concerning the process, I would be happy to answer them.

Saltzman: Any questions?

Fritz: I don't have any questions about the construction. I'm interested in this particular project. Could I ask in the new year if I could get a half hour briefing with how it's going to be done?

Pelatt: Yes. Happy to do that.

Saltzman: Thank you all. Anyone wish to testify on this?

Fish: Colleagues, this is our last council meeting of the year and the new mayor is going to come in and make bureau assignments. I want to just acknowledge the work that Scott

December 21, 2016

Gibson has done. A change that we have seen over the last couple of years, which is he's a more frequent visitor to us because we changed our rooms and asked that more things come to the regular agenda. I actually have had a little push-back from time to time from my colleagues wondering did we err too far the other way, particularly when we have crowded agendas, but you have really perfected this exercise of coming and presenting complicated matters. Obviously today is a huge undertaking but you give us the same effort 500,000 change order. I want to thank you for the way you've braced the directive and I know you can't go anywhere now without being recognized. We appreciate your good work and your service. Thank you. Honor for me to work with you.

Pelatt: Thank you.

Fish: Thank you. The council is seeking an exemption and there will be lots of other it won't be decided by new council that would have to be brought up to speed. There's a sense of urgency to getting this exemption so I would ask council if they were entertain a motion to slap on an emergency clause.

Fritz: Second.

Saltzman: Moved and seconded. Please call the roll on the emergency clause.

Moore-Love: Language for that?

Saltzman: I think as commissioner fish just articulated the critical aspect of this capital project, the sooner the better.

Novick: Aye.

Fritz: I co-founded the Tryon creek watershed council project. I'm going to be very interested whoever is the commissioner to hear what progress he's made in 25 years. Aye.

Fish: We will commissioner get you more than a 30-minute briefing. You have a long history in that area. It's an exciting project. We are committed to getting it right. Aye.

Saltzman: Aye. Now on the ordinance.

Novick: Aye. I want to second commissioner Fish's capitols about Scott Gibson. Really appreciate his work. Aye.

Fritz: I may have been one of those in the past years been wondering about pulling things to the regular agenda and I have been proven wrong on every occasion because now thanks to your good work explaining things people understand why we have got these really huge projects with large numbers and you can't buy trust. You have to earn it. Thank you commissioner Fish for your leadership. Aye.

Fish: Thank you, Jim brown, Scott Gibson and Larry pelatt for your excellent presentation. Aye.

Saltzman: I know this is a critical capital project, long time in the offing. I know that when I was in charge of bes we were having conversations with the city of lake Oswego and others about getting this project going. I'm happy it's finally at the point we're ready to design and construct it. Good work, commissioner Fish. Environmental services. Aye. The ordinance is adopted and we're adjourned, we'll reconvene at 1:30.

At 12:33 council recessed.

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.**

DECEMBER 21, 2016 2PM

Hales: Council will return to order, I believe we are at 1440, is that correct, Karla?

Moore-Love: Yes.

Item 1440.

Hales: This is the second reading and vote, any further comments? Let's take a roll call vote, please.

Novick: Aye.

Fritz: Thank you for your continuing good work, and ongoing updating of these regulations. Aye.

Fish: Aye.

Hales: Time for that favorite quote about how taxation is the art of extracting feathers from the goose with the least amount of honking. Aye. [gavel pounded]

Hales: It's a French quote, 200 years ago, still true. 300 years ago.

Fritz: I will ask my half French daughter in-law about that.

Hales: 1441.

Item 1441.

Hales: Roll call, please.

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

Hales: It has been a pleasure, thank you, aye. [gavel pounded]

Hales: Ok. 1442.

Item 1442.

Hales: Good afternoon, come on up. Sorry you had to wait a while. I know you were here this morning.

Pam Neal: Very interesting.

Hales: It's always interesting here. Good afternoon and welcome.

Hales: Whoever is going to start us off, tell us about this tasty expansion, ha-ha of the enterprise.

Pam Neal: Good afternoon mayor Hales and city commissioner, I am Pam Neal the interim development manager at the Portland development commission. We are here today to request that city council authorize a submittals of an enterprise zone boundary change request to the state of Oregon to add just under an acre to the east Portland enterprise zone. The property is located in the central east side where Salt and Straw is considering an expansion to their headquarters and food production facility. Salt and Straw are a local success story. They opened in 2011 as a food cart on Alberta and now have four brick and mortar locations this is Portland and nation-wide delivery programs, four locations in Los Angeles, and plans to expand to San Francisco. Not only are they interested in expanding their operations in Portland. They are also creating employment opportunities for our residents, and eager to engage with us on growing opportunities for underrepresented populations. Here's a map of the proposed boundary amendments. It's located adjacent to new seasons, and Olympia provisions e zone projects. As a reminder the e zone is a State of Oregon tax abatement program that exempts the new capital investment for a period of five years. The e zone program has been become one of the most effective, economic

December 21, 2016

development tools to encourage investment and job creation. On approximately a yearly basis, pdc is approached by companies to include new projects in the enterprise zone program. Examples of projects in the past include Ren track on airport way, the expansion of jaguar land rover, and sites in the central east side that now house companies such as new seasons, Olympia provisions and simple finance. Salt and straw is planning on \$2 million investment. The existing building and land will continue to be taxed, but the new value added to the building will be abated for a period of five years. This abatement will equal 1.5% of the new assessed property tax, which will equal approximately 32,000 per year for five years. Once that tax abatement period ends the property will be fully taxed. The project will create 40 to 60 jobs in Portland at the headquarters and food manufacturing facility. As part of the project, they will also create a food artisan incubator and workforce training program to support the residents to get into positions in the growing food industry here in Portland. The company will discuss the expansion plans shortly and why Portland is the preferred location to grow its headquarters in manufacturing facilities. The statutory and policy requirements will be consistent with every other e zone project but this company will sign a public benefits agreement to go above and beyond these requirements. Some of the public benefits that we agreed upon is a commitment to paying a minimum of \$15 per hour for every employee. Efforts to hire 50% of new hires for underrepresented populations. The creation of a food artisan incubator program to focus on entrepreneurship. Efforts to create flexibility and employee schedules and seek to hire employees at full time versus part-time. And internships for youth, and community engagement around homelessness and addiction issues in the central east side, and Portland in general.

Fritz: Can I interrupt just to ask a question; I really appreciate the commitments as many full-time permanent jobs as possible. I am wondering what you mean by flexibility in scheduling.

Neal: So at this time I would like to introduce Kim malek and Tyler from salt and straw to answer those questions. Thank you.

Hales: Good afternoon and welcome. Nice to have you here.

Kimberly Malek: Our first city council meeting.

Hales: Put your name in the record.

Malek: This is Kimberly malek. So if flexible scheduling we offer full-time employment for Most of the folks who work in the kitchen it is and the corporate headquarters, which this building represents, and in terms of flexible scheduling we work with them to have days off so they can go to school or, you know, have some other responsibilities with family and so we work very diligently towards having flexible schedules for the staff but also a set schedule so they know what their life will look like over the next months, two, three months.

Fritz: That's what I was hoping to hear thank you very much.

Malek: So it's very important to us.

Malek: And over to me? Ok. Thank you. We are really excited to be here, and I appreciate it. I moved to Portland back in 1996, and I was really struck by the community feel. It was something that I don't think that I have had in any other city that I lived in. And for some reason, I was struck by the idea in 1996 due to this community feel that an ice cream shop would be a great way to reflect that and capture that, and so fast forward to 2010, I've been carrying around this crazy idea to open an ice cream shop, and I was finally able to realize it, here on Alberta street. And when I first wrote my business plan I sent it in stupidly in 2010 to banks and investors and for some reason there was not a lot of money available so I didn't get any money but I got a lot of great feedback and I can remember someone wrote up my plan with red ink, and it was -- the idea was to be a people-

December 21, 2016

centered business working closely with local artisans and he wrote you can't do this. Do you think that you are Starbucks? I threw it away because was so terrifying to get that negative feedback. But we went on to start the company, and we opened in our first store in August, and by February, we had -- we were able to offer health insurance to every employee who work over 20 hours a week. The employees currently pay \$25 a paycheck and we pay the rest because we want it to be affordable. We have an extensive disability insurance program for our teams, so if they are snowboarding and they get hurt they can eat and pay their rents. We have a paid parental leave program for three months for men and women who adopt or have children. We just added a great licenser benefit. Every year we try to add a new, a new benefit for our team and reinvest in them. On the community side we do a lot of great partnerships. We do a partnership, this will be the fifth year with the local pta to develop ice cream that the students come up with, Tyler does it, my cousin, and we donate the proceeds back to the local school, it's one of many that we are really proud to support in our communities. I always say a strong business can only exist as part of a strong community so the investments are critical. And then on the artisan side, you know, there is people like Charlie, who started wood block chocolate. I don't know if you did it but we were one of the largest customers so he's been able to grow with us, and open a manufacturing facility and buy equipment and we are so proud of that, so that's kind of that ripple effect that happens when we do all those around, all of those around us do well, that's our mission and our hope to do good. The funny thing, I will conclude, by saying that as we come full circle here today, when I watch my business plan around, it did not, and did not get any money, there was one agency that did come forth to help us, and that was the pdc, and we got a 40,000 loan. We were short 40,000 because our store opened and they gave us that loan. We paid it back in under a year, and you know, I was really struck by the 40,000 probably is not a lot of money to most people but they spent so much time going through that business plan with us and helping us to kind of see what was around the next corner and where we should, you know, push forward and where we might be getting out of our skis a bit, and that was so helpful. And it's so cool to us to be back here today. It's sort of a look at our growth as we look to open this facility in with him with the local Portland agency and this partnership means a lot to us. So we are already in conversations and working on back to work programs with the United way, gateway to college, even in early talks with some prisons in California and Oregon to help use our training program a way for people to enter the industry, and now to work with first source and formalize and take that forward is super exciting for the team. And then secondly, and with a very distinct focus on minorities and being able to bring that population with us. Secondly, art is an incubator program, it's this idea that we saw this happen with wood block chocolate. We've been through a lot the last five years and learned a lot and could it be the case that we would work with two or three people every year and not only become their biggest customer, so they have cash flow but we could help them with their business. So h.r., food safety, and all of the things that you need to get your business up and running so we're working on a curriculum that we would share with them, and that's the definition of that program. So we are excited to have this partnership and support to help us to realize the dreams that we have had already.

Hales: That's great, thank you. Tyler? Anything that you want to add?

Tyler Malek: That sounds great.

Malek: This is my cousin tyler. He makes the ice cream so he's the one that you want to talk to.

Tyler Malek: I think the target is closing the gap between -- we have a large pool of people available, but most of them are, you know, a certain ethnicity and age, and I think that

December 21, 2016

opening that up is one of the keys to all of this and working closely with the pdc, the best way to go about that.

Hales: That's great. Questions, please?

Fish: I know everybody up here at one time or another identifies their favorite salt and straw, but I have a daughter who is at an age that she has about three or four jobs at a time. And she was a seasonal worker at the Alberta street place, and she was, you know, my spy kind of. And I asked her about the experience. And you hire up a lot. You take extra people in the summer and you go back to your normal. And she said that as part of the orientation she spent two weeks learning customer service. Which I thought was really a sign that, in fact, she said in the other job that she has in like service jobs, it does not come close in terms of the training that she gets, and in fact, they think she comes with the skill set so I told her, start asking for more money. But that was -- that really made an impression on her, the customer service piece and about the ethic, and you know, you have this value system, the customer, you are always accommodating the customer, if someone doesn't like if you do it again but I have one bone to pick with you, which is as a proud father who wanted to go visit his daughter at that store, my wife and I planned a number of trips over the summer, and every time we got there the line went around the corner of a block, and in my job I can't cut the line, of course, so I had the choice of waiting an hour or just going to the window and waving and embarrassing her. But she had a wonderful experience, and I think that training component was really very important, and if that's what you are doing with all your people and talking about bringing say disadvantaged people into the family and giving those skills, those are the skills you need to be successful. Those are the skills we are looking at so congratulations.

Malek: I appreciate you saying that. It means the world to me. Casey is here, Casey Milligan is our director of operations and created that training program, and each of our employees had 40 hours of training, each employee, and that included hospitality, leadership training, food safety, personal safety. And how to diffuse oppressive language if you experience it, a range of trainings that we felt would be good to invest in our team so they would be, you know, create great employees and be great citizens. And we kept getting feedback you should really do something with this program. This is great, you are doing it for your people but it would be great, and we were getting requests for different nonprofits if they could have access to it, and so Casey was the one who said couldn't we give this away to the Populations who need this training in order to go on and do something in their lives, and she is the one who has been starting this work already, and not that these people would come to work for us but it would just be great for them in general.

Fish: We are all in the customer service business, and we did not get two weeks of training when we come here. We get sworn in but I think that you have a lot to teach us.

Malek: You are very kind. I am really honored to have you say that, thank you.

Saltzman: We hear a lot of people talk about being employees but I am astounded at what you do for your employees. It's remarkable.

Malek: Thank you. We are honored to have them.

Saltzman: We are happy you want to stay here.

Malek: Thank you.

Hales: Questions, thank you very much. Is there anyone that wanted to speak besides the folks here? If not --

Fish: I move the resolution.

Hales: There is someone who wants to speak, I am sorry. Thank you.

Hales: Come on up.

Fritz: Come up otherwise the captioners can't hear you.

December 21, 2016

Hales: We need you on the microphone otherwise the captioners can't hear you, so welcome.

Hales: Give us your name.

Ronald Brown: I am Ronald brown, and I live in Portland. Just -- I have three children of my own. They live in another city close by called Gresham, and I don't live there. It's a complicated situation. But I own property in this county, and I was nearly evicted this morning from the other building down the street. And by the stroke of luck, is it, that I get seven days now where I have to get off of this property, ok, and that's what I have negotiated. It was going to be two days, and my options -- ok. It's complicated trying to live here. I have lived here 20 years and seen -- ok. Great -- wonderful that your children work great, three jobs because they are trying to stay afloat in this economy that we have, this strange economy. My kids, like your kids, are overachievers. You have to be to stay. They start looking at your grades. My daughter, excuse me, the point is, sir, that I think children should sleep 12 hours a night or as many as they can because your brain is developing, and it should not be pressure object young people to achieve. This is kind of global stuff I am going to talk about here. But the point, the point is, everybody -- it's probably -- it's profits. Everything is about a profit in this country. What about sacred economy instead of - - how do we drive this world? Based on -- does anybody in this place have \$1 that I could borrow?

Hales: Go ahead and finish. We have got --

Brown: Ok. Well look, here, I will draw it myself. There is the eagle, there is the almighty eagle. We have got the alpha, and the omega. Look at it. Open it up and look at that baby. Omega. And there is, there is Washington and there is our dollar bill. When it becomes profits, meaning sacred economy, check it out. There is a book by a guy named Charles Eisenstein, and he's a genius, and he's, he's been here several times through the great places. Pay me something if you think that it's worth it. If you don't think it's worth it the place is packed. It has an attraction like glue. So if you have not been to one of these I invite you to see these places. When we start talking about profits, well, the strangest thing that I thought, that I saw --

Hales: You used your time, so wrap up that thought, please.

Brown: Well, I need a place to live just like other people. And I need a bit of help to move from a to b because I was in a car wreck, and I can't lift over 15 pounds right now. Thank you very much.

Hales: You take care, thank you. Anyone else to speak? I think that we are ready to act on the resolution.

Novick: So first of all Kim and Tyler I want to congratulate you on your abomination of trip advisor. The salt and straw on Alberta is ranked the number one dessert place in Portland, the on division the number two in Portland and the one on 23rd the number three place in Portland, so congratulations, also, on your incredible commitment to your employees and the community. I had no idea until today what the scope of that was. That being said I want to say for the record that I do not want my vote today to be considered taking a position on the rivalry between salt and straw and ruby jewel.

Fritz: Thank you very much for coming in. I have yet to see a, an enterprise zone project before me that I didn't like, this one I love. I think that this is -- thank you for an early holiday present, for coming in to tell us about what good hearted Portland is because even though you've been here, not all your life, you are, obviously, your heart has been in Portland and I hope that you will continue to stay here and thank you for growing your business here, and I know that people really appreciate full-time jobs, the flexibility, the benefits, and many of those things come with the enterprise zone, and it's very minor, I would say, tax abatements in relation to what you are making in construction and our

December 21, 2016

community so thank you very much and thank you to the Portland development commission staff having been helpful even during the worst recession of my Lifetime. Aye.

Fish: All I will add is thank you for being a model for small business in our backyard and as you expand your empire to Los Angeles, we wish you the best of success. Aye.

Saltzman: This is a great investment for the city, in salt and straw. We appreciate salt and straw's investment in the people of the city of Portland. And I am sure that you are going to grow and prosper, not only nationally but perhaps internationally, but we're really happy that you are keeping your production here in Portland. Very honored for all the jobs you are creating. Thank you. Aye.

Hales: This is a great success story, so Kim and Tyler, congratulations. It's a success story for us, as a city government, because this is exactly what the enterprise zone is supposed to do, which is to help the entrepreneurs grow businesses in ways that pay off for everyone overtime, and we all participate in the short run and in making sure that they gain that altitude. Another success by the way, Kim is not a complainer but did note that Portland's permit process is a lot better than Los Angeles's, so our bureau of development services and others should take pride in that. And again obviously, you are such a socially responsible business, and actually this is something that Miss Neal has focused on, we are growing a sustainability economy here, there are thousands, tens of thousands of jobs, as your research pointed out that 49,000 jobs in, sorry, I got that number wrong, but anyway, tens of thousands of jobs in the sustainability sector, including the food cluster, and we have agriculture in the state that is healthy and tied to our local economy, and hopefully they prosper, and obviously, the dairy farmers and others that you work with, we are in our relationship with the rest of the state, Commissioner Saltzman, in particular pays attention to. This is a way for us to be helpful neighbors to them. So this works on every level. And so for the central east side what used to be produce row, to now have breweries, local distilleries and salt and straw is full circle and a very wonderful way so congratulations and good luck on the next chapter of your growth. Aye. [gavel pounded] thank you. Ok. Let's move on to the next item on the agenda, which is 1443.

Item 1443.

Hales: Commissioner Novick.

Novick: I am pleased to present this contract, which is largely a contract to conduct a public process, and Chris Armes is here to answer any questions that you might have.

Hales: Ok. Any questions about this item? Anyone here to speak on this item? If not, it's an emergency ordinance. Let's take a vote, please.

Novick: Thank you Chris and thanks to the whole team, aye.

Fritz: Thank you Commissioner Novick for bringing this and hiring a consultant to do the public process. Aye.

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

Hales: Aye. [gavel pounded] 1444.

Item 1444.

Hales: I understand that there is a substitute for us, is that right?

Novick: That's correct, Mayor. Last week in my irrational parking exuberance I tried to zip us through pbots' city-wide plan for the local parking permit districts. This is a substitute, a proposal from pbots, the northwest district association and the parking stakeholder advisory committee that would allow northwest to explore more robust tools to manage on-street parking in zone M. Primarily they will be discussing capping the total number of permits limiting the total number of residential permits and a surcharge on top of pbots' cost recovery permit fee. As we've discussed several times at previous council meetings and work sessions the parking management needs in northwest exceed the tools currently available to them, these changes will only effect northwest and are voluntary meaning the

December 21, 2016

scc can choose to take advantage of these tools or not based on discussions community outreach. I want to thank my colleagues for discussing the city wide policy last week pbot has more work to do, we're pleased that we can propose these important tools for northwest now. The work that people do in northwest now will form the city wide proposal and hopefully help answer some of the questions raised last week. I want to thank pbot staff rick Michaelson from the sac and Karen Karlsson from the nwa for their diligence and now I'll turn it over to grant Morehead for a brief presentation and to answer questions.

Hales: Ok come on up please.

Grant Morehead, Portland Bureau of Transportation: Hard act to follow salt and straw, but I will do my best. [laughter] Grant Morehead bureau of transportation, I'm here with Malisa mcreedy, our department operations manager. I have a brief presentation although commissioner novick did a nice job summarizing the amended ordinance. What I will do, last week we heard most of the background information. I won't bewaiver those points I do want to apply a little context of northwest Portland before a summary of the recommendations. Discussed at the hearing last week the area parking permit program is a neighborhood initiated process that allows neighborhoods to manage parking within their boundaries. We have 18 such areas. The program is designed for very limited application addressing commuter parking. Our ability is to tailor solutions to neighborhoods where the growth in parking is coming from within is very limited. It's not something that's going to be applicable for the parking problems we're starting to see as redevelopment occurs in mixed use areas today. In northwest Portland they are one of our 18 abp areas, there known as zone m, just a little bit of statistics we have about 4500 on-street parking spaces with the boundaries of zone m assigned for use by permit holders. In the permit year that began in august we have already issued over 9,000 permits and that number is likely to increase until we start over in July every year. Probably above 10,000 by the ends of the year. This area is growing rapidly. There's 4500 jobs and 3500 new households projected by 2035. The demand is likely to increase annually over time. Within zone m we don't require off street parking with any development. There's a parking management plan that addresses systematically how we want to manage parking in the district. It's been updated in 2013. In that update we created the council created a northwest parking stakeholder advisory committee which was empowered with the ability to guide implementation of the plan. This was concurrent with rollout of the parking meter district now in place in northwest. Members of the committee are appointed by the transportation commissioner and sac serves as the area parking committee that tailors the parking permit program to that district. So what we're asking today is that the council approve an ordinance that would allow as commissioner novick mentioned additional limits on the number of permits to be issued and also a permit fee surcharge for the permits in zone M. I want to highlight that this is modeled after a program under way on the central east side authorized in 2013 and they are currently in the second year of their permit fee surcharge. Again, just to highlight this is an ordinance that applies only to zone m and northwest, and these tools would not be available anywhere other than the zone m app area. Thank you.

Hales: Questions? I think we need a motion to accept the substitute then see if there's any testimony.

Fish: So moved.

Second: Second.

Hales: Any further discussion on the motion accept the substitute? Roll call.

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

Hales: Aye. Thank you. Is there anyone who would like to speak on the substitute ordinance? Come on up, please.

Rick Michaelson: Good afternoon. I'm rick Michaelson speaking as chair of the northwest

December 21, 2016

Portland stakeholder's advisory committee. We're very pleased to see this advanced and give you additional tools to work with parking. We have been studying and studying, now we can actually implement. I'm particularly pleased with three aspects. One is being able to surcharge so we can actually generate additional money for transportation demand management. Second is to begin to require demand management programs for some of the larger employers and residential buildings. The third is to be able to spend some of the meter money on pedestrian improvements. It's our goal to decrease demand to make it easier to live without a car, not requiring reduction in cars although we may supplement. We're very pleased to be beginning these efforts. I think we'll begin to see some results in six months to a year. We'll be happy to come back and let you know how it works in a year or two. Thank you.

Karen Karlsson: Karen Karlsson, president of the nwda. I wasn't here last week but I understand commissioner Fritz was asking how did the nwdba feel about this. By chance we had a board meeting on Monday and had the opportunity to ask the board how they were feeling about this. And so I'm here authorized by nwda to express our support to give the sac these additional tools to be able to make changes, to help control parking in the neighborhood. I want to emphasize that mwda, nob hill, others that are representing the community are all on the parking sac, and the nwda feels good about that. In some ways I would say we defer to how to do these changes. Our parking sac members which I questions I'm one of do go back to our board very frequently and report on what's been going on on the sac, changes being proposed and discussions, and we still have had complete support from the board on these and I assure you that if nwba had a problem in the future we would exercise our voice.

Fritz: Thank you for your letter and for the explanation. I always like to hear in the affirmative if the neighborhood association is supportive of something even when I figure you would be because you're on the other committees and such. Thank you for making that very clear.

Karlsson: You're welcome.

Hales: Thank you both. Thanks very much. Other questions for them? Thank you.

Michaelson: Thank you for handling this on your last council day. It's been many years of working together and your efforts will be carried forward.

Hales: Probably the last time city council will be talking about parking in the northwest.

Karlsson: How about we come back and report how everyone is happy.

Hales: Thank you. Others that would like to speak? If not, it's an emergency ordinance thanks to the substitute so we should take a vote.

Novick: I want to thank rick and Karen and all the folks in the sac who have been working diligently, heroically on parking issues for so many years. I want to thank eric on my staff who has been working diligently on parking issues for several years. I want to thank the entire parking team at pbot. The whole bureau has done a ton of work on a lot of subjects but I can't think of another aspect of the bureau that has done so much work on so many things as the parking folks from changing the way we deal with disabled parking placards to shifting from towing to booting for folks with a lot of unpaid parking tickets to implementing the northwest plan and -- let's see. I'm forgetting at least one other important thing. Thank you very, very much. It's been a joy to work on parking issues with pbot. Aye.

Fritz: Sorry for interrupting. We don't have time to list all the things they have got done in transportation. It's been a delight to watch you relish the challenges and embrace them and find so many solutions. Thank you for that including thank you for listening last week and recognizing we needed more time to look at these things city-wide. Thank you, rick Michaelson, in the middle of December of 2012 we were here setting the motion for the northwest district parking association. You came back early in '13 and they did better. I'm

December 21, 2016

very encouraged to hear the neighborhood association seems to be working really well. I know you'll continue to look at equity and making sure the pricing system it still allows people with lower incomes to be able to park their cars if they have to work elsewhere in them. Thank you for the knowledge of that. I need to acknowledge last week we had a very strenuous discussion and I supported commissioner Saltzman when he was concerned new residents wouldn't necessarily be guaranteed parking but existing residents would be and I shared his concern. I then had a discussion with my chief of staff Tim Crail who pointed out that's exactly what we need to do to really let the market decide about whether new apartment buildings should have parking in them. If they knew up front they were not going to be able to park within several blocks of their home either people would choose not to live there, they would choose to live there if that's the type of environment they prefer or else going into it knowing they would have a half mile walk before they could pick up their car on somebody else's street. I appreciate my staff coming in with different opinions that help me think things through more clearly. I know there's a lot of interest in the neighborhood and I'm encouraged that we took more time to look at it and I will embrace it. Aye.

Fish: Steve, in my eight years on council there are some issues that usually fill up this chamber with a lot of heat and I'm not just talking about the reservoir issue. It includes northwest parking and a whole host of things that bring in a lot of passion. Thank you for bringing this cluster of issues to a soft landing. You and Charlie have given us a very strong foundation on which to move forward. Thanks to the neighborhood for being such good partners. Aye.

Saltzman: Thank you, commission novick, pbob, for bringing this forward. Thanks to northwest for you need this I guess, these tools, so it's not like you're volunteering, but where we were last week where we had a much bigger net it's nice nwda is willing to take these tools and run with them. I still have fundamental concerns about people arriving last not having the same access to privilege that comes with the permit system. I also do believe there has to be a way to get people's garages back to storing cars rather than clutter and that needs to be something that I'm confident you guys can come up with creative solutions on that. The only other thing I will harp upon that I mentioned last week too, the sheer split of the surcharge revenue. I think there should be some split with -- part of it should go to general transportation revenue, part should stay with the neighborhood. We'll visit that later. Aye.

Hales: Well, thank you all. Stewards of this neighborhood and stewards of good public policy, and crafters of successful resolution of gnarly stuff, which is what this represents. Steve, thank you for your work on this. I'm very pleased to see this good solution get done today along with some other long term issues like the future of the city that we're all wrapping up together. Aye. Thank you. 1445.

Item 1445.

Hales: No further discussion we're ready for a vote. Roll call, please.

Novick: Aye.

Fritz: Thank you for the discussion last week and for the work session on November 8th. Thank you to my staff and office of neighborhood involvement, who have been very diligent in responding to community concerns. As the comments and concerns continue to come in, and we have all realized that issues that get permits within development services included as well as development services staff and the fire bureau. Whoever gets assigned to the utilities to transportation those kinds of questions next year can make the decisions. What we're doing with this set of changes is saying the marijuana retail license can be given before permits have been signed off. Obviously that's been the committee in charge of those bureaus to decide how they are going to make sure those things get done. Thank

December 21, 2016

you, colleagues. More to come. We'll continually especially since the state regulations keep changing and the industry keeps growing and flourishing we'll come back with multiple changes I'm sure and I look forward to that time. Aye.

Fish: Commissioner Fritz, thank you for bringing forward this package so quickly following the work session. I think we're making progress and heading in the right direction. Thank you for your leadership. Aye.

Saltzman: I think this package I particularly like the easy up on the retail licensing requirements and all the other changes commissioner Fritz just described. I wanted to thank matt grumm in my office for his hard work with commissioner Fritz on these. Aye.

Fritz: Thank you for mentioning matt. I meant to thank Claire adamsick on my staff who became the mother of a lovely baby boy on Saturday afternoon his name is sylvan. I wanted to share that with everybody. As usual Claire has everything organized so that things go as planned.

Fish: Can I state a continuing objection? Every time you mention matt and you compliment him his head gets larger and larger. We deal with him ten times a day. Can we put a lid on all this? He's a gem.

Hales: He is. Speaking of another successful resolution of a gnarly issue, thank you. Aye. Okay, let's move on then to 1447.

Item 1447.

Fish: Scott Gibson is back doing double duty today. Safeway pump station located in the Safeway frontage along north janzen drive on Hayden island is an integral part of the city sewer system. ' pumps sewage and runoff from Hayden island to north Portland. This important pump station upgrade project will improve reliability and increase pumping capacity among other benefits. Construction is anticipated to begin in early summer 2018. Scott is here to give us a quick power point. I will note, mayor and colleagues, that we had record rain flow the last few days and we had a couple of nights ago we had an incredible deluge, and that's when our system really shines because the spike in volume of water that we have to manage along with everything else really puts a strain on the system. That's why we have the pumps. It's why we have the big pipe. That's why we made all these investments and we continually have to upgrade our existing infrastructure. Scott?

Scott Gibson, Bureau of Environmental Services: I have 1447 and 1448, both pump stations, very similar.

Fish: Take them both together, mayor?

Item 1448.

Hales: Please. Okay. Please proceed, Scott.

Gibson: Thank you. We're trying to find the presentation for Safeway. I'll run to airport and I'm sure it will be there when we get done. The city of Portland owns roughly 100 pumping stations. The two I'm here to talk about are small but routine and they give you an idea of the struggles we're dealing with in maintaining and up keeping these. First thing, this is the airport way pump station number one on the left and airport way pump station number three on the right. The purpose of this project is to replace obsolete mechanical, electrical and control equipment number one, improve reliability severely leaking roof and poor structure there. We need to improve safety and access to the facility, ventilation system is inadequate and the fuel generation for the backup power generator is stored inside the building which wouldn't be code today. Here are some pictures of the existing pump station on the left you'll see the control system, the motor control system which starts and stops the pumps. That system has failed. It's running on a temporary system right now so we'll replace that. The picture on the right pge maintains and owns the power supply equipment within the building and to code that would be separated so that the crews working on the control systems wouldn't be exposed to the shock risk. Then finally have some failures in

December 21, 2016

the well. The estimated construction cost is 2.374 million. We have had a number of recent bids and we're feeling good about the cost. Costs to date are roughly \$400,000 and estimate to complete is 3.2 million. The schedule going forth is listed below with construction starting in May of 2017, continuing for a year. That's it. Questions I have on that?

Hales: Questions? You found the other one? Okay. Maybe? He's looking for the other power point?

Gibson: Here it is. Thank you for your patience. The Safeway pump station, the second one I'll talk about, is a very small pump station on Hayden island. It's in the parking lot of the safe way pump Safeway store and we adopted this pump station from the county and they didn't give us any records for it when they gave it to us. We think it was built in 1960s and it serves a mix of commercial and residential properties. So the project objectives are to upgrade the pump station for future protective flows to increase security for electrical control systems and backup power supply, then also to improve operations and maintenance. This rose to the top of our list because of the frequent call-outs due to failures of the pumps and the pumps are wearing extremely fast. Here's a rendering of the remodeled pump station. Our advertisement forbid right after the holidays we hope to begin construction in May of 2017 once again for roughly a year. Costs are all in project costs at 2.2 million. The construction fees 1.4 million. Do you have any questions?

Hales: Good presentation. Questions? Thanks a lot, Scott. Anyone want to speak on either of these items? If not, they move to second reading. Thank you. 1449.

Item 1449.

Hales: Commissioner Saltzman.

Saltzman: Thank you, mayor. The homebuyer opportunity limited tax exemption program provides a ten-year tax exemption too low to moderate homebuyers making homeownership more affordable for families in Portland. With housing prices quickly rising the program is one of the primary opportunities for affordable homeownership through the Portland housing bureau. The housing bureau is required to establish an annual sales price cap for the program by January 1. Not to exceed 120% of the median sale price currently \$347,000. So the housing bureau is proposing to set the program sale cap at \$350,000, which is a 13% increase from last year's cap. The program has limits on the income available to buyers. 100% of median family income is \$73,300 for a family of four. I would like to thank the housing bureau staff who did the leg work to make this work. Marion hurley and dory van bockel. They are still here. If there's questions. Otherwise thank you.

Hales: Thank you, commissioner. Questions? Staff here if needed? Okay. Anyone want to speak on this item? If not, it's a resolution we can take a vote now.

Novick: Aye.

Fritz: As usual excellent staff work. Thank you, aye.

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

Hales: Thank you. Aye. Okay, 1450.

Item 1450.

Saltzman: Thank you, mayor. This ordinance combines two contract amendments for two existing nonprofit partners currently receiving Portland housing bureau funding for home repair services. Naya and Unlimited choices both have ample experience serving low income communities and senior residents by providing critical home repairs and leveraging other resources to maximize the work necessary to repair and maintain the homes. They both have waiting lists of people who need critical home repairs and they are expanding their existing program beyond the cully neighborhood in east Portland. These funds will help prevent further displacement of low income homeowners and senior homeowners and

December 21, 2016

have been developed with the input of east Portland action plan members.

Hales: Questions? Anyone want to speak? If not, it's an emergency ordinance. Roll call, please.

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

Hales: Aye. 1452.

Item 1452.

Hales: Commissioner Saltzman.

Saltzman: Thank you, mayor. Last week the council approved purchase of our first property under the voter approved affordable housing bond. The 263 units Ellington apartments. This will help prevent rent displacement and provide new deeply affordable housing for hundreds of families. So here before us today are two items related to that purchase. Kurt Creager and Mike Johnson of the bureau are here as well as Andrew Scott to answer any questions but I would like to offer a technical amendment to item 1452, which I am passing out right now.

Hales: Thank you.

Saltzman: This amendment clarifies that a HUD loan not grant will be used. I think there might have been some discussion last week about a loan versus grant.

Fish: Are you offering this?

Saltzman: Yes.

Fish: I'll second the amendment. So this sounds like a technical issue about how you're handling interim funding but you're not changing -- your intent is to sometime next summer or later fund this with bond proceeds.

Saltzman: Yes. The vast majority will be through bond funds.

Fish: It's your intention to have the soon-to-be organized committee oversight committee review this transaction.

Saltzman: Correct.

Hales: That's why it specified to be acquired bond sale proceeds.

Fritz: I'd just like some clarification on the issue of grant versus loan. When we had the discussion last week it sounded as though some of the federal funds might be not having to be paid back. So do you anticipate that you will borrow some and if so how would they be paid back?

Saltzman: Very capable director Kurt Creager to answer that.

Kurt Creager, Director, Portland Housing Bureau: Thank you for the opportunity Kurt Creager housing director. We anticipate utilizing a well-established FHA program called the 223-f, in FOX, program. HUD insures mortgages for affordable housing and for market rate housing through this program. Our intent would be to use the HUD money in the form of a loan for the rehabilitation needs of the property which we estimate to be \$10 million. We may also use some of the HUD money up to 20 million in total for replacement reserves. One thing I want to make sure the council knows; this is a commodity of the federal housing administration. It's not subject to appropriations of the federal government. So it's a usual and customary loan product, it's been available since 1974. This last year HUD insured mortgages for 500 projects totaling 70,142 units at \$4.5 billion. It's not going to be subject to appropriations of the congress nor of policy fiat by the federal government. It's a normal commodity product. It would be originated through a delegated underwriter that we would select through a separate procurement process.

Fritz: That's good information. When we had the discussion last week it was implied that there might be less of the housing bond because of the availability of this money so if we did borrow it, what would be the best way to pay it back?

Creager: Our current thinking is \$37 million of the purchase price of the 47 million property would be from bonds, 10 million from HUD loan proceeds, and an additional 10 million of

December 21, 2016

hud proceeds would be used for rehabilitation. So our loan to value ratio would be very favorable. The loan would be less than 50% of the value of the property. The other thing I would like to say for the record, we ordered an appraisal when this property was put under contract. It takes about six weeks. We did receive a preliminary indication of value last week of \$46 million,050. So within two percentage points of the appraise the value.

Fritz: My question is how will the loan be paid back?

Creager: It's paid from cash flow from the property itself. If you recall, the goal of the bond is for the entire population to be under 60% of area median income. They will all have leases. They will pay a rent that is affordable to them based on household income and that rental income will be used to pay the hud mortgage.

Fritz: Thank you. That's helpful. You're still even though it's a loan, not a grant, you still have 37 million from the housing bond.

Creager: Correct.

Fritz: And that works out for the maintenance of the property as well?

Creager: It does. In fact, we would establish maintenance reserves at the time that the program is financed so that we already capitalize those. The reason for the 51 million is actually to cover some flow between the 47 million purchase price and the short term maintenance and repair needs of the property.

Fritz: Thank you.

Fish: Can I just ask a question? What's the difference between this approach and the approach we have done in the past through the 108 loan program?

Creager: Well, --

Fish: Are they totally different?

Creager: They are totally different.

Fish: That's all I need to know. Okay. I had some experience with 108 loan. I get that this is a different one. Seems like a responsible --

Hales: Appreciate the reassurance about this being a commodity loan from hud nevertheless I urge you to take all deliberate speed and make application before inauguration day. [laughter]

Creager: Thank you for that advice.

Hales: Further questions for our director? Anyone want to speak on item?

Hales: Good afternoon.

Wayne Wignes: Good afternoon. I'm wayne wignes. I heard last week on the news about women, children dying in Syria. Ever curious look on ted.com google search war, Syria, infrastructure this lady with a phd, born, raised in Syria, she made an argument that the infrastructure in Syria served as a source of group identity and unity for people allowing that to be rammed through opened the floodgates for dissension that eventually contributed to war. Now, social congruency and group identity are well respected concepts in research and I don't think it's unreasonable to say that they are inextricably tied to the habitat that they grow in. Now, apply this to Portland. I'm a day laborer in Portland and a student. I'm the one taking your homes and your buildings apart and I help unload the materials to new places. I see what goes down, what goes up. What goes out is salt stone pulled off the ships from china, uncovered a 200-year-old well. Natural wood, brick. Somebody told me about a bank downtown we demo the stairs, white marble, and somehow they managed to weld the brass on to the marble. All buildings downtown Portland they got unique carvings and stuff. But what replaces it is plastic. Like plastic membrane, composite, engineered wood for those who don't know that means it's been smashed up and glued together. Osb, particle board, plywood. We're gluing homes together nowadays. Even the nice places. Especially the nice places like in the pearl district. So for lack of a more appropriate term, we're pissing on what our ancestors

December 21, 2016

handed down to us and our culture, our habitat. It's all for what? The presumption that we make it cheaper for developers to build what they need to build and that's going to burst the bubble? But the bubble never bursts. I'm no economist, but it seems reasonable to say that to burst the bubble you need a surplus. In a capitalist market what developer is going to build what they don't think is going to be filled within the foreseeable future. This is not china. We're not building ghost towns. We need to try something different. On that note I'll iterate don't build the partition walls. Large scale bunkhouses inside of cities. Put it on the market for those who would make use of it, let them break the monopoly that physical privacy holds over the rental market and restore leverage for those who show up asking for different versions of the same thing expecting different results.

Hales: Wrap up your thought, please. Very helpful.

Wignes: You need to utilize density in the vertical direction. Stack beds, not just units. I was hoping to talk about zoning codes. Suffice it to say another time.

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

Michael Withey: Mike withey. I think this is a great deal. I have been following how much we have been spending through the years since I have been working on the homeless and affordable housing here and throughout the country. This deal is about 178,000 per unit, and it's a family size unit. That's phenomenal for what the city has been spending for just a studio where you pay up to 268, right? I love that. I also yesterday's meeting with the advisory committee for the Oregon harbor we had a good portion of -- fortune of having Kurt Creager with us. One thing we discussed is how would we be able to use things like dave's home first development where they can actually build for \$80 a square foot, stick built apartments. How could we incorporate that in other things like micro communities? How could we build things for the city without it costing too much money? Red tape, extra cost of prevailing wage, other things make it cost prohibitive. What I discovered and what we discovered I guess was that we could build them through private sector and then just sell them to the city. So you would be getting about market. We would just try not to make any money. We could do it through existing corporations already. It was nice to find that out at homer williams' office surrounded by big developers that we should go the other way that don't usually build for low income folks. During this process of spending the other 200 million I hope we do look at this close up and try to use it as a way to produce more affordable housing. That's all I are to say.

Hales: Thank you both very much. Anyone else? Okay, then let's take a vote, please, on the resolution as amended.

Moore-Love: We need to vote on the amendment first.

Hales: Let's do that.

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

Hales: Aye. Okay on the resolution as amended.

Novick: Aye.

Fritz: Thank you again for all the progress you've made on housing in the past few years, commissioner Saltzman and mayor hales. Aye.

Fish: It's a great deal and all of us know this address very well because senator gordly lives next door. We all get invited to her neighborhood night out event every year. You know, Dan, some will say we're putting the cart before the horse but in an emergency we have to seize opportunities when they are in front of us. The alternative would be to lose an incredible piece of land that's home to a lot of folks that would not have a better option. In fact, many of these folks would find themselves on the street. I like the fact that you're buying a large campus that we can add to over time and we can improve. So I think this is -- this may have been a little quicker than voters anticipated but from the point of view of stretching a dollar this is exactly what they bought and I'm proud of the leadership that you

December 21, 2016

gave to that effort for the housing bond. I was proud to work with you on that and I think this is a great down payment on the promise of that investment. Aye.

Saltzman: Well, this is a very fitting first acquisition under the voter approved housing bond. As I said, 263 units, many family size, on 11 acres of land in sort of central northeast Portland, a great location that will prevent these families from being displaced. This property was on the market, it was going to go into private hands and rents were going to increase. We were approached by people in the private sector that said you ought to buy this and I'm really pleased that we, thanks to voters and their approval of the bond measure, are in a position to do that today. This is a great acquisition. I want to thank the housing bureau, Shannon Callahan in my office for their help making this happen and my colleagues. Aye.

Hales: Government moving too quickly. That's a problem. [laughter] commissioner Saltzman, thank you very much. I said all along that our housing emergency response that we worked on together was three things. Fast action, deliberate experimentation and real money. This one is all three. It's also money very well spent. Very cost effectively spent putting families into units that are sized for families. We have a lot of families in need in our city. So bravo. Well done. It's going to be a great neighborhood thanks to your leadership. Aye. Let's take action on the next item on the same subject, 1453.

Item 1453.

Hales: Anything further? Anyone want to speak on this particular resolution? Then we'll vote on that as well, please.

Novick: Aye.

Fritz: I'm very proud to have been in charge of the bureau of development services for two and a half years at the beginning of this term when we were able to set the bureau back to building healthy reserves. There was a time in the previous administration the reserves were at 13 million. They are now having deleted the whole amount to pay employees to keep them during the recession. I then worked with the staff Paul Scarlett and Elshad to develop a business continuity plan and the reserves are now so healthy we're able to give this short term loan within the city rather than having to go out to a commercial lender. I'm glad we're doing it this way. Thank you commissioner Saltzman for your continued devotion. Aye.

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

Hales: Aye. Good work. Okay, let's move on to 1453-1.

Item 1453-1.

Hales: A while ago Milwaukie elected a fine new mayor, mark gamba, very progressive, very capable and also is a good colleague. So we sat down and talked about issues where the two cities could resolve some things between us and one was this. The issues around elk rock island which we're managing but sits in their front yard or rather in the river in front of their front yard. So this intergovernmental agreement sets the stage for resolving some of the good government issues that lie between us and our neighbor. Mr. Burns has led that work. Thanks for being here this afternoon.

Al Burns, Bureau of Planning and Sustainability: Thank you. Mayor, members of the council I'm al burns, bureau of planning and sustainability. One thing council did when they adopted the comprehensive plan map was adopting an urban services boundary which is as much a part of that map as the land use designations or recreational trails. This allows us for to coordinate with our neighboring jurisdiction. It also specifies limits for future annexations, a way to coordinate urban services. I worked have closely with mike from Milwaukie. We both had earlier agreements with some inconsistencies. There were gaps and over lapse between our boundaries and these were resolved. One of the ones was elk rock island, which was deeded to the city by the kerr family for peter kerr park, a natural

December 21, 2016

area open to the public. It was never in Portland services boundary and also never in Milwaukie's urban services boundary. As a matter of fact, their boundary looked like a doughnut and this was the hole in the middle. This agreement doesn't transfer ownership of the island to the city of Milwaukie but it facilitates it by putting them in their urban services. That would allow Milwaukie to annex and police the island. Right now it's -- sheriff's office. Service responsibility for that. This is one of the first of a series of interagency agreements with our neighboring cities about how we'll manage unincorporated areas between the two cities.

Hales: Thank you, questions.

Fish: A comment, mayor. This is a really important step in mayor gamba came to see me recently because he's looking to the next six months. He reviewed the course of his diplomacy, his conversations with you, and the next chapter in this involves the city of Portland but particularly parks and rec and bes. The hope is that early in 2017, the city of Milwaukie Portland parks and rec and bes can come to some understanding. Great.

Fish: That's under way.

Hales: Good to hear. Anyone want to speak on this item? If not let's take a vote.

Novick: It's nice that Portland and Milwaukie can address boundary issues peacefully. I understand there was border skirmishes back in the 1870s. [laughter] aye.

Fritz: Very glad to work with mayor hales and commissioner Fish on this initiative. About the same time, he was talking to the mayor of Milwaukie I was meeting with former representative Caroline tamay, and she indicated this was a long cherished goal of hers to get the island transferred to Milwaukie. One of the big concerns from parks is that we had invested a lot of money in getting rid of invasives I was and restoring natural areas on the island, so we have also been collaborating with environmentalists in the community who are wanting to make sure that the money the taxpayers and ratepayers have spent there don't get wasted if Milwaukie doesn't have the funds to be able to keep it in good shape. As was mentioned I think we're very close to getting that agreement and I very much thank Pooja Bhat on my staff for working with parks and parks staff have been very diligent in their negotiations on this. Aye.

Fish: Mayor, if we had more time we could tell the story of elk rock. It's a great story about what illicit activities occurred there once upon a time and why the owners got sideways with the city of Milwaukie and why as a parting shot they deeded the land to Portland, which actually had no connection to the property. We put it to good use as commissioner Fritz said because we have done environmental remediation and there's other benefits of that island. But really it should be reunited with the great city of Milwaukie. By the way, the one thing I learned about Milwaukie is some folks being priced out of the Portland and moving to the surrounding area are moving to places like Milwaukie and Milwaukie is having the same challenges we have, 50% increase in land values in a short amount of time. Same challenges with renting. But it's also because people are being displaced and moving around the region it's changing the politics in Milwaukie. There are now some people elected officials on the Milwaukie city council that are former Portlanders whose heart is still with Portland and the relationship between our two cities is growing stronger and not just because of light-rail. That's terrific. Thank you. Aye.

Saltzman: Aye.

Hales: This is a good piece of work. You're right, that history is pretty bizarre. But its current situation is actually untenable because a big island in the middle of the Willamette in front of downtown Portland that belonged to a bigger city nearby we would resent that. They have been frankly awfully polite about this. This is time to do this and they are good partners, mayor gamba and others are working in partnership with us. Al, thank you for your good work. I look forward to paddling our canoe up the river and visiting Milwaukie's

December 21, 2016

park on elk rock island someday soon. Thank you. Let's move on to our delayed afternoon agenda. Thank you all for waiting. S-1454.

Item S-1454.

Hales: We don't normally start with a drum roll or fanfare of trumpets but it would seem appropriate today. So Susan, Eric, thank you for this great piece of work. Take it away.

Fish: Mayor, I don't want to rain on the parade here, but this feels rushed to me. [laughter]

Susan Anderson, Director, Bureau of Planning and Sustainability: It's so true. Good afternoon. Susan Anderson, director of bureau of planning and sustainability. With me is Eric engstrom, principal planner. This is a big vote for us today and to thank possibly more than a few people. You know, I have said it probably a dozen times and I'll probably say it again, we all know that great places don't happen by accident. We are this wonderful, walkable, prosperous city that so many people want to move to exactly because we did a comprehensive plan more than 35 years ago. That plan led us in a very different direction than most other American cities. So today we're here to celebrate the final steps of the comprehensive plan as we become a city of 800,000 people over the next 20 years. Again, this is task 5 of the comprehensive plan. I know Eric and joe are sad there's no task 6. They have to get over that. This is the final step. As you know the plan, it isn't just about the map and the building height and setbacks, it's about people. It's about helping people thrive, the goal of this entire document at least from my perspective is to create wonderful neighborhoods to ensure that we have an abundance of jobs to make sure that there are all types of housing throughout the community, to make sure it's easy to get around and travel. Create a vibrant downtown and to protect the environment now and for future generations. To me that's what this is all about. I know that staff wants me to list all the great components of the project I'm not going to do that, but there were so many components that are so, so important I do want to list out just five. First the new mixed use zones. They ensure that growth, that housing and jobs can be accommodated in our corridors in our mixed use centers and that will expand our wonderful neighborhoods. Second changes that we proposed for employment zones will continue our commitment to living wage jobs. With more opportunities in the central east side and to keep our strong industrial sanctuaries. Third, the new campus zones allow Portland to expand our education and medical institutions and that will help us grow as a west coast center for knowledge for innovation, for research. Fourth, the new tsp embraces the transportation hierarchy you all adopted last summer to better serve freight and businesses to make sure that it's easy to get around and to improve air quality and reduce carbon emissions. Fifth, the plan for me was really all about civic engagement. The plan was -- is a plan for everyone. It really builds on a great neighborhood association but it went many steps beyond that and includes the full spectrum of Portlanders who were involved and that it serves including lower income families, including young people and renters, people who want to age in place in their neighborhoods, disabled people, immigrants, people of color and more. Again, there were a lot of details but this wasn't just about zoning and code. This was totally about creating a place for people to be thrive. I just want to thank several people. First you and your staff, your staff were amazing. They met with Eric often. I think they are all new best friends. We appreciate their diligence and really appreciate all the great questions that they asked and being able to put all the pieces together. I think second I really would -- it's almost thanking the entire community. All of the work groups and committees that were involved, literally there were thousands of people who made comments on the plan either in person, by mail, by email or on the map act and the plan definitely are reflects all of that work. Probably more actually a couple thousand comments. Next I want to thank Andre Baugh. Maybe he will stand up for a wave. Catherine Schultz, who regrets she couldn't be here tonight or this afternoon. For their

December 21, 2016

leadership as chairs of the planning and sustainability commission and really all of the members of the psc, including Howard Shapiro, who chaired the citizen involvement committee. Finally, I want to thank some staff. Barry Manning, John Coal, Shannon Bruno, Sarah Wright, Marty Stockton, all of the district liaisons, Denver Igarta from pbot. A whole slew of staff from pbot, bes, pdc, there were so many different bureaus that were involved. We appreciate all of their work. Probably half of the bps staff was involved in one way or another, Tom, Steve, Tyler, Julia Thompson, Al, Bill and many, many others. Mark and his design team. And a special thank you to Kevin Martin, who with his team created the map app and we really have become sort of a leading design studio and leading place in terms of doing planning throughout the United States in the work that we have done with creating tools like the map app. Finally, most of all I want to thank my partner's Joe Zehnder, Debra Stein and the man, Eric Engstrom. Eric as you know was phenomenal on this project. I can't begin to describe and you've all been witness to this, his knowledge, incredible technical skills, attention to details. His absolute perseverance, his tenacity in completing this project and making sure all of us took part. I would like to actually give a standing ovation for Eric. [applause] I just have one last comment. Something Eric told me of course that I need to say on the record. After you vote today, assuming that you all vote yes, this all takes effect in about a year, January 2018, and of course that is after we send it all down to Salem for their approval at dlcd. Then with a project this size there's likely or more than likely to be some objections and we will take all those in stride. I guess it's time for you to vote. I know this has been a really big day for inclusionary housing and now for a new comprehensive plan for the city. This really is the last time today that we'll be here on the comprehensive plan. It's just been a really great process. For me it's been truly an honor. So thank you.

Hales: Thank you all. Any further discussion before we vote? Let's take a vote, please.

Novick: Thank you, Eric. Thank you, Susan. Thank you, Joe. Thanks to everybody at bps and pbot and all the other bureaus who worked so hard to get to this moment. Thank you, colleagues, especially Mayor Hales, for being here for this period doing the comprehensive plan. Can't think of a better person to be mayor during this process. You've given so much life to thoughtful urban planning. One substantive thing I want to say is this is a plan which anticipates and allows for growth. This assumes that more people are going to be moving to Portland. Recently we have been experiencing a lot of growing pains. There's no denying that. I want to take a couple of minutes to talk about the reasons it's a good thing that more people are moving to Portland and that we should especially we should allow more housing to be built. One is that the greatest challenge the human race has ever faced, which unfortunately we're forcing a lot of the species to face with us, is climate disruption. If we're going to fight climate disruption one thing we want to have happen is more people living in moderate climates because building heating and cooling are major aspect of energy use and if you're in a place that's hot or cold or both of those different times of the year, then you'll see more energy used on heating and cooling. So as a species we want more people living in places where you don't have to fire up the heater or the air conditioner on a regular basis. Second, I have had development such as that anticipated by our comprehensive plan is conducive to people driving less and spending less energy on transportation because if you have people living closer together it's easier for biking, walking, taking transit to make sense and that's particularly true in a city that has preexisting commitment to transit and biking and walking. Another reason it's important that we accommodate growth and building of more housing is that Portland has somehow become a really, really popular place. A lot of people want to move here. As a result, we have seen the price of housing skyrocketing. If we severely restrict the supply of housing, the demand will continue and prices will continue to go up and up and up. Allowing for

December 21, 2016

more housing to be built as this comprehensive plan does is an important tool in limiting the sky high housing price increases we're seeing. So again, I realize that growth is going to continue to be controversial. It does impose inconveniences. But there are two big reasons why I think we should embrace it and I'm glad this comprehensive plan embraces the idea that Portland will continue to grow. Finally, I want to thank Katie Shriver on my staff for putting in hundreds and hundreds of hours on this comprehensive plan, and related policies. So thank you, aye.

Fritz: Amazing the work that's got done. Thank you for getting it here on the last day we're a council. You deserve a standing ovation too, Susan, Joe Zehnder and your I'm very glad to see many were able to be here. Special to watch the end of a project like this which for me and many others has not just been four or eight years, it's been 12 or 16. I was on the planning commission in 1996 working away on some of the beginning of this. Tom Potter had the community connect and bureau improvement project and a bunch of very strong minded women in the bureaus started pushing for we need to have an equity component in this comprehensive plan in things that we do. Partly a result of what Mayor Potter did. Desiree Williams, Rush Knee, Amalia Alarcon de Morris, Danielle Brooks, others and these other women who just would not stop saying we have to change things. It's up to us to change things. So it's been such an honor and delight to work with Mayor Adams to get the Portland plan done and take time to get it right, now to work with you, Mayor Hales, for four years on all the exciting things we have been able to do including correcting some of the things I was most steamed about back in 1996. Thank you. It does stand us in good stead and especially with the community involvement chapter which clearly spells out much deeper than the old goal 9, the old policy 9. What we're expecting from all our communities. Who is entitled to participate and to make a difference. Not just to be heard but to be listened to and to have their suggestions made into law. I do thank Claire Adamsick on my staff and also Pooja Bhat the two of them it was almost miraculous the way they nor mouse body of work could get laid out. I knew exactly what you were doing. They worked with Eric and Joe and multiple staff coming into our offices working with my staff so that I oftentimes had things handed to me with very little effort on my part. I just really appreciate it. I think I would have liked to have been a staff person working on this plan. It's been a huge honor and I'm very, very happy we got to this place on this special day. Happy holidays, everybody. Aye.

Fish: Well, you're going to hear some similar themes as we go down the line.

*****: Thank you

Fish: Okay. It's fitting that in the last council day of the year and in your last session, Mayor, we're adopting a comprehensive plan. Because I think this issue more than any other issue defines your public service. I think it helps to explain why you do public service. Because of all the issues that we work with you on, this is the one that always brought out your best. It was clear, watching you in this building. So each of us has a long list of thank yous. There's no harm in thanking the same people more than once. Because this has really been just an extraordinary effort, and Susan, you are the captain of the ship. You put together this team. So you deserve our great thanks for your leadership. And Eric, you and I have had a chance to work on many things. I have never seen someone get into the details on something as complicated and shows such command and we used to tease you that every once in a while you would miss something. Some detail like you would be off by a centimeter on a line on a map. We're always shocked because of your command on this issue. Joe Zehnder, Eric, I want to thank you for the boot camps that you put me through. Every once in a while because I don't have Amanda's background or Charlie's background I would ask Susan for a boot camp. She would send her best people in to help bring any level of understanding up and you guys had a lot on your plate and you never said no. It

December 21, 2016

helped me engage in this process in a much more thoughtful way. So thank you. To Debra Stein and Marty Stockton and all the folks who worked so hard on this, thank you. To the whole planning commission, we saw a lot of the members coming through and offering views but particularly to Katherine and Andre, I mean, citizen volunteers, Charlie, you talk all the time how blessed we are to have people that step up and do these jobs. These are two of the best we have ever had in that role and they shined. I'm loathe to mention the city council staff because then I'll be accused of poaching at some point. But everyone here has a great personal staff and no matter what the temperature is on this council, the staff people always work well together. They are always operating in a collegial level. Matt grumm, because we're just one door apart, spent the most time in my office maybe because we have great food in the kitchen. Matt is an extraordinary public servant. Katie Shriver has been a pleasure to work with. Claire Adamsick, Pooja Bhat we wish we had met her before you did. She's terrific. Camille, then I want to mention, brag on my Jamie dunphy. In a hearing someone referenced an amendment that Jamie did. You remember it. I don't but that's the difference in our i.q., you called him out on something and Jamie has worked tirelessly on this. Has really been just a tremendous benefit at every hearing and every time we had a big issue I would be handed a document to help me understand the choices. That's the best kind of staff work. So I'm grateful to Jamie's work. I want to thank my teams at the utilities. We're not the lead bureaus, bes had a big piece, but they have done good work. The hundreds of property owners and advocates and businesses and neighborhood associations and volunteers and everyday citizens who came in and testified and pushed us and cheered us and booed us and advocated. The best of Portland. Joe Rossi, who never missed a meeting there should be an award for that. [laughter] I want to say something about commissioner Fritz and the mayor because both of them dove head first into the weeds on this. I was looking at what I had written. I can't say that around Amanda. It's too close to another responsibility she has regulating weeds. The weed I should say. They both jump into complicated issues. I used to joke at the end of our hearings that I could put in for college credit. As the two of them would talk through complicated issues. Amanda served on the planning commission and Charlie has devoted his life to the built environment. I have never served with two people who knew more about a certain subject and it helped frame some of our most controversial discussions. I think you have both been anchors in that respect. I thank you for what you've done. Again, Charlie, I have served with three mayors. Each one had something that you knew above all other things they cared about. You know, I think for you my guess it's the built environment, making sure this process was done the Portland way. Now that the comp plan is finished Eric engstrom can get a full night's sleep without waking up in the middle of the night in a cold sweat. And once we vote on this we get to come back in January and start working on the central city 2035 plan. So we get to start all over again. It's a privilege to be in public service because you get to work with wonderful people and you get to shape the direction of a city you love. There's nothing I'm prouder of than this exercise that we have done together and I thank you for allowing me to be a part of it. Aye.

Saltzman: I think it's all been said. I will just say I have never felt so baited and switched in all my life. [laughter] every time we deal with the comp plan I kept asking, is this it? Is this it? Is this it? Yeah. Then all of a sudden, what are these hearings two weeks from now? What are these work sessions? This is not my strong area compared to mayor hales or commissioner Fritz certainly, but I played along. Tried to act as smart as I could, hopefully made some contributions to this. But it's been a really even though this is not my forte I appreciate the enormity of the effort and know that it's very important to the blueprint of the city and very important to the residents. I was really impressed with the turnout. Only in Portland do you have turnouts like that for a comp plan hearing or do we have

December 21, 2016

organizations formed around the notion of parking or no parking. We have all these vibrant committee's other cities don't come close to. People really do care about this stuff and I appreciate and admire that. I want to thank the bureau of planning and sustainability for their hard work, my colleagues for their perseverance. Aye.

Hales: Well, couple thank yous to add then a few thoughts. Camille trummer, Zach Klonoski, Jackie Dingfelder on my staff have worked so hard on this as well. We have all mentioned staff. I want to mention them in addition to Andre and Kat, think about the thousands of Portlanders who have been in this chambers at one of our meetings, been involved at times when we were worried about public engagement. This one happened. It happened because of good work by this bureau. I had a chance to meet with Susan and her staff the other day to thank them for the opportunity for me as a planner to work with them as planners because they are the best. This plan realizes that truth in how it was done and what has been done. I grew up, I was born in a city that was designed by a brilliant planner in Washington d.c., L'Enfant, George Washington giving him the job of planning the city. I grew up in the suburbs outside much the city and I saw sprawl metastasize and ruin so many of the quality of life I thought would always be there. Then I moved to Portland and 30 years ago I got involved in planning issues because I remembered that mistake of letting growth just happen the wrong way. And loving this city like we all do, I knew we had a chance. Got involved in planning in the city in the year our first light-rail line opened when there were questions would people really want to live in the city neighborhoods? We had experiments like the livable city housing project. Would people want to live in high rise development in a former railyard? Would they ride a streetcar? We didn't know those answers 30 years ago. That's not that long in the life of a city. It's been a big chunk of my life, my professional life but 30 years is no not so long yet in that time we have gone from wondering whether city course could recapture vitality from the suburbs, a thousand people a month moving to our city and companies that we have never talked to transplanting themselves from the suburb to the urban core. A lot of change in a short time. This plan is a big deal because of those trends, those are not one-year affairs, not flashes in the pan or bubbles. Those are big trends. Our kids all want to live in cities. Other people's kids all want to be live in Portland. They are coming here like I did because this is a great, livable city. This plan will make sure of that. We all know Daniel Burnham's phrase make no little plans. This is no little plan. This is a great plan for a great place. I'm very proud to have worked on it. Very happy I appointed one Amanda Fritz to the planning commission a long time ago and have had the privilege of working with you in partnership on this. This is good work. It will be very durable. It will mean when we are a city of 800,000 it will still be Portland, it will still feel right it will be a green, sustainable model for the world and a great place to live. Thank you very much. Aye. Let's take a two-minute recess and take up our last item. Thank you.

At 3:14 p.m. council recessed

At 3:18 p.m. council reconvened

Hales: We need to return briefly to a previous item of business for a moment then take up -- 1445. I'm going to return us briefly to item 1445 for a motion. -- no?

Hales: It's 1445. We'll return to 1445 for a motion and commissioner Fritz, do you have a motion?

Fritz: I was busy praising Amalia Alarcon De Morris for being an integral part of the comprehensive plan she was busy texting me with a very gracious text on my work phone that said, was the decision to pass the marijuana changes as nonemergency intentional. The answer was no; I didn't read the script as usual. So I would like to move to reconsider that vote so that we can then attach an emergency clause on to the regulations.

Fish: Second.

December 21, 2016

Hales: It's been moved and seconded. Roll call.

Novick: Commissioner, your short-term memory loss is understandable. Aye.

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

Hales: Aye. Amendments?

Fritz: I would like to move to have an emergency clause. All of us recognize we want to help the flourishing cannabis businesses get through the permit process as quickly as possible. We would like to add an emergency clause so the permit process can be expedited.

Hales: Second?

Fish: Second.

Hales: Roll call, please.

Novick: Aye.

Fritz: For those watching at home this hardly ever happens. I was very glad it was brought to my attention before we left the council chambers for good. Aye.

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

Hales: Aye. Done. So it's repassed with added the emergency clause. We have to pass the ordinance again. Roll call.

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

Hales: Aye. Done. Thank you. Now item 1456?

Moore-Love: We skipped over 55. We didn't take a vote on that.

Hales: Indeed, I did. 1455, implementing item for the comp plan.

Item 1455.

Hales: Any further discussion? Vote, please.

Novick: Thank you, mayor, for coming up with this concept. Aye.

Fritz: And I appreciate the amendments saying they will come back with a more urban form to the streets, but this at least locks in what we've currently got. Aye.

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

Hales: Thank pbot for listening to and attending to my table pounding and remembering that buildings last 200 years. Streets last a thousand. Aye. Okay, let's move on to the final item, which is 1456.

Item 1456.

Novick: Colleagues, when we created this idea of a do-not-buy list I realized we would be setting ourselves and our committee a difficult task because it was hard for me to imagine that any corporation didn't do something progressives would heartily disapprove of but I told my colleagues that we were going to focus on the worst of the worst. The committee did an incredible amount of work and came up with a recommendation that nine or ten depending how you define it companies should be on the do-not-buy list. That was my original concern it would be hard to narrow the list down. 40 or 50 were on the eligible issuers list any given time. We're putting 20% of those on the do not buy list. The committee took a long look at 20 companies, ones that seemed more controversial. We have half of those on the do now buy list. I felt that that number was rather high given my colleagues who were going to have a small list of the worst of the worst so I set myself to coming up with a shorter version of the list which I presented in this resolution and the three companies that I recommended were Wal-Mart, credit Swiss and nestle. That was largely based on the fact if you look at the msti independent rating agency that looks at social responsibility factors it seemed to me we had the best case for those three companies. In doing so, I left out not only seven of the companies that the committee recommended adding to the do not buy list, I also left off two which had attracted the most attention from activists, those being wells fargo and caterpillar. We discussed this the other week I said I had some concerns that related in part to those companies. One is that those

December 21, 2016

companies were recommended in great part because of what their customers do with their products or who their customers are. I expressed skepticism that any significant number of companies ever do anything other than sell their products and services to whoever will buy them. Holding companies responsible for their customers struck me as beyond going after the worst of the worst. That was one concern that I had. Another concern that I had was that in adding – if we added caterpillar largely on the basis of human rights violations in Palestine we would be the only country that we would be taking in as human rights violations was Israel. I recognize an accident of the eligible issuers list because there are not a lot of weapons manufacturers, none specifically on the eligible issuers list so it's not like the committee looked at companies that sell weapons to Saudi Arabia that are used to destroy Yemen and put them on the list but I was still concerned about the idea that at a time when we do see rising anti-Semitism have Israel be the one country that we have concerns about. There are counter arguments to both those concerns. One is I have been hearing from activists over the past few days that there are companies that decide not to do business in places with human rights violations, that they decide to cut off relations with their customers. So I think it's important for us to hear those arguments and those examples. Also, I think that it's important to note that although I was concerned I share concerns with some in the Jewish community about highlighting Israel I don't think the activists wanting to put caterpillar on the do-not-buy list are anti-Semitic. A fair number of them are Jewish. To be personal for a moment, I am not a religious man but I am Jewish. It's the one cultural identity I have, so I feel torn in two different directions. On one hand I share the concern about doing anything that could contribute to anti-Semitism. On the other hand, I share the desire of Jewish voice for peace to make Israel a better country and frankly I was disturbed to hear them referred to as fringe Jews a couple of weeks ago. I think -- I still do have a reservation about the msci criteria. I still think the three companies I recommended are easiest to add based on msci. But particularly given the strong public sentiment to consider wells fargo and caterpillar I decided today for purposes of discussion that I would offer an amendment to my own proposal to add wells fargo and caterpillar to the do-not-buy list.

Hales: That's been moved.

Fritz: I will second that for the purpose of discussion.

Hales: Any other amendments to propose?

Fritz: I really appreciate the commissioner Novick laying out the issues for each of us. For each of us and many, many others who have e-mailed and called our offices this is extremely personal and important. I have been impressed with the amount of activism there has been, the way that people fervently believe there are things to be done. That you can do. We all know that with the incoming administration in Washington more and more cities and states are going to need to do things to move the dial and protect people. That's really why I'm going to offer a friendly amendment. We didn't used to by any corporate securities before 2009. I don't see why we should buy them now. I think we should be investing in only in government securities. We shouldn't be buying any corporate debt securities simply because we don't have to and why would we risk putting money into a company that a year or so later comes in to disrepute. My friendly amendment I hope that commissioner novick will accept is to add to his amendment -- I'm sorry, I have copies for the rest of the council. Therefore, be it resolved the council directs the city treasurer to suspend direct investments of cash assets in corporate debt security until the council has approved the city's investment policy in 2017. I'm saying that partly because I think this is such a momentous decision that in the new year mayor wheeler and commissioner Eudaly are going to want to be a part of it. I recognize our skilled city treasurer has told us that that completely going back to 2009 would potentially have impacts on city earnings. So the

December 21, 2016

second part of my amendment is be it further resolved that the council directs city treasurer to amend the city's investment policy by adding a restriction on the city's additional direct investments in corporate securities to those meeting a to be determined minimum rating at the time of purchase as determined by a third party environmental, social and governance based investment research provider and the treasurer would return to council for approval no later than April 1 of 2017.

Hales: Is there a second?

Fish: I'll second -- it's a friendly amendment. I'll second it just in case we need a technical.

Novick: Commissioner, I do accept that. I thank you very much. I want to let people know just as the do-not-buy list was contentious within the community it's also contentious within the council and until commissioner Fritz came up with this proposal I frankly was concerned we may not be able to get three votes for any version of the list and the list might go away and the whole concept of having socially responsible investment criteria would go away. I'm hopeful we can get an agreement. I accept it as a friendly amendment.

Fritz: Could we perhaps vote to put the amendment on the table and then take testimony both from the treasurer and from anybody who wants to testify on the amendments.

Hales: So let's take a vote then to put commission fritz's version of the amendment on the table and then we can take testimony on that.

Saltzman: I guess I'm a little confused parliamentary where are we, there was an amendment offered by commissioner novick to add two companies to the list how is this amendment that commissioner fritz offered related to it.

Hales: This overrides it.

Fritz: Yes, but we would not invest in any corporate debts until we come back with a full policy. So we'll go back to our policy before 2009. That we only invest in government securities from treasury bonds

Hales: We don't need to list companies that we're not buying any.

Fritz: Right.

Hales: Does everybody understand that's the amendment we're putting on the table a taking testimony on? Let's take a vote.

Novick: Aye.

Fritz: The more I hear about what's happening at the national level and in many different corporations, I think this is the most prudent option at this time and it's something that hopefully we can come together as a community and focus on what we agree on rather than what we disagree on. Aye.

Fish: Aye.

Saltzman: Well, I will support this amendment. I do think that we need to be mindful of the fact that we are earning \$4 million to \$7 million. I think it drives home the congruence that we need to be mindful and it's our job to not totally get out of the corporate security business, but I do believe we can wait -- pause, a little bit. I think we need to look into environmentally-social goals. I don't ask for an answer now, can't be put our funds into a socially responsible investment fund's manager? I think that would be the easiest way to do that. It would allow us to still earn more than what we could earn on government-own bonds itself -- or themselves. And, I think, satisfy our desire. Like I said, that's what I believe. Aye.

Hales: Aye. Okay. So, we ought to give Ms. Cooperman treasurer the opportunity to present anything she needs us to know and respond, if you wish, to this amendment that we have on the table. So, welcome. Good afternoon.

Jennifer Cooperman, City Treasurer: Jennifer Cooperman, city treasurer, I have participated in this socially responsible as a subject matter expert. Would it be helpful for me to review the methodology we use to review the financial impacts?

December 21, 2016

Fish: In the pause period that's been being proposed, before we come back and approve the city's investment policy, if this is approved, you would -- you would be limited in purchasing treasuries.

Cooperman: Agency securities and treasury securities primarily.

Fish: And, what is the current interest rate spread between those different -- what is the -- in the short-term -- the potential cost to the city?

Cooperman: The number that I would give you is we earn about \$4.5 million to \$5 million over and above if we would get if we were owning only treasuries and agencies.

Hales: On an annual basis?

Fish: In terms of -- what would you forecast over the next quarter? As being the spread?

Cooperman: Bear with me. The --

Fish: Understanding, we're also in a situation where there is volatility run interest rates.

Cooperman: Correct and we're at low interest rates presumably moving higher. If we use a 50-point basis number, and as the additional yield, then for all the monies coming in from today, forward, until the investment policies re-up, if you will, we would be missing out on that additional yield.

Hales: On a quarterly basis, in terms of how they roll in and roll out.

Cooperman: I didn't come prepared with that number.

Fish: It's substantial less than that \$4 million.

Cooperman: It's a prorated amount so about \$300,000 a month.

Hales: Every year, we reinvest?

Cooperman: We're constantly collecting funds, proceeds, water bill payments, permits, tax proceeds, et cetera. And as soon as those funds come into treasury, we're investing them. So, we won't have the opportunity to invest at those higher rates.

Fish: So that's the --

Hales: The money doesn't come in on a monthly basis. The big trounces of revenue is property taxes in the fall.

Cooperman: Which we just completed.

Hales: And the collection of business taxes around April 15. If this gets done by April 1 it would guide the investment--

Cooperman: You would be incentive to do it earlier.

Fish: The other thing I just wanted to ask you is in terms of the investment, which presents the least risk to the city.

Cooperman: Uh-huh.

Fish: Am I correct in assuming the treasury, albeit, is the safest because of the risk to a company --

Cooperman: There is credit risk. And we manage that by buying only short-term securities and by buying securities that are rated by Moody's and S and P and Fitch, that at a high credit rating -- that's not to say -- we are assuming credit risk, but we believe we are managing that risk in an exemplar way.

Fish: The moody ratings are a guide; they're not handed down by biblical juncture. Is it imprudent -- if a city chooses to invest solely in treasuries, which are the safest instruments we can get, is that prudent, from your point of view?

Cooperman: No, it's not imprudent. There's a fiduciary responsibility to first protect the principle of the funds that we have, second is to provide liquidity to pay the bills of the bureaus and third is to earn an investment return. And they're in rank order. Investing in treasury and securities is certainly not -- that's a good fiduciary thing to do. There is an opportunity loss by not being able to invest in something that Oregon state laws us to do. And, to commissioner Saltzman's point, if I could address that. Stay law prevents us from putting any money into a fund. We have to buy individual securities so we would not be

December 21, 2016

able to, for example, put the city's money in a socially-responsible mutual fund. Even if we were to identify a money manager, who operates in that space, they still need guidance. They still need to know what the council would want from a socially-responsible fund. They're all different. I happen to have, here, a listing of the top 10 holdings of four different socially-responsible funds and they're all different and there are names that some people might have issues with that appear on this list. So, we would still have to give anyone guidance about what is okay and what is not okay.

Hales: Thank you.

Cooperman: Sure.

Hales: Other questions for Ms. Cooperman? Other points you want to make sure we have? All right. Thank you very much. So, I know people are here to testify. This has taken a different turn, so I want to ask people if you do wish to testify, lets -- the subject before the council is, should we take the approach that commissioner Fritz has suggested we're going to invest only in public instruments for the next several months. Giving the council and the community the chance to weigh in on what the policy should be rather than making them today. So, I would ask that you not -- even though some of you feel strongly with individual companies. But on the question of the approach. Is this the right approach for us to take? If you're willing to adjust your testimony, that would be most helpful to us. We want to decide, is this amendment the way to go? If not, what else would we do? With that, Karla, do you have a list of people who want to speak? I'll ask people to confine their testimony to speak.

Hyung Nam: I'm Hyung Nam I'm speaking as a community member today, but I'm one of the members of the socially responsible investment committee. First of all, I want to thank you for your work on this in creating the committee and hearing our testimony. This is the most critical time for us to make a clear statement in putting, at least -- or adding at least, wells fargo and caterpillar to our do-not-buy list. Whatever you do, I would ask you to combine novick's amended resolution some Fritz's resolution. Other cities are not only divesting from wells fargo, they are not even having their bonds underwritten by wells fargo and this is our chance -- people are looking for hope. They're looking for inspiration from cities like Portland to be a real sanctuary city because under trump, there's a major expansion for not only building walls with caterpillar equipment, mining, building prisons and not just for-profit prisons, so many different aspects of the system are run by for-profit companies and for all of that, they need financing to do that. This is the most critical time for us to make a difference on this. And we could do it today. It would send reverberations throughout the whole country and the world and this is our chance to give people hope. I ask you to combine those amendments and whatever we do with the temporarily not investing in any securities for the next months, at least put those companies on the do-not-buy list for a year.

Fritz: My amendment makes it very clear.

Hales: If you agree with somebody, give a thumbs up.

Fritz: I want to clarify --

Hales: The clap and applaud. When you feel that agreement, it feels good. If you happen to go on the other side, it's kind of intimidating.

Fritz: It does include caterpillar, wells fargo, nestlé. Our amendments are combined.

Nam: But, isn't that just for four months --

Fritz: We will have another hearing, and have another process in which the treasurer and mayor wheeler will work on.

Nam: I know you're so busy with so many other issues to deliberate and for us to come back in four months -- unless you know where you're going to make \$4.7 million in cuts in the city's budget, it seems like you have more important things you're going to want to deal

December 21, 2016

with.

Fritz: So, again, let me clarify. A big chunk of money comes in at the end of April with the business taxes. There's a built in incentive for the treasures, who I have to state for the record, Jennifer Cooperman does excellent work. Before 2009, we didn't do it. Because of her skills, we have been able to get more interest. The councilors saying, we know that there's a decreased amount of interest that may come in and we're willing to do that because we want to invest in things we know are absolutely are okay and that is government bonds and treasury securities.

Hales: Thank you. Appreciate that. Welcome.

Jamie Trinkle: Hi, my name is jamie trinkle. American friends service committee, "black lives matter" Oregon and interface movement for immigrant justice naacp Portland, northwest accountability project, occupation free Portland, Oregon education association, park rose united church of Christ, Portland association of teachers, Portland jobs with justice, seiu local 49, seiu local 503. Unit Oregon. Together, these faith, labor and community organizations form a powerful force. We represent over 10,000 Portlanders. They have reached out to you, advocating the committee recommendations to add wells fargo to the do-not-buy list. We second what Hyung just mentioned. We should be clear and just go ahead and add wells fargo and caterpillar to the 2017 do-not-buy list. That's not redo work that's already been done. You adopted a sri policy two years ago. Two committees, the human rights commission and sri committee have dedicated hours of work on this. You've heard hours of testimony. It's not worth the paper it's written on if you don't implement it now. We need you to stand up now, today and stop investing in two of the worst of the worst corporations and do that for the entire year. They seek profit from immigrant communities. Thank you.

Hales: Thank you. Good afternoon, welcome.

Cece Beckwith: Good afternoon. My name is Cecilia Beckwith and I've been a resident for about four years and I'm also working with venlasa and not only am I an activist, but an active citizen in Portland. You are taking this recommendation very seriously and this has been a long process. And, we maybe do encourage you -- I'm actually encouraged by the commissioner novick and commissioner Fritz's movement today. I thought we were going to be walking away with absolutely nothing today, considering what has been going on. But, I think that it's clear that you want to take stand. You want to separate Portland from what is going on right now in this community, the movement to the right. You want to truly make -- stand as a progressive community. A community that does support its citizens, a community that does stand in support of human rights and dignity, not only in this country, but around the world. And, so I know that this has not been an easy process for you. It hasn't been an easy one for us. Your proposal today does move us closer to being that sanctuary city that we envision, the place that we want to call home as a city of Portland, a city that represents all of us and the community we stand for. I really encourage you to include community members in this process. Not to just come back to us, four months from now, and say, this is what we think we're going to do. But there needs to be a way that we're involved in this process, as you move forward with this. And, I encourage that. Thank you very much.

Fritz: I'm sure mayor wheeler will be aware of this.

Beckwith: Now, what I have for you is a signature of 1,300 active citizens in Portland who are asking you to honor the social investment committee's recommendations. These signatures were collected from the last time we met, which was, what? Three weeks ago.

Hales: Thank you.

Fritz: If you have a mechanism to get back to those people to let them know, yes, we are going to honor it. Let me read the amendment again. The council directs the city treasures

December 21, 2016

to suspend direct investments of cash assets in corporate debt securities until council has approved the policy in 2017. So, that -- I can't say -- you've won. We are not going to invest in the companies that you don't like.

Hales: Thank you very much.

Beckwith: Thank you.

Hales: Good afternoon. Welcome.

Mxine Fookson: Thank you. Good to be back.

Hales: Whoever would like to go first, please.

Maxine Fookson: Thanks. Thank you, all, very much. My name's Maxine Fookson and I'm a member of Jewish voice for peace, which is one of the partners in occupation free Portland. Part of what I'm going to say today is a letter that was written by the Jewish council. I want to start with a quote from one of the rabbi's that says no city in the united states should be invested in corporations that profit from military violence. Compassion and equity is what we seek. Saving and not destroying lives is what we're commanded to pursue. This is such an important time. We are about to face a trump presidency and all the turn to the right and to fascism. I think that this is a moment where we're really looking for bold, bold leaders. We applaud the city's commitment to ethical and social responsible investing. We communicate and this comes from Jewish leaders from our council, leaders in cities who work for justice and peace for the people of Israel and Palestine and all. While we support the proposal to exit now in investing and take this pause from investments and corporate securities, this amendment feels too short-termed. There's been an amazing amount of work that was unanimously approved by this council. Let's back it up by putting the companies that have been found to be in violation of the policy on the do-not-buy list now. Yes, we applaud publicly responsible investment. We applaud public investments. But we also want to see these companies -- we want to see you act on what you unanimously created. Thank you.

Hales: Thank you. Welcome.

Ned Rosch: Good afternoon. Thank you very much. My name is Ned rosch. The issues before you today are huge. At stake is the soul of the city we love. At stake are our souls. If we stand in solidarity with the water protectors at standing rock, if we support the human rights of indigenous peoples in central America and palatine, Israel and oppose the huge expansion of prisons, to lock up the millions of people that trump will arrest and deport, we must, as individuals and as a city, courageously and proudly stand for justice. Not only for ourselves, but to inspire other cities to find their voice, their courage. The Jewish Teacher Rabbi Halel asked, if not now, when? That is our charge. As trump's dark clouds begin to block out the light, now is the time for us to take a principled stand. I want Portland's leaders to inspire us all to do the work we need to do. We need to accomplish nothing less than changing the world. And if not now, when? We start right here, right now. Let us move not backward to investing in companies that show an utter disregard for human rights, the environment, the earth, and indigenous peoples, but forward to announcing to the world, which is watching, that the corporate behavior of companies like wells fargo and caterpillar is incompatible with Portland values and will never again be supported by our tax dollars. This vote is either life-threatening or life-affirming. Choose wisely, the soul of our city lies in the balance.

Hales: Thank you.

Rod Such: My name is rod such and I'm on the steering committee of occupation free Portland. And, I want to begin today by commending commissioner novick for his statement rejecting anti-Semitism that was directed at occupation free Portland and Jewish justice for peace. Thank you for that. I basically want to say that we are going to be here in four months when you consider, again, your decision or your determination to invest in

December 21, 2016

corporate securities. We are not going to go away. This has been a one-year campaign for us and even longer campaign for venlasay and the president investment coalition and a longer campaign for 350pdx and the climate justice people. What we all have in common here is that we recognize that the city has taken some great positions, supporting divestment -- not -- disapproving the Dakota access pipeline, fossil fuel extraction and also, taking stands for human rights. We think the most important thing is you're acknowledging human rights for Palestinians. We presented our research findings to the human rights commission, they agreed. To the socially-responsible committee, they agreed. The student senate at Portland state university agreed 22-2. We want to make it clear that we are a broad coalition of community groups in Portland that opposes these investments and our coalition is growing by the day. As we face the next four years of Donald trump, it is more important that our city right stands as a beacon for human rights for all and particularly for Palestinians thank you.

Hales: Good afternoon. Welcome.

Peter Miller: Hi. My name's peter miller, I'm with occupation free Portland. I wanted to thank Steve novick for his amendments to add caterpillar and wells fargo to the do-not-buy list. I really appreciate the comments on the subject of fringe Jews. I don't think we should treat anyone's voices as fringe and try to silence people based on trying to marginalize them. I appreciate the comment by Jennifer Cooperman, it was asked about, should city invest in a fund that's managed by a socially-responsible investment way. The point being is that you need a socially-responsible investment policy and you have a socially-responsible policy in your committee and their charge, they worked so hard on in the past year. Some of these people spent 30 hours a week, apparently, working on this policy. So, you really have the criteria. You've set it up. I think it would be, you know, the best to maintain that kind of a policy. So, I'm concerned about the four-month process that possibly resets all of this work that's gone on and the process that would have -- if you'd had a do-not- buy list, this would have been the list. Instead, four months, it might reset and I'm worried about the undoing of all the work of -- everyone has done. And I also want to say that by naming the companies, like wells fargo and caterpillar, you're uplifting the voices of the community activists and other communities around the country that are trying to hold these corporations responsible by really making a clear statement, a specific statement, that would encourage the campaigns of all the people that are working so hard on these issues.

Hales: Thank you. Thank you very much. Good afternoon, welcome.

Leila Haile: Leila Haile, Portland parks and recreation. I would like to thank you for your work today. And I'm really actually walking away a little hopeful. I thought we might walk away from this with nothing and I'm thankful we're moving forward today and as a city employee, who also encourages my youth to be employed by the city, we no longer have them look at our paychecks and know that we're not directly contributing to things like the prison industrial complex and North Dakota access pipeline. As much work as we've gotten down here today, this is basically putting a band-aid on herpes. I want to make sure that this doesn't stop. Much like you said before, make sure we're not starting again in April. Many of us are working three, four, five jobs to make sure we have what we need and we're taking time that is very, very precious and that we're not getting paid for to put our life and blood work into this. So, thank you.

Hales: Thank you. Thank you very much. Thanks for your service to the city and parks, as well.

Hales: Why don't you two go ahead and then we'll call the next group.

Joel Beinin: My name is Joel beinin. I teach middle east history at Stanford university. I want to commend commissioner novick for his words on wells fargo and on caterpillar and

December 21, 2016

especially for mentioning Palestinian human rights, it's a real issue. When we ask Portland to put caterpillar and wells fargo on the do-not-buy list, one is a fiscal one and standing up and calling those corporations for doing bad in the world. And, that's not going to happen for the next four months. And I think that this -- the council is remiss in not taking the opportunity to do that. You've been told that putting caterpillar on the do-not-buy list is divisive, controversial and so on. It is always controversial before it becomes normal that was the case with ending slavery, ending Jim Crow, achieving women's suffrage, lgbtq rights and every other democratic advance in this country. You've been told that putting caterpillar on the do-not-buy list is not fair because it singles out Israel. Our government singles out Israel by giving it more than 3 billion dollars a year in military aid. We have a right and duty to express our opinion about what Israel does with our money. You've been told that the entire mainstream Jewish community is opposed to putting caterpillar on the do-not-buy list, there is no community. They are not affiliated with organizations, like the Jewish federation of greater Portland. The policies of those institutions are undemocratically influenced by their biggest donors, many who hold political views far to the right. The fastest-growing Jewish communes are Jewish voices for peace. Many, perhaps, the majority, support putting caterpillar on the do-not-buy list.

John Shuck: My name is John Shuck. I'm a Presbyterian minister. I also want to thank Steve Novick for his thoughtfulness and listening to the voices of all these people and I appreciate commissioner Fritz's amendment. I think you're going to have people who will come back to make sure that, yeah, we want to make sure that we have human rights issues are on the top of the list of what Portland does. I commend you and we'll be working with you.

Hales: Thank you. Thank you, both. Good afternoon. Welcome.

Michelle Bosey: Thank you. My name is Michelle Bosey. I would like to start by thanking you, commissioner Novick. Obviously, you've done a lot of thinking about this problem and in my view, you've come out on the right side of that. I appreciate that. I want to address one of the concerns that's been brought up, I think, repeatedly. I think you made an illusion to it earlier. Whether companies should be held responsible for the use of their products. I want to point out to the council, that after World War II, IG Farben and I.G. Farben, two of Germany's industrial were tried for their role in supporting the Nazi regime and they were found guilty of war crimes. Holding companies liable is well-established in international law and I think you're on firm ground in looking at Caterpillar and Wells Fargo in that light. I'm a member of Jewish Voice for Peace and I'm Jewish. It means the idea of tikkun olam, to heal the world. And I'm very sorry, actually, to see members of my community seem to be abandoning that goal and who believe that defending Israel means that we must defend its most xenophobic elements. The settlements, the checkpoints, the road system that Caterpillar system that they are helping Israel build are wrong. They would be wrong if France, Switzerland or New Jersey would be doing them. Caterpillar has been a willing partner for decades. Our city has an opportunity to say we won't support injustice with our taxpayer dollars. I'd like to tackle the most indigenous argument I've heard. The council's received two letters, that I know of. One is group of rabbis and local clergy. I ask you to ask yourself, is it possible that a group of rabbis are anti-Semitic. The simple and most obvious answer is, none. There's no chance that these persons are anti-Semitic. Adding Caterpillar would be anti-Semitic their willing complicity is what has earned it a place on the do-not-buy list. I urge you to take a stand in the cause of justice and place it there and support commissioner Novick amendment. Thank you very much.

Steven Goldberg: My name is Steven Goldberg. I support the pause. I also want the city to specifically add Caterpillar and Wells Fargo to the do-not-buy list to signal to those companies that their behavior must change. Commissioner Fritz, your compassion was

December 21, 2016

never more clear than how you responded to Cindy corey at the prior hearing. If there ever was a time, in our nation's history, when our beliefs in halting human rights violation must go beyond sympathy to action, this is that time. The trump administration will embolden caterpillar and wells fargo, as their fear of being held accountable diminishes. Your actions then become all the more important. Commissioner Fish, in a prior life, you and I both worked on labor rights issues. Caterpillar has been a major sponsor of the American legislative exchange council, which is notorious for sponsoring state legislation aimed at curbing workers' rights, and particularly the rights of public employees. Those rights will be attacked under the trump administration. Commissioner novick, you and I both went to the same law school. I assume we took classes in international law. Caterpillar is well-aware of how its equipment is used. Caterpillar, of course, has a right to say to Israel, no, we will not sell you our bulldozers unless we are assured they will not be used to violate Palestinian human rights. Its refusal to do that clearly violates the united nations guiding principles on business and human rights. Guiding principle 19 makes clear that businesses are responsible not just for their own acts, but for the acts of their business partners that use their products to cause human rights impacts even if caterpillar has not contributed to those impacts.

Fritz: Before you start, I've seen a lot of people shaking hands in agreement and I appreciate that. We've tried to come up with a solution that can bring our community together. So, I would really urge you to not go through the list that we heard, loud and clear, at the hearing before about why you would like caterpillar and whichever of the companies to be added to their list. We're not buying any corporate securities until we come back with a full public process and hearing with the new administration. I know I'm kind of having a very difficult week, losing two of my colleagues that won't be come back next year and the electoral college votes and some of the hideous things happening nationwide so I'm just kind of appealing to your compassion for our fellow citizens including me. Thank you.

Hales: Welcome.

Diane Dulin: I'm Diane dulin and I'm a minister with the united church of Christ and as you know, here in central pacific conference, we have endorsed the occupation free Portland proposal. I would like to affirm the work I have experienced in coming to several hearings with the human rights commission and the socially-responsible investment committees and the hearings here, where I've heard activists offer solutions. This is because of the socially-responsible investment policy. So, I affirm that. I thank you for that. I, of course, too, would love to see wells fargo and caterpillar single out in your action today, since they have come over and over again to the top of the list of worst of the worst. However, I hear you, commissioner Fritz. We're all going through a very harrowing period in the history of our nation and I think to find a way to work together to build, entrust, is essential and to find a way to honor the work that people do when they are asked to go do that work and come back with their outstanding results. This, too, must be honored. So I ask you to work with those concepts, as they go forward through these next several months.

Hales: Thank you very much.

Sandy Polishuk: Mayor hales and commissioners. I have a prepared statement, which feels mostly irrelevant now. I had planned to talk a little bit about the fossil fuel, carbon 200 staying on the list. And, to point out that wells fargo and caterpillar work with the Dakota pipeline, so they also have to do with keeping it in the ground. Our campaign against it. I had planned to point out that they are the worst of the worst. I was going to ask you -- and I still do ask you to divest yourselves completely from wells fargo. That includes your banking. We have fabulous local and socially-responsible banks in our community that you can move to your money to, that is being asked to happen by the supporters of the

December 21, 2016

standing rock water protectors, that we do that. I was going to point out that the community never mentioned Israel and Palestine, they have tax avoidance and abusive labor practices. And, that was what I was planning to say. It feels irrelevant now. I have to say, unlike many people, I apologize, commissioner Fritz, I, too, am having a hard time. But, I don't understand why your amendments changes anything. The community has weighed in. We just heard how many hearings on the two committees, on the initial sri committee and then the actual -- the temporary and then the permanent committee put in hours and hours of work. I've gone to those meetings. There's at least three staff members there. There's a tremendous amount of work that goes in and I -- it feels to me like it's insulting to these citizen volunteers that you commissioners, so praised, to be discounting their work. I don't understand what's going to be different --

Fritz: I don't understand why you think this is disrespectful. We've heard, we've said, yes, we're not going to buy these companies.

Polishuk: Saying not going to buy any companies is very different than singling out those that are the worst of the worst. There is a financial aspect and there is a symbolic aspect. I hope you have been hearing people talk about how important it is right now for these statements to be made by basically not doing anything and just putting it on ice, it does not accomplish anything. So, I'm sorry, but I find it extremely disappointing. Thank you.

Hales: Welcome.

Catherine Alder: This is hard, I had a sermon prepared. [laughter] I have to change it. Reverend Catherine Alder and I'm the ucc pastor and I'm here with the faith community, again, to say that we do want caterpillar and wells fargo on that do-not-buy list now, not four months from now. We don't want it invested at all. You all just worked on homelessness by creating housing and caterpillar's making -- has already made 25,000 families homeless in Palestine. I know you're concerned about the schools and the led in the pipe and caterpillar makes access to clean water impossible. You all work on inclusion and you look around the room, black, white, Hispanic, everyone here and caterpillar builds a wall to separate humanity and wells fargo targets blacks and Hispanics to be put in prison. These are investments that don't match our values. Jews and Christians are tied together through scripture in a shared story. We are Jews and Christians and Muslims and atheists and we cannot abide giving special allowance to Caterpillar, caterpillar abuses people with weaponized bulldozers. Caterpillar is violating international law. So, I really appreciate those who have stepped forward to say that we need to do something and we need to do it now. The fear of upsetting some is not a measure for justice. Justice always upsets some. Do the right thing and do it now? Put caterpillar and wells fargo on a do-not-buy list. Don't wait. Just get that part done and then look at the investment later.

Hales: Thank you.

Alder: Thanks so much.

Fritz: I'd like to make one more comment and then I'll just be quiet and listen to everybody. Don't snatch defeat from the jaws of victory.

Curt Bell: My name's curt Bell. I'm with the occupation free Portland. I'm also with first Unitarian church and a president-elect of the Unitarian for justice in the middle east, a national organization. And I just want to urge you not to just delay toward a debate in April, but act now to include commissioner novick -- we're grateful for his proposal to put wells fargo and caterpillar on the do-not- buy list, now in addition to the amendment that commissioner Fritz is proposed, a very good amendment. I really urge that both go on, just briefly, I'd just like to add a couple things about that. Why we should not support the reprehensible corporate behavior with our investments. We should not make money from these investments. Just since the sri committee issued its report last September, we know that caterpillar's deep in involvement in destruction of sacred sites, North Dakota, in the

December 21, 2016

pipeline, building a wall that trump plans to build in Mexico. So -- wells fargo, we've learned their defrauding of two million of their customers and their involvement in financing the pipeline. So this reprehensible behavior needs to be opposed and we should not put our money and make money from this behavior of these corporations and I really urge you to put both amendments into the final resolution. Thank you.

Hales: Thank you. Welcome.

Hala Gores: Good afternoon, hala Gores. I'm a Palestinian American attorney here in town. My family is Christian Palestinian. I am not here to reiterate what you just heard from a lot of people, including Steve Goldberg, who really nailed it when he talked about the abuses that caterpillar facilitates for the state of Israel. I want to tell you, commissioner Fritz, that I hear you loud and clear about not snatching defeat out of the jaws of victory. I also want to tell you that I don't think that these two amendments are mutually-exclusive. I think that it is important to say to caterpillar, to send the message to caterpillar that they have an opportunity here, while you have this four-month period, where you have the freeze. For them to have discussions in their boardrooms about their corporate conduct. Other corporations heard the voices of activists and governments elsewhere and they changed. And they made decisions not to sell services and products to human rights abusers. So, I would like you -- I'm not going to waste your time saying things that others have said so eloquently. But I would urge you to allow us to talk to you, between now and four months from now, to talk about what other corporations have done to change and to keep wells fargo and caterpillar on the list. Thank you.

Hales: Thank you. Welcome.

Esther Nelson: Hi. I'm esther nelson and I have put aside my testimony from what I thought it would be a couple of hours ago. I do want to say, though, that from the beginning of this process, when those first lists with corporations were named for do-not-list, that process has been delayed many times along the way. Conceivably, this vote could have been taken a long time ago. We have missed an opportunity to make a strong, moral statement about corporate culture. All these corporate -- to delay a vote is one thing. But to not vote in any corporation is to equalize them and to not acknowledge the distinction between corporations with ethical corporate culture and the worst of the worst, the bad actors. And it sort of allows the worst of the worst to dodge the bullet, at least for some time. And I would like to think that we would stand up, it's so clear that some of these corporations on -- are -- are a disservice to all of us in their -- the way that they operate. The way that they do business. That we shouldn't be at all shy and we should sooner, rather than later, list them and take a stand. I would put caterpillar and wells fargo at the top of that list. Thank you.

Hales: Thank you, all. Any of those folks, come on up. It looks like we may not have all of those folks here. Go ahead, please. Welcome.

Will Fuller: My name is will fuller. I'm here not to talk about the c-word or other corporations, but to commend you and the city of Portland for what we we're really talking about, which is social responsibility. We, as a citizenry, and you as a government, don't endorse profit for the sake of profit. We don't follow the lead of an Atlantic city casino builder in what we do. We talked about seven things that socially-responsible investment committee has concerns about, the environment, health, abusive labor practices, corrupt corporate ethics and governments. Extreme tax avoidance. Market domination beyond reasonable competition. And finally, human rights. We stand for the fine environment, the good human rights, the proper corporate responsibility and that's what we're talking about here. We're talking about putting a pause, which I endorse, in what we do with corporations to hold them socially-responsible in our state and region and people. That is vital to what we stand for. The idea of putting a corporation on a black list almost violates

December 21, 2016

that by saying, this is what you can't do. This is what you should not do. But we never had the policy to say, this is a corporation we can investment in. I favor what people have talked about here, conveying to the next council a chance to make a comprehensive policy. I also think we should send these five corporate names to that council. Nestlé, Walmart, credit Swiss, wells fargo, and caterpillar, they violate those standards. Please do that and consider one small thing, right now, it is more profitable to invest in solar than in coal or oil. Thank you.

Hales: Thank you. Welcome.

Christopher Kuttraff: I'll be brief because a lot's been said and I realize you're all tired and I'm tired.

Hales: Just give us your name.

Christopher Kuttraff: Christopher. I realize that commissioner Fritz amendment makes the point of individual company's moot. Two thoughts. However, about it, one is, I think it says something very different to have a list of companies that the city is particularly avoiding and that can be guidance for citizens as well. It's a statement about the city's practices with investment and it says something different than just a general policy of not investing in corporate bonds that you were talking about. The other concern is that in four months -- the person who first testified was mentioning budgetary concerns. I just want to say, as commissioner Fritz pointed out, there was a time when none of these investments were happening and that can certainly be the case and I would just urge the city council to consider what's more important, as a city. The types of humanitarian responsibility or a matter of \$4 million. I believe Portland can be on the right side of history there. That's all.

Hales: Thank you. Come on up, please. Good afternoon. Welcome.

Mark Braverman: Thank you. Mark braverman. So, just a couple of things. One, thank you, commissioner novick. When you had your instructory comments at the last hearing, you said you thought you were going to say some things that would make you unpopular, but you were open to have your mind changed and it sounds like that's happen. I think the whole issue with caterpillar and the Jewish family argument, it's broader than that. I think that's been a very, very powerful and important conversation. We've gotten through that. And, the realization now with caterpillar has to be considered its own merits and the whole anti-Semitism argument is specious -- I want to talk about the future, because I think that this is -- this is the future and many people have commented that now, as we're going into the dark days of the next four -- however many years we're looking at -- it's going to be more and more important for things happening at the local level, to really take the lead in what's going to happen in our country and in the world. So Portland's voice has to ring out loud and clear and those of us who have been so committed to the idea of supporting commissioner novick idea about the do-not-buy list, it's because of the symbolic value. But, Portland followed by other cities and they are starting to hear that from the grassroots of this country, it's hugely, hugely important. I think we do need to think about -- think tactically and strategically about what it means to name names. Name companies and take a stand because Portland will be the first. We will not be the last.

Hales: Thank you. Welcome. Afternoon.

Mohammed Usrof: My name is Mohammed Usrof. I'm a Palestinian and I live here in Portland for four years and before I start, I'd like to thank you very much for your time. You know, like, this is precious time and we appreciate that. And I want to thank commissioner Steve and commissioner Amanda for their proposal and I totally support it. We need to pause and think and then come back and say, yes, we don't want to invest in these companies. Yeah, well, why not? Caterpillar is a bulldozer who destroys houses, trees and schools and we don't want to invest in that. We want to invest in our local businesses here in Portland and send a message to the world that we are looking for future, we are looking

December 21, 2016

for a very hopeful future and we do not agree with any human rights or any type of violation to anybody and specifically for people who have been victims for a really long time and they are dying every day and every night because of choices that we make here, right now. And, really, it's important to say that. Caterpillar, wells fargo, are really harmful and really, we want to do no harm. Thank you very much.

Hales: Thank you. Thank you very much. Is that all the folks that were signed up to speak?

Moore-Love: Mr. Brown. Ronald brown? Anyone else who signed up and did not hear their name get called?

Ronald Brown: Is it okay if I stand?

Hales: Sure.

Brown: Ronald brown. I'm from Michigan. I was born march 9, 1963. And Michigan tech. Red rocks community college. I'm in presence of you folks, my pleasure. I thought we'd meet in a different way, but this is great. Anyway. I'm going to start this back about love. Love is what we want. I want love. You want love. Everyone -- I think everybody wants love. Everybody wants love, right? So, that's the place to start. Everybody's got -- I've called your office; you don't call me back because you're busy fighting the people that don't want to make love. How do we change this? It's not hard. Look. Look. I'm an arborist. I'm just an arborist. This thing right here is one of the most powerful things -- look, it's a magnificent place. I can skate around, play around, sacred geometry at work. This is the most beautiful place in Portland. Very few. I get to be right here. Part of the curve of everything. Listen -- look, if you want to talk to the guy in charge, or do you want to talk to the woman that knows everything? Look, I saw that slogan on a refrigerator because I got to move out of this place. I'm like, whoa: That's so right. Cascadia. Right down 45th parallel between -- wait a minute. I don't want to talk politics or religion. I hate that. I don't -- I don't hate. But I -- I just want to talk about love. Because if we begin -- all they're asking for is change. Change is so easy. No, it's so hard.

Hales: Thank you. Thank you very much.

Brown: The only one that begs for change is a baby and they want it. So, just change a little bit. Take those places off your list and you'll see the change.

Hales: Thank you.

Moore-Love: We have a request of one more person to sign up.

Hales: All right. Thank you so much. Is there any further discussion? I'm sorry, come on up. Didn't realize we'd let you out.

Romel Sosa: My name is Romel Sosa and I'm not going to repeat whatever they say, but I work with immigrants who -- that we have people who recently have in detention centers in Tacoma and thinking about wells fargo and caterpillar, basically, they are not people who are incarcerated and those prison making money or make profit for each person who are incarcerated there and it's not fair that we ignore wells fargo and caterpillar that they try to make the wall that the administration is planning for. I'm here to support everyone, what they've been saying. Please consider to add wells fargo and caterpillar to the list. Thank you.

Hales: Thank you, thank you very much.

Saltzman: I have a question, the language that commissioner Fritz circulated, is that intended to replace the two resolved in the present resolution?

Fritz: Yes, and that's with commissioner novick's agreement it's replacing the be it resolved and be it further resolved and the two additional companies because we're now including all companies.

Saltzman: Say that last part again.

Fritz: We're not having --

December 21, 2016

Saltzman: We're not adding anything to the list because we're doing away with the list.

Fritz: Correct for now. Treasury said, a big incentive for her to come back with a proposal for how to do this in a fair and objective manner. So, yes --

Saltzman: We are doing away with the list and then we are --

Hales: Not buying any corporate securities.

Saltzman: Until we make a decision in April.

Fritz: Correct so my amendments are to replace the now be it resolves in exhibits a and b.

Hales: So, are we ready to vote on commissioner Fritz's amendment?

Fish: I believe it's been accepted on a friendly amendment.

Hales: Now we're voting on the resolution as amended by the substitute roll call please.

Novick: I really appreciate council being willing, a couple of years ago, to establish this concept of socially-responsible investment policy. As far as I know, this is unique in the country. Other jurisdictions have put entire industries on a do-not-buy list. I don't they have adopted criteria. We have learned why they haven't done it. It is hard. If you look at various options that have been presented or are implicitly presented in this process, I thought just looking at the msdi list, that you'd wind up with Nestlé and credit swiss and Walmart. If we were just listening to public testimony, the only companies we heard anything about were wells fargo and caterpillar so if we base the list on what we heard public testimony about, we'd be leaving off other companies that violate our principles, but have not drawn attention from organized groups of folks here. If we went with what the committee came up with, after long hours of deliberation, we'd have a list of 10 companies, which is 20% of the total list we had. I had a hard time reconciling the concept of the worst of the worst. This is not easy stuff. My thanks to all the members of the committee who put in countless hours, to Jennifer Cooperman and Kelly ball, who spent countless hours on this issue, to Katie Shriver and my staff and to my colleagues and especially commissioner Fritz, who has been particularly engaged and today, came up with a way to continue this concept into the next administration. So, thank you, all, very, very much. Thanks to all of the committed community members, whatever their perspective, who came to meeting after meeting and responded to questions that I had and followed up. I really appreciate it. I understand the resolution we're coming to today is not satisfactory. I feel guilty that I won't be here to continue the conversation next year, at least as a member of council. But, I really appreciate the process. Aye.

Fritz: Commissioner novick, I know I speak for others that you'll always be welcome back here and given deferens as someone who has cared about this for a long time. Thank you for that remarkable summary. I think I've learned from my career as a nurse and my husband's as a doctor, you first do no harm. All the letters I've received, passionate people are showing up on Wednesday, I really appreciate it. So, that's why I proposed the amendment to let's not buy any corporations because right now, I can believe in my government and we need to be very careful about how we move forward and we need to take risks. We need to say on principle, whether it's \$4 million. I want to admit investing corporations. I do want to respond to a suggestion that we should stop banking with wells fargo. We investigated that under mayor Adams and looked at some of the local banks and encouraged them to come in and bid when we put out the proposals. The smaller banks can't manage the level of complexity of city pay roll, bills and they'll be investing in bigger banks. So, all of this thinking is what brought me to the place, to come together on the very last item we'll be voting on in 2016, under mayor hales and commissioner novick who takes on so many difficult projects, the street fee, disabled peoples parking permits. A bunch of other things that nobody was able to wrestle with. This is also in that category. Mayor Sam Adams, he was in the office, occupied. Did have the no Walmart sign in the window. I content myself with this is what democracy looks like and the placard, which I

December 21, 2016

used to carry around in case I needed to join a picket line. These are the reasons why I support what we've been asked and to not buy these corporations and let's continue to work on this and focus on coming together and helping each other out in these difficult times. Aye.

Fish: I want to first say, I appreciate a compromise worked out by two of our colleagues and I think it meets a number of concerns of the council and I'm going to support it. Someone testified earlier about this being an important conversation, it was you, sir. It's a very important conversation and I have had some of these conversations with many people in this room, in my conference room. People of good will, bringing their passion and their values to us. And I'll tell you where I have gotten torn in this conversation. People of good will have made arguments on good side on some corporations, which we will be debating now and in the future. At some point, I felt like I was an umpire on rules I wasn't clear on. Some companies were being criticized for some of their conduct, but I wasn't spending any time sort of assessing what are the good things they do and then looking in a balanced way. And it was at that point that I started thinking out loud that perhaps we should get out of corporate securities all together. That people of good will may have a concern about almost any corporate security and why are we buying corporate securities? That's brought about many conversations and what's the difference in interest we can get and risk and fiduciary. I'm prepared to roll up my sleeves and continue to engage this conversation honestly and humbly in the next three to four months and I think we all have a stake in getting this right. I deeply appreciate the testimony, but I also appreciate the people who have taken the time to come into my office and share their concerns with me and give me reading assignments and homework assignments and I deeply appreciate that. The question I will be asking, in the new year, is, to drill down a little deeper into what are the criteria. Mayor, I'm interested in both sides of the balance sheet, the plus side and the negative side. Since we're thanking people who guide us in the process, I want to thank Asena Lawrence. She has brought her own passion and value and has helped me. Thank you for your great work. Aye.

Saltzman: I appreciate this discussion, there is no easy answers. And I think we'll return to this question in a few months. But I do -- I appreciate the compromised worked out by commissioner novick, commissioner Fritz and happy to support it. I do still feel, given that there are, you know, \$4 million to \$7 million, there has to be a path we can find socially-responsible investments. I'm very comfortable now suspending that until we can develop a policy and choose the right companies. So, very pleased to support this. Aye.

Hales: I'll start by thanking you, commissioner novick, and, you, commissioner Fritz, for guiding us through this discussion today. I'm really proud that we under your leadership have a socially-responsible investment policy and we have committees and citizens that want to weigh in on those issues. It says a lot about us and it's how we reflect our values in policy, law and action here in this building. You know, we're all, I think, fearful and appalled by what's ahead. And we all feel that. And actually, some of you may have been earlier when I was telling our housing director, get those bonds for the housing project done, now that you need hud's help before the inauguration. We have that sense, I think. But, I want to actually give us all, including myself, a little counsel about what's ahead. There is much we don't know. But I have instincts that might obtain here. Someone called me to interview me about what's ahead because of our climate leadership. We were given an award for the best climate action plan in the world and our leadership on fossil fuels and that was fun to get that recognition. These u.s. Cities, are they still in the game and serious about this? I was able to reassure them. I've had a couple interviews with national news organizations. One of them asked, is Portland going to be part of the resistance? I said, well, we're going to be part of the persistence. That is, we're not looking

December 21, 2016

for a fight with the trump administration. As hard as those words are to say. We are who we are and we are going to keep doing what we do and that might lead to a fight but the point of that word game is not a game at all. We are who we are. We're going to do what we do and if the federal government helps us, wonderful. If they try to contradict us, I don't think that will go well because we are who we are. This is a marathon. That's the other instinct. I hope the trump administration lasts less than four years. I'm not counting on it, though, I think it's going to be a marathon and there will be a lot of work and this work will need to continue in 2017 here. I know some people may have been a little tired because you've put in a lot of work. Be resolute and optimistic about our community, the people that sit at this table will change a bit. We are a progressive city and that will be true about the next city council. I want to show a measure of deferens to mayor wheeler. He showed up for work today. If I was a financial planner, I would feel strange adopting the comprehensive plan so I would feel strange adopting the financial plan that will guide his. Mine is urban planning. His is city and state treasuries and he'll bring value to this discussion. On climate and equity and justice, leadership really matters. I've got lots of proof that that's true because the things we've done in Portland, first, are getting replicated, whether it's a street car or a fossil fuel ban or a ban the box ordinance or a ceo pay surcharge, thank you, Steve novick. They start here and they spread because they're the right thing to do. I'm confident that this is a community that will continue to put our values into practice and then others will pay us the compliment of imitation because local action really will matter. So, my message is mainly one of good cheer. This is a good place and that's true both physically and how we take care of one another. We will persist. Thank you. Aye.

Saltzman: Mayor hales, don't hit the gavel yet. [laughter]

Fish: You have to read the charges.

Saltzman: Can I be recognized for a point of personal privilege?

Hales: You may.

Saltzman: I'd like to call up Rachel Wiggins. She has a proclamation she'd like to read.

Rachel Wiggins, Mayors Office: Mayor, I hope you don't mind indulging your staff. We draft and edit the proclamations that are read in this chamber. With that said, whereas, Charlie hales has served for 13 years first as a city commissioner and then as the mayor of Portland and Charlie hales has championed smart growth and an aggressive agenda and no Portland mayor has done more to address housing affordability and homelessness and opened hundreds of temporary shelter beds, implemented dedicated over \$500 billion and permanently housed 1294 veterans. Whereas, he has led the bureau of planning and sustainability, the 2035 comp plan, the deconstruction of older homes and prohibiting bulk fossil fuel facilities that was voted best in the world. Whereas mayor hales has pursued an agenda of police accountability. And past a new police contract to address a growing police staffing crisis and training for officers. And whereas, he's gotten upstream in the lives of countless at-risk youth, including providing summer works internship with Multnomah county and free access to recreational programming and the tribal liaison for the city of Portland. And up and coming Lents business and the purchasing of the post office site. Every meeting he's attended as resulted in one month of work for his staff. And whereas, he's beloved not only by Portlanders, but by his colleagues across the world. We'll be grateful for his leadership, compassion. His dad jokes and his wisdom. It has been an honor and work for and alongside mayor Charlie hales. Now, therefore, we, the staff of mayor charley hales, do hereby proclaim December 21st to be a day of appreciation for mayor Charlie hales in recognition for all the great things he's done for us and for Portlanders and encourage all residents to observe this day. [applause]

Hales: Thank you. Order: [laughter]

December 21, 2016

Saltzman: Thank you so much, staff, for doing that. I thought you were going to sing.
[laughter]

*****: [indiscernible]

Saltzman: I wanted to see if any of my colleagues had any additional comments. I know we all want to say something to mayor hales.

Fish: The hour's late. Mayor hales, I want to thank you for 14 years of public service. I read somewhere that you expect to spend the next 18 months on a boat, drifting around the world. Let me make a commitment, whoever is in charge of the fire bureau will be poised at a moment's notice to send the David Campbell fire boat to rescue you. We should extend our thanks to Nancy hales, your full partner in your role as mayor. We've never had a first lady quite like her. To Steve novick, Steve, I want to thank you for the four years we've spent together. Steve graduating from law school at the same time I was a freshman in college. I appreciate your smarts, your good humor, and your very strong convictions. You get to take a vow, Steve, for a number of things that you've done. I want to especially thank you for bringing the citizens utility board as an outside, independent watch dog. To the public watching this, public service is hard work. And we live in very, very challenging times. And I've never seen a time in my life where there is more headwind. In my view, people who choose to serve deserve our thanks and our respect. Thanks to both of you.

Hales: Thank you. [applause]

Fritz: Thank you. It has been an honor to serve on this council for four years and flanked by two men who I admire greatly and also enjoy their company. I don't say that all the time about a lot of things we do in city hall. A lot of times, it's very hard. I mentioned that I so appreciate commissioner novick. The issues you've taken on, as a rookie, and you tackled them head-on and have made progress on transportation issues and emergency management. In the 20 years, I've been participating in city council hearings, there hasn't been another commissioner that have put work into masonry. It's the nuts and bolts if you want a better chance of doing okay when we get the big earthquake. You took the bureaus you were assigned and you've been a champion for them and thank you for looking out for the bureau of emergency communications. You have left it better than I left it for you. So, thank you for that. Mayor hales, the police oversight that I have done really has made a difference and is continuing to make a difference and will make the difference that, at some point in the next four years, we're going to get a clean bill of health from the department of justice. And I feel confident that the work you have done has set us on that course. I didn't accept the first time -- Susan Kelly, who called me in 1996 and said, commissioner hales wants you to come in and talk. I thought I was going to get scolded for stopping too many subdivisions in Portland. The planning commission. I said, what? Commissioner hales, you can do it right now. Just as she said last night at the celebration and the tribute video we gave mayor hales, she said, thank you for believing in me and investing your trust in me and I will continue to try to make sure that that is a good return on your investment. So, thank you, also for the delight of getting into the nitty-gritty of the comprehensive plan and somebody who is thinking of stuff and getting stuff done. Climate disruption, I do always use the term, climate disruption now. Climate change sounds like what I'm going to do tomorrow, I'm going to go to Mexico for a vacation. Climate disruption is the icecaps melting more than they have for the last 50 years. Thank you to all of you who stayed. Many of you have been part of this, the work we've done on banning coal trains or discouraging coal trains and discouraging oil trans, banning fossil fuel regulations, we couldn't have done it without the five of us here and we'll have the persistent in Portland. I do also -- I have to highlight and thank mayor hales and commissioner novick for supporting me with open and accountable elections. That will continue to make a

December 21, 2016

difference for people of color, women, as a majority, opening up our city council chambers, not only for listening to people testify, but being a part of the decision-making body. In addition to the ones your staff mentioned, the things my office has been able to lead with your support, paid sick time in 2013, which is now state-wide and it's setting the national model. I know that we're all very proud of it and we did it together with all five of us. The fix our parks bond in 2014. And, support for the resolution of binding city policy that we've passed saying half of all money that is extra or one-time or leftover, half of that has to go to maintenance. It's going to go to maintenance in parks, transportation and emergency management because those are the bureaus that have the most challenges in fixing stuff. It's not nearly so entrusting to fix things as it is to open new things, although we have done fair amounts of those as well. The cannabis work that we've done in 2015, the action we've just taken, passing the tax on the cannabis sales on recreational marijuana is going to bring some more needed funding for specific programs in the city of Portland and these four years didn't work out the way I was expecting them to and so I really appreciate my colleagues support over the last 117 weeks and thank you in your support for passing the Fritz fair child act and \$20 million so in two years, there will not be any unfenced medians on any interstate throughout the state of Oregon and thank you for that.

Saltzman: I would just add that I've served -- the longest-serving member of this city council and worked with a lot of different commissioners and mayors over the years and each one has left an imprint on me. And hopefully, vice versa. I have grown from serving with all of you and getting to know you and I think, you know, commissioner novick, I think what sticks out in my mind is your incredible consumption of news. I mean, I think you must read three or four papers, easily a day, not to mention online journals and things like that. A constant source of knowledge and what's going on in the world and the ability to tackle tough issues. I think as commissioner Fritz mentioned, reforming our disabled parking permit system was a big challenge. One you rose to the occasion. Making unreinforced masonry buildings is hopefully a thing of the past. It is an extremely important issue for all of us when the big one happens and transportation. It is on a stable funding basis and I think you've really helped to -- don't want to forget bike share. I was the biggest skeptic about bike share that it would happen in Portland. I thought too many people had bikes and wouldn't want to rent bikes. You found sponsorships and took the general fund out of the equation and bike town is a success, even on the shortest day of the year, December 21. I have really enjoyed working with you over the past four years. Mayor hales, we served together as commissioners. It's been an honor to serve with you as mayor. All the interviews about you, I've said this. You came into office as sort of a planner/policy wonk. Police issues and housing issues. It spilled over into Portland, running the police bureau, police accountability, police oversight. These are things you didn't know would be dominant. You've handled both those issues fair. That's what I admire about you is your calm and your ability to take on tough issues. It comes with the territory; it comes with being mayor. But, I think you've really done and you have a certain moral compass you've stuck to. It's important to have that moral compass. It's important for us to know that otherwise we'll be lost in the chambers on a particular day, on a particular topic and that's not the proper way to govern. I enjoy serving with all of you and I want to recognize mayor hales and commissioner novick. Thank you for leaving imprints on me.

Hales: Thank you, all. Let Steve go first.

Novick: So, I've got a lot of thank yous to make and I'll start by thanking my wife, Rachel, for her support and unbelievable patience over the last four years. She's been the best fifth lady Portland's ever had. I want to thank my amazing staff. Chris warner, Katie Shriver, Laura Hanson. To paraphrase Hillary Clinton, I wish I could pick them up and take them with me wherever I go next. Want to thank Lisa Turley, Leah Treat and Carmen Merlo and

December 21, 2016

their staff. It's been absolutely wonderful to work with those bureaus and the amazing people in those bureaus and commissioner Saltzman and commissioner Fritz, I'd be happy to let Carmen know that even though we didn't pass a policy on my watch, we have two votes for one next year, so Carmen will be delighted to hear that. And, I could say a lot about each of my colleagues, but I need to shut up and give the mayor a chance to speak. Commissioner Fish, I want to thank you in particular for your commitment to vision zero and your commitment to seismic resilience. I'm delighted that resilience is now your favorite word and I look forward to hearing it from you many times.

Fish: I still can't spell it. [laughter]

Novick: Commissioner Saltzman, I'm always impressed by your willingness to take any task given to you in the city and put your shoulder to the plow and get it done. I also really appreciate your willingness to say what you think about any issue, regardless of the political consequences. Any number of times, I've gone back to my office and said, I can't believe that Dan Saltzman said that, but, god, I'm glad that he did. Commissioner Fritz, I want to thank you for your dedication to low-wage workers and honor you for your sense of humor. Not everybody knows that Amanda Fritz is a laugh riot. We have sent silly notes back and forth and cracking each other up. Mayor Hales, I want to thank you, again, for your work on the comprehensive plan. It's absolutely fantastic that you returned to city hall at this particular time for that purpose. But I also want to honor you for -- in the past four years -- being a man of the left. When you were elected, I think a lot of progressives thought Charlie Hales is a corporate guy and he's conservative. He said we're not just going to ban the box, we're going to ban the hell out of the box and to push the envelope on climate disruption. Charlie Hales supporting reviving public financing of campaigns and a tax surcharge for CEOs they pay themselves 100% more than they pay their workers. On behalf of the Democratic Socialist of America I want to extend you an honorary membership. Thank you very, very much I -- I am acutely aware that I am the first city commissioner in 24 years to lose reelection. I'm acutely aware that I came up with a funding mechanism to address street repair and traffic safety, which the city needed for 30 years. I'll take that trade. If I had to choose between passing the gas tax and getting re-elected, I'd choose passing the gas tax. If I had to take beating Chloe Eudaly and beating Paul Romaine, I'd take beating Paul Romaine every time. About that gas tax campaign, we started with 55% support in the polls. Every pollster will tell you if you're doing a tax measure, where you'll have organized opposition, you don't want to go ahead unless you have 60%. That's what they told Sam Adams in 2008. And he had a proposal that started at 55% and the pollsters told him, don't go. We decided to go, even though I did think it was a long shot. I thought the odds were, we were going to lose. And, even if we lost, I think that was -- I still would have thought that was the right decision because we face, in this city, in this state, in this country, big problems that aren't susceptible to politically-easy solutions. In this one city, in a small way, I made the decision to push ahead with a measure that was probably going to lose and we got lucky and won. And, I hope that that will inspire other leaders in the city, the county, the state, to occasionally go for it, even when the pollsters tell you not to. Now, I've thought a lot about what my last few words would be as a city commissioner and I would disappoint Commissioner Fish and Brad and Dirk if they were not a quote from a classic rock and roll song, having a really hard time figuring out what those words should be. Then, just today, the Rock and Roll Hall of Fame inducted Journey. Don't stop believing.

Hales: Well-done. Well, thank you, all. And, the only thing I'd add to these good comments in confirmation and rebuttal, one, we've done a lot of work together. I have teased my colleagues a little bit about how much they're going to enjoy our departure because we have brought a lot of things home to fruition that took a lot of work. We've also done a lot

December 21, 2016

of work, as teams. Nick, you and I took on the reputation -- the damaged reputation of our public utilities and a backlash that might have torn city government apart. Because of the commitment we've had to doing the right things the right way, and cleaning up any inconsistencies, we're able to face our citizens and judges and say, we're spending your water and sewer money appropriately, properly and thoughtfully and, thank you for that partnership. Dan, you and I have taken on housing in a very big way. We saw it today. Amanda, yes, it's been a pleasure to work with you again on planning our city because it really matters and it will pay dividends. Steve, your courage on transportation funding is a model and I'm so appreciative of that partnership. It was hard at times, it got nasty at times, you got the good thing done. This has been a great season in my public service. I don't know what my future service will be, it won't be elected office. But this has been a joy and sometimes, a trial. But, so much good has been done for this good place. And, I have one small gift to leave you with and I think it's particularly apt that it's today. Mayors have a ceremonial gift we give to someone of importance when they come to my city, my wife, Nancy Hales, is something of a fashion person. And she had the bright idea of, let's have a local fashion designer design a fabric and make a men's tie and a woman's scarf out of that. I had the privilege of giving my very first of two gifts to the president of the United States and the first lady Obama. The image of the Tilikum process that shows the sustainability of our city, the beauty of public works well-built and, above all, particularly in this room with these people, the ability to get good things done for a good city, I can't think of a better symbol. So, wear it with pride and remember me and I won't be wearing a tie for the next 18 months. [laughter] but I'll think of you all, often. Bless this city and bless you all. We are adjourned for 2016. [applause]

At 5:15 p.m. council Adjourned