



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **3RD DAY OF JANUARY, 2018** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Wheeler, Presiding; Commissioners Eudaly, Fish, Fritz and Saltzman, 5.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Ben Walters, Chief Deputy City Attorney; and Nicholas Livingston and John Paolazzi, Sergeants at Arms.

Motion to elect Commissioner Fish as President of the Council: Moved by Fritz and seconded by Eudaly. (Y-5)

Item Nos. 10-14 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS		Disposition:
1	Request of Mimi German to address Council regarding ethics of City Council members (Communication)	PLACED ON FILE
2	Request of Star Stauffer to address Council regarding conduct unbecoming that of a publicly elected official and police accountability (Communication)	PLACED ON FILE
3	Request of Katherine Smith to address Council regarding issues with the police (Communication)	PLACED ON FILE
4	Request of Michael Lilly to address Council regarding Portland Bureau of Transportation irrationally discriminates against resident of larger apartment houses in the Northwest (Communication)	PLACED ON FILE
5	Request of Craig Rogers to address Council regarding trust and City government (Communication)	PLACED ON FILE

TIMES CERTAIN		
6	TIME CERTAIN: 9:45 AM – Recognize the 2017 Fire Prevention Poster contest winners (Presentation introduced by Commissioner Saltzman) 15 minutes requested	PLACED ON FILE
*7	TIME CERTAIN: 10:05 AM – Adopt the Addendum to the North Macadam Transportation System Development Charge Overlay, establish a fee schedule and amend code (Ordinance introduced by Commissioner Saltzman; amend Code Chapter 17.15) 30 minutes requested for items 7-8 (Y-5)	188757
*8	Adopt the Addendum to the Innovation Quadrant District Transportation System Development Charge Overlay, establish a fee schedule and amend code (Ordinance introduced by Commissioner Saltzman; amend Code Chapter 17.15) (Y-5)	188758
9	TIME CERTAIN: 10:35 AM – Report on recent work from the City Auditor: Utility Payments, Prosper Portland, and Portland Housing Bureau (Report introduced by Auditor Hull Caballero) 20 minutes requested Motion to accept report: Moved by Fish and seconded by Fritz. (Y-5)	ACCEPTED
CONSENT AGENDA – NO DISCUSSION		
Mayor Ted Wheeler		
Bureau of Emergency Management		
*10	Accept a grant from the Oregon Office of Emergency Management for their Emergency Management Performance Grant Program in the amount of \$290,614 to administer an integrated all-hazard emergency management program for the City (Ordinance) (Y-5)	188759
Office of Management and Finance		
*11	Approve a one-time exception to HR Administrative Rule 6.03 to allow carryover of vacation leave in excess of two years accrual for a certain eligible employee temporarily managing the Development Services Section (Ordinance) (Y-5)	188760
*12	Authorize a grant agreement with Immigrant and Refugee Community Organization – Africa House in an amount not to exceed \$17,500 to support the Africa House United Against Hate project (Ordinance) (Y-5)	188761
*13	Authorize a grant agreement with Allen Temple Church in an amount not to exceed \$30,000 for their Community Outreach and Emergency Services Program in North and Northeast Portland (Ordinance) (Y-5)	188756

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*14	Authorize a grant agreement with African Youth and Community Organization in an amount not to exceed \$30,000 to support the Standing Together Against Hate project (Ordinance) (Y-5)	188762
*15	Authorize a grant agreement with Causa Oregon in an amount not to exceed \$50,000 to support DREAMers and urge Congress to continue the Deferred Action for Childhood Arrivals program and to pass the DREAM Act (Ordinance) (Y-5)	188747
*16	Authorize a grant agreement with Fresh Out in an amount not to exceed \$50,000 for their community based re-entry program that provides services to recently incarcerated African-Americans living in Portland (Ordinance) (Y-5)	188748
*17	Authorize a grant agreement with The Autism Society of Oregon in an amount not to exceed \$1,500 for their free expression art workshops for adults with autism (Ordinance) (Y-5)	188749
*18	Authorize a grant agreement with The Independent Publishing Resource Center in an amount not to exceed \$20,000 for their Capacity Expansion Programming Initiative (Ordinance) (Y-5)	188750
*19	Pay four claims of VanderHouwen & Associates, Inc. in the sum of \$30,000 involving the Portland Bureau of Environmental Services (Ordinance) (Y-5)	188751
*20	Pay claim of Christopher Boeck in the sum of \$5,886 involving the Portland Water Bureau (Ordinance) (Y-5)	188752
<p>Commissioner Nick Fish</p> <p>Bureau of Environmental Services</p>		
21	Authorize a no-cost agreement with Jackson Towers Partners to implement the sewer pipe rehabilitation project SW Yamhill/Morrison–SW 1st/13th Project No. E10886 (Second Reading Agenda 1369) (Y-5)	188753
<p>Commissioner Dan Saltzman</p> <p>Bureau of Transportation</p>		
22	Amend Intergovernmental Agreement with Oregon Department of Transportation to undertake the N/NE Columbia Intelligent Transportation System Project (Second Reading Agenda 1377) (Y-5)	188754

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23	Amend Intergovernmental Agreement with Oregon Department of Transportation to undertake the N Going to Swan Island Intelligent Transportation System Project (Second Reading 1378; amend Contract No. 30005928) (Y-5)	188755
REGULAR AGENDA		
*24	Appropriate \$110,000 of contingency funding from the City general fund to the Portland Police Bureau, amend a grant agreement with LifeWorks Northwest in an amount not to exceed \$210,000 and extend funding through June 30, 2018 for the New Options for Women program (Ordinance introduced by Mayor Wheeler and Commissioner Saltzman; amend Contract No. 32001416) 15 minutes requested (Y-5)	188763
Mayor Ted Wheeler Office of Management and Finance		
*25	Amend contract with Convergence Architecture to increase contract amount by \$25,180 to provide additional architecture & engineering services for the 1900 Building Restroom Upgrade project (Ordinance; amend Contract No. 30005465) 15 minutes requested (Y-5)	188764
Commissioner Nick Fish Bureau of Environmental Services		
*26	Authorize the Director of Environmental Services to amend the Administrative Order on Consent with the U.S. Environmental Protection Agency to perform remedial design work at River Mile 11E in the Portland Harbor Superfund Site (Ordinance) 30 minutes requested (Y-5)	188765
Commissioner Dan Saltzman Bureau of Transportation		
27	Assess benefited properties for street, sidewalk and stormwater improvements in the SE 86th Ct and Steele St Local Improvement District (Second Reading Agenda 1386; C-10051) (Y-5)	188766
DUE TO LACK OF AGENDA THERE WERE NO 2:00 PM MEETINGS WEDNESDAY OR THURSDAY, JANUARY 3-4, 2018		

At 12:12 p.m., Council adjourned.

MARY HULL CABALLERO
Auditor of the City of Portland



By Susan Parsons

January 3, 2018

Acting Clerk of the Council

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

January 3, 2018
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.**

January 3, 2018 9:30 AM

Wheeler: Good morning, everybody. This is the Wednesday, January 3, 2018 morning session of the Portland city council. Sue please call the roll.

Fritz: Here. **Fish:** Here. **Saltzman:** Here. **Eudaly:** Here. **Wheeler:** Here.

Wheeler: Colleagues, before I begin our usual notice, legal counsel has informed me that I am to, in the future, read the entirety of the notice from beginning to end, and as many of you know that is not my wish, but I want to make sure that I am following the proper procedure. The purpose of council meetings is to do the city's business, including hearing from the community on issues of concern. In order for us to hear from everyone and give due consideration to matters before the council we must endeavor to preserve the order and decorum of the meetings, to make sure that the process is clear for everyone, I want to review some of the basic guidelines, which I hope will help everybody feel comfortable, welcomed, and respected and safe at the meeting and also to ensure that the decorum is maintained. There are two opportunities for the public participation. First we have an opportunity for people to sign up for communications to briefly speak about any subjects that they wish to address, and these items must be scheduled in advance with the clerk's office. Second, people may sign up for public testimony on the first readings of reports, resolutions and ordinances. If you sign up your testimony must address the matter being considered at the time. Please state your name for the record, and we don't need your address. If you are a lobbyist, please disclose that, if you are here representing an organization, please identify the organization. Individuals have three minutes to testify, unless otherwise stated. When you have 30 seconds left, the yellow light is going to light up, and when your time is done the red light will come on. Conduct, that disrupts the meeting, for example, shouting, interrupting other's testimony or the council deliberations is not allowed. People who disrupt the meeting face ejection from the meeting. If there is a disruption I will issue a warning that if any further disruption occurs anyone who is disrupting the meeting will be subject to ejection for the remainder of the meeting. Anyone who fails to leave the meeting after being ejected will be subject to arrest for trespass, if folks would like to show your support, please do a thumbs up and if you want to express you do not support something, thumb's down and thank you and let's get started. Before we begin communications, we have one formality that we need to take care of.

Commissioner Fritz has served ably as the council president for the last six months. Her term is expired. We need to elect a new councilor, commissioner Fish is next in line to serve as the council president, through June 30, 2018. Colleagues, I will accept a motion.

Fritz: I move commissioner Fish be president of the council for the next six months.

Eudaly: Second.

Wheeler: Commissioner Fritz seemed almost gleeful in moving that, and commissioner Eudaly seconded that item. Please call the roll.

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Fritz: This is often a very ceremonial position. It rotates through the council, and it's tough to manage the council when the mayor is not available, and in other emergencies, and I am happy that commissioner Fish is taking over these responsibilities. Aye.

Fish: Mayor and colleagues this is the greatest honor of my life and it is just a coincidence, mayor, that your colleagues are encouraging you to take a three-month round the world trip during my tenure, thank you. Aye.

Saltzman: Aye.

Eudaly: It seems fitting one year after the first time I walked into this room and commissioner Fish said congratulations you are council president and I thought that you were hazing me, but it's now your turn, aye.

Wheeler: Aye. Congratulations.

Wheeler: It is going to be a long six months. Thank you. Thank you commissioner Fish and Fritz for standing in on several occasions. I appreciate it. First item please. Communications.

Item 1.

Wheeler: Good morning.

Mimi German: Good morning. Happy new year.

Wheeler: Thank you, you, too.

German: Reflections. The weight of sorrow breaks hearts, mayor wheeler. This is loud today. It's freezing outside, yet the houseless remain on the streets are in pain, suffering in the cold, hungry and some possibly about to medicate themselves to death because the weight of sorrow breaks hearts. January 2, 2017, I dropped off a plan to your office, mayor wheeler, showing how the city might prevent more deaths due to bad weather conditions. It was clear, it stated that during weather emergencies, all community centers should be open 24-7 to provide shelter, buses should be used to escort the houseless people who agree to go to shelters with their belongings and their animals, all city vehicles should be used to go out to locate houseless people to see if they are ok in need of emergency care or if they want shelter to escort them. The mayor should go onto all media and request that all churches and places of worship open their doors to allow people in, I asked the mayor to collect a database of volunteer doctors and medics for on-call duty during the crisis and a database of volunteers who could person shelters during the crisis then and now. The response was far less than what I considered humane. We got a one-room shelter downtown, one in St. John's no thanks to the city and one in outer southeast. One year later, our first houseless person died that we know of just days ago. The press hasn't told us who this person is, did the city's p.r. team control the story so folks wouldn't find out that we had our first death this winter, I don't know. Remember that no city business is more important than saving lives on our streets. That's what our message to you is, and it should dictate how you act. You can't pretend that what you're doing is helping because it's not helping, we need housing. The future housing goals for years from now, 211, the pretense of humanity is not working. Fill the bank for closed houses with houseless, fill empty rooms and hotels, change the paradigm of what affordable is. Let's get real about it. In 2017 the council wasted precious time trying to shut me down, my voice, the voices of all activists in city hall that the houseless suffered all the way to their deaths because you chose not to do the right thing because you chose to vilify activists because you chose to talk about us and bully us about our public testimony on Facebook, because you chose to waste time. Now we have our first we have our first John doe, no name, no answers just a houseless person dead on the streets. The city council will continue to applaud itself for doing the least rather than the most and people will continue to die. People will vilify

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activists, our voices for fighting back, for fighting back to maintain our rights, fighting back against police aggression, brutality and murder, for fighting back against commissioners who think that no laws apply to them. We will fight back, we will not stop. House the houseless, deal with the cops, deal with this reality, no name, no answers, just a houseless person dead on the streets. John doe, I hope that you can do more this year. Thank you.

Wheeler: Thank you and just a quick response. Buses are on standby from tri-met, with regard to transport during the last two weeks, we have had the police, the fire, the transportation bureau and the water bureau all stood up and have provided transportation. The churches and the, excuse me, the faith community where, were the first in, we have had several meetings with different groups of faith communities who have been very helpful and we're very grateful for the synagogue temple Beth Israel being the first to offer up space this year. With regard to hotels, as you know, our family shelter has been stretched thin because we are providing the largest family shelter service in the three-county area, so what we have been doing is actually paying for hotel vouchers so that nobody is left outside. However you are asking us to rise to a challenge, and I accept the challenge and I appreciate your, you are asking us to rise to the challenge. I liked your idea of doctors and medics being on call, and that's not an area that I personally pursued but it's of interest to me and perhaps that is already being done but I will check with home for everyone and see if there is more that we can do there as well. So thank you for your testimony.

German: Can I just respond for a moment about that so that I did call 2-1-1 a few times to arrange rides for people, and that never happened and it took about 20 minutes to get through to somebody. The system still is not working, at least from the perspective of those of us out trying to communicate with them.

Wheeler: That is a fair criticism, and you sent me a thoughtful email which I forwarded and there was a response that I think that I shot back to you.

German: I have it.

Wheeler: So I will acknowledge 2-1-1 is an important system and it can be a better system. I think that we're in agreement on that. Thank you for your testimony. Next item please.

Item 2.

Parsons: Star is unable to make it today.

Wheeler: Very good, next item, please.

Item 3.

Parsons: Request of Katherine smith to address the council regarding issues with the police.

Wheeler: Good morning.

Katherine Smith: Good morning. Mayor ted wheeler and commissioners, I am testifying again because those Tigard cops are still stalking, threatening and shooting me remotely every day with those micro-wave and ultrasound weapons mainly. They say that they shoot my son every day especially when he's sleeping to give him cancer. People might wonder why do I keep testifying trying to have you talk to the police chief so she will transfer my case to the appropriate cops, ones not being blackmailed to cover up for those cops Tigard cops and ex neighbor lady who participates, for one thing it creates a trail of evidence. Secondly, it assures that I did give you enough information and evidence that a reasonable person would conclude that high level crimes are being done to me and my son. Before I get into more questions, you could say something like this to the police

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chief, Danielle outlaw. Katherine smith said that she is trying to get her case transferred to another cop who will investigate and prosecute for these assaults and other crimes done to her and her son, but she cannot ask you directly because she says that some of your office employees and Portland police are taking her letters even certified and emails addressed to you so you won't find out about their coverup of these crimes. Here are a few more questions you might have asked me if you had not accepted the gag order, someone appears to have put on you about my case and the issues. I already answered, how do I know it's the Tigard cops shooting me and my son if they do it remotely. Two what do they talk to you with? Three, what's their motive. Four, why don't those hundreds of other Portlanders who are also their targets come here to testify. Ok. A new question, did the kind of weapons used in the shootings of you and your son play a role in some of us, ignoring your complaints and reports of these assaults and attempted murders. Yes. Even if you were told a different reason. They were ignored mainly because those types of weapons were and are used on us. Not because there was not enough evidence, of their existence and of injuries and harm that they used, that is discrimination among other crimes. Some of the crooked cops and other people don't want the public to know that they have or have access to weapons that can injure and incriminate even kill people, that work through walls and that can be set up remotely. If they do a crime, they might use these weapons to intimidate or incapacitate a witness so they want to keep them secret and out-of-court cases. Next question. What are some, but not all methods those Tigard cops use to make a person of authority or not, not want to help the person reporting the crimes? They blackmail them or lie to them. Also, all of us who they shoot a lot with these voice driscoll microwave weapons, to radiate us, ultrasound to give us pain and injuries, they always do slander campaigns on us. So when they tell you too or subliminally order you to look us up you will see the slander campaign, falsified reports, some may be partly true or not and some things they may have voice driscoll us to do like a puppet. Those cops want you to think that we are bad people, not worthy of helping.

Wheeler: Thank you. Next item, please.

Item 4.

Michael Lilly: Good morning, my name is Michael Lilly I'm an attorney I'm here representing multi-family northwest, which is a registered lobbyist. They asked me to come today to point out to you that pbot has adopted a program, a residential parking program in northwest that has a very discriminatory effect. Maybe unintentional, I don't want to attribute motives to anyone, but it is very discriminatory because in particular it discriminates against the residents of larger apartment buildings. How does that work? In a nutshell, here's what happened, their new program that was adopted september 1 says that if I live in a single family house with my family I can buy as many parking residential parking permits as I like. I can buy one or four or five if I have five cars, but if I live in an apartment building with more than 30 units, first, I can never buy more than one permit. More important than that, I may not be able to buy any because of 60% of the people in my apartment building already have permits, I am not eligible to buy a permit. That does not make sense, much of this area is zoned for high density, multi-family housing and how does it make sense for pbot to be putting penalties on people who live in that multi-family housing and treating them differently, as second class citizens who are not entitled to the same kinds of parking permits as somebody in a single family home or duplex or a smaller apartment building or even a condominium. It does not make sense, it's also by the way not legal. Oregon has a constitutional provision that says if you are going to give privileges to someone in a residential parking permit is a privilege of course, no one has a right to it.

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If you are going to give privileges to someone you have to give privileges out equally to all classes, and that's not happening here. Now, this is not my first attempt to say something about this, I wrote a letter to commissioner Saltzman and I got in contact with the city attorney and I met with the city attorney's office and representatives from pbot, and laid this out for them and, but basically, I was stonewalled, and their justification for this is that the stakeholder advisory committee recommended this and so we had to do it. That was the only real justification. Of course that's not true the stakeholder advisory committee advised that they don't adopt regulations. Regulations are only adopted by the city, not the stakeholder advisory committees. So, I am kind of at the end of my rope. So, I am coming here to talk to you and ask you to, to reconsider this, and I am going to follow up with giving you copies of the longer letter I gave to commissioner Saltzman earlier, and then calling and seeing if I can get appointments to talk to you.

Wheeler: Thank you. Is this letter different than the one that you are referencing?

Lilly: Yes. There are two letters.

Wheeler: Ok.

Lilly: This one is just -- I held it to two pages because I knew that you are not going to have a lot of time to read it, all right. The letter to commissioner Saltzman, which was on November 1, is much longer and has details, it has attachments that show you what the program is, and the impact, and I am going to send that out to you. I didn't want to send it to you without knowing what it was.

Wheeler: Thank you for your testimony.

Wheeler: Next individual, please.

Item 5.

Parsons: Item number five, request of Craig Rogers to address council regarding trust and city government.

Wheeler: Good morning.

Craig Rogers: Good morning. My name is Craig Rogers. First let me say ted, I appreciate your thoughtful response to Mimi's testimony. Thank you. So basically this is like how I spent my summer vacation and where I live I have lived there for 40 years. Fortunately it is right across from the east Portland community center which is one of my favorite places and I care about my neighborhood, my school district, and my city and when it happened where the pressure was put on spring water corridor, it's like a balloon you squeeze it and those people have to go someplace else. So they started showing up in big numbers right there across from the east Portland community center in that whole wooded hillside, and other areas, and one of the pictures that really pull the strings of my heart is that lady in her car living in it that says living in your car is no camping, and there is a rabbit, a rabbit in the back seat. She's holding her head there but then there is another side to that. The plates on that car, that's right in front of my house, and that's New York and they showed up and they are so happy because they just drove straight here. I live on the gamer trail and they go here from New York and came to the land of milk and honey and free crack pipes. I've been here before and there was a big problem there and it was via Dan and Matt Grumm really got on it. Here's a letter from Mark Galky, the principal of the Floyd Light middle school that's right there next to it, and within two months, Matt Grumm brought those abandoned houses down to the foundation. He did not mess around, and he started fining the people that owned it because they were estuaries for crime. It's my understanding there is 1,000 of these known camps throughout the city, here's a policeman saying just recently in the southeast examiner, so I went out to Fred Meyers back in September, and I talked to management there on 82nd and Foster, before they

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made the decision to close down, and they told me that they wanted you to come out there and work for a day. So that it is hands-on putting your feet on the ground is really going to make a difference, if you put yourself in their shoes and I suggest you try to do that. So when I would come down here about this recent problem, and it was a tent city, this gentleman here, he went down to the boutique in the pearl, one of your staff and there is another gentleman, I don't know if you can see that far. I am trying not to say any names, but when I came in here after sending all these emails to your spokesperson during the summer and not getting any reply back he comes running up to me with the phone saying I want to know where the hot spots are. Same thing, the gentleman said that went down to the boutique in the pearl. Well nothing happened nothing, so I said okay let's go forward. Nothing happened. It really makes me wonder why this wall is there with communication because to me it seems like from the hierarchy in here, it's, you drink the Kool-Aid, you build the wall and you feather your nest. I don't really want to think that at all and here's part of that you drink the Kool-Aid, here's a gentleman with Portland business alliance and he's saying "Portland is doing better" as compared to what. In today's paper here's consumer reports, the hidden truth that was in today's paper, and I am coming down here, the hidden truth.

Wheeler: I will need you to wrap it up.

Rogers: It's like my favorite movie is the wizard of oz and toto pulls the curtain back and he says, pay no attention to that man behind the curtain, that's where all of your attention needs to be. That's all that I have to say, thank you.

Wheeler: Appreciate it. The consent agenda, sue, it's my understanding that we have had quite a few of these withdrawn. Is that correct?

Parsons: Items 10, 11, 12, 13, 14.

Wheeler: Given the high number, let's hold off on those and get to the time certain and then get to the consent agenda items that have been pulled. Can you please call the roll on the remainder of the consent?

Fritz: I am very happy to see the cousa grant among these items. Aye.

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

Wheeler: Aye. The consent agenda is adopted. Next item, 6 please, time certain.

Fish: Mayor, we do have some members of the public here who were here just to witness the adoption of our consent agenda, so if we are going to proceed with our regular agenda, then this won't come back for a couple of hours. I just want to make sure that people know that.

Wheeler: Is there a Particular item commissioner on the consent agenda?

Fish: Michelle which one are you here for? Which number?

Michelle Harper: Number 13.

Fish: We have someone here from the public for number 13.

Wheeler: Let's do 13. Item 13 Allen Temple Church. I am not sure who pulled it, do we want to take the testimony first?

Joe Walsh: I have testimony about it.

Wheeler: Very good.

Item 13.

Wheeler: Good morning.

Harper: Good morning, my name is Michelle harper and I'm the project manager for the Allen temple-CME church rebuild. As you know we suffered a devastating fire roughly 2.5 years ago, and we are in a very good place right now where we are rebuilding, have wonderful minority company that is specific mark, our construction company, bill hart,

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Carleton Hart is our architect and has done the design. The city has been very supportive through the bureau of development services, waved over 50% of our fees, which was very significant. So with this grant that we have received from the city that will allow us to continue the outreach programs that we have, we are a site for the northeast Oregon food bank. We have a homeless outreach team that goes out every month, takes food, shelter, clothing, food and clothing and also hygiene packets out throughout the city. We also provide meals, hot meals and food baskets out of our outreach emergency food program, as well. A lot is happening and going on, we also very fortunate to get \$280,000 grant from Prosper Portland to support the rebuilding of our church, so construction is well underway, and so we will hopefully be complete by the spring and the city has been a wonderful supportive partner in getting us underway because it has been a journey, but the support that you all have given us individually and collectively, has got us in a very good place right now.

Fish: Can I add one thing for context for people here, this grant arose out of the special appropriation process that the city established. The money was set aside, a number of people were designated to screen and review all the applications. This application was deemed to be meritorious, council approved this and a number of other grants, and what we're doing today is authorizing the distribution of the money. So it's been approved today is the action where the money gets dispersed.

Wheeler: If I could be clear there are many aspects to the facility itself, what we are specifically funding is the community outreach and emergency services program. Within that, and so they provide not only emergency food counseling services, hiv, clothing, hydrogenic services, and other training programs, as well.

Harper: Exactly.

Wheeler: Thank you for your testimony.

Harper: Thank you very much. You will be invited to the grand opening, so we'll keep you abreast and give you progress reports on where we are with the construction. Thank you so much for the gift.

Wheeler: Wonderful, thank you very much. Mr. Walsh, I believe you pulled this item?

Joe Walsh: Good morning. My name is Joe Walsh I represent individuals for justice. Happy new year.

Wheeler: Happy new year.

Walsh: May this bring us peace, we have no objections to this grant at all. We really like this grant. As commissioner Fish pointed out, it was screened and we are aware of that. Our objection is that it went on the consent agenda, we think that people that get grants should come and do exactly what the recipient did and explain it. I think that your constituents have a right to know if you are going to give \$30,000 to somebody, why you are doing it. So the consent agenda always has been an irritant to us. According to the charter and the way that I read it, it's supposed to be non-controversial, kind of paying the bills, so we don't waste time talking about very mundane things. When you start getting into grants, those are not mundane things, there are two levels that we object to. Number one we should celebrate giving that money to these people because they are good people and we need good people at the moment and we need to celebrate them. I am suggesting and individuals for justice is suggesting don't do it on the consent agenda do it under regular business, so we can have somebody here. If you offer me \$30,000 in a grant, I would come and talk to you I really would. I would get a mocha and sit down here and thank you for it and explain why I want it. That's what we're saying, that when you give grants, do it under regular business, has nothing to do with the recipients. They are really

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honorable people and you should be proud to give it to them and you ought to brag about that a bit because you do a lot of things that we all like, this we like. Brag about it. Thank you.

Wheeler: Thank you.

Fritz: I have a question Mr. Walsh. I have a question. Were you at the public hearing when it was on the regular agenda to decide whether to give this grant?

Walsh: Was I here? I'm sorry say that again.

Fritz: Were you at the public hearing that we held that talks about whether to give this grant?

Walsh: My understanding is there was a group of grants, and the people that were reviewing the grants, did the recommendations, and this was one.

Fritz: And we had a public hearing on regular agenda to look at all of the grants and decide if this is a good one or is this not. Does anybody have any objections? We adopted the plan to give this grant. So this is, the reason this is on consent.

Walsh: You couldn't adopt to give the grant, you can only do that here. You adopted to recommend a grant. There is a big difference in that.

Wheeler: Let's move along. Thank you, sir. Item number 6.

Fish: Let's take it to a vote.

Wheeler: Thank you, I forgot about that.

Fritz: I appreciate, as mentioned, under the communications we have many faith institutions who step up and help in multiple ways, and this is one of them. Thanks to allen temple church and all of the staff and volunteers there. Aye.

Fish: Let's thank Michelle harper for taking the time to join us today, and she was with us not long ago, with the Lowenstein trust award honoring two distinguished members of the clergy and this looks like a good project. Aye.

Wheeler: Aye.

Eudaly: It has been a pleasure to work with Allen temple church and I am excited to attend the grand reopening. I don't think that Michelle is gone but congratulations and aye.

Wheeler: Aye. [gavel pounded] the grant is adopted. Item six please.

Item 6.

Wheeler: Commissioner Saltzman.

Saltzman: Thank you, mayor. Every year the Portland fire and rescues prevention division sponsors a poster contest, and we're here today to recognize the winners of those poster contest on fire prevention, and I will turn it over to our fire marshal, Nate Takara.

Nate Takara, Portland Fire and Rescue: Good morning mayor and commissioners, my name is Nate Takara, I am the fire marshal, for the Portland fire and rescue. Thank you very much for having us here today giving us the time to talk about a fire prevention program. When chief Meyers started, his job as a fire chief, 18 months ago, one of the visions he had for the fire and rescue is to make it a world class organization. To make it a world class organization one of the things that we have to do is reduce our fire deaths to zero. Currently, we have, we have 162 consecutive days without a fire death in Portland. The fire prevention is set around these five important elements, public education, code enforcement, engineering, economic incentives and emergency operations. This morning I'd like to speak about our public education programs, first, we'll introduce you to the newly adopted education team member sparky, the fire dog. Sparky is a nfpa national fire protection association's official mascot since 1951. He's been on the job for 67 Years, and in dog years that would make it 469 years. His dog determination has been credited to help reducing fire loss and fire related injuries across the country. Sparky has been

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instrumental in numerous fire prevention campaigns, such as stop, drop, and roll. Get out stay out, dial 9-1-1 and this current year's theme, every second counts, plan two ways out. We have put sparky to work, he's been in our veterans day parade, he's visited numerous elementary schools, and during the holiday season he was at the Oregon burn center visiting with children. We are excited to having sparky be part of the team, we are confident that he will be able to connect with our children and continue to pass along our important fire safety messages. Sparky. So, Kim Kosmas just to my right she is a senior chief inspector who leads the public education program, she will be talking about the coloring contest the annual fire prevention coloring contest.

Kim Kosmas, Portland Fire and Rescue: Hello. I am Kim Kosmas and as Nate said I am in charge of the public education program, and for this year coloring contest, the items that we had for the contest taught the students how to -- the importance of topics like not playing with matches, having working smoke alarms in the home and planning an emergency evacuation plan with their family. The students, they submitted their artwork and the majority of them expressed the importance of having smoke alarms, and having an emergency exit plan. Today we have our two top winners, from the contest this year in attendance, and let's see, the runner-up we have Elva McGinnis Patterson, she's the first placed winner. The grand prize winner is Percy Nolan.

Wheeler: Let's suspend the rules. [applause]

Kosmas: And we have their artwork, it has been framed for them so we will share that with you, too. Grand prize winner and the first place runner-up.

Wheeler: Those are great.

Wheeler: Those are beautiful, kids, nice work. [applause]

Wheeler: Can we get a picture with the kids. Is that all right with the parents? Great.

Wheeler: Colleagues with your agreement we also have a member of the public here for item 16 on the consent agenda, could you call item 16. Wait, 16 wasn't called. Right. 16 has already been approved. You said item 16, correct? 16? Its already done. Thank you. You bet. Please call item 7 and 8 together.

Item 7.

Item 8.

Wheeler: Commissioner Saltzman.

Saltzman: Thank you, mayor, last year the city council unanimously approved the transportation system development charge update that went into effect January 1st. This morning staff will update us on the north macadam and the innovation quadrant overlay districts that have additional transportation system development charges associated with development. Unlike the citywide system development charge update, the project list in these overlay districts are not changing. This is merely a housekeeping exercise to align the methodology with the newly adopted person trip methodology and adopt updated rates. So I guess that I will turn it over to rich and Jodi to further explain.

Rich Eisenhauer, Portland Bureau of Transportation: Thank you commissioner Saltzman. Good morning mayor and commissioners, my name is rich Eisenhauer, I am the sdc program manager for the bureau of transportation along with me today is Jodi yates our right of way programs and permitting division manager. Today we're asking for your support to update the methodology and rate studies to the north macadam innovation quadrant tsdc overlays and to also adopt associated code amendments. To give background, on September of last year council approved the updates to the citywide tsdc program. That went into effect January 1, 2018. The citywide updates include a revised trip county methodology to account for person trips rather than vehicle trips, some

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revisions to the land use categories, the rates associated with those, and the capital project list on where the funds can be spent. As a brief refresher, tsdc's are a one-time fees that are paid by new development or changes of use within existing developments that will create an increase in the trips generated to that site. The fees are intended to pay for the impacts that the development will have upon the transportation system. The tsdc and the overlay are based on the cost of the specific project list that directly benefits the properties within the overlay area. The tsdc's fees imposed on the development are expended on the capacity increase in the projects of certain growth within that area. The north macadam innovation quadrant overlays were created as a funding mechanism for new transportation capacity in these two areas. Specifically linked to having a large potential for growth and lacking the transportation infrastructure. There was a robust stakeholder involvement in 2009 and 2011 when these overlays were created. The tsdc overlays are intended to fund a portion of a fixed project list for a fixed time frame. Once all the projects have been funded the overlays are no longer needed, in addition to other projects, both overlays helped fund a portion of the city's distribution to the Milwaukie light rail line. As the overlays were adopted separately and independently from the citywide tsdc program, we are here today to present updates to the overlay programs that are consistent with the citywide updates adopted in September. These updates will bring the overlay methodologies into alignment with the citywide tsdc. The citywide tsdc had a very extensive public outreach process. In addition to that work that we did, the citywide update we met with overlay stakeholders to review the changes in these areas. We hosted a workshop with the stakeholders to review proposed rates and receive feedback. We presented these changes to the development review advisory committee and published the proposed changes online for a 60-day public review period.

Wheeler: I am sorry, I am not as familiar with this process. So you mentioned that it is to fund projects deemed to be of benefit to the overlay area. Who decides that? Is it this --

Eisenhauer: That was a during the 2009-2011, when they -- before it was created through that stakeholder work.

Wheeler: There are specific types of projects that have been deemed beneficial to overlay areas?

Eisenhauer: Yes.

Wheeler: Can you give me examples?

Eisenhauer: I have a slide we'll cover the projects here shortly.

Wheeler: Great. Thank you.

Eisenhauer: Coming up in a couple slides. First we're going to get into the north macadam overlay and highlight that program. The north Macadam overlay went into effect in January of 2009 and was adopted as a 20-year program. This amendment as shown on the Exhibit a council item 7 will update the original north macadam rate study to line with the citywide tsdc program, the project list, and the costs per trip remains unchanged. So this is -- this slide is a map of the north macadam overlay projects and their status. The north macadam overlay is located to the southeast of downtown and includes the river place and the south waterfront neighborhoods. These projects are the same projects that were adopted when it was originally adopted in 2009. The dash line represents projects yet to be build, the city, we have four large projects left to be built, money collected over the next years will go towards funding those projects and projects we completed within there include a portion of the Milwaukee light rail line and the intersection permits of harbor drive and river parkway.

Wheeler: Is the innovation quadrant inclusive of north macadam or no?

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Eisenhauer: No, they are separate.

Wheeler: Completely separate.

Eisenhauer: They are adjacent but separate.

Wheeler: adjacent but sperate, thank you.

Eisenhauer: So there is still four major projects of bond avenue, the south portal and work around there, the ross island bridge head that are yet to be funded.

Wheeler: Commissioner Fish and his first act as council president asked me to ask all of the dumb questions today so I am just doing as he asked.

Eisenhauer: I will highlight the innovation quadrant overlay. The innovation project overlay went into effect in May of 2011 and was also adopted as a 20-year program. This amendment is shown on exhibit a, for council item no. 8. It will update the original innovation quadrant rate study to align with the citywide program, and the project lists and cost per trip again remains unchanged. So this shows the map of the innovation quadrant overlay and the projects and their statuses. The innovation quadrant overlay is located just to the south and the east of downtown and includes the Portland state university and omsi areas. Again the projects are the same projects adopted with the original rate studies in 2011. The dash lines represent two projects yet to be built. We have completed four projects in this area, which includes again the portions of the Milwaukee light rail lines, the central city loop completion for the Portland streetcar, the southeast Clinton to the river multi-use path, and the relocation of southeast water avenue. The final step was to apply the newly adopted citywide methodology to both overlays and calculate the proposed rate schedule. We took the cost per trip, applied that cost to the aligned citywide methodology to create the proposed rate schedule for each overlay. The proposed rates to each charge for the development within the overlay areas are derived using the same methodology and underlying data, for the citywide program. The recommended cost per trip is to match the current cost per trip that we currently use in each of the overlays. So for north macadam, it's 2,670, per trip and innovation quadrant 2,150 per trip. Again those are recommended to remaining unchanged. The proposed rate schedules for the north macadam innovation quadrant overlays can be found in your exhibit a on both council items. This slide is intended to show an example of the impact of the change on new development. So this is one of the same slide that we presented to you when we came here in September of last year with our citywide update. It's also an example that the project came out on the gator review session. So this looks at all the fees associated with the development. In this example for new building, it has a value of \$6.3 million, it would be assessed \$1 million in fees, and \$750,000 is associated with the stcs across the four bureaus and \$250,000 in other fees. If this project is located for example in the north macadam overlay, it currently would pay with the current methodology \$109,000 and with the refined methodology to conform to the citywide, the sdc goes down to \$102,000. So in conclusion, we asked for your vote and support to update the methodologies and rate schedules, bring both the north macadam and innovation quadrant tsdcs into alignment with our citywide program as well as adopt code amendments. Jody and as well as we have other pbot staff here are available to answer any questions you have. Thank you for your time.

Wheeler: Thank you.

Wheeler: Any questions? Public testimony on either items seven or eight?

Parsons: No one signed up.

Wheeler: Very good. On item 7 please call the roll.

Fritz: Sorry, I forgot I was voting first. Thank you very much for a very clear presentation of all your work on this, aye.

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Fish: Aye.

Saltzman: Yes, thank you very much for this work. It's complicated stuff. Aye.

Eudaly: Aye.

Wheeler: Aye. The ordinance is adopted and item 8 please call the roll.

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

Wheeler: Aye the ordinance is adopted, please call item 9. We do not have the time certain.

Fish: We have 10, 11.

Wheeler: Let's do 10, 11, 12, and 14, let's get them done. We have time.

Item 10.

Wheeler: Good morning thanks for being here.

Jonna Papaefthimiou, Portland Bureau of Emergency Management: Thank you, I am Jonna Papaefthimiou with the bureau of emergency management.

Karen Ceballos: And this is Karen Ceballos, finance manager for pbem.

Wheeler: Good to see you both.

Papaefthimiou: Briefly the emergency management performance grant is a pass-through grant that comes from the federal government to the state office of emergency management and then to the city of Portland. It's allocated to all Oregon counties and large cities on a per capita basis. We have received it annually since 2017 and for us it's a bread and butter granted that supports the emergency response planning, training and exercises. I would be happy to answer any questions.

Wheeler: Very good. Colleagues any questions?

Fritz: Did we have any concerns that we would not get this granted this year?

Papaefthimiou: A little bit because Portland is a sanctuary city in Oregon, it's a sanctuary state, and we had some concern that we might not be receiving federal support as we have in years past. We certainly don't want to become too dependent on it but we were grateful to receive it and we'll happily accept the money.

Fritz: Thank you.

Wheeler: Public testimony on this item? Come on up, Mr. Walsh, come on up. Ladies thank you.

Joe Walsh: Good morning. For the record my name is Joe Walsh and I represent individuals for justice. We were hoping to see some information about the houseless, and the people living on our streets under this emergency. We realize this is a grant, as limitations, but we did not see anything. Here's our problem. Think about this. If you had an earthquake, what would you do? If buildings collapsed? People had no place to stay? That would be an emergency. You would open up the parks to the national guard and they would put huge tents and beds and heaters, and you would stand there very proud of our national guard because they did that. When we have anywhere from 5,000 to 2,000 depending on who you're talking to living and dying on our streets, we do almost nothing, even though you have millions of dollars to spend, you spend it in the wrong way because you are doing the same thing for the last 40 years, hasn't worked, will not work, but you do not look at this as an emergency. Here you have got \$100,000, \$200,000. Are you including the emergency that mayor Hales declared? And you extended mayor? Do they qualify? Or is it just the possibility of an emergency? Maybe an earthquake, maybe a flood. How about dying on a street? When are we going to take that as a real emergency and not just use sugar words and talk about it in committees. That nobody attends and nobody listens to. Thank you.

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Wheeler: Thank you, and for the record, this includes all people in the city of Portland. This is a grant for the office of emergency management to be able to expand on behalf of all of us to emergencies in our community, that includes houseless people as well as those around.

Wheeler: Can you straighten out 2-1-1? Will you straighten out 2-1-1?

Wheeler: Mr. Walsh I have committed to making sure that we have is a 2-1-1 system.

Walsh: Not to me, thank you.

Wheeler: Thank you. Good morning.

Shedrick Wilkins: Good morning, happy new year.

Wheeler: Happy new year indeed.

Wilkins: In May of 2010 I mentioned the fact that healthy kids does not cover Hispanic immigrants to commissioner Fish, I mean, commissioner Fritz and the real truth is the reason I found out from the national organization of women of Portland that these state of Oregon passed cover-all, cover-all now effectively covers all children that make families less than \$20,000, this means that anybody who lives in this state who has low income children will be covered by a doctor. Now, I will doubling check that one, its called cover-all and that comes from Carin power who's in the legislature and she talked now all children are covered or more than the federal poverty line and have -- I have come up with this conclusion that Oregon will be a sanctuary state, perhaps California, Arizona and new Mexico will take in no matter what trump does, we will have a large number of farm working people or people in this state, janitor types, low income jobs who are from Mexico and we need to take them in. Other states will probably have them evicted to Mexico. Isis actually does things in Tacoma, Washington. So when they collect the people they send them up there and they get sent back. So I do think that we will be a sanctuary state, and therefore, I support grants from the federal government to low income children and families.

Wheeler: Thank you. Good morning.

Lightning: Good morning, my name is lightning I represent lightning super watchdog x. Again, my biggest concern on the federal grants is knowing up front and following any and all terms of these grant agreements, now it's my position, and I understand I don't agree with everything that president trump is doing, especially on the immigration, I am looking for major reforms on the whole system itself and still viewing and negotiating at this time on various issues, again, that I don't agree with the trump administration. We have to be very careful on these federal grants, on going into these grants, knowing up front that if we are not going to follow these terms, what I want to make it very clear to the legal team of the city is that if you are not going to follow these terms, delete the terms out and make it very clear on why you are going to delete these terms and not follow the terms in the grant agreement. Do not sign these agreements with the intent of receiving the money and then going back and say well, we were not going to follow these terms anyway. Not the direction that you want to go with the trump administration. Make it very clear to them you disagree, you want the term deleted out of the grant agreement. You don't plan on following it, and you still want the money, and understand just make it very clear up front and straightforward that you can't meet these terms of these current grant agreements by the trump administration and delete it. Initial it and take it out of the agreement. Do not accept the money and sign these agreements if you don't plan on following these grant agreements. Again, buy American, that's what trump is about, the united states and you better remember by these grant agreements, follow the terms and understand this is why he's inserting a lot of different things in these agreements at this time through the new

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trump administration to see if you are going to follow these terms or not and come back and say why did you not follow these terms. Again, if we come back into the future.

Fish: Can I clarify something? You are making an excellent point but I think that we are mixing apples and oranges. The administration has threatened to retaliate against cities that adopt sanctuary cities' laws and rules. By withholding certain benefits, the courts have said interpreting a number of provisions of the constitution, so far have had that will be illegal. There are no terms in these grant agreements that we would be in violation of. The question, the bigger question is, whether the administration can prevent us from being eligible to receive certain grants, particularly in law enforcement, as punishment and retaliation for refusing to become an agent of the ice. So far, the courts have sided with us on that, the constitution is year on that point. I want to make a distinction between that and what you are raising.

Lightning: That's more than fair if I might respond, is that being who president trump is, and how knowledgeable he is on the terms of the agreements themselves, what you are stating as far as sanctuary city has nothing to do with him implementing certain terms that you still must follow, and if he implements a term that says you must follow any and all executive orders that I sign, and he implements that into your grant agreement, if you do not follow that, you are in violation of the grant agreement, not necessarily the sanctuary city status has anything to do with that. You are violating his terms of the agreement. That's a whole separate issue to deal with.

Fish: I don't want to burden the record. We are bound to follow any lawful order and we took an oath to support the constitution. A number of the provisions, the administration has put forth have been determined by courts to be unlawful. Therefore we are not required to follow an unlawful order. So that we can have this.

Lightning: If I can respond. Again these are still being worked out through the legal system, and that can change down the line so I am saying to counter that back is to delete it and initial it and say, we are going to challenge it into court and make that very clear up front. That's my point. So anyway, thank you for allowing me time.

Wheeler: Any further questions, colleagues? Please call the roll.

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

Wheeler: Aye. The ordinance is adopted.

Fish: I think we can do number 11 quickly.

Wheeler: Number 11, please.

Item 11.

Mike Stuhr, Director, Portland Water Bureau: My name is mike Stuhr, I'm the director of the water bureau, it's a surprise to be sitting here this morning. Happy new year I hope you had a nice holiday.

Wheeler: Thanks, mike.

Stuhr: What's before you today is an ordinance to allow a young man, Vu Mai one of our stellar employees, who stepped up to be the acting head of the development services section through a period of great turmoil as a result of last year's retirements. We had almost complete turnover in this section. Vu volunteered to take the leadership role in this section, and he hasn't had time to use all of the leave that he should so what I am asking for today is that he be allowed to carry over 140 hours of excess leave.

Wheeler: Public testimony on this item?

Saltzman: This is a one-time exception. Is this a one-time exception to the city h.r. rules?

Stuhr: Yes, sir. A one-time exception to rule 6.03.

Saltzman: As the bureau of human resources are they ok with this?

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Stuhr: Yes. They are here if you would like to hear from them.

Fish: This is their item and because the employee filled the breach when others were not available, and therefore, was not able to take vacation he had earned, it's the position of the city that what he should not be punished for going above and beyond and with this one-time exception, have it carried forward so he preserves the two weeks that he would otherwise forfeit.

Saltzman: Ok.

Fritz: I will just note that that's 3.5 weeks is what 140 hours works out to. I hope in the future under your leadership that we will be encouraging employees to take their time as they should.

Stuhr: We normally do, in my 15 years with the city this is the first time that I think that I have sat here for this purpose.

Fritz: It would be challenging in six months. That's more than accumulating that.

Stuhr: We'll work on that commissioner.

Fritz: Indeed because it's important that people get their time away from work even though we appreciate their diligence.

Stuhr: Thank you very much.

Wheeler: Very good. Thank you. Public testimony. Mr. Walsh come on up.

Joe Walsh: For the record my name is Joe Walsh, I represent individuals for justice. Our concern is not that you are going to make the exception in the 603. Our concern is with my experience and long beach ship yard, after I was a chief union steward I was also a utility supervisor in my last year and one of the things that we would get called in on is working people too many hours and that's my concern here. When you say ok, you cannot have or if we get too busy, you are not going to get a vacation for two years. You want to extend it to the third year. That's our concern. We want people to take their vacations because it makes for better employees. Every stat will tell you that. If you deprive employees of the opportunity to go on vacation, there is a negative side to that. A big negative side. You should be considerate of that and you are not. You are looking at commissioner Fish talks but the finances, I don't care but the finances. I care but the employee that had it work those hours, that had to dedicate themselves that much. Why is that? Who falls down on the job on that? That we don't have enough people to cover these positions? I know it's difficult, but at the shipping yard we had 5,000 employees, it was very difficult, but we did it and we would get our ass called in, and say what are you doing there, Mr. Walsh? You have got this guy working 60 hours a week for the last three weeks. No. That's our concern. When you look at the vacation, don't look at it as a pain. Look at it as a benefit. Look at it that the employees are coming back smiling, hopefully, that they had a good vacation. They need that, in Europe, they doubled the vacation. You know that, commissioner Fritz. We're terrible on vacation, and now you want to extend it for that time? I know it's a one-time exception, let me tell you about one-time exceptions or maybe not you know. You make an exception you open the door and it's floods. So don't call it a one-time exception. Honor the employee. Do it, but be careful. When you do the aye's on this one, the pirate aye's think about that employee. They are working harder than you are apparently.

Fish: Can I make a closing statement?

Wheeler: Sure, commissioner Fish.

Fish: I urge council adoption of this. The water bureau has had two developments that have hit us simultaneously. One is a, an unusually high number of retirements. Partly because of people aging out of their positions, partly because of uncertainty around pers.

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There is a host of reasons, but we have had a tremendous brain drain which we are in the process of hiring for. Second as my colleagues know there was a huge crush of work year end at the development services, in part because of concerns that under proposed changes to federal law certain things would be forfeited. Particularly in the area of affordable housing development so we had fewer people and a bigger caseload. This gentleman Vu Mai was temporarily assigned to fill the breach, I completely agree with the testimony that this should be a one-time exception and we should go, we should make every effort to ensure that the people take the regularly scheduled vacation. What I would say in conclusion is that this particular public servant went above and beyond at a time of great need benefiting the people we serve and it is our intention through this action to make sure that he does not forfeit his vacation in doing so. That's the matter before us.

Wheeler: Well said. Please call the roll.

Fritz: Mr. Walsh thank you for explaining the point that I made to the director Stuhr. Aye.

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

Wheeler: Aye. The ordinance is adopted and we're going to move next to time certain item number 9.

Item 9.

Wheeler: Colleagues we have with us today the auditor, and she's going to present the results of a number of audits. Good morning.

Mary Hull-Caballero, City Auditor: Good morning mayor, commissioners. I am city auditor Mary Hull-Caballero I am here with senior auditors Jennifer Scott and Elizabeth pape, and I would also like to take the opportunity to introduce Kari guy in her new capacity as the director of audit services. This is the last time that she is going to appear before you with an individual audit report that, for which she served as the auditor in charge because she will be in charge of all of them now. Today marks our second presentation of audit results since I've been the city auditor. You may recall our plan is to come to council periodically throughout the year to provide brief overviews of our most recent reports and my hope is that commissioners in charge of bureaus that are the subject of the audits take our results in the spirits in which we intend them which is for the city to be more effective, efficient and equitable. We also hope to use these opportunities to speak to you as a group, to highlight themes across audits that can apply to operations and programs whether they are the subject of any particular audit we are presenting. We have the results from three audits to present today. Utility payment assistance, prosper Portland and the housing bureau and I am going to turn it over to Jennifer Scott who led the utility payment assistance audit.

Jenny Scott, Auditors Office: I am jenny Scott. I am a senior management auditor and was the lead on the utility payment assistance audit.

Fritz: Would you bring the microphone closer?

Scott: Which was really, released in October of last year. In this audit we reviewed the city's utilities payment assistance program to determine if it is an effective approach to assist payment troubled water and sewer customers. We found that program improvements would enable the city to assist more customers. The water bureau shuts off customer's water to compel payment of delinquent bills. In 2015 the year we looked at most closely during our audit there were about 4,500 shut-offices of single family residential accounts for non-payment. 40% of these shut offs were accounts that were shut off more than once during the year. As the light blue bar and the graph shows total shut-offices have been trending downward. While the dark blue bar shows that the number of repeat shut-offices have remained relatively steady, in other words the

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proportion of repeat shut offs to total shut offs is increasing. While most customers water was reconnected the same day it was shut off, and as shown in red 8% of the shut-off we analyzed were without water for more than one month. The water bureau could not determine if these homes were vacant or occupied because they were not analyzing the customer shut-off data. To assist low income customers, the bureaus of water and environmental services introduced the low income discount in 1995. The program is managed by the water bureau's customer service division. The low income discount program was established with an enrollment goal of 10,000 customers. This goal has never been reached. Industry experts recommend that utilities analyze customer payment trends and possible reasons for non-payment to help design their assistance program. Additionally the Portland plan instructs bureaus to collect data needed to identify the disparities, understand the conditions and challenges facing communities experiencing them. The water bureau was not analyzing customer data as recommended when we performed the audit work. Without data the bureau is unable to identify the disparities and shut off assistance, tailor the assistance to meet the customer need, focus outreach to customers most likely to need it, measure the impact of the assistance and make corresponding improvements to the program. We also found that the improvements in program guidelines and training for all staff involved in the debt collection and program application process are needed to ensure consistency. We also found that payment assistance is not available to Portlanders who may need it most. Since 1999 Portlanders living in multi-family housing have been twice as likely to have incomes below the poverty level and the residents living in the single family housing. However the low income discount program is not an option for Portlanders who live in multi-family housing. For example the single family home, the top of the slide, is served by one meter. The residents have an account with the water bureau, and if they need the income requirements they would be eligible for the payment assistance. The residents of the multi-family structure at the bottom of the graphic are not eligible for payment assistance even if they meet the program's income requirements. This is because their building is served by one meter and their landlord is the direct water bureau customer. The residents pay, the residents of the building pay for water, sewer, and storm water as part of their rent. Single family homes make up the bulk of Portland's housing stock but the proportion of multi-family is growing. In 2015, 84% of new housing production were apartments and condominiums and demographers expect this to continue. Insuring the discount program is effective is important since the demand for payment assistance is likely to grow. Although Portland's combined utility rates meet the federal guidelines for affordability rates are increasing and will continue to rise as the city begins to treat water to meet the federal requirements. Additionally as the graph shows Portland's poverty rate has grown since 2000. Our report contained four recommendations for the water bureau, first to continue to study how to extend assistance to residents of multi-family housing, The second is to collect and use the data to identify the disparity, develop and measure effective payment assistance objectives and options, and to tailor the outreach strategies. The third is to focus outreach for payment assistance on customers, most likely to be in need and eligible. And the last is to strengthen the training and program guidelines to ensure that the customers receive consistent information and awards of payment assistance. The water bureau recently announced a number of changes designed to address many of these recommendations.

Saltzman: I have a question. Do you want to go ahead and do all yours?

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Wheeler: I would like to give commissioner Fish an opportunity to respond prior to moving on.

Fish: I think we should do each one while its fresh because there will be a sea of information.

Saltzman: If I could ask my question and maybe that will inform your comments. I was struck by the statistic that a over the percentage of households that have had disconnections for 30 days, and the water bureau doesn't know much about those accounts. So has that changed as a result of the audit? Maybe that's a good lead-in to commissioner Fish but we should know more about this because 30 days without water is a very long time, and I worry if these houses are occupied or if they are occupied by families with children. In fact, when I was the water bureau commissioner we had a situation like that and we called the department of human services child abuse hotline because we felt that having water, no water is, is a form of child abuse and neglect.

Fish: Thank you Dan that's a helpful way to tee it up. As you know because you were previously the water bureau, a lot of these houses are abandoned houses. They are zombie houses, they're houses where we cannot locate someone who is a responsible party even when we send someone to the house. In light of this report we're going to do things differently so let me just address it specifically. First I want to acknowledge a year ago the water bureau put together a team to look at these questions and its been ably led by Liam frost and others. Second when the auditor's report came out it really framed and highlighted some of the biggest challenges we face so, I want to begin by thanking the auditor Mary Hull-Caballero and her excellent team, for the comprehensive and thoughtful Work that you did on this audit. Audits are valuable tools for the city to assess where we are and how we can do better, and I want to especially commend you for drilling down on the utilities financial assistance program and setting forth recommendations which we believe provide comments and guidance. As you alluded in your presentation, I have directed the water bureau and the bureau of environmental services to implement the recommendations and to work to increase the number of eligible customers that we serve. As part of the current budget process, our two utility bureaus are working with our oversight bodies, the Portland utility board and the Oregon citizens utility board to review and implement the important changes, including a new multi-family housing utility payment assistance program, this is a program which will get around the challenge that we face for years including back to Dan's time of not being able to offer the discount to someone that does not have a meter. Enhancing the program management and outreach with highly trained staff and increasing the existing crisis voucher and adjusting the low income discount to reflect the housing size. All of those came out of your recommendations, and auditor I want to specifically thank you and your team for the good work that you did and we will be having a work session, I think, in February to lay out the comprehensive response of this audit.

Hull-Caballero: Commissioner I appreciate your commitment to embracing those recommendations, I think they point out critical issues for the bureau and for the city and I very much appreciate that.

Fish: Thank you.

Saltzman: Is the water bureau analyzing the customer shut-off data?

Fish: We are implementing all the recommendations including collecting data on the shut-off data.

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Saltzman: So we know more than anecdotally that the households going without water for more than 30 days, I mean, you mentioned many of them were zombie or foreclosed homes, but do we know that?

Fish: We send people to a number of these homes to find out what the situation is. It's a large number of homes. We are in the process of collecting the data, so we can, we can be more effective in how we administer this, no one wants to shut off someone's water. Under the charter we cannot provide free water for an extended period of time to someone who doesn't pay for it and sometimes there are shell games played between landlords and other property owners and the tenants, and that creates a challenge, but we are in the process of collecting data, and we will have a complete report to council at a work session in February.

Wheeler: I want to thank you commissioner for offering up that work session, I think that that's a great idea, and I look forward to it and the auditor raised some compelling issues, and I see that as all of our responsibility.

Fish: The issue that has alluded prior commissioners in charge, which is how do you extend a discount program to someone that does not have a meter, because our program is pegged to usage. Without a meter, the alternative is really an entitlement program, and that has challenges in terms of the verification and the staffing and the like. As you know this is an area where we have been sued over these kinds of programs, so we have to tread lightly. We think that what we're going to be announcing in February is a significant breakthrough in how to target the most needy households, using our resources in a very targeted way, not creating additional bureaucracy, but instead using an existing program, and our lawyers say that it meets all the legal standards so we are excited and we'll be presenting that to council in February.

Saltzman: So at the February work session we will have the statistical data about households that have had their water shut off for more than 30 days? Are they occupied or not?

Fish: Dan you can send me a note with whatever information you want at that work session and it will be provided to you.

Saltzman: Okay.

Fish: Since this is the first time you expressed interest if you want to put in writing to me whatever it is you would like to see I would be happy to provide it.

Saltzman: I think the purpose of the auditor presenting audits to us as a council is to provoke some discussion about the audits and I think that that's what we are doing here, so I don't appreciate being told to send it to you in writing when we're discussing a topic here in public that I think has great public interests.

Wheeler: So, it sounds like in February we're going to continue this conversation, and it would be helpful for me. I haven't had a chance to sit down with the audit team on this particular issue. Commissioner Fish is saying that he has a proposed model he would like to bring back to the city council in February for conversations and I look forward to that and I think that that's great. I would be curious to know what other municipalities are doing, and I assume that you had a chance to take a look at the models and other parts of the country and perhaps even around the world or is that not true?

Scott: It's an issue that jurisdictions across the country have struggled to deal with.

Wheeler: Has anybody hit on an answer that you think is particularly germane?

Scott: I would have to get back to you on that.

Wheeler: Ok. That would be helpful, and maybe that could be part of the conversation.

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Fish: There is one obvious fix, which I am not suggesting we pursue, and I don't think that council would necessarily embrace, but we could mandate that there be individual meters in all future multi-family housing, the program from its inception has been pegged to usage and the discount then follows, and we have other things that we can offer people, crisis vouchers. We can do emergency things and we can replace toilets with low flush toilets, and we can do all kinds of things but once you get away from a meter, you are sort of entering the area of an entitlement program and administering an entitlement program on this scale requires a lot of resources, a lot of staff and very few jurisdictions have gone that direction. Having a mandate around individual meters potentially raises the costs of the construction for low income housing so there is push-back. What we are going to propose instead is using an existing program to get the dollars to the neediest people, the program that this council has previously embraced as an efficient way of reaching low income tenants, and again our legal team believes that this is a legal and practical way of expanding our discount program.

Wheeler: Not to get too far ahead of ourselves because I want to allow the team to get to February to make the presentation, but it sounds like having read the audit it sounds like that would be consistent with what you would be suggesting in terms of filling the hole?

Hull-Caballero: I think the recommendations in the audit are broad enough that they could encompass a lot of different ways to reach the solutions and we don't pick out any one in particular. So I would think that the work session in February would illuminate a lot of those kinds of options for the council to consider.

Wheeler: Great. Commissioner Eudaly?

Eudaly: I just wanted to thank commissioner Fish for continuing to pursue this issue. I know it's been on his to-do list for a long time to expand the assistance program. He very kindly invited my team to join in the conversation, and honestly, we couldn't come up with a viable solution either short of the one meter for every unit, which isn't necessarily feasible retroactively and possibly is cost prohibitive moving forward, and I would also like to say as someone who has struggled off and on to keep all of my utilities on and pay my rent that the water bureau, and I am not just saying this because you are my colleague, has been the most reasonable utility to deal with. So thank you water bureau for that.

Wheeler: Anything else commissioner? On this one?

Eudaly: No, we look forward to coming and make a presentation and answering all your questions.

Wheeler: And I want to thank the second commissioner Eudaly and commissioner Fish for having previewed this, and taking it seriously and I look forward to that February work session so thank you commissioner Fish. Next here, of the items.

Elizabeth Pape: Next we're going to discuss the audit of prosper Portland. My name is Elizabeth Pape a senior management auditor and I led the prosper Portland audit released in November. In 2016 prosper Portland owned or controlled 80 properties which generated \$1.7 million in net revenue, but by 2031 the agency hopes to increase the revenue to \$16 million. We reviewed prosper Portland's real estate management in 2016 to determine if the agency was ready to meet the income goal, to see if the practices aligned with the strategic goals and how staff oversaw the day-to-day management of the third party operators. We found that real estate management was not aligned with the strategic goals, and that there was limited monitoring of operators and this is a video to summarize our audit findings. So what we found was that at the strategic level the property, the property management was not aligned with the strategic goals. That there were not programmatic or income goals for each property or for the portfolio as a whole.

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We also found that prosper Portland had not regularly reviewed properties to, had not regularly reviewed properties to create financial goals, and one reason for that was that they have a financial investment committee, which is supposed to be charged with setting goals for properties, but they were only reviewing properties purchased and dispositions so properties that had been purchased before the policy went into place had not been reviewed, and about a third of the properties in the portfolio had never been reviewed by the financial investment committee. Lastly, there were no equity plans for the properties. One of the, one of the goals of prosper Portland was to increase equity, but they had not - they had a form and a policy to review all of the significant programs for equitable outcomes, yet they had not documented those conversations about their properties. At the more day-to-day level, staff had not performed risk assessments for each of the properties. One reason was that a lot of the properties had -- there really wasn't a high risk profile for properties at the time, this was sort of not one of the prosper Portland's main ways of making money, but as they transitioned into relying more on real estate income, they need to understand that the risk profiles are changing for the properties, and so they need to perform a risk assessment for each property, and then develop contract provisions related to budgeting, reporting and protecting the physical assets, commensurate with the risks of the properties and adequately monitor the third party operated properties. So what does this mean for you? I want to go back. As tax increment financing declines for prosper Portland, prosper Portland will need to make a lot more money from real estate if it is not going to rely on general fund appropriations, but it has to balance the demands of the financial self preservation with programmatic goals for equity. In the past without financial goals, the real estate portfolio generated less than a ninth of the revenue required in the future and in the past without a focus on equity, the agency contributed to gentrification and displaced communities. So we recommend that the prosper Portland create program and income goals for each property, schedule regular reviews by the investment committee, document equity considerations, and at a day-to-day level perform risk assessment, develop contract provisions related to risk, and monitor the third party operated properties.

Wheeler: Thank you. Very good, and colleagues I will just draw -- I won't belabor it but there is a four-page response to this in the back of the audit that I jointly signed along with Kimberly Branam the director of prosper Portland. The long and short of it is we agree with the audit findings and I'm pleased under directors Branam's leadership we've already begun to address many although not all of the issues and we're committed to this. I would encourage you at your leisure to read the letter as well.

Fish: Can I ask a question? Can we infer from this audit that if these recommendation are adopted and there is a more robust accounting for the properties and the kinds of things that you recommend that you see no impediment to prosper Portland continuing to change its business model i.e to become more of a property holder and income generator. So your taking no position on the question of the mission and the future direction of the bureau which increasingly is designed to provide a sustainable funding source so they can do their work. Your audit is limited to how they manage their existing portfolio is that fair?

Pape: I think that's how I would describe it, our audit scope was limited to how they're managing their portfolio and I really couldn't comment on the rest of their --

Fish: The larger policy issue?

Pape: The larger policy issues, yes.

Fish: Thank you.

Wheeler: I'm sorry I feel like you deserve more credit, thank you I thought it was an

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excellent audit and I appreciate it and it was very detailed and I think you focused on the right issues and you provided the details in a way that made it I think easier for us to respond thoughtfully to each of the comments that was made. So thank you for that. It was an audit very well done.

Kari Guy, City Auditors Office: And she can present on the fly when the slides don't work. That's worth a lot.

Wheeler: That's for sure.

Guy: Back to housing, the housing follow-up audit was released yesterday. In 2014 we conducted an audit of housing bureau's housing loan programs for multi-family housing and one finding from the audit was that the annual review process wasn't working well. The loan payments were inconsistent and there was a backlog of inspections and reviews weren't timely. Housing bureau had recognized the same problems when we were doing that audit and they already started to work to improve it. So we followed up this year, actually last year, to see if the annual review system had improved and it clearly had. Housing bureau now updates the policies that guide their annual review periodically to address emerging issues and those guidelines are approved by council. The most recent ones you approved were in November, so as things change they are updating their policies. They have also created better tracking systems to ensure timely review and they perform trend analysis by borrowers to do sort of a early intervention, early warning if there's financial problems emerging by borrower. A housing project they also examined detail in three areas, the want to make sure the property serves the intended population, that's its maintained in good condition and that it remains financially viable and is current on loan payments. During our audit housing staff were still working through a back log of reviews, some issues such as the methodology around calculating cash flow payments continue to cause challenges and monitoring resident services may need a little further adjustment, but clearly they made significant progress across the board and moving forward we just encourage the bureau to consider the annual monitoring requirements at the time of project approval for any project and make sure their staffed up to do that annual review.

Wheeler: Well again thank you for a very thorough audit and a good follow on and I want to thank everybody at the housing bureau who's been working tirelessly to improve the monitoring of city investments, I'm very proud of the work they've done obviously this is a very positive audit and report and I look forward to even more progress in the year ahead. Thank you for a great follow-on.

Saltzman: I want to thank the auditor for doing this. I really think this is a great innovation of you bringing your audits to the council, to the public, and in the full light of day talking about them as you can see sometimes it causes us discomfort and to me that's a healthy thing. I think your topics, the audit services topics of audits are well chosen, timely, and insightful. I thank you for doing this and look forward to the next presentation.

Hull-Caballero: Thank you. Can I point out one thing just to follow up on your comments commissioner? The prosper Portland audit is an example of what these be opportunities I'm looking for where we can do what we call readiness audits, is the city ready do something like the Portland building renovation or prosper Portland put a lot of work into creating a strategic plan which we always think is a great idea. And when they identified the direction they were going to head, the point of that audit was to say are you ready to do that? Are you on the path to achieve your goals? I think those are examples that are a little bit different for auditing. Normally we're a backward looking organization and the housing audit is a more formal audit than we normally do, normally we check back with

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management, how are you doing on your recommendations, are you implemented, are you in process. What I would like to do is pick out a handful of audits that we've done in the past and circle back around and do a formal review of the work and to produce a report so we can have some continued conversation. I think the housing bureau deserves credit for really putting in a lot of work to implement those recommendations and we really appreciate that.

Fish: I want to add a comment, I have been here long enough now that I can remember when an audit issued particularly an unflattering one and it got filed some where, collected moss and there were stern looks in the building when people from your office came into contact with other people. That's changed and I think it's changed because there is a much healthier and more respectful relationship between the council and your office. It's changed because you fought for and were successful in achieving independence for your office, which was frankly long overdue and with that independence came a clear demarcation of lines. It changed in the willingness, the receptivity of you and your immediate predecessor to consider doing firmer audits to affirmatively help council deal with some difficult issues. I'm thinking about the spot audit or I don't call it spot audit, but the single issue audit that was done for example of cost overruns at a bes building. When that audit came out and it produced a lot of discomfort, especially at a work session where we had a chance to have the auditor at the table to discuss the results and out of that came a series of very significant actions that were taken to address those problems. Most recently with big changes occurring at the regional arts and culture council including a leadership transition I want to thank you for being receptive to the request that the mayor and I made that you consider a performance audit of them. There's never been one done and there's nothing like a leadership transition period I think to make it additionally relevant. The new leader will come in with an audit, good, bad or indifferent that will help that person be successful. There has been in my opinion there's been a significant shift in the tone of the relationship and I consider that to be a leadership issue and I credit you and the mayor for that. It's not always been so in this building and I think the fact that the fruits of that is that there's now I think a well established pattern of embracing the audit, embracing the recommendations and then doing follow-up to see if we get it right. More of a partnership even though obviously you're an independent officer. I want to thank you for that.

Hull-Caballero: Thank you, commissioner.

Wheeler: Very good. Thank you. I'll accept a motion.

Fish: So moved.

Fritz: Second.

Wheeler: We have a motion from commissioner Fish, a second from commissioner Fritz to accept the report which are the collective audits from the office of the auditor. Please call the roll.

Fritz: I join my colleagues in thanking the auditor for not only for these excellent audits and thank you to the staff who have done them, but also for bringing these reports to council for public review and discussion. I share the mayor's value of vocally discussing the findings. I remember back to the November '16 audit of the office of neighborhood involvement and it would have been so great to have had the conversation about that audit. Obviously with the timing at the end of that year and changeover in administration and also that was before the auditor instituted this practice that didn't happen leaving only the option of dueling back and forth letters or in the press, which neither is which I have never engaged in or tried not to. So I think this is a very constructive way to improve the

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city's processes and to provide accountability and to have that respectful relationship between the independent auditor and the members of council. That is the way it should be. Thank you for all you do. Aye.

Fish: Four years ago when we had another change in the mayor's seat, it's my understanding that the then auditor and the new mayor did not meet until in the fall of the first year. If that's true, it is quite a statement. I know, mayor, that you made it a priority when you came into office that you met with the independent auditor as soon as you entered office and I know that you had some conversations about how you wanted the relationship to work. I think it has had a significant impact on the way in which the auditor's office and the council has interacted. There were some hearings last year that I thought were deeply regrettable that were highly personal and that resulted in a kind of a public I think scratching his head wondering why was the council and the auditor's office at each other's throat when in fact the auditor performs an essential function of providing independent oversight. I believe the reforms that voters adopted have made clear that they want that enshrined in perpetuity. At the end of the day I think leadership needs to be called out for changing the relationship and the tone and as a result these audits are being brought forward, being acted on in a timely manner and at the ends of the day that's good for the people we serve. I want to acknowledge and thank you for that. Aye.

Saltzman: Thank you. Aye.

Eudaly: Thank you, and it's not very often that someone says they look forward to being audited, but I truly do. I think the auditor's office is able to take the kinds of deep dives that we don't necessarily have the time to do, especially if a bureau is not in our portfolio it's also extremely helpful to the public to understand what's going on in the city. So yes. I look forward to -- let me know if you're going to audit one of my bureaus any time soon. I look forward to meeting with you. Aye.

Wheeler: Commissioner Fish is correct that I have a particular view of audits I think they are a critical management tool. I think in the absence of objective third party viewing what it is you do and why and how you do it, it's very hard to evolve. You really need that outside look in. In fact, commissioner Fish, I believe I met with the auditor two or three times before I took office and in fact in terms of framing the issues for my administration relied heavily on the audit reports by the way all of which are available upstairs if people have an interest the auditor keeps a collection by the front door. For the most part it's really excellent reading. I want to be clear, I don't always agree with all audit findings and if I get to those types of situations I'll be very clear about it. As the auditor herself said it's very important that we engage in these conversations and that we have these discussions in public and as commissioner Fish rightly pointed out it was a very important thing that this city council did and the public did to give the auditor heightened independence. I think it puts us in good standing to say that we truly do have an independent third party looking over our shoulders. Again, I'm very happy with the work that the housing bureau has done. It was a great audit, the audit of prosper Portland, which is in my portfolio, has a lot of challenges in it. Not the least of which is the tif cliff but also there are issues around managing the real estate portfolio. There are issues of development, there's issues of capacity and there are core issues around strategic direction. All of those things which we look forward to addressing in the future. Thank you, madam auditor, thank you to your team and I vote aye. The report is accepted. Colleagues we'll go to items 12, 24 and 25 in that order, please.

Item 12.

Wheeler: Good morning.

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Kari Koch, Office of Neighborhood Involvement: Good morning.

Wheeler: Good morning, thank you for being here. We appreciate it.

Koch: Yes. I'm Kari Koch with the office of neighborhood involvement, the Portland united against hate program, which is a program, a community led coalition to track, respond to and prevent hateful incidents in our community.

Djimet Dogo: I'm Djimet Dogo director of Africa house. I take this opportunity to thank the mayor and the commissioners and also thank you for giving us this opportunity to help not only Africa house but our community to rise against hate crime and assure that the core American value is also enjoyed by our African refugee community.

Wheeler: Very good. So this item was pulled by a citizen so I'm not sure exactly what their question was. If you could just cool your heels for just a couple of minutes we'll let him testify. He may have follow-up question that council needs to ask. Thank you for being here. Was that Mr. Walsh? Come on up.

Joe Walsh: My name is Joe Walsh. For the record I represent individuals for justice and before I forget, a reminder that when the bureaus bring up power points, if they don't use large letters, a large portion of your viewers will not be able to read what you're talking about. So I watched it again today and I would say 25% of the power points I could not read. I always use myself as an example because I have reasonable eyesight at my age, but there are a lot of people that are sitting at home that need to know what you're talking about. So again I would ask you to do that. Now to the item at hand, we honor these people again. It's not the giving of the money that we object to, it's the consent agenda. Once again, you put it on consent agenda and for the viewers and you can correct me if I'm wrong according to the charter consent agenda there's no discussion. In other words, if you wanted to give me \$100,000 and you had the vote and you put it on consent agenda nobody watching this would even understand what it was. I would just get the money. That's unfair to your constituents. They pay this stuff and the taxes so they should know where the money is going. If you're going to give 30 here and 50 here and 100 here pretty soon you're into serious money. A lot more than I spend for lunch. That's what we're objecting to. We have objected now for ten years. On deaf ears. However, there are a few council members that are not here. One mayor not here. Understand what's going on, people are beginning to wake up and to pay attention. You're right, commissioner Fish, at one time it was kind of dusty nobody was paying attention. For whatever reason, you can blame it on the national, the state here, county, people are paying attention. I have people come up on the buses and say, thank you very much. I also have people come on the buses and say when are you going to shut up? So I get both. My point is people are paying attention. Whether they agree with you or not they are paying attention and we want to honor these people. We want you to bring them in and say we're giving you \$30,000 because you're doing great work. This is the reason why. Don't do it under the table because every time you do it we'll call you on it.

Wheeler: Commissioner Eudaly.

Eudaly: So I want to – you can have a seat, Mr. Walsh.

Wheeler: Thank you for your testimony. Commissioner Eudaly.

Eudaly: I would like to --

Walsh: I know how you work.

Eudaly: You're interrupting me.

Walsh: You say things and nobody gets to respond.

Wheeler: You had your say. Commissioner Eudaly has a say.

Eudaly: She's not supposed to comment. It's allowed but she's really not supposed to

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comment.

Wheeler: I'm the presiding officer and I have decided she may comment.

Eudaly: I know.

Eudaly: I do believe we're all entitled to discuss and deliberate on these items.

Walsh: Be quiet.

Eudaly: He's disrupting and I have had it. Can you let him know?

Wheeler: Go ahead.

Eudaly: On October 25th we discussed item 1164, where we accepted the recommendations of the special appropriations committee. It included the list of recipients. It included public testimony. So what we were doing today is authorizing the grants, which is merely a formality, because these grants have already been awarded. I will say that I do think the city could put more effort into letting the public know a little more about the recipients, about how the funds could be used, and about how they can find additional information, so I have requested at least for grants pertaining to my bureau one that we do that and we post those online and I'm going to suggest that we consider doing that city-wide. There's really not much reason not to. People have a right to know how their public dollars are being spent. It would be a benefit to the recipients. The public know they exist and know more about their efforts so I think that would be a worthwhile endeavor, but we did hear 1,386 items last year. Some of which were on the consent agenda, many of which were pulled. We don't have time to give to every single item that comes before council and that is why things go on the consent agenda.

Wheeler: I'll second that and point out there already was a public process related to this issue. That is why it is on the consent agenda, but I also want to point out the individual sitting over there at that desk. He does not sit there for no apparent reason. He sits there to make sure that this council is abiding by our ordinances and our policies and procedures and laws. They sit there mostly quit quietly, but as many know when we have done something procedurally incorrect they are the first to stand up and say stop, you cannot do that, just so people watching understand. Item 14. I'm sorry, forgot the vote. Most important part. Please call the roll.

Fritz: Well, yes, there was a public hearing to assign these grants and I appreciate Mr. Dogo was here for that and is here again. Thank you for your time coming back when you have many other things to do. I also appreciate the details in the grant agreement including a plain language attachment that says what the scope of work is and what you're going to do in return for the \$17,500. Anyone who is watching at home wants to know it's clearly linked from the consent agenda calendar so that what I would appreciate is if people have questions about something look it up. If you don't have internet access you can call one of our offices and we can help explain it beforehand if you have questions. That's how you find out more about these things in addition to having been at the public hearing in the first place. The important thing Portland united against hate and Africa house are partnering to get some very needed assistance to the community. I appreciate that. Aye.

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

Eudaly: Thank you for coming in on such short notice. Aye.

Wheeler: Aye. Thank you. Thanks for the great work that you do. Item 14.

Item 14.

Wheeler: Again, this is another grant that's already been publicly vetted, but Mr. Walsh pulled this as well. What would you like to tell us about it?

Kari Koch, Office of Neighborhood Involvement: I'll introduce myself again Kari Koch,

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staff of Portland united against hate the office of neighborhood involvement.

Suli Manor: I'm Suli Manor community engagement specialist at ayco. I thank all of the participants of this program, those have been done and same thing for the city of Portland, the mayor and the commissioner. So I really appreciate you giving me the opportunity to participate through the due process of the system.

Wheeler: Thank you. Colleagues, as you know we have a large number of African immigrants in our community and that's growing by the day. This council has made the decision that it is very important for us to be able to work with and communicate with that community on a culturally specific basis and this is one such grant that allows us to do that as was the prior. Thank you. Mr. Walsh, you're up.

Joe Walsh: For the record my name is Joe Walsh, I represent individuals for justice. Once again, your constituents should not have to be research people. You should explain it to them and if you can't explain it to them, you should get out of office. You shouldn't tell them here's a link or you can find it here or we had a meeting and we decided to do it here. You didn't decide to do it there. Would you please clear up this? This is the authority. You approve here. People that send you stuff recommend it to you. Make it clear to your people that are watching this, it's fuzzy, you keep fuzzing it. It's like an old tv that you can't get the correct picture on. So when you say I had meetings and we had 180 and we had this and we had that, the people that are watching this and your constituents don't know what the hell you're talking about. They are looking at you now, currently. They are saying, wow they are giving \$17,000, \$30,000, \$50,000 and if I didn't object to these they would never have heard it because it was consent agenda. The reason that we keep bringing these up and we will continue to bring them up is we force you to talk about them. We force you to bring people in to explain it. If you don't know what it is we would take your word if you could explain it, mayor. You don't have to get staff in here. Just say these are good people we're giving them \$17,000 to run their program. Cool. Bring them up. Let them accept it. That's what we're saying. We're not criticizing these people. These are great, noble people. We like them. Honor them. Don't do it under the table like you do the other stuff. Wait for the big stuff. By the way --

Wheeler: Your time is up. Please call the roll.

Walsh: My time is not up according to that. You constantly lie. Why do you do that?

Wheeler: Please call the roll.

Fritz: The purpose of pulling this was to get more attention on the actual issue I want to point out there's an excellent attachment a, this was discussed in the previous hearing. I think many of the people I see in the community are very capable of remembering from one hearing a few months ago to this one to understand what we're doing here, but this particular project is I think fantastic, the person hired by the African youth and community organization will develop expertise as a community advocate collaborating with others to develop protocols for developing information, reporting and developing an appropriate response to hateful acts, this person will be fluent in Somali and/or Swahili. I think we have to remember that people are not always confident that contacting the government especially in these times is the right thing to do and when people have come from other countries where it was not the right thing to do what they need to know who is the person in the community that they can trust to find out if this something that I can get help for without reporting it and this is what this grant will do. Thank you for your work. Aye.

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

Wheeler: I have now explained four times to Mr. Walsh that these are items that have been previously heard in a public hearing. They have been discussed. They have been

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vetted. The people who have had to come back today as these items have been pulled have now testified again. So I will simply say this one more time so the people at home are very clear. You are incorrect these have been publicly discussed. I can repeat it four times -- [shouting] at the end of the day I cannot comprehend it for you. [shouting] I vote aye. It has been approved.

Walsh: You lie.

Wheeler: I do not, sir. Next item. 24.

Item 24.

Wheeler: Yes. Commissioner Fritz would like a point of privilege.

Fritz: Mr. Walsh is just about to leave, I just need to note that this item has not previously been discussed. That's why it's on the regular agenda and we're about to get a presentation on it. Thank you.

Wheeler: The item provides much needed funding for life works northwest for the new options for women program otherwise known as now. It provides trauma informed care and services to women in Portland to help them leave the sex industry. In the past years the city funded the now program through a combination of ppb, general fund dollars, and the u.s. department of justice Edward Byrne memorial justice assistance grant program, the jag program grant funds. The now program has not received jag funds for this year and will be unable to provide these necessary services to our community without the funds we're discussing today. I want to thank in particular commissioner Saltzman for your leadership in ensuring this exemplary and necessary program receives this critical funding. Thank you to life works northwest for the incredible service that you provide to our community every day. We're very appreciative and grateful. Commissioner Saltzman.

Saltzman: Thank you, mayor. I think you well described the situation here as we know sex trafficking is a significant issue plaguing communities across the country and Portland is not exempt from these tragedies. New options for women is one of the only organizations providing services to women and girls who have been commercially or sexually exploited in the sex industry. We can't allow critical community organizations and the most vulnerable members in our community to suffer from failed leadership at the federal level and that seems to be what's happening here. Failure to respond or failure to come through with funding is the same thing as neglect. So I want to thank you, mayor, for your team's work on this and I also want to thank Portland police bureau, new options for women for doing this work. We have here Kristin Williams, the program director for new options for women and officer mike Gallagher, its mike, right?

Mike Gallagher, Portland Police Bureau: Right.

Saltzman: This is Mike here my talking points who has been doing tireless work as the preeminent officer in the Portland police bureau working on sex trafficking. I appreciate your work.

Gallagher: Thank you.

Kristin Williams: I feel like you covered everything I was going to say so thank you. I'm Kristin Williams, so thank you for having us today. Just in general a little bit of what you didn't touch on life works northwest is a nonprofit agency that serves the tri-county area. We serve over 19,000 annually with prevention mental health addiction services across the life span, so the new options for women is within that age agency. so this was eloquently already said, I'll briefly review. We provide a mental health addiction and case management services to adult women 18 and over affected by the sex industry in Multnomah county and we have partnered with the city since 2008 providing these services so thank you for that. In what this program there are so many unique aspects of

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this program and several I will touch on today is that every woman that comes into our program is not served by other services. We're the only program I'm aware of serves adult women and case management services over the age of 18. We have a robust sexually exploited children service network in the city. When they turn 18 it drops off and the now program is the catchment for and has been for adult women. So every woman that comes into our program receives a mental health assessment, chemical dependency assessment and case management assessment by a peer mentor who has been a part of the life who has been within recovery themselves. Everyone receives an individualized treatment plan to help address whatever barriers it is keeping them affected by the sex industry. I wanted to just share that. We have a unique approach because of our relationship with the Portland police bureau and sex trafficking unit where we can work outside of the box because this is an outside of the box issue. So we're able to do things such as get women in the same day we try to get them in within 48 hours of contact because that is the really vulnerable time. We're able to address basic needs, comprehensive case management so if they don't have identification or birth certificate, things like that and work with the Portland police to address their needs. We also are able to the now program holds the sex buyers accountability diversion which mike will speak more about, that's a diversion program that addresses the purchasers of sex. We wouldn't have these women coming into treatment if we didn't have the purchasers on that side of things. This funding would help keep that vital resource to our community going. There are so many things I would love to speak more about the program. One thing I do want to say that is with our data we have seen a few years ago we really addressed and focused on the 18-25 year old population, that kind of transition aged group. We have seen the average age of women in our program go down, which is great. That means we're connecting with them and they are accessing resources earlier which can diverse their life course so they are utilizing resources less by being in the system, the recidivism of being rearrested, things like that. We do see that as a great statistic, it used to be 48, 46 average age, now the first quarter of this fiscal year 31 was average age and 13 of our participants of the 37 were between 18 and 25. That's an increase, which is letting us know on the treatment side that we are connecting to these women earlier to redirect their treatment. I'll turn it over to mike.

Gallagher: I'm mike Gallagher I work with the sex trafficking unit and have been involved with them since inception eight or nine years ago. What is very unique about Portland is that we do have a partnership with the life works program and I have traveled and our team has traveled across the country to conferences and training. We're one of the few major cities that has a team that partners and when we say partner we talk two to three times a week about the women involved in the program, about the dynamic resources they can provide and maybe someone has a job and can't go through the program they need. Working with us we come up with creative ways to help them work through that program to provide them the help that they need. Our approach eight, nine years ago when we got started was livability issues, to get the women off the street so the neighborhoods can enjoy the life of the neighborhoods and our focus has changed because of the evolution of prostitution has gone to the internet now so we have the street level problems. We have just as big a problem now but it's behind closed doors and the public doesn't see it, but we still have the need for life works and other partners we work with out there. We changed our focus to a lot of education, providing resources and education piece comes to that buyer and that's at Johns school, we're very proud of what it looks like. This year we had close to 180 men go through that. I have provided you some of the comments that we receive at the end of that class about 80% of the men that go

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through the class roughly write positive comments about attending the class and how it changed their mind set about purchasing sex. Our recidivism rate is very low, we catch the occasional man that does repeat and you're just not going to change those men, but for the majority of men that go through that class they look at prostitution entirely different by the end of the day. We partner with life works to put that class on. At the end of that week that we do that class we all get together, the partners that taught the class, talk about how it went, changes made, the class is evolved over the years to be very proactive as far as education, having them come out to write comments like that instead of feeling they have been belittled or forced to go to a class like this. So, by continuing to support life works and the type of work we do and the partnership we have is essential to helping the women get the help they need and educate the public and the men that are buying to stop this.

Fish: Could I ask a question or two? At the end you used the name mark, blowing your cover for now. I'll refer to you by your actual name. We have an explosion downtown of new hotel beds.

Gallagher: Yes.

Fish: Are you getting the cooperation you need from the hotel companies in terms of reporting suspicious activity particularly when there's sex trafficking of minors?

Gallagher: There's a twofold answer to that. The answer is yes, we have several hotels that work with us very closely to combat the trafficking issue, let us to missions in their hotels. We also put on hotel education. We're putting on one January 19th and invite every hotel that wants to come to it as far as to identify trafficking, what they can do, who to report to. There's obviously some hotels that don't want to assist but we're working to try to educate the people in in the hotel industry how to combat this, when to report, what to look for. The answer is a majority yes with a little bit of no there.

Fish: My second question is now that I live downtown and do a lot of walking I have to say I come into contact with a lot of people that in my uninformed way that strike me as it is likely if not possible if not likely that one is a pimp and the other one is an under age prostitute. While I think we have to be careful about doing any kind of stereotyping, it's the kind of mark there's I look for is huge disparity of age, abusiveness in the relationship, one or both seem to be high on drugs and other indicators that just scream this is not a healthy relationship, something is going wrong here. What kind of cause do you need to actually go up to a couple like that and seek identification or ask questions or conduct even a kind of preliminary investigation? What do you need to document in order to make a contact?

Gallagher: That's a good question and some observations you're making are what we're looking for. Law enforcement in generally think has done a poor job in the past of educating officers what to look for and what questions to ask and look beyond the obvious. We're trying to work on that. We hold training for our officers to what to look for and when to report. We also are working closely with, dhs, we are doing training with them in march to help educate them in what to look for in their case management and another state wide training going one with dhs right now that we're part of. Cause they are mandatory reporters to when to report and I have seen our tips is what you want to call it increase because of the education we're putting out there. We're working on it it's a long process, but we're trying to change the mind set of officers that this is not the victimless crime that people in the past have thought it was and we're doing the best we can with limited resources we have to educate the public and get them to call in and report those things.

Fish: I have seen a lot more people downtown who match what I would say is a

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suspicious profile and it seems to me whatever the law allows to make a contact and then ask for identification to see whether someone is under age, see what the relationship of the guy is and if it's not a family member, inquire. I think there's a lot more we could do and this may be less visible in terms of how we use internet and other kinds of things, but I'm seeing on the street level a lot more suspicious parents. If you listen to the way people deal with each other and the communication and the threat and violence and things like that, something is wrong. I hope our officers have the tools to do a friendly intervention just to get some information, see if there's a problem.

Gallagher: One thing the police bureau we're talking to our training division is putting together a video like a roll call video to put out to officers to address exactly what you're talking about. What to look for, when to ask, that relationship, why it looks astray than what a normal relationship might look like. We talked about that. We talked to the i.t. person on the training division we just have to get that in place. That's one thing we're talking about doing.

Fish: Thank you.

Saltzman: I believe you're working with the bureau of transportation on educating private for hire drivers, taxicab drivers, Uber and Lyft drivers about what to recognize as far as sexual exploitation as well.

Gallagher: We have had several tips already for drivers picking up women and dropping them at houses that don't make sense. We follow up on those when we get those.

Fritz: Is it sergeant Gallagher?

Gallagher: Officer Gallagher. I like staying where I'm at. It's a very fine place.

Fritz: I think that's actually part of my point that for nine years you have been doing this work and I believe you do it because you're able to make it a holistic and very positive experience, something that would be a very difficult thing to deal with for me for even one day, the same for new options for women. So thank you for doing that and your willingness to be dedicated to that. You mentioned limited resources. What more resources do you need to help get the information out to the public about the resources and the bad behavior?

Gallagher: I think everybody is aware that all police departments across the country have limited resources. The hiring thing but Portland is working hard on getting those and I think and that believe when we do get staffing up to levels that are needed that we will have additional officers that can investigate these crimes.

Fritz: Specific to your program in terms of publicity of the things we could fund in the meantime? You mentioned about getting the word out to the public. Are there things we could help with that would reduce the number of people that you would need to enforce?

Gallagher: We work with a lot of ngos, nongovernment groups, that are doing an excellent job of helping us. The rotary is one of them that has done an excellent job helping us with hotel training, putting ads on buses about trafficking and different things their doing behind the scenes they are handing out bars of soap with the national hotline that go into hotels in the area. They are handing those out for free. There's a group called epic that is men that are targeting the buyers that are doing an excellent job of getting information out and these are all groups we work with. There are probably things thinks I'm not thinking of right now that we could do but we work with a lot of groups that want to help that are providing us assistance to do what we need to do.

Fritz: I remember coming to one of your community meetings with all your different partners including faith community's who are doing things like buying a plane ticket to Utah. I remember one meeting I went to for a woman who just needed to get back to her

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family. Our new colleagues have not intended one I would really encourage you to do so. It's heart-warming to see community response to a challenge like this. Thank you again for your leadership, both of you.

Gallagher: Thank you.

Eudaly: Mayor, I'm just curious how do the women connect with your program and is it voluntary?

Williams: That's a great question. There are multiple ways over the years we have adapted to the needs of this population for a reference source. More and more we have women who are self-referred, so they are connected by a community partner, we have a very robust network in Portland for this population. We do have many voluntary people who just come in. Historically this program was designed as a partnership where the women were arrested and court mandated to treatment and that shift has changed as officer Gallagher has shared. We have probation officers who for other things that they are on probation for identify that this person has like these red flag behaviors and they refer them to us. Also we have community partners, people who age out of other services, people come in life works is a large agency, they come into other service areas and are identified and referred over. There are quite a few resources and we actually the reason I wanted to point out that everyone has an individualized treatment plan. It's not just everybody has to do all of these things, it used to be that way when it was more cut and dry arrested, referred and it's adapted to the issue as we have learned about it over the years and the need has changed. So now we identify what they need. If they really need case management because they are homeless and they have no identification, they have not had regular access to health care our case manager focuses on that. If they really need the chemical dependency, their addiction is the primary thing we focus on that. We do tailor it to that. I have to credit or partnership with the Portland police bureau because they supported the treatment side. We know treatment is that intervention that can reduce that recidivism and we're always going to have those people that recidivate I'm not going to ignore that data point, but the treatment of having people address the complex trauma that we often see as wrongly diagnosed as some other diagnosis we can really address that, then the rest of it kind of can fall into place as a treatment provider. There's a lot of components that go into it. That's our approach as we look at what that person needs and address the barrier so we can change the trajectory which then changes how much city resources they potentially utilize which reduces the cost in the long run to the city which is a benefit.

Eudaly: Thank you.

Wheeler: Very good. Any public testimony? Very good. Come on up, gentlemen. Thanks for the presentation. Good morning.

Craig Rogers: Good morning my name is Craig Rogers. I really appreciate the work that officer Mike Gallagher does. I have known Mike for many years. He was our police contact for Mill Park neighborhood association and whatever he gets involved in he's very committed. Mayor Wheeler, as I understand it, one of the places you set your desk up on a corner when you were running for election was in the Monte Villa neighborhood. It's a wonderful business community down there. I do believe that Mike Gallagher was instrumental in cleaning that up. I knew what it looked like before.

Wheeler: It's thriving today. Absolutely.

Rogers: What was going on this. This one area that I have come down and continually talked about, that hillside, Mike knows right where that's at and you see that street, Salmon Street, that's right behind my street, I believe it was probably backpage.com and

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car dates going on there and trading sex for drugs and it was really bad. I just happened to be here when mike is here today. I always come away from here learning something more and I really process and digest what happens down here for days. So this has bumped me forward just being here while mike is here and learning and listening. So I really support this program that both those people are involved with. Thank you.

Wheeler: Thank you. Appreciate your being here.

Shedrick Wilkins: On a state level I want to say I support the measure 101 and I'm trying to give you reasons why relating to the constitution.

Wheeler: Your name for the record.

Wilkins: Mr. Shedrick. Okay. Health care on the Oregon health plan is needed for example if there's sex trafficking. That person might get a prescription under the Oregon health plan for penicillin for things and that could be annotated if she wishes to file charges or escape this life-style. Commissioner Saltzman mentioned about how they cut people's water off the children might have dehydration and that would lead to child abuse charges. That's a police issue as well. I'm just saying that when you have the Oregon health plan doctors can examine people, women, children and we can get some sort of no subjective things. This doesn't really hurt the person or whatever. A doctor can say, yes, it does hurt a child not to have enough water. Yes, a woman may be having expenses for prescription drugs from diseases from sexual trafficking. It's very important that I think measure 101 passes. There's been cuts federally aid to health care. Also if it doesn't pass I really have a real problem I'm going to talk next month on water. Again I can't really believe in Portland, Oregon, in general if you're not getting any medical information. People shouldn't have to charge for this information. If they charge they may not report it or not report it or get examined so there's no evidence of anything. If 101 doesn't pass you got a lot of people that say kids aren't getting enough water or women aren't getting medical care. I have no idea what anyone is talking about because it costs people money to go see a doctor. If it's free for low income people on the Oregon health plan they can see a doctor and that information could get to the police.

Wheeler: Very good. Colleagues, any further questions? Please call the roll.

Fritz: Thank you, commissioner Saltzman, for noticing this need and getting this appropriation, its amendment to the contract which is why we can do it in one shot today. I would have to just say that preserving the money for this program is the vote that I'm perhaps most proud of in the last nine years on council. Commissioner Saltzman and commissioner Fish will remember in 2013 we were cutting \$25 million and mayor hales did not include funding for this program in his budget and so I voted against it then had to change my vote and we then appropriated the ongoing money for budget adjustment and it's so necessary. People ask why is the city responsible for funding programs for survivors of human trafficking. That is not a county service. The answer is yes and it also does impact police service and public safety, so that's why it's also a city's responsibility. It's not an issue that one jurisdiction can take care of all by themselves. It's not only public jurisdictions but it's also requiring a community response. Previously I have been averse to the concept of the so-called johns school for sex buyers. The presentation you gave today, officer Gallagher, noting that so much of this sex buying has now gone off the street and into the internet and its back rooms. The program making the buyers get together and see each other as well as see the women and giving the women an opportunity for the restorative justice of sharing their stories and how it impacted them, that now I understand is more of a holistic approach and perhaps even more needed today than in the past. Thank you for coming to explain that. Thank you for all that you do.

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Aye.

Fish: Aye.

Saltzman: Well, I want to thank my colleagues for supporting this effort. As I said this is not a failure of the city. We continue to provide funding and we did have one brief hiccup which commissioner Fritz ably took care of in 2013, but what's happening really is the federal government is stepping back from its commitment. I can't put words in their mouths but this is what seems to be going on and we need to make sure this service that's so critical to so many women in our community is preserved. I just want to thank life works for their great service. I want to really thank officer mike Gallagher for his great service to the citizens of our city and residents of our city and his focus and attention on sex trafficking is both commendable and very much appreciated by all of us up here. I just want to close by thanking tea Williams of my office for sort of taking this issue and not letting it, the lack of federal funding coming through and not letting it get in the way of us acting here today to appropriate some money from our contingency fund. She was the set of ears that heard life works and sort of set in motion the wheels leading to the decision we're making today to step up with our funding. So thanks to Tia as well. Aye.

Eudaly: Thanks for the presentation. Aye.

Wheeler: Well, this is a great program. I'm the Johnny-come-lately here but commissioner Saltzman, I certainly read about your efforts about this program a number of years ago. It's a fantastic program and life works is one of the great service providers in our community. Kristin, thank you for coming in and presenting the now program. It is a wonderful program and it truly targets the most vulnerable of the vulnerable in our community and gives them hope and gives them an opportunity for something better. Officer Gallagher, thanks you're yet another example of somebody who works for the bureau who does fantastic work. Often it's thankless and sometimes it's less than thankless but it's duly appreciated here. Thank you for your leadership. I vote aye. The ordinance is adopted. Next item, 25.

Item 25.

Wheeler: Very good. Good afternoon. Good morning. Still morning. Barely.

Randi Selleck, Office of Management and Finance: Good morning commissioners, good morning mayor, my name is randy Selleck, construction project manager with omf. I have with me Elshad Hajiyev a senior business operations manager with bds. This amendment is for our 1900 building rest room upgrade project. We have an addition request from bds to have finishes be included in the project originally in our ada project it was really just addressing the ada needs as well as energy efficiency. Doing that we have affected a lot of the rest rooms. They will be getting new sinks, new counters and it was brought to our attention that perhaps we should consider a renovation to remodel of the rest rooms. We got a ballpark estimate from the architect to make a decision on that and bds said they would like to pay for it and move forward. This is for design services for finishes for \$5,180 I'm also including a \$20,000 add should with need it for future on the design project. We are getting close with this finishes portion to finishing our construction documents with the hope that we'll be able to place it out for bid in the spring. Any questions?

Wheeler: I don't see any. That was very succinct. Is there any public testimony on this item?

Parson: No one signed up.

Wheeler: Please call the roll.

Fritz: Thank you for your work. Aye.

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

Wheeler: Thank you for your patience as well. We had five presentations today where the same guy was asking when you guys discuss these things in public and he gets up and leaves when we actually having the public discussion.

Selleck: It's about the toilets nobody is interested in toilets.

Wheeler: I have no doubt he will be back next week wondering why we're approving these things. Any rate I vote aye. The ordinance is adopted. Thank you for your work on this. Next item, 26, please.

Item 26.

Wheeler: Commissioner Fish.

Fish: Thank you, mayor, colleagues. This ordinance moves a portion of the Portland harbor superfund site forward with the next step of the cleanup process, which is the remedial design. River mile 11 east is a 38 acre area south of the Fremont bridge. It has been the site of 100 years of industrial activity. Six parties including the city of Portland are working with the environmental protection agency to move the cleanup forward. Today I welcome Cindy Ryals, Portland harbor technical program manager, from the bureau of environmental services, to give us a brief presentation. Welcome.

Cindy Ryals, Bureau of Environmental Services: Thank you, commissioner Fish. Good afternoon mayor wheeler and commissioners, my name is Cindy Ryals with the bureau of environmental services. Thank you for the opportunity to present some of the details of this project to you today. Hopefully I'll be brief. Many people are already familiar with the Portland harbor superfund site. It's a chemical cleanup of the Willamette river that extends from sauvie island to the Broadway bridge and epa issued a cleanup plan for this 10-mile stretch of river last January because of the number of parties involved and the complexity of the site, some areas within the larger superfund site will be moving forward with the next phase of cleanup ahead of the others. One of these is called the river mile 11 east project area and that's what I'm here to talk with you about. If you look at the map on this slide river miles start at zero where the Willamette meets the Columbia. River mile 11 is at the far upriver end of the entire superfund site on the east side of the river. The river mile 11 east area consists of nearly 38 acres of river bottom and shoreline, its hosted a wide variety of industrial facilities and over water operations, in addition to many ongoing industrial operations. It holds historic significance as the location of the former Albina engine and machine works which was an active shipyard until the middle 1950's. Including building or repairing over 25 vessels for the u.s. army and over 170 vessels for the u.s. navy primarily during world war II. Here's an aerial modern day photo of the site and just to help you orient where these activities will be taking place, you can see the Fremont bridge at the bottom right corner of the photo, the red is the Broadway bridge in the far upper right hand corner of the photo is big pink on the edge of downtown and on the steel bridge to the left of the steel bridge you can make out duckworth dock in there. The site that we're talking about is where these ships are in the center of the photo and the site extends from the Fremont bridge to almost the edge of where those ships are docked. This the satellite image of the exact site as agreed upon with epa. Again, it's on the east side of the river right around the Fremont bridge. So who is doing this work? We have creatively called ourselves the river mile 11 east group. This is a group of five other people in addition to the city who have either now or in the past owned property or have business operations in the vicinity of the project area. This is not the only parties that fit that criteria but these parties have agreed to work together with epa to do additional work in this area that supplements the larger harbor-wide work currently going on. The six

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parties that make up the river mile 11 east group are the city of Portland, PacifiCorp, Cargill, Glacier Northwest, Dill Trust and CBS Corporation. In 2013 when this group formed they signed an agreement with EPA to begin the supplemental environmental activities and that work is expected to wrap up this spring. So, we're requesting authorization now to amend the existing agreement with EPA to add on additional work that will keep the cleanup moving forward. I'm going to take a quick step back and talk a little bit about the big picture of the Superfund site and the Superfund process. The colored shapes in this slide represent each of the major phases of Superfund cleanup and along the top of the slide are the dates as they apply to Portland Harbor Superfund site. It was listed as a Superfund site in the year 2000. Studies to understand how contaminated the river was and how it might be cleaned up concluded in 2016. In 2017 EPA issued a cleanup plan specific to the harbor. Now in 2018 we're ready for two major new phases of the project, one being baseline monitoring which will be used to gauge the success of the remedy moving forward and the other is designing those remedies throughout the harbor. It makes sense that the harbors be broken down into smaller areas for efficiency and for a number of technical reasons. So that's what I'm here to talk about is designing a remedy for one area of the larger Superfund site. Once that design is complete, the construction of the remedy will occur then long term monitoring will occur to make sure the remedy is working. Meanwhile we also have a lot of moving pieces that have been happening this whole time at the bottom of the slide including making sure that upland sources of contamination are not reaching the river, community engagement activities and redevelopment activities. The cost of the remedial design at river mile 11 east is estimated to be three to \$4 million over three to four years but this is dependent on EPA approvals and requirements. The design of environmental remedies of this complexity often start with several unknowns that need to be refined along the way. Will not know the cost of construction of the remedy until we're further along into the design. So the amendment that is the subject of the ordinance is based on an EPA requirement to complete the design for the cleanup of the project area. Some of the current unknowns that will be flushed out during the process include figuring out design challenges such as active docks, steep banks, submerged debris, future dredging needs, consideration of bridges and submarine power cables. This is a map from EPA's cleanup plan for the area that includes river mile 11 east. You'll see the Fremont bridge in the middle of the map. So this map actually extends well beyond the project area that this group is working in. We'll be working on the focus will be on the outline I showed in the previous slide, which is mostly the yellow and green areas in this map. EPA's cleanup plan provides a general framework with which to move forward with remedial design. The green areas are proposed capping areas. The yellow are proposed dredge areas and the peach color is monitored natural recovery. As the design progresses this plan may be refined to fit within the limitations specific to river mile 11 east based on the design challenges I just mentioned. So in conclusion we're really excited about moving forward with this project.

Fish: Could you hold this picture for a second? Colleagues, when Cindy previewed this power point in some ways I thought this was the most striking photograph that she put in here. I just want to call your attention to the fact that unlike the other slides she put in here previously which showed industrial activity in the lower left-hand corner, that is actually what the Albina neighborhood looked like pre-urban renewal. So when there have been these conversations about this larger vision for the Rose Quarter, Mayor, and thinking about how to go from Blanchard north and create a new street grid and reconnect the community, that's what the Albina neighborhood looked like when it was single family

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homes and streets and other things. Before urban renewal came and turned most of the area and the bottom left into an industrial area and of course the rose garden and memorial coliseum and other things. I have not seen this picture before and I think it's just striking and I think one of the questions that will be asked over the next few years is as part of a proposed rose quarter addition are we committed to restoring the old neighborhoods and the old integrity of the Albina district as reflected in this extraordinary photograph. Thank you.

Ryals: Thank you. I would be happy to answer any questions you have.

Wheeler: Any questions, colleagues? Public testimony?

Parsons: No one signed up.

Wheeler: Nobody signed up. I'll just make a comment. I think this is great and commissioner Fish, I know that I have enjoyed a strong partnership with you on the superfund issues, and while it is a daunting project I also have to say it's been fun and interesting and this is what I believe begins the real tangible aspect of our work. As I looked at your lengthy timeline at the beginning of the slide, we're getting to the point where we're actually starting to do the work and that is exciting. I want to thank you, commissioner Fish, in particular for that. Thank you for your great work on this.

Ryals: Thank you.

Wheeler: Call the roll.

Fritz: It is indeed exciting. Congratulations. Thank you, commissioner Fish and also mayor, for your support. Aye.

Fish: When Mr. Kelly, Albert Kelly was in town recently, special assistant to the EPA administrator, a former banker from Oklahoma, when Mr. Kelly was here he reminded us that the EPA has a genuine sense of urgency about moving the superfund sites. That same sense of urgency is not shared in some other areas of their jurisdiction in things that they care about but they have decided to put some resources behind moving the superfund plans. I believe that Portlanders expect us to start showing some tangible results and one way we do that is we complete the planning process we get in the river and we start doing the cleanup. Mayor, if you're going to continue to insist on swimming in this leg of the river I think the sooner we get it cleaned up the better. I'm very pleased with the partnership that we have to do the work and I want to especially call out Annie von Burg, who is our point person, the whole team at BES, our esteemed legal counsel, we have a number of lawyers providing great work on this. I thank Amira Streeter on my team, my lawyer and Sonia Schmanski and others in the office that have been working on this. I'm pleased to vote aye.

Saltzman: It's indeed gratifying to see some actual -- I don't know if shovel in the ground is the right analogy, but looks like we're poised to do some work and that's a good thing because this has been a long process, too long in my opinion. Thank you, commissioner Fish, for bringing us to this point. Thanks to BES for doing great work here. Aye.

Eudaly: Thank you for the presentation. Very exciting to see first -- I guess it's not a first step, but shovel in the ground, whatever word you call it, aye.

Wheeler: Aye. The ordinance is adopted. Last item is a second reading. Please call item 27.

Item 27.

Wheeler: This is an item that council has previously deliberated. We have taken public testimony. This is the second reading only. Call the roll.

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

Wheeler: Aye. The ordinance is adopted and we are adjourned. There is not a meeting

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this afternoon or tomorrow due to lack of agenda. So nobody needs to show up. We're adjourned.

At 12:12 p.m. council adjourned.