



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 9TH DAY OF MAY, 2012 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Adams, Presiding; Commissioners Fish, Fritz, Leonard and Saltzman, 5.

Commissioner Saltzman arrived at 10:18 a.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben Walters, Chief Deputy City Attorney; and Steve Peterson, Sergeant at Arms.

Item No. 492 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

The meeting recessed at 10:23 a.m. and reconvened at 10:27 a.m.

COMMUNICATIONS		Disposition:
473	Request of Michael Krupp to address Council regarding further extrapolation of a third party and unions that unite us (Communication)	PLACED ON FILE
474	Request of Larry Southall to address Council regarding a request to retract and correct the City 2011 Analysis of Impediments to Fair Housing Choices Report (Communication)	PLACED ON FILE
475	Request of Jeff Olson to address Council regarding health care (Communication)	PLACED ON FILE
476	Request of James Lopes to address Council regarding daughters to be found (Communication)	PLACED ON FILE
477	Request of Martin Slapikas to address Council regarding Hayden Island Neighborhood Network Neighborhood Sustainability Program (Communication)	PLACED ON FILE
TIMES CERTAIN		

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478 TIME CERTAIN: 9:30 AM – Portland Rose Festival Foundation and 2012 Rose Festival Court (Presentation introduced by Commissioner Leonard) 15 minutes requested for items 478 and 479	PLACED ON FILE
*479 Grant revocable permits to the Portland Rose Festival Foundation to perform activities relating to Portland Rose Festival annual celebration from May 5 through June 30, 2012 (Ordinance introduced by Mayor Adams) (Y-5)	185311
480 TIME CERTAIN: 9:45 AM – Approve renaming of Brunish Hall to Brunish Theatre in the New Theatre Building of the Portland Center for the Performing Arts (Resolution introduced by Mayor Adams) 10 minutes requested (Y-5)	36923
481 TIME CERTAIN: 10:00 AM – Affirm the commitment to create a strategic plan that enables the City to become a model employer of people with disabilities (Resolution introduced by Commissioner Fritz) 30 minutes requested (Y-5)	36925
CONSENT AGENDA – NO DISCUSSION Mayor Sam Adams	
482 Reappoint Kent Moulton and David Horstkotte to the Floating Structures Board of Appeal for terms to expire May 12, 2015 (Report) (Y-5)	CONFIRMED
Bureau of Emergency Management	
*483 Authorize Memorandum of Agreement with the Federal Emergency Management Agency to allow access to the Integrated Public Alert and Warning System (Ordinance) (Y-5)	185305
Bureau of Planning & Sustainability	
484 Authorize the City Attorney to intervene on behalf of the City of Portland in Oregon Public Utility Commission Docket No. 564 (Resolution) (Y-5)	36924
Office of Management and Finance	
485 Accept bid of Skansa USA Building, Inc. for the Columbia Boulevard Wastewater Treatment Plant Support Facility Project for \$6,695,000 (Procurement Report – Bid No. 114003) (Y-5)	ACCEPTED PREPARE CONTRACT
*486 Ratify a Letter of Agreement between the City and the District Council of Trade Unions with respect to represented employees who bump to a position that requires a Commercial Driver License (Ordinance) (Y-5)	185306

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**Commissioner Nick Fish
Position No. 2**

Portland Housing Bureau

- *487** Adopt and authorize submission of a Substantial Amendment to the 2011-2012 Action Plan of the 2011-2016 Consolidated Plan to the U.S. Department of Housing and Urban Development to accept a second allocation of FY 2011-2012 Emergency Solutions Grant formula funds in the amount of \$247,649 and receive payment (Ordinance; amend Ordinance No. 184672)

(Y-5)

185307

**Commissioner Dan Saltzman
Position No. 3**

- 488** Adopt modified policies for deferred and installment payment of system development charges (Ordinance; amend Code Section 17.14.040)

**PASSED TO
SECOND READNG
MAY 16, 2012
AT 9:30 AM**

Bureau of Environmental Services

- 489** Accept completion of Portsmouth Force Main Segment 2 Project and authorize final payment to Michels Corporation Project No. E09039 (Report; Contract No. 30000424)

(Y-5)

ACCEPTED

**Commissioner Randy Leonard
Position No. 4**

Water Bureau

- 490** Authorize a contract and provide payment for the construction components of the Portland Heights Pump Station Electrical Improvements project (Second Reading Agenda 466)

(Y-5)

185308

- 491** Authorize a contract with Elcon Associates, Inc. for design services for the Groundwater Electrical Supply Improvements Project (Second Reading Agenda 467)

(Y-5)

185309

**Commissioner Amanda Fritz
Position No. 1**

Bureau of Emergency Communications

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<p>*492 Authorize an Intergovernmental Agreement between Multnomah County Department of County Human Services, Mental Health Call Center, jointly with the Portland Bureau of Emergency Communications and Portland Police Bureau to reduce involvement of law enforcement and direct residents in mental health crisis (Ordinance)</p> <p>(Y-5)</p>	<p>185313</p>
<p style="text-align: center;">Office of Healthy Working Rivers</p>	
<p>*493 Amend Feasibility Cost Sharing Agreement with the U.S. Army Corps of Engineers to finalize a feasibility study of ecosystem restoration and environmental dredging options in the Lower Willamette River under the Water Resources Development Act (Ordinance; amend Contract No. 52070)</p> <p>(Y-5)</p>	<p>185310</p>
<p style="text-align: center;">REGULAR AGENDA</p> <p style="text-align: center;">Mayor Sam Adams</p> <p style="text-align: center;">Bureau of Police</p> <p>*494 Authorize the Chief of Police or designee to execute Access and Indemnification Agreements with property owners for installation of surveillance equipment on their property (Previous Agenda 443) 15 minutes requested</p>	
<p style="text-align: center;">CONTINUED TO MAY 30, 2012 AT 9:30 AM</p>	
<p style="text-align: center;">Office of Management and Finance</p>	
<p>*495 Amend the Business License Law to provide full confidentiality to taxpayers under any tax amnesty program (Ordinance; amend Code Section 7.02.230)</p> <p>(Y-5)</p>	<p>185312</p>

At 11:45 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS 9TH DAY OF MAY, 2012 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Adams, Presiding; Commissioners Fish, Fritz and Leonard, 4.

Commissioner Leonard left the meeting at 3:04 p.m.

Commissioner Fish left the meeting at 4:38 p.m. and the meeting was adjourned.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Roland Iparraguirre, Deputy City Attorney; and Harry Jackson, Sergeant at Arms.

		Disposition:
496	TIME CERTAIN: 2:00 PM – Approve the Education Urban Renewal Plan (Ordinance introduced by Mayor Adams) 1 hour requested for items 496 and 497	CONTINUED TO MAY 16, 2012 AT 9:30 AM
497	Authorize Intergovernmental Agreement with the Portland Development Commission, Multnomah County and Portland State University to fund a development for co-location within the Education Urban Renewal Area (Ordinance introduced by Mayor Adams)	CONTINUED TO MAY 16, 2012 AT 9:30 AM
*498	TIME CERTAIN: 3:00 PM – Amend the Zoning Code to extend the expiration date for land use approvals, add expiration timeline for final plats and change the effective date of automatic adjustments to dollar thresholds (Ordinance introduced by Mayor Adams and Commissioner Saltzman; amend Title 33) 30 minutes requested	RESCHEDULED TO MAY 16, 2012 AT 2:00 PM TIME CERTAIN
499	TIME CERTAIN: 3:30 PM – Adopt City of Portland Responsible Banking Policy (Resolution introduced by Mayor Adams) 1 hour requested for items 499 and 500	RESCHEDULED TO MAY 16, 2012 2:30 PM TIME CERTAIN
500	Adopt City of Portland Investment Policy (Resolution introduced by Mayor Adams)	RESCHEDULED TO MAY 16, 2012 2:30 PM TIME CERTAIN

At 4:38 p.m., Council adjourned.

LAVONNE GRIFFIN-VALADE
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council

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

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

MAY 9, 2012 9:34 AM

Adams: Good morning everybody and welcome to the city council chambers of the Portland city council. We're very glad that you're here. We have a number of very exciting special presentations this morning. Before we get to the council agenda, so, i'm going to first turn to commissioner nick Fish.

Fish: Thank you very much, mayor. As everyone here knows, last week the mayor announced that the city of Portland would step in and help support our local school districts during a time when they were faced with terrible choices about cutting teachers, and increasing class size. In the spirit of that, today, we're going to honor three groups of outstanding young people who are from our community, who reflect the best of our community. We're very pleased today first, Mayor, to welcome from ainsworth elementary school, the second grade spanish immersion class. Would you kids please stand so we can acknowledge and welcome you. [applause]

Fish: Many of, many of these young people, thank you, you can sit down. Many of these young people will be, in the years ahead, competing in the "we the people program." [laughter] The second group we're going to welcome in a moment is the national championship constitution team from lincoln high school. A round of applause. [applause]

Fish: And third, mayor, commissioner Leonard will then welcome in one of our great annual traditions, the young women who make up the rose festival court, and we will honor them for their many contributions, lets give them a round of applause. [applause]

Fish: So it's my great honor, this morning, to kick things off by welcoming the lincoln high school constitution team to city hall. They are the winners of the 2012 national "we the people" competition in Washington, d.c. And I hear this morning they arrived in style with a well deserved drum procession. Let's thank the drummers for bringing you here. [applause]

Fish: The mayor has issued a special proclamation today in honor of the accomplishment of these outstanding young men and women, which he's asked me to read, and before I read it, I'm going to ask four special guests to come forward and take their seats at the podium. Lincoln high school principle Peyton chapman. classroom - [applause] there we go. We might add that Peyton's son is in the audience on the second floor.

Adams: Somebody else's son is in the audience on the second floor. Isn't there someone –

Fish: There might be someone else we know.

Adams: Someone from the city council has a son up there too.

Fish: Chapin Fish do you want to wave to everybody?

Adams: Chapin, hi Chapin. [applause]

Fish: The next special guest is classroom law project program director, barbara rost. Barbara would you please come forward? [applause]

Fish: Our third guest is steven griffith, the constitution team head coach. Steve. [applause]

Fish: And finally, we're going to ask carolyn wheatley to join us. Is carolyn here?

Adams: Yeah.

Fish: Carolyn? [applause]

Fish: Carolyn is, and I know, I know our distinguished superintendent of schools, carole smith is here in the back, and thank you. [applause]

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Fish: Carol is, carolyn is a graduating member of lincoln's high school constitution team, she is a senior who will continue to make Portland proud as she attends stanford university in the fall. Congratulations. [applause]

Fish: Now, before I ask each of you to say a few words, I'd like to read the proclamation the mayor has issued today. And this, for me, is a special honor because each year, I get to serve as a judge in the regional competition. And I've seen these young people in action along with teams from schools like franklin and grant and parkrose and many others, and all of these people make us proud. So, let me read the proclamation. Oh, excuse me, before I do, the united states congresswoman suzanne bonamicci regrets that she cannot be here today. She is the congressperson for this district, but she's asked barbara allen to join us today, and she has individual letters of congratulations for each of the students. So, barbara, thank you for joining us. And I also got an email this morning, congressman earl blumenauer has issued a statement in the congressional record honoring your achievement today, and it doesn't get any better than that. So let me read the proclamation. Whereas we, the people, the citizen and the constitution, as a nationally recognized civic education program and competition, and whereas the competition encourages students to display civic knowledge, skills, and dispositions, and where the classroom law project, administrator of the Oregon, "we the people" program since 1987, plays a leadership role preparing youth to become active and engaged participants in our democratic society, and whereas the lincoln high school constitution team placed first in the state, "we the people" competition on january 21, 2012, advancing to the national competition held in Washington D.C. And whereas the, Lincoln team placed first among 56 of the Nation's best high school teams in the 'we the people' national finals on april 30, 2012. And whereas, the lincoln team brings honor and distinction to Portland public schools, the city of Portland, and the state of Oregon, and whereas the lincoln team has been supported by lincoln high school principal peyton chapman, constitution team teacher, excuse me, constitution teacher tim swinehart, constitution head coach steven griffith, community coaches alison brodie, jeff edmondson, jennifer hill, misha isaac, Beno glasser, jonathan pulvers, christie split and jason trombley. Family members and friends, and whereas the lincoln high school constitution team includes the following students, and I apologize if I don't get any of the names right. Avery ballato, Catherine Barton, marty Berger, halle Blashfield, ryan Bloom, danny Brillhart, john Carey, julian Dann, Julia Eckelmann, Michael Field, natina Gilbert, Nikhil goyal, Kendra Hong, robyn Jayaswal, katie Kelly, sierra killian, john Kim, emma Lane, Duncan MacEachern, William Mao, olnita Martini , evan Neuhausen, sarah Newman, Vicki Niu, Samantha purnell, Justin Richter, beckett rueda, emma Simmons, sage Smiley, Nita Sridharan, eri Stern, mara Strauss, molly Walls, Carolyn Wheatley, and ok, ajeya Woods. And cole Zollinger. Let's give a round of applause to all of those. [applause]

Fish: Now therefore I, sam Adams, the mayor of the city of Portland, hereby proclaim may 9, 2012, as a day of honor and recognition for the lincoln high school constitution team and the city of Portland and encourage all residents to observe this day. Thank you and congratulations to all. [applause]

Fish: You each – Peyton Chapman, you each have about a minute or two if you would like to say something.

Peyton Chapman: And I think it will help us, if you explain the program first.

Fish: Please, Barbara.

Barbara Rost: I'm Barbara Rost, and I'm the program director at classroom law project, and we the people program, for those who don't know, is simulated congressional hearings that students participate in. They learn about the constitution, and what is really wild and crazy about it, is that they take those ancient words from our founders and apply them to contemporary issues, and what they learn is dynamic, and I think at the end of the day, what you will all see and hear about is that as a result of this program, we older folk are being left, leaving this country of ours, this city of ours

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in good hands. These students know and understand their duties as a citizen, and the duties of the government to the citizens in a way that other students don't. I'll just leave you with this statistic. Research shows that alums of the we the people program vote at an 82% rate. Compare that with any other demographic.

Fish: Well congratulations for your wonderful stewardship of this program.

Rost: Thank you.

Fish: Peyton?

Chapman: I'm just incredibly proud as their principal. These students have worked hours, thousands of hours for the last 13 months. It is a very competitive process to be accepted to the lincoln constitution team. And they get to work. In fact, our new team, our 2012-2013 team started last night. So they will work Saturdays, they will work weekends, they will work all summer long, building their binders and studying the case law. It's an incredible honor, not just for Lincoln, but as you all have noted and thank you very much, but for Portland public schools, for the city of Portland, and for Oregon. Two years ago we had a team who went to nationals. And it's always an honor to go to nationals. And we were fourth in the country, and the three teams ahead of us were either private schools or charter magnets, whose focus was the constitution, and U.S. History, and they studied it for four years, we send sophomores who are 15 years old when they start this program. And they just really show what can happen in an amazing public school, in a great city like Portland, and a fabulous state like Oregon, so I am so proud of them that they really challenged themselves, and the support they get from community lawyers like Steve and Alison and the others, these lawyers have incredible careers, and they give up their time and their wisdom. They host these study events at their own homes, they help them, in fact, Mr. Griffith is continuing class right now, on the study of Abraham Lincoln for kids that just want to continue to challenge themselves. So, it wouldn't be possible without the amazing partners of business people, lawyers, professionals, in our city so thank you again so much for recognizing all of that hard work.

Fish: Before I introduce Steve I just want to acknowledge Bobby Regan is here, not only an Ainsworth parent, but our Stallworth representative to the Portland school board. Bobby thank you for joining us and congratulations. [applause]

Fish: Steve?

Steve Griffith: Yes, it's a real privilege, Commissioner Leonard, Commissioner Fritz, Commissioner Fish and Mayor Adams, to present 36 of the finest high school students in the country. And they are here because they have learned what their teachers knew long ago, was their incredible potential. And that's what teaching should bring. Is passion for the subject, passion to transmit it, and passion for the potential of each student. And we accept students, not on the basis of the grades, but on the basis of their desire to learn. That's it. And if you have that flame of interest, you can go forever. And it's happened this year. It's happened in previous years. This year, we happen to be number one in the country. But it happens every year. And to me, there is some wonderful things about this. First of all, it takes a wonderful classroom teacher. And it takes an openness to work. It's a matter of collaboration between the school and the community. And it's not just that. But once, for example, Lincoln won the state competition, we received help from every other team in the city. So, we didn't represent Lincoln when we went to Washington D.C. For that matter, we didn't represent Portland. We represented the state of Oregon, and it was, with great pride that we did that. And, you know, the three components of citizenship are knowledge, skills, and attitude. And these kids know the constitution and the case law interpreting it. And the majesty of American history, as well as any students in the country. And they also have critical thinking skills. And most important of all, they have an attitude that they can help and make a difference in the future. So, it's a real pleasure to present them to you.

Fish: Congratulations. Carolyn?

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Carolyn Wheatley: Thank you so much. I think that first of all, on behalf of the entire team, I would like to thank you so much for allowing us to be here today. It's an honor and a privilege to sit here in front of you. To say that constitution team changed my life would be the biggest understatement. It was an absolute honor to, spend a week in Washington D.C. not only representing lincoln, but representing Portland and representing Oregon, and we were so incredibly proud to represent this amazing state. The thing about constitution team that no amount of words can get across is, how not only does it make you a smarter person or a better citizen, but it gives you a family and a support network that will stay with you for the rest of my life. When my unit talks about how we'll meet up in 50 years, it's not a joke. We actually will. And I think that I can speak for everyone when I say that. This experience has had a tremendous effect on, all of us, on each and every one of our lives, and it will be with us for the rest of our lives. And absolutely none of this would have been possible without all of the support system, the incredible coaches that we have, who all, many of them have full-time jobs and still volunteer their time to spend so many hours with us and, we honestly cannot thank them enough. There is no amount of thanks that will ever do them justice, and they have turned us into so much better people than we were when we started. So, I really would just like to take a moment to personally acknowledge the coaches, mr. Tim swinehart, mr. Steven griffith, miss alison brodie, miss christie split, mr. Jason trombly, mr. Beno Glasser, mr. Jeff Edmondson, mr. Jonathon Pulvers, miss Jennifer hill and mr. Meesha Isaac, in addition to all of the alumni to the entire city of Portland, that has continuously supported us, and thank you to the city of Portland for working to save the teachers that have had such an impact on us because it really is all about the teachers and, this desire to learn, and it really, I say time and time again, that constitution team changed my life, and it's so, so true.

Adams: Well let's expand that thank you to include behind every successful young person is a loving, caring adult, whether it's a parent, a mentor, a role model, a teacher. Let's give a round of applause to all those support people. [applause]

Fish: The mayor has issue three proclamation, one for barbara, one for steve, and one for payton. We wonder if we could have the students come forward and we'll take a quick picture.

Adams: So we're really quick, all the students and all the faculty involved, superintendents, school board members, up here. We'll be facing that way.

Adams: So for those of you that are with lincoln, please continue on out into our lovely marbled foyer. Because we've got a lot of important things to cover. Where did he go? So, commissioner Leonard. So I had the honor and the privilege earlier this morning to have breakfast with, the 2012 rose court, and I tell you, this is a group of Portlanders and Portland area young women that is incredibly smart, and lots of fun, and very well spoken. So, we get this wave, two waves of seeing some of the best, youth in the state, here in the city council. So, it's real treat. I would like to recognize C. O. curtis, of the rose festival association and our dear president to please come forward for the annual presentation of the court. Commissioner Leonard, would you like to make any other introductory remarks?

Leonard: I think you did perfect.

Adams: Thank you. Welcome back.

Jeff Curtis: Great to be back, mayor Adams, commissioner Fritz commissioner Leonard. Thank you for us -- It's great to be here, and it's all about the young women behind me, and I want to share a little bit about this, about the core program itself. As we celebrate youth today, I think it's a very appropriate day. We just recently did a study of past court members, the oldest one who participated was 99 years old and the youngest was 19, and we got some amazing statistics out of this, that I think we'll be sharing over the course of the next year. A couple things that are very significant, in the last 20 years, the princesses' graduation rate from a four-year college is 97%.

Adams: Wow.

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Curtis: Very, very significant, the other thing that's fantastic about these princesses, why they -- some go to school here in the state, some venture off, 72% of them come back and live in this community within a 25-mile radius of the city and are contributing, doing a variety of things. So, a program that started as one of the first scholarship programs for women, over 70 years ago, has evolved into something that is really contributing to our community. So, the treat is back in front, but behind me and I want to introduce the president of the foundation, Sue Bunday to offer a few words and then have the court come up. Sue?

Sue Bunday: That's great. Good morning, and thank you again for having us. It is a treat to be here. I am Sue Bunday, I am president of the foundation, this is my second year of being the president, my last year, of a 60-member board and hundreds of volunteers that come out every year for this fabulous festival and to see this great city and what we have to offer. Our festival is 105 years young. And we are Portland's official festival. And for that, I would like to thank each of you for your continuous support of the rose festival, and that's an all year long process. But that goes beyond, that goes to all the men and women throughout the city of Portland, the numerous bureaus, Police, Fire, Revenue. They all help us, and they are big supporters, also, and never to be forgotten. And one that is really a very near -- you know, has worked so closely this year, that I'd like to kind of call out is Allison Madsen, from the revenue bureau, she's worked tirelessly with all of our different paperwork and all the ordinances, there's just so much. And you have many jewels throughout the city. And that's just one. But my role with the rose festival has been 18 years, although we're 105, and I have not been on the board for that long. [laughter] That over the 18 years I've had the privilege and honor of chairing different events, being involved background in different roles. But the one that's near and dear to my heart is chairing the court of young women, which I did about 12 years ago. And they are the ones that truly, speak to the festival. They are the ones that will travel on behalf of the rose festival and Portland, 15 outstanding young women who represent themselves, their schools, the community, and the rose festival. They will take their travels, eastern Oregon over to the beach, down the Willamette valley, a lot of travels, and that really speaks to how fabulous the young people are. But I'm not going to talk about that. I think that the court needs to come up and tell you a little bit about themselves and this year's rose festival, and why it makes Portland a better place to live and visit. [applause]

Adams: Yeah.

Court: Hello, we are the 2012 rose festival court presented by Pacific Power. We would like to introduce ourselves and tell you what is happening during this year's rose festival. Carter.

Carter Wallace: I am Carter and I am from Wilson High School. I am an active member of my school's drama department and the first chair tuba player in my school's band. The Portland rose festival is also number one. Last year the Portland rose festival was named the best festival in the world by the International Festivals and Events Association. Come join us this year to see what makes the Portland rose festival the best in the world.

Court: Sade'.

Sade' Beasley: I am Sade' from Benson High School. I am a member of the National Honor Society and plan to -- sorry, pursue a career in civil engineering with the goal of founding my own company. Founded in 1912, the Royal Rosarians are celebrating 100 years of being the official greeters of Portland and the rose festival. Join them at the Royal Rosarian Centennial Grand Floral Ball on June 9th.

Court: Rosie.

Rosie Mallet: Hi, I'm Rosie from St. Mary's Academy. I am co-president of the Human Rights Club and plan to earn a bachelor's degree in nursing. I am a lifelong Girl Scout, and even walked in the junior parade with my troop. Come and relive your childhood, and celebrate the children of our community by attending the Fred Meyer Junior Parade on June 6th. Come watch thousands of kids march, dance, and pedal bikes down Sandy Boulevard in the Hollywood District.

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Court: Maleah.

Maleah Cooper: I'm malia and I'm from david douglas high school where I'm a member of the troubadours and the choir president, and someday I plan to become a product designer. Creativity meets illumination at the PGE Solve star light parade. Come see some of Oregon's finest organizations light up the night saturday, june 2nd at 8:00 p.m. or watch it live on kptv fox channel 12.

Court: Janae

Janae Brown: I'm Janae, from jefferson high school where I stay active and healthy by dancing and playing volleyball all year around. One of the healthiest ways to celebrate the rose festival is by participating in the Regence grand floral walk. Join thousands of Portlanders walking and waving down the spirit mountain casino grand floral parade route on June 9th, just before the parade.

Court: Kate.

Kate Sinnott: I am Kate from central catholic high school. I play tennis, work as a peer mediator and write for central catholic's newspaper. Come see our newsworthy grand marshal lead the Spirit Mountain casino grand floral parade on saturday, june 9th. Find your place along the parade route or watch live on kptv, fox channel 12.

Court: Nyausha.

Nyausha West: I'm Nyausha from grant high school, and I plan to pursue a career as a social worker. I am a member of the diversity club, and I also enjoy sports and scrapbooking. The Rose festival also likes collecting memorabilia. They are transforming their office building at waterfront park into a historical museum. Help them fill their walls with rose festival history.

Court: Cassidy.

Cassidy Zusman: Hi, i'm cassidy from lincoln high school. I plan to become a special needs teacher, I'm a member of student government, and was a member of the lincoln dance team. This years theme, rock and roses will be in full swing at the Rosa. Come dance the night away at the Rosa concert series at city fair, which will feature national acts throughout the festival.

Court: Keely.

Keely Van Baggen: I am keely and I'm from Madison high school. I plan to become a dental hygienist, I also enjoy soccer, cheerleading and participating in my student council. If you would like to see who is going to lead us as the queen of rosiaria, come join us at the Pacific Power queen's coronation right before the grand floral parade on Saturday June 9th at 8:30 a.m. in the Veteran's Memorial coliseum. We'd really appreciate your support.

Court: Asia.

Asia Greene: Hello, i'm asia and I am from roosevelt high school. I won first team all tournament for basketball I also enjoy poetry, volleyball and track. For all my fellow athletes, come and join us for our first ever rock 'n' roll Portland half marathon on may 20th. And remember you don't have to run a marathon to be fit. Anyone can get in shape by joining the fun at hubbubhealth.com.

Court: Charlotte.

Charlotte Taylor: I am charlotte and I am from cleveland high school. I've been a cleveland high school building host and a bridging the gap tour guide. Come do a self guided tour of the historic sites on the rose festival's history and roses tour. You can also learn about rose festival history through our living history characters, who bring stories of the past to life.

Court: Lydia.

Lydia Terjeson: I'm Lydia from southridge high school. I helped to organize sand in the city and I plan to major in business administration with an emphasis in hospitality and tourism. If you love big events as much as I do, then you don't want to miss Rose Festival's city fair. Come down to the waterfront every weekend starting may 25th to enjoy music, carnival rides, local vendors, special attractions and more.

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Court: Mehek.

Mehek Sethi: I'm Mehek from Lake Oswego high school. I'd like to pursue a career in law or economics, and i've been a member of the model united nations and junior Statesman of america. Come celebrate the united spirit of this country by attending the Danner memorial day march on may 28th. Here you'll be reminded what this historic day is all about.

Court: Alexis.

Alexis Phillips: Hello, I am alexis from franklin high school where I am a member of the poetry club and the mock trial team. I love a good debate and plan to pursue a career as a lawyer. Dragon boat teams from around the world will be on trial this year to see who will be victorious. Come watch them race along the Willamette river on june 9th and 10th near the hawthorne bridge.

Court: Bre'Shay.

Bre'Shay Barnes: Hello, I'm Bre'Shay from parkrose high school. I am co-leader of the advanced leadership program and I love to give back to my community. Join your community at the rose cup races where cars from all across the west coast are determined to cross the finish line first. Come out to the international raceway from june 15th to the 17th to see who will be the victor.

Court: Thank you for hosting the 2012 rose festival court presented by pacific power. We will see you at the rose festival. [applause]

Barnes: We would like to thank you for hosting the 2012 rose festival court. Here's a team pin.

Adams: And I've already got one.

Barnes: Welcome to the rose festival family. [applause]

Curtis: Mayor Adams, I'd like to call them up for picture with you, but I just want to say something briefly as we wrap up, as this is the final council meeting in terms of 2012. As both commissioner Leonard as our liaison, you as mayor, and I just want to acknowledge, and really acknowledge commissioner Leonard in particular, as he took over the liaison role and took it to another level, and this festival is a vibrant, vibrant festival, and it has been for 105 years, but it is at new heights right now, and it's thanks to your leadership, both in this entire council, but I just want to acknowledge commissioner Leonard for what you have done, and there is a lot of pieces of that, at work. But, we're number one in the world. We just were named in the top ten festivals in north america. We are evolving into a vibrant vibrant festival, to celebrate our people of Portland, and that's something that we're proud of, and it's a – ultimately, you know, I want to thank you, and of course, commissioner Fritz, commissioner Fish, and your leadership, mayor Adams, thank you very much. [applause]

Fritz: Before you do the picture, I also appreciate commissioner Leonard's leadership serving on his duct tape committee was one of the thrills of my community activism, and if I have the honor to continue serving on the council next year, I promise that I will continue to champion the rose festival, and I also want to thank the young women who came out yesterday to clean up graffiti in the central east side. That was their first community service activity, and you all clean up real nice. And thank you very much for helping with our city and for being such great ambassadors for all of us. [applause]

Adams: All right. We are right on time. We're going to get a picture.

Adams: Alright, thank you. [applause] Now I would like to -- another, we've got -- now we have -- are you staying for the whole council? Really? This is great. Alright then you are going to like, especially two of the remaining celebrations that we have this morning. The first one is to acknowledge our key partner in making what is now a national, what has become a national best practice. We call sunday parkways, and it would not have happened without our great kaiser permanente local staff, and the -- we have sue hennessey, and jeff wise here. We're are you? Come on up. I understand that you've got a – and Linda are you coming up, too? Linda please come on up. I understand you've got something for us today, what could that be?

Linda: We are delighted to present --

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Adams: Can you get closer to the mic so we can -- Yeah. Why don't you have a seat? Hi. Welcome. Glad you are here.

Linda: So, we are here today to present to the city of Portland a check in the amount of \$100,000 to support parkways, sunday parkways.

Adams: Yeah. [applause]

Linda: So we've done this for the fifth year now, and it's our pleasure to participate in this amazing program that blocks off city streets and byways and gets people out with their neighbors, promoting health. So I'm looking forward personally again this year to those long walks around the Portland neighborhood, and to see many of our volunteers, both city volunteers and our kaiser permanente volunteers who make this happen. We are, as you know, we are all about health. And dr. Wise is with me today. He's our great champion of prevention and health, and I would like him to talk a little bit about why we are so delighted to be part of this.

Adams: Welcome back, doctor.

Dr. Wise: Nice to see you. Thanks for having us. Well I think that it's, you know, america needs to change their focus, and be more focused on prevention and preventing illness and less focus on treating illness. And I think we need to get americans up and around and exercising 30 minutes, five days week, getting them to stop smoking. Focusing on nutrition, and obesity has taken over america. There's been a lot of press about that this past week. Almost one out of five kids is overweight today. Diabetes is exploding across america. And we have got to refocus americans on exercise, nutrition, and wellness, and I think this is one way to do that, contributing to the city, and getting our people out and walking and bicycling. So, we're all about that, we want to be the leading health care organization on prevention across america and partner with the city to make sure that we have healthy people living in the state of Oregon and Portland. Thank you.

Adams: Thanks to your partnership, 100,000 folks participated in last year's sunday parkways, and we are expanding it this year to include parts of southwest that we have not been before. And I really mean it, in a time of very difficult budgets on our end, without your contribution of money, without your contribution of volunteers, wow, without your, you know, moral support and visibility and helping to get the word out, we could not do this, so, on behalf of a very grateful city, thank you. And I will take that check now. [laughter]

Adams: Thank you all very much. [applause] Karla, please call the roll. [roll call]

Adams: A quorum is present, and unless there are objections from the city council, I'd like to try to make up for some lateness can you please read the title for item number 480?

Item 480.

Adams: And could I please have our honorable guests please come forward, robyn williams, the executive director to the Portland center for the performing arts and corey brunish, philanthropist, actor, producer, businessman, all around great guy. Mr. Brunish, and his family have made a gift to PCPA to turn brunish hall into a properly outfitted theater, with necessary equipment. And the city council is voting today, as the owners of pcpa, to rename the space brunish theater to match its new condition and to raise its profile. And thank you. This is a well deserved, not just because of the contributions that you have made across the region to arts and culture. But also, because of the works behind the scenes to make sure that arts and culture is supported not only by the public sector, but by the private sector, as well. So, are you speaking first?

Robyn Williams: Yes, thank you mayor Adams and commissioners. It's particularly serendipitous that we are sitting here before you today because the new theater building, or as it is currently known, hatfield hall, turns 25 this year. And when it opened back in 1987, there was a piece of it that had not been finish out at all, for lack of funds. And through the generosity of corey brunish as a surprise for his mom's 75th birthday, the hall was named brunish hall in 2000, and became a multi-use hall for a variety of organizations, but predominantly, it was used by Portland center stage as a rehearsal space. When Portland center stage moved to their own facility five years ago, pcpa

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very much wanted to look at how we could make this hall a better fit for local nonprofits. We believed it was the original intention behind the hall that this be a performance space that could serve a number of large -- smaller companies that would not have the resources to go into our bigger halls. So, we put some investment into the hall, and this year, for the very first time have a resident theater company in brunish hall, stumptown stages, just completed their first season there. But the hall, in order to be a really, really good theater hall still needed certain amenities and, so of course, we immediately turned to corey brunish, who has stayed very involved in pcpa, and certainly, the arts, and particular Stump Town Stages, to see if he could help us find the resources to better outfit this hall, and he didn't even blink. It's amazing. Pcpa totally couldn't do what it does and serve the community without people like corey. We now have a venue that we are capable of offering to local non profits for no rent. And will provide usher staff absolutely free of charge so that we can keep this hall really affordable for our -- to serve more of our local art community. And we truly couldn't do it without the support of, people like corey. So, I am so very thrilled that we now are going to have brunish hall become brunish theater so that it really can live up to the dream that I think everybody, and corey, in particular, has always had for that space so, I would like to, invite corey to say a few words, as well.

Corey Brunish: Well thank you very much, robyn, thank you. It's an honor and a pleasure to be here. Oh, where did you come from, hi, dan.

Saltzman: Every once in a while.

Brunish: I am very grateful to be able to do this, and Portland has a vibrant theater scene, a high quality theater scene. This year, I was privileged to produce five broadway shows, and cumulatively they are up for 84 awards, including 34 tony awards. So, I think I can speak from a point of view of, some knowledge. The reason I bring that up is two fold, first of all, I want to encourage everyone while in new york to see those shows. I need to make my mortgage payment. [laughter] I'll list those shows in a moment, if you will permit me to. And the other reason, of course, is that any success I experienced in new york will be visited upon the local art scene, where I have to date donated \$1.2 million. So, those shows, to see you all in new york, include Oregon best, peter and the star catcher, avita, bonnie and clyde. And there is one more, what is it, kim? No. Really? You don't know? Oh yeah, nice work if you can get it, with matthew broderick. A good friend of mine.

Adams: Thank God you're here. [laughter]

Brunish: Sorry, matthew. And, while bonnie and clyde has concluded its new york run, the c.d. which I also produced is rated number one on amazon.com and i-tunes and is globally ranked in the top 100, so please go see them and enjoy your time in new york.

Adams: Thank you. There is a resolution in front of the city council.

Fish: I move the resolution.

Adams: Is there anyone here that wishes, is there a second?

Fritz: Second.

Adams: It's been moved and seconded. Is anyone here that wishes to testify on this matter? Okay, Karla, can you please call the vote on item number 480. That will rename brunish theater, in the new theater building of the Portland center for performing arts to, i'm sorry, brunish hall to brunish theater.

Fish: I have three thank you's this morning. First, to our partners at pcpa. And all the good work that they do. Second, to mr. Brunish for his extraordinary generosity and his many civic contributions. And third, this will be one of the last opportunities we have to, once again, recognize mayor Adams for a period of four years of steady leadership as the arts leader on this body. And his proposed budget reflects the values that he ran on, and that he pledged to continue as mayor in a tough budget finding dollars for things like the right brain initiative, and fully funding the rack, among other things. As someone who cares deeply about the arts, I am grateful to serve on a

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council that has placed the arts at the center of its agenda, and I am grateful for mayor Adams, his leadership on this, so to all three parties, thank you, and I am proud to vote aye.

Saltzman: Well thank you, robyn and mr. Brunish. Appreciate your continued support of Portland, your hometown. And it's nice to know that you are making it on Broadway because I can think of no tougher place to make it, so congratulations on the live shows.

Brunish: Thank you.

Saltzman: Aye.

Leonard: Thank you, mr. Brunish, and beginning next January, I plan to, see if I can't make it to New York for an extended stay. And watch all of your plays. Aye.

Brunish: Thank you.

Fritz: I thank you both for being here, and I agree with Commissioner Fish, this council has been strongly supportive of the arts under Mayor Adams' leadership. My daughter about to graduate on Sunday from Willamette University with a degree in theater arts, having been at Wilson High School in the drama program there. So we are a community that cares and understands why the arts matter, and clearly, this donation and the renaming is another step in that. Aye.

Adams: I am very pleased to proclaim that Brunish Hall has now been renamed Brunish Theater. Aye. [gavel pounded] Congratulations. [applause]

Williams: Thank you very much. We hope you will join us next season and see all the wonderful performances that will be taking place in that space, it's being outfitted even as we speak.

Adams: Fantastic.

Brunish: I do have one footnote I would like to mention that my producing partner, Breesa Trinkaro, who is also an Oregonian, and I are developing three original Broadway musicals that will some day show in New York. So, it's a great breeding ground for, the future of the arts.

Adams: Fantastic. Thanks. Good to see you, Kim. Take care. Alright, we will now turn to communications. Can you please read the title for, actually, I apologize, I need to take a, we're going to take a five-minute compassion break so we're in recess for five minutes and we'll come right back.

At 10:23 Council recessed.

At 10:27 Council reconvened.

Item 473.

Michael Krupp: To underscore the fairness of this council, the constitution and the Rose Festival got equal time. You sit here in your Armani liberty and justice for alls and bald facedly abuse the trust we children of the city have put in you, as a body you more closely resemble a coffin, you skillfully pluck the corn from our piggy bank, while leaving the shell of it intact as if we still have a future. You 1% are comfortable with plutocracy, government by the god of the underworld, you the hypocrites by definition are the government from below. Hell's elite demons are the best liars. We have had enough of your night, mayor. The vast hoard of bullies are snorting steam at the gate anxious to do body searches for the good of us all. All of them wife beaters who dream of being a commissioner one day, or god Pluto himself. And now, may I draw the gilded curtain upon which the hollow theatre of our city government is projected and address the wizard of oz directly, hell low, as you know my father so well, and that my mother is the creator, you realize what I must do. Yo, the fed, we hungry children have no intention of sucking petro plastic farm dollars from your mighty marble teats any more. Your palace under the pentagon's pentagram will no longer direct your flying fire. You and your ilk are now officially amsterdamed and the dikes have all broken open and spilled out and will douse your pathetic campfires fueled with my mother's children. You have cast your vile dragnet high enough to bring a lot of mother's fries to your flames. The city of Portland will end your reign with ours. Kindly remove your fangs and go to hell. Did I say that?

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Sorry. We children will put on our liberty and justice for reals and walk you all to the edge town. I smell the sulfurous fumes of at&t living, breathing network, and raise the draw bridge to our city, let it make you moot. I now skip over hollywood and politics and proceed to pipe rats down the stream in my role as the verminator.

Adams: Can you can you please read the title for 474.

Item 474.

Larry Southall: On lighter note. [laughter]

Southall: A year ago, we were all involved in the city, in a very public controversy over some, fair housing testing that had performed by the fair housing council board of Oregon and recorded in the press that 64% of minority testers had experienced discrimination. Since that time, those tests have been disproven or discredited, I should say, by an analysts at boley. And the local housing community, of course, outraged by the test in the first place, have hoped to have some redress of those original statements. I would like to read a couple of the statements just to, to return you to that time a year ago. This is from the, an article on black america web.com that was published in May of last year. Nearly 70% of blacks and latinos who participated in an unprecedented study of housing discrimination in Portland, Oregon, believed to be the hub liberals in the pacific northwest, were victims of shocking discrimination according to the fair housing council of Oregon. Later in the article, we deal with housing discrimination every day, said Maloy Good, the fair housing council's executive director. So after eight years with this organization it's hard to shock me, but the level of bias we found with this study so stark and so pervasive was very surprise. A mistake was made, by the Portland housing bureau in that they accepted the conclusions of the study from the fair housing council of Oregon without any review of the original test documents. And so the conclusions of the fair housing council were published in the city's analysis impediments report delivered to hud last june. Afterwards, Portland housing bureau did read some of the original test documents, and I believe did agree with, boley's discrediting of those, of the conclusions. However, the AI report was filed with hud. It exists today, on the website, of the housing bureau. All these statements are included in that report as if they are true. And we are gravely concerned about that, and are asking that something be done. An example of the level of statement in the a.i. Report itself, this is on page, I believe 80 of the report. These data sets show an alarming number of cases of discrimination in housing. The audit testing done by the fair housing council of Oregon especially gives concrete examples of the historical and institutional racism in the housing industry that continues in Oregon and Multnomah county to date. On the next page, a, a picture was printed in the report. With no caption or no explanation, and the picture says, we want white tenants in our white community. As if that were a statement made by local housing providers. The picture was, in fact, taken in detroit in 1942. And it was erected by tenants. So, I think it's pretty clear, my position here, is that housing providers were very badly maligned by these statements, and by this report.

Adams: Sir, your time is up. I didn't do my – failed in all the excitement this morning to do my normal reminder. So, if folks are here testifying, on behalf of themselves, that's great. If you are here as a lobbyist or testifying on behalf of a business, then you have to disclose that as well, so any disclosures you need to make to us?

Southall: No, just here on behalf of myself.

Adams: Thank you very much. Can you please read the title for item number 475?

Item 475.

Adams: Mr. Olsen, welcome.

Jeff Olson: So just like the thrive people I'm up here to talk about health care and prevention. Oregon's approach to prevention a little like the story of the monkey's at the zoo who rioted to demand changes. They were not getting the nutrition they needed, and what they ended up settling for and settling down from the riot was that their keepers switch from giving them three bananas in

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the morning and four bananas at night to four bananas in the morning and three bananas at night. And that settled them. Oregon has over 1,000 medical service codes, and not one service code, medical service code for prevention. What this tells us is that Oregon doesn't value prevention. In the last decade, babies born already addicted to pain medications have skyrocketed, they've tripled. And the cost is \$700 million year. The only time people give lip service to prevention is when they are running for office or trying to promote plans, to promote programs that, do this, but historically, they have not succeeded. Governor kitzhaber once said that Oregon doesn't believe in prevention. What we do believe in is managing disease. We don't believe in addressing the root causes of issues to, create real solutions that work. This is like treading water while going over niagara falls. We all are going over right now. The thrive people mentioned epidemics are, you know, on the rise, diabetes, all of that. Tri-met's unions are trying to address their budget problems by having their workers pay their health premiums, their health insurance. They are not putting effort into increasing the effectiveness of their care. The care they give their people. This is like moving bananas around. It looks good on paper, but america keeps getting sicker and the cost of care keeps rising. The solution, solutions such as a different approach to things, like instead of, new 9-1-1 emergency response technology, creating systems that treat people's illnesses before they need to go to the emergency room. Jeff Cushner, assistant director of the state department of drugs and alcohol, said that there is no proof that prevention works. Well there is proof that everything since that time a few decades ago really hasn't been terribly effective. Things are, problems are still on the rise. We have never really given prevention its fair share, its fair try. What we do try over and over again is drugs, tests, and procedures. That's the mainstay of our medical system. And how bad does it have to get before we realize that this, approach doesn't work? We're so busy putting bandaids on terminal problems, really horrible epidemics, that we never stop to ask why. The question, why, gets us to the root cause of issues. Why is it so costly to ensure tri-met workers? Why do people rely so heavily on the emergency room? Why does Oregon lead the nation in sex trafficking and heroin use? If we don't ask why, we might as well just join the monkey riot. Thank you very much.

Adams: Thank you, sir. Will you please read the title for 476.

Item 476.

James Lopes: Hello, my name is james lopes, for the record. And as you know, I have come to the council about my daughters disappearing about six years ago, and then two years after I was assaulted and robbed in my own house. And a year after that, I was lured into another house, and I found out after these three years that I was in this sex trafficking program that, from my ex-wife. So, I have done my regular research and I've come to you guys and I have another lead that I have, which I found a case number, which supposedly ended in 2005. The case number is 253641, 253641, that we can follow. I will bring it next time if need be. So, in other words, I found out that I was finagled, or my wife, with this state agency, finagled the kids out of my life, and actually, I have no authority as their parent right now because they illegally finagled that also, and have been putting me in this program, and so, I finally found it, so obviously according to this it ended at 2005. So it got transferred to some, kind of other organization that's been doing this. I have seen them down at the park. At the little streams and, you know, we're the water comes out and everything, and I am quite concerned, not only for, me being accused of this thing, me not having my kids in my life the last six years, but also for, the welfare of some of these kids. Some of the things that they do is so sexually explicit. I am, I am -- I feel for the children myself. So, you know, the last couple times we didn't know if it came, we have a report, it came from the state agencies, and handed somewhere else, and we need to figure this out because if me an innocent man can be accused of any kind of sex trafficking or being set up, then others can, too. And I have gone to the hospital numerous times because of these people. So we need to handle this. And I don't think you can hide the fact that even on the streets they have mission trips that come from out of the

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state. I don't think that our regular locals like, like being set up in the park for different activities because it's just -- it's like, it's the same house, that I was lured into, but it's out in the street.

Adams: Thanks for your testimony, I really need you to follow up with the state agencies. This is an issue that you rightfully referenced as a state issue. It's outside of our jurisdictions. When you were here last, we looked into it so I need you to follow-up with the state agencies. We don't have jurisdiction over this.

Lopes: Which one? We're can I go?

Adams: I would encourage you -- what neighborhood do you live in, in Portland?

Lopes: I live down here. I haven't lived in a house ever since I was lured into this, these two houses, hospital stays.

Adams: Ok.

Fritz: You could stop down stairs in the office of neighborhood involvement, the information and referral specialist can help you find the right person in the state, so just go right downstairs and the office of neighborhood involvement is right there, and we have--

Lopes: Neighborhood involvement it's called?

Fritz: Yes. And so they can help you to find the right agency in the state.

Lopes: Ok, thank you.

Adams: I don't want to waste your time here because we just don't have jurisdiction over this issue.

Lopes: Ok.

Adams: Thank you. Can you please read the title for item number 477?

Item 477.

Adams: Welcome back.

Martin Slapikas: Thank you. Well I've got to admit, I'm Martin Slapikas, I'm representing the Hayden island neighborhood network, it's a neighborhood, Hayden island neighborhood association, also known as high noon. Frankly if I had known that the Lincoln constitution was supposed to be here I would have asked them to make this presentation. I trust you've received the hayden island sustainability program. And it was designed and based on three legs. Economic development, environmental stewardship, and social responsibility. Every one of these issues are concerning us because the impact that is mentioned in the resolution that you should have before you, 15 different agencies, development by private and public support, we've got criminal activity going on. All of these things are affecting the livability of our island, on an ongoing, as I speak basis. What i'm here for is to ask that you, our city council, essentially, become our strongest lobbyist when we face some of these issues. And some of the questions that need to be asked, that do not seem to be asked, at the various meetings I have attended. For an example, when we talk about the crc, you have an attachment that contains the island's mitigation desires. Frankly, why don't we do advance mitigation? Start some of the mitigations going on right now. To correct that. To correct the issues that are happening now. They are all in there. Three minutes is not enough time to delve into that. But what I would like to do is make a, point of saying that we will be contacting each one of your offices, both current and new members of the council to address these in much more detail. But consider the issue of the potential annexation of west hayden island. One of the questions that I have not heard asked, is why is it, there is no interest by the port or the state authorities, nor is there a proposal to form joint port authority before you concrete over or consider concreting over 300, 500, 800 acres of west hayden island. Why isn't there a consideration of forming a joint and taking money that might did that to form a bistate regional facility that competes on a world class basis? Not competing against port of Vancouver or the port of astoria. But look at a unified thing. Livability is certainly an issue. Cut to the chase. I was a pilot and used to fly at high altitudes requiring oxygen, and what -- if you could define livability, I'd love to hear the interesting thing is you don't notice livability. You don't notice, it's very much like oxygen.

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You don't notice the lack of oxygen until it starts to disappear. And that's what's happening with the livability on hayden island. Thank you very much.

Adams: Appreciate the, I think, those are, those issues and others contained in your submission are on point. I would like to celebrate, because I was on the island this weekend to celebrate the fact that it's nice to see the new streets going in and the new street grid going in. You recall we fought very hard for that six years ago, I think I endured a nasty Oregonian editorial because I was fighting on your behalf and others on hayden island's behalf just to put in a more proper street grid, and it's actually very rewarding to see that happen. I am concerned about the phasing of the crc. And so, I'd like to think that we could get early mitigation, I'll tell you my current concern right now is that the phasing could make things worse. In the short-term, and by short-term, I mean years. So we have work to do, no doubt, and I appreciate you all being organized and coming to us with your list so thank you.

Slapikas: Thank you very much.

Adams: Alright, that gets us to the consent agenda. Does anyone have any items to pull from the consent agenda? Karla can you please --

Moore-Love: We have 492 being pulled.

Adams: Okay, where is it going?

Moore-Love: It's going to be for discussion.

Adams: Oh, okay. Can you read the title for emergency ordinance item 492?

Item 492.

Adams: That will be moved to the regular agenda. Any other items? Can you please call the vote on the consent agenda?

Fish: Aye. **Leonard:** Aye. **Fritz:** Aye.

Saltzman: Am I not here?

Moore-Love: Oh, sorry.

Saltzman: Aye.

Moore-Love: I missed somebody.

Adams: And I vote aye, too. [gavel pounded] [laughter]

Adams: Rough morning. Someone get Karla some coffee.

Leonard: She got the important people. [laughter]

Adams: She got the important people. [laughter]

Adams: Can you please read the title to item number 478? I'm going to guide you through this Karla.

Moore-Love: Thank you.

Adams: Usually it's the other way around but I've got your back today.

Moore-Love: Thanks.

Item 478.

Adams: I'm going to consider the presentation, unless there are objections I'm going to consider the presentation we've already seen, as fulfillment of item number 478. Report to council. [gavel pounded] can you please read the title for emergency ordinance item number 479?

Item 479.

Adams: This is our standard permit. With a few ever improving flourishes, what should we know?

Allison Madsen, Revenue Bureau: Well, I'm Allison Madsen revenue bureau, joined obviously with jeff curtis and sue Bunday. We are here today to present the ordinance, that represents 105 years of tradition and another year's solid work. That has been done by the festival staff, volunteers, and city and our partner agencies. It authorizes the three parades, the waterfront city fair, associated street closures and some other housekeeping pieces, and just to take a moment to recognize the staff at the city, Portland police, transportation, water, parks, and our regional agency

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partners of tri-met, Multnomah county and odot who work so hard every year to make sure that our events are amazingly successful.

Curtis: A lot has been said this morning so I'll be brief. This, ultimately, your action kicks off five full weeks of rose festival activities. Some 1.6 million people will enjoy these festival activities. Summarized to approximately a 45 million dollar economic impact of which we will be studying in the summer. The actual true economic estimate based on previous years. We are doing full study on that, with the expectation that will grow to the inaugural rock 'n' roll Portland half marathon event that will be kicking off the festival just 11 days from now, so coordinated efforts by all the bureaus to make it special. President Sue bundy made that point earlier, and I just want to thank you for your leadership as we produce the 2012 Portland rose festival. Thank you.

Bunday: And I would just add exactly what allison and jeff have said. Thank you again. It means a lot. It means a lot to the community, and I think that, under the leadership of the city council under mayor Adams, it has been very rewarding. I know from a volunteer perspective, I am very proud to represent the rose festival.

Adams: Thank you all very much. And thank you for your work on not only this, but you have a very, very difficult job, and we don't often get the chance to see you at the table here at city hall.

Bunday: I try to avoid it. [laughter]

Adams: But it does give me the opportunity to thank you.

Bunday: Thank you.

Adams: When I look at all the events and all the details and all the permutations and all the details and it's a big city that has to keep moving during all these events, you are the, the tip of the problem solving, and so thank you for that.

Bunday: Thank you.

Adams: And for you two, you just continue to polish not only the event, itself, but each year you work with us, in a more insightful, and efficient and better way so thanks for this. Especially thanks and, when we're facing such difficult budgets, you continue to work with us to make sure that you get the, most upside and the lowest cost to us. So thank you for that. Does anyone wish to testify on this matter? Karla, can you please call the vote on the emergency ordinance?

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

Fritz: Thank you, aye.

Adams: Aye. [gavel pounded]

Adams: All right. Can you please read the title for time certain and we are late, and I apologize. For item number -- it is, a resolution, item number 481.

Item 481.

Adams: Commissioner amanda Fritz.

Fritz: Thank you, mayor Adams, and I would like to invite those who are going to present to come up to the table. I am very happy to introduce this resolution and from the office of equity and human rights and the commission on disabilities. This resolution is aimed into bringing into focus the needs of people with disabilities regarding employment in the city of Portland, and to assist the city of Portland in meeting its legal obligations under the americans with disability act. It's the legal thing to do. It's also the right thing to do, and I am very happy and pleased with the commission on disability for taking the leadership on this issue. Approximately 54 million americans live with a disability yet americans with disability have an employment rate that is much lower than that of americans without disabilities. In july of 2000, president clinton signed an executive order calling for 100,000 individuals with disabilities to be employed by the federal government over five years. But few steps were taken to implement that executive order. On july 26, 2010, president barack obama issued an executive order increasing federal employment of individuals with disabilities, only this time with an implementation strategy identified. Recently the city approved the creation of the office of equity and human rights, which staffs the commission on disability. This office is

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dedicated to supporting the commission, especially as it relates to insuring fairness for all Portlanders and equal opportunity and access to city services, jobs, and contracts. In collaboration with the staff from the office of equity and human rights the commission on disability is bringing forth this initiative for model employment. The commission has found that an estimated 108,000 persons in the city are residents with disabilities, and that they have been and continue to be underemployed and unemployed at a far greater rate than those without disabilities. This population is also confronted with high rates of poverty, inadequate health care and being socially marginalized. A disproportionate number of people with disabilities are also people of color, who also experience additional lack of opportunity and discrimination. The city of Portland initiative will include implementing and evaluating a strategic plan for increasing the city's employment of people with disabilities, as a partnership between the office of equity, the bureau of human resources, and the commission on disability. The office of equity will evaluate with the commission the need for staffing. I am happy to introduce Travis Wall from the commission on disability who will provide more in-depth information on this resolution, and I also thank the director of the office of equity and human rights, Dante James and Anna Kanwit, the director of bureau of human resources for their partnership in this work. Travis.

Travis Wall: Good morning. I am Travis Wall, and I am a member of the Portland commission on disabilities and the chair of its employment committee, but perhaps before we get started we can just make some introductions.

Dante James, Director, Office of Equity and Human Rights: I am Dante James, I'm the director of the office of equity and human rights.

Nyla McCarthy: Nyla McCarthy the proud chair of the Portland commission on disabilities.

Phyllis Petteys: I'm Phyllis Petteys, and I am on the employment committee and also a commissioner on the Portland commission on disability.

Neisha Saxena: Neisha Saxena and I'm on the employment committee.

Wall: Well, let me sort walk through at what we've been doing for the past couple of years. Some of what I'm prepared to share with you today. Has been alluded to by commissioner Fritz, thank you. And I will elaborate on some of those items. So, to begin with when the Portland commission of disability was started 2.5 years ago, we looked around the city and looked at ourselves as a commission, and sort of asked ourselves how best to proceed. We identified four areas that we thought we should focus on going forward, and we identified four committees to begin with this initial work. And one area was the area of employment. For the reasons that commissioner Fritz has just shared, and I will elaborate on, so what we then did, really for the next 18 months or so, was we examined the challenges and barriers that individuals with disabilities face, in obtaining retaining and advancing employment. We heard and discussed the issues with concerned and knowledgeable organizations and individuals. Groups like the bureau of labor and industries. Which of course is the entity and [inaudible] responsible for enforcing Oregon's equal employment opportunity laws. We also talked with representatives from disability rights Oregon. Disability of rights Oregon is the designated entity in Oregon for protecting and advocating for the rights of individuals with disabilities, we also heard from the commission for the blind as well as the office of vocational rehabilitation services, the agency I work for. These two agencies are responsible for providing vocational rehabilitation services to individuals with disabilities in order that they may work or continue to work, or advance at work. We also heard from a number of others. We talked with city staff, including Kathleen Saadat, the city's diversity and affirmative action manager. We also heard from fellow commissioners and committee members, including people like Jan Campbell, who worked for the city for many years, is retired but is a woman with a disability, and has dealt with disability issues in a variety of capacities, including as an advocate and as a member of the city staff. With all this we looked at what the city as an employer is doing in this area. And we also considered what the city might do to address this issue. You know, much has changed

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in the past several decades for people with disabilities. Two to three decades ago, it wasn't uncommon for many of us to be locked away in institutions and consigned to the public shadows of life. Through years of concerted advocacy direct action that we, ourselves have engaged in as well as our friends and allies and family members, through changes in statute like the rehabilitation act of 1973, and the americans with disabilities act, and through litigation, and court decisions like the supreme courts decision in olmsted, we've moved forward in lots of areas. As a result, we enjoy far more opportunities and freedoms than we did in the past. But significant challenges still are in front of us, and one of these areas is employment. As commissioner Fritz shared with you, we represent a rather large group of the population, although we are a minority population. It's been estimated that somewhere between 18-22% of the general population have a disability. And that would mean, of course, that roughly 108,000 Portlanders are people with disabilities. And notwithstanding our numbers, we are among the most underemployed and unemployed of citizens. Recently, the national unemployment rate for people with disabilities was pegged at about 17% compared to about 9% for able bodied persons. But other data that we have at our disposal suggests a much greater inequity. The u.s. census bureau most recent report on disabilities and employment estimated that about 35% of persons with disabilities were employed compared to 72% of people of able bodied persons or persons without disabilities. And in fact, the unemployment rate is much greater for people with severe or significant disabilities for it approaches 70%. The current economic situation is bleak for people with disabilities. As the economy has declined the numbers of people with disabilities have been laid off, we even laid off in great numbers, but in fact we have been laid off numbers that exceeds our peers in the workforce, and eroding the gains that we've made in recent years in the area of employment. The corrosive effect of underemployment and unemployment cannot be understated. They include limited and lost income, lost and denial of vitally needed health care services, isolation and social exclusion, the loss of dignity and self worth. But perhaps, the most destructive effect is on the dreams of many people with disabilities, which continue to be deferred and denied. The causes of the continuing underemployment and unemployment are myriad. While it appears that outright discrimination and prejudice is less common than it used to be, many of us remain uninformed or ill informed about disability and believe that people with disability are incapable of work or less capable than others. There is structural barriers to employment, including a lack of access and a lack of reasonable accommodations in many workplaces, as well as rules and policies, including public rules and policies that restrict or limit people's ability to earn a competitive wage. And work in integrated work places. And many employers continue to fear that in hiring people with disabilities, they will have workers that are less motivated, less reliable, less loyal, when in fact the available data indicates just the opposite. In looking to the situation here in Portland, we came away with the impression that Portland's public and private employers, including the city, are not much different than their public and private counterparts elsewhere. The city has policies and procedures to address it's responsibilities under the ADA and under Oregon's fair employment law. But these are limited and they don't appear to affirmably address the issue. Moreover, the city collects little data on disabilities and it's work force, including the numbers of individuals hired, not to speak of data on retention, advancement and severance. As a result, we don't know exactly how the city is doing and whether it has made and is continuing to make progress or not. However, our collective impressions in the lack of evidence the city stands out in this area, suggests that the city, or we as a city rather, have work to do and ground to cover. To live up to the commitment we've made through the Portland plan in the spirit if not the letter, of the ADA and the Oregon EEOC law. So what can and should we do as a city? In addressing this issue, we learned that a number of cities, including baltimore and chicago and a number of states, including massachusetts and alaska, are seeking, through numerous initiatives and activities, to become exemplary employers of individuals with disabilities. Perhaps most notably, president obama issued the executive order that we heard

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about a few minutes ago. We believe the president's executive order is an excellent basis for moving forward at least initially and implementing the commitment that we've made to the Oregon plan. Accordingly we've constructed the resolution and the proposal we've presented to you. Through this resolution we are asking that you commit the city to one, becoming a model employer of people with disabilities, to developing, implementing, and evaluating a strategic plan for increasing the city's employment of persons with disabilities. This will entail, if adopted we hope, instituting a data collection and analysis process so that we begin to have the baseline metrics and we have the targets and the data to set the targets and to measure the outcomes as we move forward with the plan. To complete the assessment process that we've begun in the city's capacity to employ individuals with disabilities, including reviewing the city's policies and procedures to identify where policies and procedures may need to be refined or revised or where new policies need to be developed. Identifying the objectives strategies and timelines for moving forward, and metrics for measuring, evaluating, and reporting back to you the commission on progress. We hope that you will see fit to designate a senior level manager for responsibility for overseeing and developing this plan, and implementation with city bureau managers and staff. And over time we hope you will evaluate the need for a dedicated staff position responsible for coordinating the city's responsibilities under title one of the ADA. You're probably aware of the fact that the city does have a dedicated staff position to carrying out title two of the ADA which relates to public accommodations and access. However, at this point, there is no staff position that's responsible for fulfilling the employment reasonability's of the ADA. We additionally recommend that the plan be developed and implemented in partnership with the bureau of human resources, the office of equity, and us as a commission. We recognize that the bureau, as well as the office, have a great deal of expertise from a responsibility to bring to bare on this area as well as a responsibility to carry out certain functions that are vital to or essentially a part of this proposal. We also have a wealth of personal and professional experience and knowledge on this issue. In fact, the proposal contains considerable resources in the back of it to help provide the city with information to make at least initial steps. We believe that high-level leadership is needed; including yours, to convey the importance of this resolution, ensure that a meaningful plan is developed, and that the plan and its objectives are addressed and fulfilled. On a related basis, we need a high level manager to keep you, us and the public informed on the progress of this effort, and to guide it to completion. We believe that the costs involved with this proposal are limited and that some of the work can be diverted as part of the EEO work that the city is already carrying out. We would note that the city also has responsibility to fulfill much of what we're talking about here under both the ADA as well as under Oregon equal employment opportunity law. In the event upon the completion of the strategic plan, there are activities that have costs, then that's the time we would hope to sit down and talk with you as well as staff about how to move forward. In closing, we're asking that you approve this resolution and begin to make Portland a model employer of people with disabilities, because it's the right thing to do. Let's fulfill the commitment we've made to the Portland plan to make Portland a place where everyone has access to opportunities necessary to satisfy their essential needs, advance their well being and achieve their full potential. It's also the law. And it's also going to be good business for the city as an employer and as a representative governmental body. If you've had a chance to sort of dig through the tomb that's our report, you'll see that we outlined the business case for the city as an employer and as a public business to employ people with disabilities. Individuals with disabilities have valuable and knowledgeable experience to bring to the table. You know, many of us have overcome challenges and difficulties that most -- many others of us have not, you know, been able to overcome. Moreover, we also happen to represent and reflect the diversity of the city as a whole and the population as a whole. As a group, we represent 20 -- pardon me, disability is more prevalent among certain groups including certain other disadvantaged groups such as African-Americans where roughly 24.3% of people have disabilities. 24.3% of native-

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americans are people with disabilities. 20.9% of Latinos are people with disabilities, 18.3% of whites have disabilities, and 16.6% of Asians have disabilities. We would also point out that people with disabilities are highly productive, loyal, and highly motivated workers. There's an abundance of data out there about this, it's something that an increasing number of employers, public and private are beginning to recognize and appreciate. And also recognizing that in trying to address the labor shortages that we're going to be facing in the coming years as baby boomers retire, that again people with disabilities represent a resource available to us all. So, with all of this and more, we recommend the resolution, and of course are glad to answer any questions you may have.

Fritz: Does anybody else want to say anything?

McCarthy: Actually, I do. I want to thank you all, first, on behalf of the entire commission. The last time you saw us was in August when we filled the council chambers, actually, with an abundance of our constituents, people with disabilities representing all of the groups that Travis talked about. We weren't quite able to get that many people here today but I think we did a pretty good showing for kind of a normal thing. I just want to share with you a couple of statistics that Travis didn't have and statistics I think can be really misleading, but we do know that nationally people with disabilities are the most abused population. Women with mental health and with developmental disabilities are sexually assaulted six times out of 10 for the population, and people with physical disabilities are often the people who are physically assaulted. So I think it's an important issue since I direct the abuse prevention, and I wish the guy was here to talk about prevention. They do have an abuse prevention and identification unit, and I direct it, for investigations about abuse. There's a huge fiscal savings to be had if we are employing people appropriately with disabilities who are no longer invisible but actually have living wage jobs and are being integrated into society, and not just kind of really on the peripheral fringes. Those people will be less likely to be abused sexually, physically, financially and in a lot of the ways that I can tell you my office is busy across the state. And this impact for Portland, which is of course one of the largest centers of people with what we call invisible disabilities, mental illness particularly, and I think you see that in council every time you have hearings, those folks end up in disproportionate numbers being picked up by first responders right now because they are not appropriately employed, housed or treated. So I kind of wanted to say that and then just on a personal note I wanted to say that I spent most of my life hiding a disability. I had a -- I was in an accident with a severe brain injury. I spent a year in special education and warehouse at the age of 13. And when I came out of that, I was pretty clear that I wanted to do what I could to work to end the kind of treatment that I saw in there. And I've spent my life -- but ironically, I hid the fact that I had a seizure disorder as a result of that head trauma as many years as I possibly could, terrified that I was going to have a grand mal seizure in my offices and go down. And it wasn't until I went to the state to work in this position, directing the abuse prevention and education unit, that I was really able to come out 14 years ago honestly about the fact that I have a disability. So when we're gathering the statistics, which we're excited to be doing in partnership with Dante, in the office of equity, and thank you again for funding that to give us a place to work, we know that we will find people who will not show up statistically, that's why statistics are always such an odd thing for us. Because they will be afraid, as I was, to admit that they have disabilities because they'll be afraid of losing their jobs or because they'll be afraid that people will be concerned about the accommodations. I can tell you that I have personally not needed any accommodations, and the fiscal impact of accommodations for most people are pretty minimal, so I kind of want to reassure you on that front.

Fish: I have one question. Once you've concluded this particular focus work on model employment practices and Portland as a model employer, do you -- what other issues do you have in the cue that

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you might address? Because I'm guessing housing will at some point be on your radar. But what are your other issues?

Wall: Well I certainly think we will be looking at housing. I think that -- our hopes with this proposal is that we can take this proposal and push it out into the community. We hope that the city will play a leadership roll around this and set a real example going forward. And with that we can then begin go to other public employers in the region as well as other private employers within the city and look to them to also implement practices that are developed through this process, to better employ people with disabilities. I think one of the things I would say is that, you know, I don't want to diminish the importance of housing. And in fact there are members among us who have worked very actively on that issue. I think one of the things we've recognized with employment is that, employment really is a pivotal issue, you know, if your employed, you can begin to secure other things that aren't available to you if you're not employed. And we're well-aware that of course when it comes to people with psychological disabilities and the homeless population that work is a critical issue. And I would amplify in relation to that population that one of the things we found with that group and with some other people that just getting to work helps people deal with their disability, helps alleviate their symptoms. So the very process of work is beneficial on a variety of levels, both therapeutically, to put quotes around that, as well as economically.

McCarthy: I can answer your question commissioner Fritz. We have four sub-committees. And I'm extremely proud of the work that this sub-committee has done on this issue. And our other three sub-committees are working equally hard on their issues. One of them is accessibility in the built environment; and I know that you've met with some of those folks, we conducted an audit on council chambers and we will continue to kind of be working collaboratively with our partners in the community to take a look at accessibility in all of it's fashions within the city. Another one is on health and wellness, and we're partnering with the county as well as with the state to take a look at issues related to health of our citizens, factors that contribute to disabilities, there's so many environmental issues. And the fourth one is public outreach and education, and I personally have a brainchild that I'm very committed to, which is to create a leadership institute for people with disabilities, partnering with folks on that. I do that at the state level. We're concerned about the absence of people with disabilities across class, across ethnicity, across age groups, and their representation in the political process. So we're going to be working to find folks in the community and try to mentor, and cultivate, and bring them up to speed.

Fish: I applaud you for putting employment first. And I think that's absolutely appropriate. And it sounds like with your second committee you mentioned was around access. That not only intersects let's say the work that the parks bureau does, making sure our park spaces are available, but it also would bring the office of equity, planning and sustainability, bureau of development services, and housing together to look at questions of access as our population ages and as we have more older adults with disabilities. The question of access and how we embed that in our code, in terms of incentives, in terms of code enforcement, in terms of affirmative policies, you could provide a leadership role in helping us work across bureaus to get that right. And that after all is one of the promises of the office of equity approach and also your work is to go across bureaus and help us get it right. So we really look forward to partnering with you on that.

Saxena: And I also wanted to talk a little bit about the housing work that we're doing, and I don't want to sort of take away from what we're talking about right now, and to focus on housing, but and thank you all for hearing us and a special thanks to commissioner Fritz as well. A number of us served on the analysis of impediments for housing committees with the housing bureau, the current fair housing advocacy group as well. So there are several of us who are serving as liaisons to various bureau committees.

Fish: Yeah and since -- I think what we learned in that nationally, half of fare housing complaints involve people with disability.

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Saxena: Yes.

Fish: So we have a lot of work to do, both in terms of how people are treated when they apply, and also making sure apartment owners understand that they are covered by the ADA. And that their units have to be acceptable to people with disabilities. So, well thank you very much.

Saxena: Thank you sir.

James: And if I might, Mr. Mayor and council, as the director of the office that the commission on disabilities sits within, I just want to take a moment to commend and congratulate the commission and the committee on their hard work in bringing this forward and truly encourage the council to adopt this resolution. I think the commission is an example of a model commission functioning in the city in finding and bringing forward their issues. And clearly, as the Portland plan and the success of the Portland plan speaks to, you know, equity as a mainstay of the Portland plan, and this is about equity for all the members of the city. So I truly want to congratulate and commend their hard work and encourage the council to adopt this resolution.

Fish: I'd move the adoption of the resolution.

Adams: So is there anyone that wishes to testify on this before we move to adoption?

Moore-Love: No one else signed up.

Adams: Alright. Karla can you please call the vote?

Fish: Well I want to begin by congratulating my colleague, commissioner amanda Fritz, for all the work that she's done establishing the office of equity, supporting the work of this commission, and really her passion for this work. She worked closely with the mayor to get to this point, so I applaud both of them, but commissioner Fritz is the point person in moving this forward. And I think she's done a marvelous job. To the citizens before us today, in my four years, I have witnessed many reports from citizen-led groups, and frankly they've run the gamut in terms of effectiveness. And what I've learned over time is that, when groups such as yourself, commissions, advisory bodies, boards, when they have a clear focus in their work -- and you do. You have a clear strategic focus. When they are thoughtful and deliberate -- and I don't remember a presentation as -- more thoughtful than the one that sir, you read or presented to us earlier. And when they are as clearly collaborative in terms of next steps, wanting to invite us to be partners, which is the way this form of government works best -- when all of those align, we have a chance to do great things. And so I thank you for the time that you've devoted to this work, and the seriousness. And I think in addition to being a model employer, I think you can also pave the way for being a model commission in how you approach your work. So, again, thank you to commissioner Fritz, to my colleagues, to you for your good work, and to my newest tenant, Dante. [laughter] We look forward to moving this forward to an implementation phase and then to working with you on other issues of concern. Aye.

Saltzman: Well I want to thank the commission for this very good report, and I think, as my colleague said, it's focused, and that always helps. And it's focused on a very important thing, which is employment. I think, regardless of whether you have a disability, employment, having a job, is so critical to mental health and to socialization for anybody, regardless of disability or not. I saw a recent poll of people who were unemployed through lay-offs, and you know, 36% of them are still just absolutely devastated by it. And, you know, I think the disabled community deals with that every day. So our goal as a country and city is to be model employers and to get people to work again, and to get people who haven't been in the workforce into the workforce, providing those opportunities. So I stand with you, and I want to thank most of all commissioner amanda Fritz for leading this effort, and for being so passionate about making sure that we have good employment opportunities and the city is a model employer, so thank you. Aye.

Leonard: I, too, want to thank the commission on disability and Commissioner Fritz, this is a very important document and one that I think we need to embrace. I strongly believe that a number of

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peoples struggles can be addressed with a job. And so this is really very appropriate and something I intend to embrace. Aye.

Fritz: Well, thank you so much for all of your hard work. Politicians use the word "I" a lot. This council tends to use the word "we." Because we work with you, we work together, we get things done together. And we together, established the commission of disability in 2009, and then you have taken it to great heights beyond my wildest dreams, and I very much appreciate your diligence and carefulness in bringing forward this resolution and the proposal and your willingness to work with staff, your support of the office of equity and human rights, and of Dante James as our new director. I particularly thank Anna Kanwit and Kathleen Saadat who are here with us today from the bureau of human resources, who have worked in partnership with you, who are cross commissioner who are going to be working on this issue at probably – belongs with the human resources team because they do help all the bureaus with hiring, and yet it also probably is our job as part of the office of equity and human rights and the commission on disability to continue to shepherd it through. So I thank you so much for that. It's we the people as was mentioned earlier, working together on something that – which is really important. There's been a lot of talk about, well what is this office of equity going to do? Isn't it just more talk? Well no, it's not. This is it. We're talking about jobs, we're talking about contracts, about real people, with real needs, and the need to do something urgently. So it's less than two months since Dante has been the director of the office of equity and human rights, because of your partnership, we're able to bring this motion forward today, and we'll be moving to implementation with full speed ahead also. So thank you so much for all that you do, and thank you to all of my colleagues for their willingness -- this is going to be in all the bureaus, we're not just talking about a few bureaus implementing this. We're talking about every bureau understanding the value of people with disabilities on our team, being part of our loyal and diligent work on behalf of the citizens of Portland. Thank you so much. Aye.

Adams: Thank you, commissioner Fish -- Fritz. [laughter] The fs are always hard this time of day. Thank you, commissioner Fritz for your leadership on this issue. Thank you to the disability commission for your great work and seeing this through. It's great to have director James here, office of equity, that's going to make sure that everything gets integrated together. And Travis, great report and explanation of what we're considering today. I like especially the part where you said that we're no different than a lot of other places we aspire to be better than. I'm very pleased to vote aye. So approved.

*****: Thank you very much. [applause]

Adams: Alright, can you please read the title for item number 493? No, no. 493. Oh, I'm sorry, I'm in the wrong place. 494. I apologize. No wonder you had a – see now you're keeping, you've got my back.

Item 494.

Adams: So we're going to move this to may 30th in the morning. So without objection, so done. Can you please read the title for item number 495?

Item 495.

Adams: So I'm pleased to, along with the bureau of revenue, bring this forward for council consideration. The emergency has been applied on tax and fee measures like this; you want to make an expedient decision and to execute it as quickly as possible. This has been based on a thorough review by the bureau of best practices not only at a local level but on other state and regional levels. It is responsive to the fact that we've just gone through one of the worst recessions since the great depression, but it also makes it really clear that this is a once-in-a-lifetime opportunity for folks who, through the tough times or just innocently, because they were not aware, failed to conform to the rules that the director Lannom, will go over. To be clear, they will still pay penalties. They will still pay interest, Sorry – they will not penalties. So the fact that they either made a mistake or that they maliciously ignored their responsibilities as a fee or taxpayer, they're

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still going to have to pay for that not only what they owe us but additional interest beyond that. But they do get to avoid some penalties, and that's why we're bringing this before the city council for their consideration. Director Lannom.

Thomas Lannom, Director, Revenue Bureau: Thank you very much Mayor for that introduction. My name is thomas lannom, I'm the revenue bureau director. And as you know, the revenue bureau is implementing the first-ever tax amnesty program for businesses that have fallen behind on their city and county tax obligations. The amnesty period is slated to begin on may 15th and run for 60 days. It will also apply to the Multnomah county business income tax. We're appearing before the Multnomah county board of commissioners tomorrow to have them hear a change to their ordinance to their code that would mirror this change today. Under the program, businesses that have failed to register with the revenue bureau or failed to file taxes in the past three tax years would be eligible for a full waiver of all penalties and a 50% reduction of interest. Our interest is currently 10% per annum. That would be reduced to 5%. And a key element of the success of any amnesty program -- and we have looked at 22 amnesty programs as the mayor spoke about, also read a great deal of literature around best practices around tax amnesty programs, a key element is that taxpayers that step forward for amnesty need to have reasonable assurance that their confidentiality will be protected. Otherwise they are less likely to step forward if they can expect to see their names published in the "oregonian" at some point. So the point of the ordinance before you today is to make it very clear, in the city code, that the bureau and all officials involved in the administration of this program are expected to keep the names, the addresses, and any other identifying information about a taxpayer that steps forward under this amnesty program confidential. And I will stop there and for any questions you may have.

Saltzman: I just -- one question, I know it was kind of eluded to when we first talked about this, but, so this -- this ordinance does comply with public records laws, Ben?

Lannom: Yeah, the city attorney's office -- that's an excellent question. The city attorney's office has reviewed that, and the Oregon public records law under ORS192.502 talks about the types of information that would be regarded as confidential, and there is a provision within that portion of the ORS that speaks to the intent of the person applying for amnesty, and then in particular providing the information to the bureau on our tax amnesty application that if they provided this information in good faith and the public body has obliged itself in good faith, to not disclose the information when the public interest would suffer by the disclosure. So that is the particular provision of ORS that this is aimed at.

Saltzman: Thank you.

Adams: Do you concur with that, mr. Walters?

Ben Walters: Yes.

Adams: Okay, just for the record. Alright, any other council discussion? Does anyone wish to testify on this matter?

Moore-Love: No one else signed up.

Adams: Karla, can you please call the vote?

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

Adams: Aye. [gavel pounded] 495 is approved. Can you please read the title for the item that was pulled, which is item number 492, emergency ordinance.

Item 492.

Adams: Commissioner Amanda Fritz?

Fritz: Thank you Mayor Adams, I had this on consent because it's something that we've been working on for quite some time, and I think that many people are aware of it. I understand that since some citizens asked for it to be pulled for discussion. So I'd be happy to turn it over for public testimony, and Director Lisa Turley from the bureau of emergency communications is here. Did you want to just explain briefly what it is?

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Lisa Turley, Director, Bureau of Emergency Communications: Yes, Lisa turley, Director BOEC. Good morning. Basically what this is is a first step for our organization to try to move some of our calls over to what I would say are more qualified mental health professionals. We see this as a first step. We've worked with PPB and Multnomah county crisis line to get this program in place. And it is a six-month pilot at this point. And we're going to re-evaluate as we go. We've been working with safer pdx and the basilon project, and we've learned a lot of information and we're hopeful that this is, as I said, the first of many steps to move these kinds of calls to more appropriate response.

Saltzman: Can I ask a question? Could you just give us like an example of a type of call that might be referred to this?

Turley: Sure. Actually, there are very clear criteria, and I will tell you that they are about people who -- if they're threatening to jump from a bridge or structure, this does not qualify. If they need medical attention, this does not qualify, this is a suicidal subject. If they have a weapon and they're outside or in public, it does not qualify, or if they have a weapon inside a building where other people are present. So we're really looking at the person who's having suicidal thoughts and who is not creating a danger to the public or an immediate danger to themselves besides having suicidal thought. We'll transfer them over.

Saltzman: So it's particularly related to suicidal thoughts?

Turley: That's correct.

Saltzman: Okay, thanks.

Fritz: And it's -- I appreciate the question, commissioner Saltzman, because it's taken us a while -- the office -- bureau of emergency communications runs on protocols, that the operators, call takers, ask questions you well know from being on the council. We wanted to make sure working with the county mental health experts with the county's medical advisors and others to make sure that we were teasing out the right level of calls. And as director Turley says, this is the first step to make sure that people are safe, both the caller and those in the immediate vicinity. So we are hoping to expand and have other measures that will be helpful. This is the first one.

Leonard: So on one of the criteria's, I just want to follow up, I'm assuming that the operators, the call takers, the dispatchers have discretion even if there is a written protocol. And the example I'm thinking of was the example you gave, lisa, of if somebody calls and they're in a structure and they say they have a weapon, and they say they're alone, I would expect your dispatchers to use some discretion as to whether or not that's a believable statement.

Turley: That's correct. What our job is to do is to screen that and set it up for police. We may also transfer the caller so that the police are en route and setting up and the caller is being managed by Multnomah county health.

Leonard: Although you said one of the exceptions -- not one of the exceptions, but one of the examples of transferring them to the county or a crisis team was, if they're in a structure with a weapon but nobody else was present, so ordinarily you would transfer them over, and I guess --

Turley: Right.

Leonard: What I'm asking is that would be one where my brain would tickle a little bit. And I would probably want to ask a couple of questions to assure myself or the other call taker that in fact there is nobody around before they were transferred?

Turley: Right. And you're correct. The call taker will be using a lot of discretion on these calls, and we are actually in the process of giving our folks additional training on kind of what to listen for and to use that dispatcher discretion and that intuition.

Leonard: great, thanks.

Adams: Alright, any public testimony?

Moore-Love: I didn't have a sign-up sheet, but we have people here.

Adams: Please come forward.

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James Mazzocco: Okay, I'm a little nervous here. I haven't done this before. But my name is J – Ahh -- james Mazzocco.

Adams: Don't be nervous, it's just us.

Mazzocco: Yeah, I know. [laughter] I am on the advisory council with the mental health association of Portland. I just prepared a statement here, so, it's pretty short. Portlanders share a problem. Those of us who suffer from mental illness routinely contemplate and commit suicide. It is not a problem limited to our city, but its affects can be mitigated here. The mental health association of Portland offers thanks to david hidalgo, and the staff of the Multnomah County crisis center, to lisa Turley and the staff of the bureau of emergency communications, and to the Portland city council and their staff, especially commissioner amanda Fritz for thinking through a difficult problem, and attempting the beginning of a solution. Mental illness and suicide affect Portland's entire community, friends, families, neighbors, people we care about. To contemplate suicide is not unusual nor does it indicate the need for police action. It is not in itself a threat to anyone it is not illegal. It is a normal symptom of a set of common illnesses. We routinely tell those in our community who are contemplating suicide, especially children and teenagers, to talk about those thoughts with someone they trust. The flaw in this approach is that the suicidal are reluctant to trust others. People with mental illness call 911 because they are desperate. But operators do not have the time to listen until the callers suicidal feeling passes. They are there to dispatch police, fire and medical personnel as needed. A common patient approach is however, integral to the Multnomah county crisis hotline. It makes sense to simply transfer calls by the suicidal from the BOEC to the crisis hotline. There must be discretion about transferring these calls. The confidentiality of the caller is vital to maintaining trust and 911 and crisis workers must be able to determine who is at risk and who poses a risk. The mental health association of Portland would like to reemphasize that suicide is not illegal. Attempting suicide is not illegal. Talking about suicide is not illegal. Mental illness and addiction are not illegal. When 9-1-1 operators relay calls to the police from persons who are having a mental health emergency we have effectively criminalized mental illness. With today's vote Portland city council shows awareness of this inadvertent criminalization of mental illness and an intention to change it. We must ask however, that you routinely review the capacity of the county crisis hotline to respond knowledgably and resourcefully to Portland's mental health emergency calls. The county's provision of mental health services is at best spotty, and the inconsistent ability to recruit and train competent mental health services staff is well-documented. Thank you again for your attention to this complicated problem.

Dan Handelman: Good morning Mayor and commissioners. Dan handleman with Portland cop watch, and we are supportive of this step forward in dealing with mental health crises and how they relate to police and the unfortunate circumstances we see many times where violence is used against people with mental illnesses. Our allies at mental health association of Portland have a firmer grasp on the appropriate way to handle calls than we do, but we definitely are concerned about how many times the Portland police have gone out and ended up using tasers and/or guns on people who are threatening suicide. So we hope that we can accelerate to the next step where more of the calls that end up with people dead end up transferred to the mental health professionals as well. The most important question to take care of is who decides when it's time to stop talking, and the prime example of this is what happened with bradley morgan in january when he was on the phone with a 9-1-1 operator who was clearly relaying the information she was gathering from mr. Morgan to others at 911 and therefore to the police and was getting progress made. And if you listen to the call it's very heartbreaking because morgan starts softening up and saying hey, you know, you're actually making me think again about whether I want to commit suicide or not. But then the police showed up, and he hung up his phone. And from there, we know what happened. This is kind of similar to the circumstances where we had people talking to hostage negotiators from the police and they ended up being shot, Raymond Goiter, Paul Stewart and Aaron Campbell of course. So we

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hope that that issue of when it's time to stop talking and send the police in gets a lot of serious study as this discussion moves forward, especially with the department of justice looking at this very question of how Portland police deal with people who have mental illnesses. I was a little bit surprised to see that this particular item did not have anything filled out on the public involvement section. I thought that was kind of unusual considering it came from commissioner Fritz's office. But it seems like this is a good step forward. It sounds like mental health association is supportive of it. I just hope there's more public dialogue on this later. And since there are a few extra seconds, I just want to note that, last december when the council changed the rules for the independent police review division, and the crc, they did not make a fix in case crc asked for more investigation on a case that came before them. And a case like that came up, and they asked for IPR and internal affairs to do more investigation, and they were told no just this last wednesday. So I hope council will revisit that question again.

Adams: Is that germane to this issue?

Handelman: No, but I just wanted to sneak it in while I had 30 extra seconds.

Adams: Don't sneak it in. Thank you, all. Anybody else wish to testify? Alright, please call the vote.

Fish: Aye.

Saltzman: Well, i'm really glad this was pulled off the consent agenda, because it's really an important step forward, and I want to commend commissioner Fritz and all those who are participating in this six-month pilot to try to improve outcomes for those who have mental-health issues related to suicidal thoughts. I hope this will present a more compassionate approach, an approach where we do not have to get our officers involved and we can have mental health providers involved in serving our citizens who have these problems. So this is a great step forward, and I hope the pilot proves us all right on our hunches here. Aye.

Leonard: Aye.

Fritz: Well, thank you to our community partners for continuing to work with me and others on this significant challenge. And for pulling this off so we have this discussion that was very kind of you. I have a formal apology for not having the public involvement section filled out. This is what happens when commissioner Fritz only gets six hours sleep for four months straight, because there was significant community involvement because of the work at the safer pdx project which Lisa Turley referenced, which is again a partnership bringing bureaus and different agencies together, the sheriffs department, and the Cascadia Behavioral Health and others, looking at this as our problem and something that we will work together to find solutions. Including having partners from nami and other peer advocate organizations. I'm going to take this opportunity to mention that the nami walk is coming up on sunday, may 20th, and I have a team, and i'd love to have more people walking and talking as we go around the route about the importance of our whole community acknowledging mental illnesses as something that is prevalent in our society, and all of us know somebody who experiences mental illnesses. I particularly appreciate the comments about 'it's not a crime to have a mental illness, and it's not a crime to have suicidal thoughts'. I have made the mistake in the past of talking about people having committed suicide. It's not committed. It's not a crime. It's completed or attempted. And we need to be thinking about this challenge in different ways and in terms of illness as well as in terms of solutions. That's what we're working hard to do. I have to mention also that, if people are having suicidal thoughts, there is another alternative rather than calling 9-1-1, and that is to call the Oregon partnerships lines for life their number is either 800-suicide or 800-273-talk. So those are other alternatives of volunteers who are skilled at listening and at helping people think through their challenges, that doesn't even get into the issue of calling 9-1-1 and potentially having police dispatched. So that's a great community resource that I encourage people to use. The mayor and I are working on additional pieces to this challenge, in particular having a second call taker or dispatcher in the bureau of emergency

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communications looking through the records so that we can provide as much information both to the crisis line and to the police if they're dispatched to the call, so that we work together to get the best information to the frontline providers. And I do indeed want to keep working on this complicated problem. The county announced that we were going to be doing this several months ago, and it's taken this amount of time to make sure that we go through each step, lives are at stake literally on this, and so we didn't want to rush into something. And as Lisa Turley mentioned, this is a pilot project, so we're going to see how it works. As good nurses do, you don't just do something and walk away and assume that it's taken care of the problem. You go back and look at, was it effective, what else can we do to make things even better? I want to keep working on this problem with the community. Thank you so much. Aye.

Adams: Yeah. We are working on the package of changes and proposals that i'm very excited about. They're a long way from being done, but we're making solid progress, and I want to thank commissioner Fritz for applying her expertise and her leadership to these issues. The police bureau, you know, shouldn't be responding to a lot of these calls. We don't want them responding to a lot of these calls, so we're working hard to make that happen as we also make sure that, when they do respond 'cause volume is so great, so high, that they have the knowledge and the information, the general knowledge but also the information about the individual that they are responding to. We also appreciate the chief elect -- fire chief elect -- aaron jensen's interest and involvement of building on chief klum's work on this area as well. So, a lot of work to do, this is an important modest, it might seem modest, but it's a very important step. Aye. Alright that gets us to a recess until 2:00 p.m. Alright.

At 11:45 a.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

MAY 9, 2012 2:00 PM

Adams: Commissioner Fish, commissioner Fish to the podium please. Good afternoon everybody we're really glad that you're here. I forgot to do it this morning so I'll do it here. Under Oregon, sorry, under local law if you are a registered lobbyist with the city, then you need to declare on whose behalf or on what organization's behalf you are lobbying. Other elected officials are exempt from this, because we know who you are. And even if you're not a registered lobbyist, but you're here lobbying on behalf of an organization, it could be nonprofit, for profit, you're speaking for them. When you come to the big table to testify and we'll be calling up folks to testify, you give us your name and then who you're lobbying for on behalf. You do not have to give us your address, you do not have to give us your telephone number. Just your name and we'll go from there. So Karla, how are you?

Moore-Love: I'm fine.

Adams: How was your lunch?

Moore-Love: It was very good.

Adams: Good, what did you have?

Moore-Love: Tuna, a sandwich.

Adams: Tuna, very good. Can you please call the roll. [roll call]

Adams: Can you please read the title for our first item?

Item 496.

Adams: And chair, do you have time to -- do you want to come up at the very beginning? You've good big county to run, or do you want to wait for the presentation? Ok. We'll make sure that you do. We appreciate you being here. So could I have the initial folks please come forward? I'm going to keep my comments pretty brief. I had an opportunity to talk about this over the past three years in its formulation. But I'll say this -- this city has a blight on it, and that blight is a educational system that is not producing the kinds of results that we need to produce. And that this education blight is masked by the fact that we recruit a very educated folks to the region. But for families that have been here for generations, for poor families, for families of color, we do not succeed. We are not succeeding. Over the past 3½ years I co-chaired with chair cogan, with the active involvement of Portland state university, under the presidency of Wim Wiewel, who put together a cradle-to-career strategy. And we worked to make this strategy meaningful, and to apply it countywide. And the class of 2011 in partnership as well obviously with the school districts around the county, the class of 2011 was the first class to go through the initial approach, cradle-to-career approach, and it was the first class, high school graduation class that had about, depending on the school, but I remember I was in Roosevelt high school, had over a 10% graduation rate increase, after being flat-lined for a very long time. So when we make modest -- in that case, we on local government continue to make some investments in Sun schools and summer schools, and scholarship programs, but our focus isn't just on k through 12. It's also on early childhood, where the governor has taken some great leading steps of reform and it is also on post-high school. Whether that be skilled training, or whether that be college, community college, or four-year colleges. We can't wait for the state to figure out a reasonable and adequate funding strategy for education, we can't wait for the state to figure it out for higher education. We've invested roughly in the last 15 years the city has invested roughly about \$46 million in various projects that have supported the growth of ohsu. And

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it has yielded tremendous positive response from charitable folks that provide charitable giving, and their ability to compete and achieve grants, and in their ability to attract talent, and to improve their academic offerings. Under the leadership of the president, Wim Wiewel and his team with much more modest investments on our part during his tenure, we've seen leaps and bounds improvements in psu as well, and he'll have a chance to talk about that, why this investment, this positive intervention on behalf of psu following on our investment in ohsu is a smart investment in education. So, with that, I will turn it over to Director Patrick Quinton from the Portland development commission.

Patrick Quinton: Thank you Mayor Adams, good afternoon commissioners, I am patrick quinton, I am the executive director of the Portland Development Commission. I am joined by president Wim Wiewel of Portland state university and president Wiewel and I will present to you the proposal for a new urban renewal area, the education urban renewal area centered on -- around the psu campus. So I'll spend a few minutes just doing a quick overview of the proposed district the kind of basic facts and figures and then I'll turn it over to president Wiewel and he'll get into really the objectives of the district, what we hope to achieve and it really does touch on the themes that the mayor just mentioned. But talking about not only psu's educational objectives, but also talking about the economic impact that such a district could have on the city, and the region. So first to the district itself, this is a very focused district in terms of the geography it is -- it would be in terms of size, the smallest district that -- of the districts that we have currently, setting aside our six new neighborhood districts. You will recall I think folks in the audience will recall that we originally began this conversation around a new central city urban renewal area about three years ago, and there was talk of a 300-plus-acre urban renewal area with extensive -- very extensively drawn urban renewal area. This process has led us to a much more focused proposal, and that's the district that you see, it has a proposed debt limit of 169 million dollars over a 28-year period of time. So the plan would end in 2041. Our projections right now are that there would be another five, seven plus years of debt that would need to be paid off after that, that obviously depends on when we issue debt, but that would be that additional tail on the life of the district before the tax dollars return to the different taxing jurisdictions. I'm happy to get into any questions that you might have about the boundaries. I know we've briefed each of you and we've gone through some specific aspects of the district. But i'll just end before I turn it over to president wiewel just to talk about the coalition of organizations and institutions that have come together around this district. Obviously led by Portland state university, but the city and PDC have been heavily involved. But we do want to recognize that Portland public schools and Multnomah county in particular have been particularly supportive of this. Their involvement has led to very constructive conversations about how the district does benefit their missions as well as the missions of the city and psu, and that as the mayor mentioned, this district does build on the great work that's happening at ohsu and all the investments that the city has already made and other public partners have made in south waterfront. So we do view this as a district that will have synergys was all the work that's happened on the ohsu campuses. So with that, i'll turn it over to president wiewel.

Wim Wiewel: Thank you very much mr. Mayor, mr. President, commissioners. It's a pleasure to be here, my name is wim wiewel, president of Portland state university. And what this is really about is providing access to education for Oregonians, for people from the Portland region. And it's about economic development in the region. That's the purpose of Portland state and the purpose of this education urban renewal area, is to make it possible for Portland state to pursue that mission, the twin mission. As you know, we're already a very large university. We already educate 30,000 people, and most of those are from the region, in fact, 66% of our students come from the tri-county area, and we expect that percentage to continue. We're one of the largest employers in the region, so through that alone we make major contributions to economic development and we increasingly conduct a great amount of research that brings innovations to the business community, the not for

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profit sector, the government sector. We -- in addition to the growth that we've already had these last 10 years especially, we expect to grow further. Several years ago we developed a framework plan which looked at the expected population growth in the metropolitan area and it looked at the state's goal of 40/40/20, having 40% of the population having a bachelor's degree. I'm quite confident that within the next seven to ten years we will grow to 36,000 students, and we expect that over the next 25 years we will grow to 50,000 students. We had a plan developed to look at how we can accommodate that kind of growth roughly within the proximity of the university, because we're very committed to continuing to be a major engine for Portland and for the downtown. And we can do that with the help of this district. In addition to this role of providing access to a lot of people, we, as I said, focus on economic development. We believe that to be competitive in a global economy, the metropolitan area needs to be more innovative, more creative, more entrepreneurial than any other. And we do that by having a highly educated population. As the mayor said in his earlier remarks, one way that Oregon has really addressed that recently is by importing educated people from elsewhere. I suppose I'm one example of that. Another foreigner. [laughter] But we think that it should be Oregonians and people from the Portland region themselves that have the opportunity to get the education that allows them to be productive and it then allows the region to attract the kind of businesses that offer high-quality jobs.

Fritz: May I inject here? That two of my Oregonian born children have been students at psu and greatly appreciated the opportunity.

Wiewel: Thank you very much. And they were stellar students I'm told. [laughter] That's the only thing that I'll tell that you today that isn't 100% true, because I don't know. I'm sure they were, but I don't know that. To focus on this excellence, we have identified three areas where we can really be major contributors. And we have identified them, the broad area of sustainability, which of course a perfect match with what the city and the region already are known for. And it covers everything from economic vitality, environmental sustainability and social justice. The area of health and life sciences were our partnership with ohsu is most important in that it takes form both in the collaborative life sciences building along with the development of future labs, of joint appointments and hopefully the creation of a new school of public health. And in the cradle-to-career work, the research that we do on a broad range of our disciplines and fields to make sure that the whole education pipeline in this region is as effective as possible. We grew our research by 60% in just the last three years to \$65 million, and we're on track to grow to it \$100 million. This by the way makes us a major export industry because most of this money is in fact money coming from outside, primarily from Washington. Coming into the region and creating jobs as well as creating the innovations that then our businesses can use to become more competitive. Now while I greatly applaud the mayor and the council's and the Portland development commission's lead in thinking up this concept of the urban renewal area for which Portland state would be a major participant, it's also true that Portland is not the only city doing things like this. Many of us have heard about the big plan that new york city has, where mayor bloomberg invited universities from around the world to bid on the redevelopment of roosevelt island, because new york clearly felt that they need a real research university, having to get along with just places like columbia and nyu. I think there's something for to us learn from that. There are other places, in tennessee, made a major state investment to benefit really the creation of new economic development around university. And providence rhode island, working with brown university, and the granddaddy of them all, the research triangle in north carolina, where you can really see the long-term effect, because that was started some 50 years ago and it has clearly been the major engine for north carolina and in many ways for the south as a whole. We're not just talking about things that we would do if only. This builds on things that we've been doing all along. We have been a partner in economic development in a variety of ways. Along with that framework plan, which looked at how we could grow, we developed an economic development plan that matched our expertise and our degrees and our

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research with the cluster industries that the Portland development commission developed -- identified in its economic development plan. The Portland state business accelerator, two years ago, drew 60% of the state's venture capital. And it is fully occupied now. And one of the things I look forward to in this urban renewal area, having the funding to establish a new business accelerator because I think there is the demand for more innovation. Our Portland business outreach program works with a different kind of business. Many of the small minority-owned businesses just over the last three years our business school students have assisted 169 such companies building on a history of doing that since the early 1990s. And in addition to that, our students spent primarily through their capstone programs, but also in many of their graduate programs over 1.5 million hours a year volunteering across the region with many of your agencies, not for profit organizations, neighborhood groups, social service agencies, and so on. We have been working in partnership, we have signed partnership agreements with everybody from pge, the county, Portland art museum, the metals industry, a whole variety of other important actors in the economy of Portland. One example of this partnership that I think is very relevant to what we're discussing here today is our recently completed academic and student recreation center, which is on the urban plaza, used to be the site where the old blue cross/blue shield building was, urban renewal money was used, about \$4.9 million, to both acquire that site and tear down the old building. That then generated an investment by our students to tax themselves for a recreation fee to build a recreation center. But then in addition, the city became a partner with commissioner Leonard's leadership, to establish the city archives there and find a new home for the city archives, which is just a wonderful space. That allowed us, because of the matching requirements of the state, to get more state bonding that allowed us to create an extra floor that the school social work could be housed in and also the chancellor's office came in. Now what is more interesting even than that, that \$70 million project was the catalyst for American Campus Community, a private developer to come to us and say, this is a great place, and this university now has great facilities that we would like to build a privately financed housing project for psu students. That building, all 16 stories, 986 beds of it, is going up right now, right by the light rail turnaround, and will be open for this fall. That building, interestingly enough, will bring taxes to the public. Because it will be a taxable building because it's privately owned, we own the land but they own the building, so it will pay \$700,000, \$800,000, we don't know yet, in taxes. In addition to that, that company bought the site across the street, where they will, once demand justifies it, do another development that will bring further taxes to the region. So it is to me -- I used to teach economic development planning. That is my field. I taught it for, you know, 15 or 20 years. It is very rare that you can trace that exactly the effect of an urban renewal funding fees to actually things happening. You can see it in general, but you can't always trace the decision making in that precise way as we've been able to do here. I think it's a very strong example. The final component, and then i'll turn it back to patrick, of this that is fascinating is our partnership with Multnomah county. As you know, there are really three components of the partnership, though only two of them are in the intergovernmental agreement that the county board of commissioners approved last week. One is the building that the county will develop in about 10 years from now, that will allow them to reduce lease payments that they now make on rented space. And where we will co-locate related functions. Either it will be the research office of our regional research institute of our school social work, it may be our school of community health, the new school of public health, or other related functions. This will again get close proximity to functions where we already do a lot of work. The other deeper and more important partnership is that we've -- we're going to create on an annual -- a task force, which has high representation from the county and from psu, where every year, we will talk about the research, evaluation, and educational training needs that the county and county agencies have. Then we will jointly seek funding, from the feds, from the state, from foundations, wherever, to actually then implement that. And it has a kicker in it. That if somehow or other we mess it up and

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we can't figure it out, we will conduct a certain amount of research for the county at no cost. But as I've told chair Cogan, if we can't figure out how to do this jointly, we will really have failed as leaders. So I'm quite confident of that. In a way, more importantly, not part of the intergovernmental agreement, is that we know, big research project from the college board nationally that shows that for every percentage point increase in the number of people who have a four-year degree instead of just a high school degree, you reduce the public cost related to welfare dependency, health care, and yes, the criminal justice system. So by giving Portland state the opportunity to grow and actually increase the educational level of this region, we will in fact prevent a void the kind of costs that the county in the end is always asked to take care of at the table. So I think this is very much in line with what the governor talked about just at lunch today, at the meeting at the Oregon community foundation, that we've got to learn to invest at the front end rather than fix the problems at the tail end. Let me just say one more thing, really to the other question that the mayor raised. Shouldn't the state be paying for a state university? I grew up in a country where tuition was \$28 a year for university when I was there. And I demonstrated in the streets of Amsterdam when the government doubled it to \$56 a year. Yes, I believe the state should pay for this. And when I came to Oregon four years ago, I thought, boy, people really here must have failed to make the case. They must have failed to make the case of how important public education is, and how in the long run it brings more resources to everybody, because it is better for all of us. After four years I'm a humbler man. I know that making the case alone is not enough. And as the president of the largest university in Oregon, I cannot just sit back and say, I will wait for the state government to see the light and make the investments that are necessary. We as a region should take responsibility for making sure that this region can be educated rather than pointing the fingers at others and hoping they will take care of us. We have to take care of ourselves. This is part of that. Thank you.

Adams: Thank you.

Quinton: Thank you president Wiewel, so now I'm going to take a few minutes to kind of dive into some of the detail on the investments that are proposed, part of this renewal area to make the vision that president Wiewel just talked about a reality. First I have to get into the topic of blight, which is a topic that this council must address, because the state statute requires that the city council must find that the proposed district is blighted as part of your --

Leonard: Excuse me. I am cognizant of chair Cogan's schedule, and he said 2:40, and I have a feeling your remarks are going to take probably longer than what he's --

Quinton: Okay, no let's leave time, yeah, let's let chair Cogan come up and we can finish this --

Adams: Chair Cogan, welcome. And let's leave this slide up, and we'll get back to it. Please show the image of chair Cogan though, I mean, my goodness. Thank you for your work on this. You've been an absolute strong advocate for coming up with something that maximize all the benefits that can be achieved from this funding too many and minimizes all the down sides. It's a focused strategic effort and I want to thank you for the big contributions that you made to this project, and getting it to the point that it is today.

Jeff Cogan: Thank you, thank you mayor Adams, members of council. I'm Jeff Cogan, chair of Multnomah county. I appreciate you slotting me in here. I do have a meeting, I have to appear for the tax supervision and conservation commission at 3:00, so I do want to say that as you know, in the past I've often been skeptical about the city's urban renewal efforts. And that skepticism has often stemmed from a concern about the tradeoffs to other jurisdictions not being adequately considered and urban renewal sometimes being essentially taking money that might otherwise go to social services or education and putting it in the physical infrastructure. Decisions that sometimes are reasonable, sometimes not so. But need to be very carefully discussed. When mayor Adams first introduced the proposal for a new urban renewal area, two, almost two years ago, I was skeptical when I first saw the proposal. And I expressed that skepticism and I just would like to

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acknowledge the extent to which mayor Adams and pdc responded to that skepticism and changed the nature of the proposal. On the one hand the proposal we have before you today is less than half the size of the original proposal. Even more important, the proposal now is specifically targeted and focused on a priority that I think is absolutely important for the region which is supporting Portland state in its need to become the great university we all need in this community, both meeting our educational as well as our economic development goals. And third, for working very closely with Multnomah county, we were involved in these conversations from the beginning and I really do feel as if our concerns have been heard, and it really matters, I want to thank you for that. This particular proposal is one that I think makes an awful lot of sense. And it makes an awful lot of sense partially for the reasons I just mentioned regarding Portland state being a focus of the investment, which I really think is an important focus for our community, but I also want to speak specifically to Multnomah county and why I think this makes sense for Multnomah county. Now you've probably heard one of the things that this urban renewal area would do is provide \$19 million to Multnomah county to help build a new facility -- a new facility for a department of county human services. This is very important to Multnomah county, both because our department of county human services is not in a current facility that allows to it really maximize its potential, but also because by getting into a new facility, this will significantly lower our operating costs. And what that means is that net, the impact on the county from the creation of this urban renewal area, fiscally is very minor. I feel the trade-offs overall have really been met. The county will fare well with the creation of this, and that is extremely important to me as an advocate for my government. But it's not just about the money because it is important for us to have a new building and it is important that that building lowers our operating costs. But in many ways, the thing we're most excited about in Multnomah county is the broader partnership and specifically the partnership with Portland state, that president Wiewel mentioned. And that's an important partnership for us because really you did such a good job presenting, i'm just going to be repeating what you said. But I'm going to just do it for emphasis. On the one hand, the actual research and evaluation partnership that was identified will help Multnomah county to do a much better job providing the programs we provide to the community. It also will I think make a real difference for the researchers at Portland state by providing them with very fertile ground to pursue their research. So it's a real win-win. It's also the case that to the extent that it does continue to build Portland state, we really do believe that that does help Multnomah county downstream. It's much better for Multnomah county to have successful members of our community who do not need our services rather than have enough money to provide the services, because that's always a very impossible metric to meet. So to the extent that we can make Portland state successful, which helps make our community successful, Multnomah county really supports that. So overall it's my belief that this is a urban renewal area that really goes a long way in addressing the concerns Multnomah county has historically had, and has a targeted strategic investment focus that's good for the entire community. One of the things specifically I should mention, we have an iga, an intergovernmental agreement, the Multnomah county commission approved this last week, I hope that you'll be voting to approve it as well. So thank you very much for your time, if there's any questions i'd be happy to answer them before I have to leave, but --

Fritz: I have a question, but maybe you could get back to me before the vote next week. My analysis shows that there's \$19 million for the county building and that the county would be foregoing \$67.8 million. So I'd like some more information about what you see as the operational cost savings and then the other question maybe for president wiewel, as well as for you, these are buildings. How are we going to fund the -- i'm not sure how the students get the money to -- for scholarships to be able to go there or that we'd have the money to pay the faculty. And so i'm not seeing at this point, and again, i'd like your advice on how is this going to provide the kind of education those students in need currently don't have?

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Cogen: And I'll let president wiewel address the issue about Portland state, but i'm make sure I gif your numbers, but I can tell you broadly, the reason that this actually makes real sense for us financially is on the one hand, actually the loss to Multnomah county is not as great as \$67 million because of legislation that the city and the county partnered on two legislative sessions ago. There is now a changed urban renewal law statewide so that when urban renewal districts are successful, which this one is intended -- is very likely to be based on the forecast here, money goes back to taxing jurisdictions earlier than it otherwise would. I believe the net impact on Multnomah county is more in the neighborhood of the mid \$50 million, which is still a lot of money, but it's significantly lower than it would be but for the law that we jointly got past in the legislature. And then in terms of its fiscal impact on Multnomah county, the \$19 million allows us to lower our operating costs over the entire life of the agreement, and that really makes a significant difference. Because of the lowered operating costs, as well as the value to Multnomah county, which is not tif dollars, but still count to us of the research agreement we have with Portland state, which is going to be providing us a minimum of \$7.5 million of research and evaluation to our programs, our internal analysis shows that the net impact to Multnomah county is essentially zero fiscally.

Fritz: Great, if you could get me those number --

Cogen: And I will absolutely make sure to get you those numbers.

Fritz: Thank you.

Adams: One other tangible but we can't forecast it is because of this agreement, psu has a financial incentive to create mixed tax and nontaxable projects, whereas if they weren't a beneficiary of taxable projects, they could build out their campus with -- in a nontaxable manner. So there's that aspect to it. We can't really quantify that, but you'll see the assumptions in the plan, as we get into more details, requires more taxable projects in the district, otherwise the increment isn't produced.

Fish: Mayor can I add also a point when you're finished?

Adams: And then the other aspect of this that we can never quantify is that when we do economic development, when we are able to help businesses stay in business or grow business or land businesses here, those corporate income taxes flow to the state. And so they don't flow to the county directly, they do not flow to the city, we get a share of property taxes and we get shared revenue on cigarettes and booze and stuff like that. But we are generating revenues for the state with a corporate income tax and the individual income taxes that everybody pays, including psu employees.

Cogen: Can I just mention one other intangible that occurs to me that I want to mention? In the past, the city and the county have frankly been at lager heads a lot over urban renewal. And one of the things I like about this is the fact we were creative in coming up with something that I think works for both governments. Augers well for our ability to continue to work better together and to not let differences prevent us from partnering. And I think that's intangible, because I think there's real value for the community, both in terms of the fact we'll work better together and also because it's important for the community to know we're working better together.

Leonard: So if I -- I know commissioner Fish wants to say something, but I actually wanted to address that point. And I just wanted to acknowledge my observation that that has happened. That you -- I have been one that has been frustrated sitting here, you may have observed over the years, even prior to you coming to the county. With what -- sometimes I felt were unreasonable positions, that didn't necessarily reflect the thought that you just expressed in your remarks. I was very impressed with your remarks, I'm very impressed with the bargaining position you took as an old negotiator, and how you're able to leverage that into some specific benefits for as you characterized it, your client or the people that elect you. I'm impressed. And I want you to know that I have been watching this process unfold for a while, and i've grown to admire the approach you take and -- very much, and I appreciate the work you've done, and I do think it will pay off just exactly as you've said. A lot of what we don't take into account in urban renewal districts, that are just

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touched on in terms of corporate taxes, but I think you also forgot business license fees and business income taxes which do generate income for the county and the city when we have new businesses sprout up, and a lot of what we take into account in terms of urban renewal areas, does not include that dynamic. You know, new employees. And some of what i'm saying now probably would be better said for when I vote. But I wanted you to particularly know that i'm glad you made the observation did you about the public watching us and can we work together and you've demonstrated that we can and you've done an outstanding job at it. Thank you.

Cogen: Thank you.

Adams: Thank you. I apologize Mr. Chair, we know you have to leave. But you had a question for him?

Fish: I don't want to get in the middle of this love fest, [laughter] but I had another unreasonable positions of course my colleague was referring to were those of commissioner Saltzman and Fritz, not you. Jeff, I wanted to -- I just wanted to observe that this notion of whats the value to us and what's the value to you, strikes me as more art than science. And I appreciate that in response to commissioner Fritz's question, your going to quantify this, but an example is, the county and the city have shared policy goals around housing. And under the leadership of you and commissioner kafoury and tracy manning on our team, we don't spend as much time observing formalities about certain lines, we try to pool our resources to house people in distress. And so I would just note that if this district's successful and we're able to invest the 30% for housing, consistent with the strategy irc plan the city has, that in effect serves both jurisdictions. And so that's why I say it's more art than science, as we do this abacus.

Cogen: Absolutely true, absolutely true.

Adams: Thank you, mr. Chair.

Cogen: Thank you very much.

Adams: Again, really appreciate it. If I could have your indulgence and ask dave williams from Portland public schools to come up, he has to leave in seven minutes.

Cogen: Okay.

Adams: So if you could just stay there, and while he's taking his seat we had an evaluation committee that was empanelled for two years that included representation from up and down the west side of the willamette river, included david wind, school board member when he started, that's how long the process was. And the evaluation committee recommended what's before the city council unanimously with one abstention from the neighborhood because they hadn't taken it up, and then the Portland planning and sustainability commission that includes superintendent -- the superintendent from parkrose school district, unanimously recommended this as well. Mr. Williams.

David Williams: Thank you. Mayor Adams, members of the commission, david williams with Portland public schools. Not to echo a lot of the comments that have already been made, but just to lend our support to this proposal for the city, really applauding the effort of mayor and the pdc to really pare this back to a very modest approach that is targeted and productive for all of our partners and all of our interests. And i'm really just here to answer questions that you may have about potential impact of the district or lack thereof and again, just to lend support to the proposal.

Adams: Why, what a soft ball.

Fritz: Is there somebody else going to be here to talk about lincoln high school specifically?

Williams: No. I'm happy to address that.

Fritz: Okay, thank you. On the list of Portland public schools facilities needs, how high is lincoln high school?

Adams: Well, before I answer, that not as high as rosa parks elementary and the new columbia, which was our first urban renewal school, joint project, development project. And then not higher than jefferson high school, which is in an urban renewal district, and we just added roosevelt high

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school into the interstate urban renewal area. So the challenge has been as we all know with the jefferson, the interstate urban renewal area, it hasn't had resources until recently, and again, we just added roosevelt. So this is appropriately because it's in a more affluent neighborhood than most, or other neighborhoods, this appropriately has not been our first, second, third, it is our fourth opportunity to partner on facilities with urban renewal and Portland public schools.

Fish: Can I just clarify one thing? If you expanded the lens you would have to include buckman field. We brought a million eight to the table to provide for two world class sports fields for benson, and lots of other projects involving gardens, fields, and facilities. So I think you'd have to even give yourself credit for more than just what you just described.

Adams: Thank you for letting us -- and your answer is, sir? [laughter]

Williams: So -- excellent question. I think as has been pointed out, there are plenty of opportunities to partner. I think for the school district as evidenced by the work we have done and are doing, going forward with our long-range facilities plan, the need is not limited to any one place in the district. Having not made significant facilities improvements really in 30-plus years, the district is attempting to find ways to tackle the very significant unmet facilities needs. This happens to be a place based nexus of opportunity to include the lincoln site within the parameters of the proposed urban renewal district, and the mayor and the pdc included at our request given its approximate location to the proposal, lincoln has very significant facilities needs, it is not built to meet the demand that will continue to grow at lincoln high school. That being said, the amounts that are for lack of a better term, earmarked in here for the lincoln site, roughly \$10 million, will not build a new lincoln high school. They will not redevelop lincoln high school. They will assist in planning, maybe site development, transportation, infrastructure, access issues. A lincoln high school redevelopment by most estimates will run between \$80-100 million, and will be included at some point in a bond proposal that goes to the voters. And that's how we will redevelop that site.

Fritz: So that's my next question, why wasn't it in the may 2011 proposal, bond measure?

Williams: So as to why it wasn't included in the previous proposal, I think that's an appropriate question for our board. Obviously we went through a broad process to try to develop that proposal. The voters saw for whatever reason to turn that back and I know the district is actively engaged in redeveloping another proposal. I can't at this point speak to whether or not lincoln will or will not be in a subsequent proposal.

Fritz: Okay, I know you have to go, but I want to just get to my last question, and which is the same I asked president Wiewel, we don't know how we'll fund the teachers to be in a new facility. Why would we do the building before the teachers?

Adams: We're not.

Fritz: Well, as far as an ongoing fix we are.

Adams: No, we're not. This is a one-time opportunity over 20 years to provide resources that will be focused on redeveloping the site that has more private -- that has more private sector potential for private investment just because of where it happens to be located. But that is -- you've got to have a plan and you got to go through a process with the neighborhood, and you've got to look at all the market challenges and opportunities but that's years out.

Williams: So if I may, school funding in Oregon is a very well-known problem, and it is not one that the district shirks away from. We are actively looking to all partners to find ways to solve both short-term and long-term operating financial parameters of the district. We are working with our legislative partners to try to bring proposals to future sessions that help Portland public schools and that help school districts all over the state. Perhaps president wiewel could have -- at least a 200 level if not a 300 course seminar on school funding and its interplay with urban renewal, because it is certainly a complex to say the very least.

Wiewel: A 600 level course.

Williams: That is for sure. And I know there have been lots of questions about --

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Leonard: I think there's – I'm sorry, I think there's a danger in overcomplicating that. I think commissioner Fritz's question is an excellent question, and one that many parents are asking and many citizens are asking, and I think to suggest it's that complicated misses a huge opportunity to explain what I think is a fairly straightforward answer. And the answer for me and the reason I wouldn't be in that position probably has more to do with my experience having been in the legislature for nearly 10 years in both the senate and the house and grappling with these issues. So when measure 5 passed in 1990, it shifted the major funding source of local schools to the legislature, because it limited the amount of local property taxes to \$5 a thousand. That's no longer anywhere -- as I know you all understand, anywhere near adequate to fund local schools, it used to be the way we funded schools. The state has the responsibility under the constitution of the state of Oregon to fund schools. So it had to pick up the ball. And where did it get the money from? From the general fund, which is primarily fed by income taxes. Income taxes aren't generated in recessions, one that we're in right now. Income taxes are not generated when the business climate is poor. Which by most accounts it is right now in this state. This urban renewal area, and what I would say to people who are wondering why would we be thinking of rebuilding Lincoln High school and investing in Portland state when we're talking about laying off teachers? This kind of an investment actually attracts business income, actually creates jobs in the process of building these capital projects, actually generates income to the state general fund that the legislature then has the ability to give back to the school districts to fund them at a level so we have teachers to occupy the buildings. We may not like how we fund schools in Oregon, but what I just described is exactly how we fund schools in Oregon. It's not the way I would design a school funding system, but it is exactly the way it's prescribed under the state constitution and state statute right now. So if we want to actually invest more in schools, we have to do more of what we are planning to do here with this urban renewal area, generate jobs, generate income tax, generate sustainable businesses that are paying income tax to the state that they can send back to us that we can hire teachers with.

Williams: You know, thank you. Absolutely stole exactly where I was going. I apologize if I seemed to minimize the issue by overcomplicating it. But that's absolutely the case. The school district has severely limited authority to raise and keep funds locally. In fact, the vast majority of our permanent rate property tax collections are redistributed statewide through this state funding equalization formula, the nice thing about new urban renewal districts such as this one is it does not divert any of our local option levy resources or the so-called gap bond levy that we have. Those are monies that are raised and kept locally in the school district. That's another reason why the interplay of funding doesn't affect us the same way with a brand-new urban renewal district.

Adams: I hope folks heard what he just said, as you prepare your testimony. Thank you, sir. We'll continue with the presentation.

Quinton: I'll try to wrap it up quickly. I did want to, like I said, I did want to jump into the topic of blight. Really there are three indicators of blight from the statute that matter for this district. They are the underutilization of property, there's a condition -- conditions of the building stock and then the condition of the rights of way, and the main one I want to talk about is really the underutilization of property in the district that the slide that's up there now depicts that, the one way to measure this is something called an improvement to land value ratio, anything under 2.5 to 1 is considered to be underutilized, and so anything on this map that you're looking at that's not red, so working your way up from yellows to various shades of orange, those are all underutilized properties in the district by this definition, and like I said, nearly 50% of the tax lots in the district are -- meet this standard. If you're walking around the district you can see this in another way. We have over 10 acres of property within this district that are either surface parking lots or vacant. And then we -- a number of other lots I think we can all see through our own eyes that are low density one to two story uses such as motels. It really is one of the lowest density underutilized parts of downtown, but you kind of have to really look at the building stock and the properties to really pay

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attention to this. On the other two indicators, you know, and the building condition, 65% of the buildings that are owned or leased by psu were built prior to 1978, which indicates the presence of lead and asbestos, which makes these buildings unfit for their intended purpose and constituting blight under the statute as well. And then we also have over 25% of the street segments within the district are in -- are deficient which once again adds to the definition of blight. So the combination of these three factors, primarily the stagnant, unproductive condition of the land really does result in the area being considered blighted, and according to the statute's definition, and once again, I went through this because it's important for council to be able to consider this information. I will not go into that graph just yet; I just want to talk really quickly about the investment objects for the district. And we really have kind of five different categories of investment objectives, in addition to the money that is targeted for the 30% set aside, the affordable housing set aside, as well as money that would flow to the county's project, but we have partnerships to develop a 21st century work force, those are projects that really benefit PSU's educational mission, urban innovation is really a category of projects that involves furthering our leadership in green development and psu has been a leader in that as well. The third category is research and technology commercialization, kind of at the heart of the economic development mission of this district, working with psu and the private sector to build out both the research and commercialization capabilities of the district. The fourth categories are on entrepreneurship, we believe we then have the opportunity based on the growth and innovation capacity at the university to generate a lot of start-up business activity and we would like dollars to support that as well. And then the last category is for a cluster industries, the four industries that president wiewel mentioned in his remarks, but the industries that we believe offer the highest growth potential in terms of job creation for the region, and we believe, once again, that the increased activity around the university will lead to growth in those industries in this district. I've kind of walked through some of the research and technology commercialization activities, I just wanted to say that the reason the mayor mentioned it, there is -- in addition to the university needing to build out its own research space, there is a substantial need for private sector space. So when you think about the taxable versus nontaxable aspects of this district, this is one of the areas where we see the most potential for mixed use development. A property or building doesn't have to be 100% taxable or nontaxable. You can have different uses in the same facility and those can generate taxes. Some can generate taxes and not. So we really think this is in some respects an evolution of the model of how we do urban renewal and how we invest in projects, not thinking about it as one or the other. So that's really the end of our presentation. I did want to reinforce what the mayor has mentioned. This process has been going on for roughly three years, the first part of that process which was the meetings of the central city URA committee, they had 14 different meetings, and then after that process and before we got into the public hearings that we've seen in april and may, there were another 14 meetings open to the public around this topic, and then of course we've had meetings of the planning and sustainability commission, the Multnomah county board of commissioners, the pdc board met as well, the central city ura committee came back together and voted on this proposal, and now we're here obviously at another public hearing. So every ura goes through a different public participation process. They all have their own unique course, we believe that this one has had extensive outreach and discussion involving a variety of different stakeholders throughout the life of the conversation. So with that we're certainly happy to answer any questions, but I know there are also a number of folks signed up to testify as well. So, thank you.

Adams: You'll stick around?

Quinton: Yes.

Adams: Mr. President, thank you again for your work on this, the economic development strategy that you've produced consistent with the regional and city economic development strategies was a

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key input for the -- you saw that proposed list, the proposed budget, a key input. So I appreciate that. That's the first time.

*****: Thank you.

Adams: Let's see. Alex yoder, sandra shotwell. Brian newman. Welcome. Glad you're here. Alex do you want to go first?

Alex Yoder: Sure. Absolutely. My name is alex yoder, for reference, I was a graduate of alameda grade school and grant high school, since we were talking about local school support.

Leonard: You had the look of intelligence radiating around you --

Adams: He's a graduate of grant high school. What year?

Yoder: '83 was when I graduated.

Adams: Yours was '23? '27? 1928?

Leonard: Something like that, yeah.

Yoder: Well, he was probably there at its peak. [laughter]

Adams: Can you push the button for me? Alright, go ahead, sir.

Yoder: I'm the ceo of webtrends, which is a local software company that is privately owned. We employ about 400 people worldwide with roughly 225 people here in downtown Portland. And i've been asked to testify on behalf of this initiative. What I can provide you is the background of my expertise in terms of where I believe the value lies. Certainly I think Portland is under supported in terms of outside investment in venture capital and other types of private investment. It appears to me that the majority of jobs created in this region are primarily driven by companies that are smaller in terms of size and stature, and I know being in the technology industry in general and in our space, that there is absolutely massive tension right now on the job market, where somebody mentioned earlier, you know, we're in the middle of a recession, I can absolutely guarantee the tech market in general, especially along the west coast, wages are accelerating at a rapid pace. And what that brings me full circle to discuss is, I think there will be growing demand for urban universities and research centers, primarily because as the economy evolves in our country, I think that more and more jobs are going to have to be created -- focused around technology, close to the urban centers where a lot of the large employers are. And ultimately driving greater job growth, education among the work force, and a higher educated and higher paid work force. And organizations like myself -- or like webtrends, excuse me, along with others are constantly looking for places where we can locate ourselves and partner with educational institutions so that we can be the first to hire them outside of college, or the university system. I've seen examples, for instance, of similar propositions in the state of utah, where I believe venture capital investment grew within one year by about 54% as a result of this type of a regional investment, and I could tell you coincident with that that the state of utah as an example is actively recruiting tech companies to relocate to that state, with different types of economic and tax incentives, we've been the subject of that and obviously don't have an interest or desire to do so, but I think there is a growing and impending risk for the city of Portland not to leverage preexisting infrastructure and facility like Portland state to drive more intensive research and education.

Adams: Thank you, sir. And Webtrends has been a key contributor to a lot of things over the past 3½ years, but I want to highlight the economic development strategy and the software and digital development piece of that. Thank you for your continued support.

Yoder: Thank you.

Adams: Welcome.

Sandra Shotwell: Hi, I'm sandy shotwell with DesignMedix -- and I want to thank the commissioners for your good work on many issues, but including looking at this seriously, but I specifically want to thank mayor Adams and commissioner Fritz for your starring role in informing voters in an entertaining way at the recent candidates gone wild events.

Adams: Oh, lord.

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Shotwell: And commissioner Fritz I think you totally upstaged storm large, so just for the record.

Leonard: Wow.

Adams: Karla can we download that and show everyone in the chamber?

Shotwell: Design medics, i'm here to show an example of what can happen. What great things can happen based on Portland state university, its technology, its good people. We're a biotech company, we develop drugs that overcome drug resistance, which is the scourge that has taken a number of very effective drugs out of commission, no longer useful because the infectious agent has learned to get around them. We focus on overcoming that drug resistance and we've taken a drug that was initially, the concept came from the chemistry laboratories at Portland state university, David Payton's laboratory, and we have hired people from Portland state university and graduates of the university and we're developing, we have a lead compound that is for treatment of malaria. So it will have international reach. We also are in the sense – in a sense, a traded sector, we don't expect to sell a product for years, but we already have brought several million dollars of federal funds into the state with small business grants. We provide living wage jobs, we currently have five employees, two of them ph.d.s, i'm sorry, four of them ph.d.s, one of them pursuing his masters degree. We have benefited from a partnership with Portland state university in terms of getting technology employees and we are in one of the laboratories at the Portland state university Accelerator, the lab is full, it has a waiting list, there are more companies on the waiting list than there are labs in the accelerator. We need more resources like that. We've also benefited from the local entrepreneurial environment. We received funding, we won an angel Oregon competition, Oregon Angel Fund invested in us, private investors have joined in. We use services from local law firms, two law firms help with us patent issues, one law firm helps us with corporate issues. We have a local accounting firm. We're a small firm, but just an example of the kinds of things that really, that can happen building on the very exciting research that's happening at Portland state university.

Fritz: I have a -- you may be the best person to ask -- to answer this question, and if not you can defer. When we did the north macadam urban renewal district, there was a lot of talk of wet labs and other facilities in south waterfront partnership with ohsu. Is that working, and why do we need more in partnership with psu?

Shotwell: I'm not directly involved in that project. What I understand is that as -- what I can say as a small entrepreneurial company, the cost of the facility has to be affordable. So we have been running on a very small round of angel investment funding, and federal small business grants which carry just a modest amount of funds for overhead. We have been extremely frugal and we have stretched those dollars quite far. We've been able to do that in part because the facility that we've had the opportunity to lease has been very affordable. I had heard, I don't know the figures, but I had heard that the proposal for development of facilities in that district wasn't going to pencil out for companies like us, so I think that that is an important issue, the affordability of these kinds of things, for your young, Starbuck's the entrepreneurial companies trying to get a leg and yet need more expensive facilities like a wet lab, there are a lot of companies that don't need a facility that's that expensive, and they can be well served in other sorts of situations. But I think cost of the facility.

Fritz: Thank you, I appreciate that.

Adams: And we've got to move things along, but the fact that the affordable labs at psu do indeed have a long waiting list is testament to at least a piece of why I believe the ura is important. And the ura is – gives us, along with other federal and foundation grants is how we cobble together the resources to create affordable wet lab space and other kinds of business incubator space. So the money that brian newman former metro councilor, now with ohsu --

Brian Newman: I've lost all credibility now, thanks Dan. [laughter]

Fish: -- call you a lawyer.

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Adams: I know. So the aspect that we haven't highlighted yet is the fact that in addition to whatever you had prepared to comment on, is a lot of the moneys that universities go for require local matches. Whether it's you know, NIH or what have you've got to show them you've got local matches. So I know that there have been a number of projects with ohsu where local matches have -- where ura funds have sort of unlocked other funding. And I just wanted you to touch on that.

Newman: Sure. I'll put my comments aside for a second and help answer that as well as commissioner Fritz's question. Brian Newman with Oregon Health and Science Universities. It's a pleasure to be here. As you know, commissioner Fritz and mayor Adams, commissioner Fish, over the last five years really, six years really, ohsu has invested \$400 million in south waterfront, that's not even including land acquisition or the Oregon university system's investments, much of that for research facilities. One tangible benefit is recruiting entire research labs, not individuals, but entire research labs from places like the bay area, where we brought them here to brand-new facilities where they can continue their research. And these are highly productive researchers coming here, but they're ohsu employees. What has been a more difficult nut to crack is really the start-ups which by their very nature have a very thin operating margin, dependent on their research grants, but I don't think anyone fully understood as well as they could have the challenge not just with the capital, but the ongoing operating costs and the subsidy required to keep them in certain spaces. Now we have, probably a dozen high-tech -- or bioscience start-ups as tenants in our various spaces. What we've had a hard time accomplishing is getting them in brand-new built space that costs hundreds of dollars per square foot to build. That's really been the challenge for south waterfront. Not so much for our sponsored research and scientists but the start-ups that are often started up by those same researchers, but they're under a private enterprise. To your point, sam, the match between aligning the pdc investments, and the city investments along with our facility investments has been really the success story at south waterfront. It has allowed us the partnership with tri-met on the new station in front of the clsb, the collaborative life sciences building is a perfect example, where we were able to use some of that match as part of what we needed with the state to be able to get the state g bonds for that facility. So, you know, all of these things go hand in hand, and the success story really has been the synergy between the pdc investments, the city investments and our own facility plans where when you said we want to make sure when that tram operates in the first day that there's a building there, four months before you opened the tram, we opened the center for health and healing. Tri-met said before we open the light rail, we want to make sure that there's a -- when the door opens there's a building there. We are going to have our building up and operating a year and a half before that light rail line operates. And so we're all locked in rooms together, all the time, talking about how we can align our various investments and our strategies, and I think what we've done in south waterfront is success. There's still a lot to be done and I -- hopefully that will be a model that we can follow with this new urban renewal district as well. Now that -- I kind of went into some of my comments, do you want me to just go -- finish a few other things I was planning on saying? I want to make sure I answered commissioner Fritz's question. Okay. On behalf of ohsu, on behalf of president Robertson, who unfortunately is not able to be here, we're enthusiastic supporters of this new urban renewal area. For psu and for the city. You know, as I've already allude to, ohsu and psu are growing closer together every day. Physically because of the investments that this city and this region have made, and light rail, and streetcar and bike and pedestrian facilities and new streets, but programmatically, president wiewel has already mentioned the new school public health that our faculty are deeply in conversations with together, about forming over the next couple years, we're hopeful that's going to be a new school that will find a home on the Schnitzer campus. Also joint employment. We have support service staff that are now have half-time jobs at psu and half-time on the hill, that are serving that same function but allowing those efficiencies to support both institutions. And then of course the collaborative life sciences building, where we have tens of thousands of square feet of shared

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education space and research space that we're very proud and will be opening up real soon. So that's just an example of our ongoing partnership, our strategic partnership and higher ed as well as research with Portland state. What we're hoping will be the hallmark of our involvement here with this urban renewal district is furthering those research goals and commercialization to your point. We have two properties in the district, they were purchased 10 years ago. Excuse me they were purchased decades ago, for back office support service functions. They have a lot of deferred maintenance. We're hoping to redevelop those sites for taxable uses, just for the kinds of start-ups you're talking about. We already have four companies that are tenants in those buildings, four bio-science startups from our own faculty. We can see those becoming homes to many more along the same lines as has been mentioned by the previous testimony as well as what you see at the psu accelerator, that's operating off of SW Corbett. So we think this ongoing partnership has been extremely important. There's no other school in the state or the world that produces more future ohsu students than Portland state university. So our success is completely tied to the future success of Portland state and we're very proud to stand with them in support of this urban renewal area. And thank you for your leadership and the leadership of the staff to be able to bring this forward. Thank you.

Adams: Thank you all very much. Jody – And I always get Jody's second name wrong, Guetzloe. Is that alright? Josh blank, lauren gannon, sam Pardue. Would you like to go first Jody?

Jodi Guetzloe Parker: Absolutely. My name is Jodi Guetzloe Parker, i'm with columbia pacific building trades. I'm going to read you this little blurb and then talk from my heart. So on behalf of columbia pacific building trades, we urge city council's support of the education urban renewal plan. We think it's a bold expansion of the Portland state university and the partnerships with the Portland public schools to reinvest in their 11-acre site at goose hollow with the prospect of the new county buildings creates great opportunities for city works and jobs in the building trades. Our unemployment rate has dropped from it's peak of about, and this is a rough number, 40% from a few years ago. Tough years, we all know that. We still have a long way to go. We look forward to getting families back into their earning capacities with steady jobs all year-round, sorry about that. Beyond this, the focus of the ura and the intent to help grow psu into a world class research university can't help but benefit the entire region. I appreciate your time. Now, from my heart. I've got two minutes, a little less. I had the occasion yesterday to attend a conference from the Portland work force investment, and I might have the name wrong. But what it was, was a community business leaders, elected officials, everybody coming together to be supportive of high school people to teach them about the opportunities for careers. And i'll tell you what, I mean, a lot of things struck me, some of the students got up and spoke, but the biggest thing was as far as this piece right here, is a gentleman stood up and talked about shadowing up at -- I think ohsu and wanting to help find a cure for cancer. Now to me, that means, you know, we've got some motivated kids, out there, wanting to learn. I'd like to see them be able to stay here in the area and grow with this opportunity. I know some people that have benefited from degrees out of Portland state university, one is doing great work with the bonneville power association, one is a teacher. You know. We do good things in Portland. Let's keep it up. Thank you for your time. Thank you for listening.

Adams: Thank you very much. Josh.

Josh Blank: My name is josh blank, i'm one of the cofounders of open sesame, open sesame is a start-up in the online education space specifically focused on adult education and professional training. We're located in the Portland state university business accelerator, and we'd like to urge you to support this urban renewal district. Our relationship with Portland state has been great for our business. We started out a little over a year and a half ago, and now have hired, we're at about 15 people with almost all of them working in Portland at the Portland state university business accelerator. We've been -- made a tremendous leap from having access to interns, a masters team

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that helped us do a great market analysis early on in our business, and these types of activities were really crucial in the formation of our business, so we believe that entrepreneurs can really benefit from relationship with an educational institution like Portland state. And so for that reason we urge you to support this.

Adams: Thank you, sir. Hi, Lauren?

Lauren Gannon: Yes.

Adams: Alright.

Gannon: Hi, I'm Lauren gannon, and I am speaking – actually i'm going read you guys a letter from our ceo from american campus communities. I'm the local representative that will be the property manager for the new university point building currently under construction.

Adams: It's looking good, by the way.

Gannon: Yeah, thank you. So bill says i'm writing in support of the proposed education urban renewal area, around the Portland state university campus. As one of the nation's largest developers and operators of student housing, american campus communities has many options about where and how to build out a real estate portfolio. We recently made a significant investment in student housing at Portland state university because we can see this institution's growing excellence and long-term potential to become a world class urban university. With the help of Portland firms, Walsh construction, and sarah architects we are proud to say that we will open a \$90 million, 980-bed project this fall. This will be a significant expansion of the housing available on campus and will create a more vibrant urban campus neighborhood for the city. Our investment has created jobs and indirect economic activity for Portland and this taxable development will soon be provided needed housing, active retail, and new transit stations for Portland state university. We have really enjoyed the opportunity to become part of the Portland community and we have been impressed by the partnerships we have seen between the city and the university. We strongly urge you to approve the ura to create opportunities for more public private partnerships in the future.

Adams: Thank you. And thanks for your investment in Portland.

Sam Pardue: Hi, i'm sam Pardue, I'm the ceo and founder of Indow windows. Indow Windows is a clean tech manufacturing business with its factory based in north Portland just a little bit north of NE broadway, we employ about 10 people and expect to double that employment in the next year or so. We manufacture thermal window insert that's just -- it just – a sheet of acrylic glazing and with our patent pending compression tubing just presses into place on the inside of your window to give you double paned window performance at a fraction of the cost. It's gotten some great national recognition as some national awards. It's really a neat little product. We have benefited from our relationship with Portland state university in several specific ways. First, Portland state university's green building research laboratory has been our testing partner for establishing the performance claims and really showing how well our product performs in insulating windows and reducing energy consumption. It's an ongoing relationship, funded partly by a grant from Oregon best. But really critical, we're running pilot deployments around the city of Portland right now, funded with this, and it's administered by Portland state university, it's really key to our growth. We've also had an mba exit team, exit program, do a national market survey for us, so that was also very helpful. The third involvement or engagement has been with FIR, which is a student-run advertising agency, which is providing us with some testimonial videos and some market research. Finally we actually expect to be hiring a student intern from Portland state university which is going to actually help us develop a national, basically a national gis database of exactly where our target customers reside, it will help our market expansion. So really pleased to be here testifying in support of this education ura, it sounds like a great idea. And in addition to the various benefits that businesses get, of course having an educated citizenry is critical for the functioning of our democracy. Thank you.

Adams: Thank you all very much. Now turn over the reading of the names to Karla.

Moore-Love: We have a total of 15 people signed up.

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Adams: Welcome, glad you're here. Who is the first name?

Kathleen Hersh: I'm kathleen hersh, I'm a citizen of Portland. When Portland was granted a charter in 1851, the main reason for organizing a city government was building and maintaining roads. A prime responsibility of the city government ever since. So this urban renewal plan should be an embarrassment. One of the justifications it gives for the definition of blight is that 24% of the streets in the urban renewal area are very bad or worse condition. This is an admission of failure by the city government. These are not streets the city took over three or four decades ago. These are streets that have been part of the city for over a hundred years. They are not far flung residential lightly traveled streets. They are the streets at the core of our city that are very important for the development and economic well-being of our city. You and your predecessors have failed in your responsibility to take care of them. I see no budget in the urban renewal district to fix them. But that wouldn't make any difference anyway, because you have not budgeted to maintain our streets. That is like buying a car and not planning on changing the oil. Streets will continue to fail. I urge you not to take on any more city debt that -- for these very nice projects that are frankly not the city's responsibility. I urge you not to give up any tax funding when you cannot find the money to do the fundamental job of maintaining our streets.

Adams: And where did you get the information that we haven't budgeted for street maintenance?

Hersh: From "the Oregonian."

Adams: Thank you. Hi, welcome.

Elizabeth Brownhill: Hi. Good afternoon, Mayor Adams, Commissioners. I am elizabeth brownhill. But I'd like today to read a statement written by steve novik, who is unable to be here today. I appreciate the importance of strengthening psu adding more affordable housing and giving something back to the county and the Portland public school district. Given that they share in the cost of establishing an urban renewal district. I ask however that before you cast the final vote on this proposal, you address the following three questions. First, if you had to find several million dollars in this year's general fund budget to help fund these projects, where would you find the money? If you adopt this proposal you will be reducing city general fund revenues for a number of years in the future. You will be giving future councils less money for police, fire, parks, and other general fund services. I respectfully suggest that you should not assume that future councils will be able to do less with general fund money unless you yourselves can envision cutting this year's general fund to fund these projects. Secondly, would it be possible and if so, would it be preferable for the city to simply commit 50 million of its own funds to psu rather than creating an urban renewal area to generate \$169 million, of which psu will receive less than a third. The driving force behind this proposal is the desire to help psu, but the proposal winds up taking about 60 million apiece from the city, county, and the state school fund while giving psu only 50 million. I understand that if you are going to use the urban renewal tool the housing set-aside and some help for the county and Portland public schools makes sense. But I am curious, is there any way that the city rather than using the urban renewal process, could simply arrange to transfer 50 million of its own funds to psu? And thirdly, how exactly will pdc's \$24 million share of the pot be spent? I note that the proposal allocates to pdc itself an amount equal to almost half of psu's share of the total. I recognize that pdc will be assisting psu, the housing projects, and the school district in carrying out their projects, but \$24 million is a lot of money. Again, this 24 million is in effect diverted from the city and county general fund and the state school fund, and should be carefully justified. Thank you for your consideration and please note that i've submitted a longer testimony in writing.

Adams: Well thank the candidate for -- i'm sorry he couldn't be here himself. I'll spare you my questions in reply.

Brownhill: I can take them to him, but thank you.

Adams: I will spare you my questions in reply. Sir.

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Bob Wright: Mayor Adams, commissioner Fritz. Commissioner Fish. Thank you for the opportunity to speak before you today. I'm Bob Wright, a Portland native and a six-year resident of the west end. Oregon tax law and the economy are severely impacting the statewide funding of public schools. In districts serving people with the least financial resources, the impact is critical. The education urban renewal area plan does forecast a dynamic public-private business partnership involving the expansion of Portland state university. However, if approved, it will also divert millions of property tax dollars over a 32-year period from funds that finance our public schools statewide. Unless there's a change in Oregon tax laws, and the economy, the two factors that are negatively affecting the statewide funding of public schools, the outlook is indeed grim. If this education plan is approved, tax increment finances over 37 square blocks of downtown Portland will have been denied to county and state taxing authorities for 59 years. I repeat, 59 years. This disturbing fact is absolutely contrary to the basic intent of Oregon's Urban renewal statute. The education plan must be delayed until a sane revenue system is firmly in place to fund K through 12 public education. However, at a minimum, a balanced easily understood public accounting about what county and state funds will be impacted and by how much is mandatory before a city council vote can be taken. The impact on public school districts across the state must be made known to counties from Malheur to Clatsop. The school district serving the parents and students with the least economic resources will suffer the most. Despite education being in its name, this urban renewal plan puts educational equity at risk across the state. Children must live with the education we provide or deny now. Thank you.

Adams: Are you familiar with how much we subsidize the rest of the state in our school-based property taxes?

Wright: It has not been revealed in the public outreach of this plan. That's what we were looking for and have not received that --

Adams: No, this is what measure 5 did back in the '90s, '92, '93. It takes Portland public school tax dollars and among other things, spreads it across districts around the state to get equalization. I'd encourage you to dig into that and I'd be happy to provide you with some of those details and to Mr. Novik as well, embedded in one of his questions. Mr. Thrasher.

Kenneth Thrasher: Mayor Adams, commissioners Fritz and Fish. Kenneth Thrasher, a business person, cradle-to-career council member, PSU foundation board member, and along with my wife, a major donor to Portland state. I think that this decision to form this urban renewal district is a strategic foundational investment in Portland state university, a world class university, and the city of Portland and the region. And as we look at the underfunding of higher ed, this becomes a critical element of success for the university going forward, and for our region. You know, 66% of the students that graduate from Portland state stay in this region to work. And with the increase in the number of students that will graduate, having access in a quality education is going to be elementary in meeting our 4040 2020 goals. Along with that, under Wim's leadership, the term sustainability takes on a much wider range of outcomes. It's not just environmental, or educational, as we all know it touches urban planning, it touches the health care systems, and the transportation systems in our region. And those partnerships, those collaborations are really important for the future of this area. In addition to that, having chaired a number of capital campaigns, I can tell you personally that this kind of an investment leverages donors private donors to invest in this university and every time that investment happens and we increase the investment, there's another thing that happens, research dollars go up in coordination with that investment. We have seen that in the capital campaigns that I've been involved with around the state that we not only leverage ongoing annual giving, we actually increase research funds that come into the region and into the city. So this investment is foundational, it's critical to the success of Portland state university and our area, and if you really want to put an ROI on this, I would say that there are really three ROIs. The

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first is the improvement of student outcomes, the second is the preparation of a better work force. And the third is we will decrease our social costs in the area. Thank you.

Adams: Mr. Thrasher, as you were talking I was reminded of a statistic, and maybe i'll ask the president, is that -- in Oregon only one out of every 25 eighth graders, one out of 25 Oregon eighth graders graduate from an Oregon college or university, four-year college or university this is not just Portland state, but the entire system, one out of 25 eighth graders, Oregon eighth graders graduate from a four-year year higher education institute on time. Do you think that that's particularly competitive when compared to the other states in the united states?

Thrasher: Well it's not competitive, but the investment you're talking about making, by increasing donor funds coming into the university, because they believe in what the investment is doing, will actually increase scholarship gifts, which increases the completion rate, which means that number can be moved.

Adams: Thank you, thank you all very much for testifying. I appreciate it. Next four? Welcome back. Ms Lorenzen, do you want to go first?

Shelley Lorenzen: Yes. I'm Shelley Lorenzen, from the League of Women Voters in Portland. The league has three basic messages for council; first, to consider whether urban renewal really is legally the right financing tool for the district. And if yes, take the time to comply with the law. And third, to carefully consider the cost and impacts of this proposal. Because at the end of the day, as others have said, the council has to rob Peter to pay Paul, to make this district happen. You know, I really -- as I -- you know I hear all this, I really wonder if council as individuals has read the urban renewal statute, and if you haven't I -- or if it's been a while, I urge you to do it again. And I also ask that you make a really truly good faith determination, based on the language of the statute, that the district meets the blight test set forth in ORS 457. In short, can you honestly say that this district, exhibits a growing or total lack of economic development? And merits the excessive and disproportionate expenditure, I'm quoting from the statute, of public funds? Furthermore, ors 457 requires that the plan include a description, cost, funding source, and completion date for each project. The current draft of the plan does not. You said you spent three years on this project? What's the rush now? A very inadequate document came out about a month ago, and it needs to be complete. I think as -- I don't know, Steve Novick, but I think his comments and questions were right on the mark. And I think that it's important to appreciate the impact that your decision will have, and has had on schools, county, and general fund. In 1998, there were 56 urban renewal plans statewide, which diverted 101 million in property taxes from city, county, and school coffers each year. By 2011, the urban renewal plans increased to 106 planned areas, and taxes diverted from schools, county and city services grew to \$210 million a year. That's an increase of over 100%, since 1998. And much of this increase is due to the city of Portland's aggressive use of urban renewal. Perhaps more then any other city or county in Oregon, Portland has aggressively adopted urban renewal plans to further the city's economic development. The urban renewal taxes imposed within Portland now are about \$110 million a year, over 50% of all urban renewal taxes in the state of Oregon. Time is running. I just -- you know, the natives are getting restless, council members. I think that the use and abuse of urban renewal is starting to take its toll. Clackamas county has voted to require voters to approve urban renewal districts. California has abandoned urban renewal. And I think you really need to be careful as you proceed with urban renewal districts, so that you don't undermine this really valuable financing tool. Thank you.

Adams: Thank you very much. Hi. Welcome.

Lainie Block Wilker: Good afternoon, Mayor and commissioners. My name's Lainie Block Wilker. I am an attorney, a parent, and an education advocate. I was a founder of the grassroots principles coalition, learn now build later, and also smart schools pdx, we are advocating for a smarter PPS facilities bond that's linked to an educational plan and job creation. My two daughters attend laurelhurst school, which has, actually the worst facilities condition index and pps to your

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question, 83%, it is rated twice as bad as Lincoln, and is highly likely to collapse. We also lack a science lab, technology instruction, and other core curriculum, including advanced algebra and geometry. At our neighborhood grant high school, there are thousands of high school students that are warehoused in involuntary study halls, for up to three hours unable to get math or science classes to prepare them for careers in a knowledge economy. The other 84 schools across Portland public are in awful condition. They have suffered devastating cuts to classroom education. You are on the brink of destroying decent public education in Portland. It will drive middle class families, and businesses, seeking a skilled work force, from this city. If another urban renewal district is created, we will lose more tax base from schools and social services that are already critically underfunded. Treasurer ted wheeler understood this and he understood the way it's devastated funding to social services and took a strong stand. I am also a former deputy city attorney and I've prosecuted domestic violence and worked with mental health and addiction so I understand the nexus between social services and education. I am asking you to please slow down so we can weigh the cost and benefits before locking in a bad decision that will hurt public education across the city. Mayoral candidates have stated that they want to revisit urban renewal, and help pass a better bond. While you're hungry for construction jobs, kids are coming to school hungry and without health insurance, and if we want construction jobs across the city, the smart schools pdx, has put forth a strategic plan that's actually linked to an educational plan for rebuilding the unsafe infrastructure across the city. And linking, you know, linking it to target job creation clusters so kids have technology, and they have science and they have algebra and they have geometry and they have world languages. Lincoln should be part of a larger strategic plan to improve education across the city. If I could leave this --

Adams: The clerk will get it to us.

Wilker: But this is plan for six robust high schools and reinvigorating Benson's successful tech program, and with software, advanced manufacturing, clean tech, where we're trying to build, it would serve the whole city. It's not a limited West side project, so I hope that you will consider this. And also, I think we can all appreciate the importance of research incubator, but I would like to echo Mr. Nevick's comments that there's got to be a better way to pay for it that doesn't gut K-12.

Adams: How much is your bond measure? Facilities bond measure?

Wilker: The measure that failed was --

Adams: No, no, no, I know that, how much is your proposed facility bond measure?

Wilker: This is just a proposal in terms of priorities and how we can get --

Adams: How much does that cost?

Wilker: I haven't -- we have not done the cost on it. But it -- what it does is --

Adams: Thank you, no, I understand, I just want to know the cost. Hi, welcome.

Wilker: Thank you.

Anne Trudeau: Hi. My name is anne trudeau. Like many people in Portland I have lots of questions about the Oregon sustainability center, and the urban renewal education district. In particular, nobody has been talking about the Oregon sustainability center here, and I had some -- some of my questions will address that.

Adams: It's not in this district.

Trudeau: It's not in this district any more?

Adams: It's never been in this district.

Fish: The proposal has already by resolution, determined that urban renewal money, if, indeed, that building goes forward, it would not receive urban renewal money, so -- from this district.

Trudeau: From this district.

Adams: Yeah.

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Fish: From this district. So whoever put that on the onward Oregon website, and asked people to petition us on that question, had not followed either the contours of this district or the decision we've previously made.

Trudeau: Ok. All right.

Fish: I got dozens of emails from people who were misled --

Adams: So did I. It's not even on the map.

Fish: -- on that specific point.

Trudeau: Ok. I have some other -- can I start over?

Adams: Absolutely.

Trudeau: Great. Start me over. I have some other questions.

Adams: We didn't want you to waste your time.

Trudeau: I know, okay. Why does this project use urban renewal funds in an area that is not blighted? If the definition of blight is a building built before 1978 with lead and or asbestos, the entire city would qualify. Is this blight or an opportunity for a tax break? Where is the economic impact study for this project? How will massive tax breaks that extend over decades and the infusion of public money benefit our community, especially the most vulnerable in our city? As detailed in the league of women voters' statement, urban renewal tax breaks have a devastating effect on funding for basic services and education. Does this project really benefit education? How will it affect our city budgets for social service, parks and maintenance? Isn't education best funded by paying teachers? A great university to me is based on great instructors, not hot buildings. We need fair taxes to fund universities, and fair taxes on corporations. There is a requirement for affordable housing, in any renewable -- urban renewal project. Will the affordable housing money go to people who are low income, or will it go to student housing and so called workforce housing? I thought the housing bureau was not going to put money into workforce housing after we saw that the headwaters development, did not serve low income people even though it was a legal requirement, and it was supposed to be serving low income people. It was, as you recall, that was a workforce housing development. With the serious and increasing numbers facing homelessness in this city, should we be focusing on housing for people who make well over the poverty line? Or should we have priority housing for those who are the most vulnerable? Ok. Now, about jobs. I fully support family wage union jobs. I support job preservation, and creation, as well as a visionary, truly sustainable city. How about this vision? We need to be building and maintaining truly green projects, a jobs program financed by fair taxes paid by corporations. This could build and maintain affordable housing for all, a clean river, an expanded rail system, we need job preservation, we need to fully fund the workers who make our city livable, the people would work at our parks, the people who provide transportation, basic services, like health care, and schools. Please look at this proposal before you very closely. Ask yourselves, do these projects truly benefit the people of our city, and then do the right thing, vote no.

Fish: Let me respond to one other thing if I could. Because, and you're free to respond. I voted against, as you know, the sustainability center. Commissioner Saltzman brought forth the resolution that we would not put urban renewal money into that building. So, fair point on your part --

Adams: From this district.

Fish: -- from this district. Now second, because you've raised the question of the housing dollars, and it links up with what Steve Novick has raised. I wish there was a way through the general fund to generate the money we need to address housing. In a perfect world we would have that. And Steve and I had this conversation the other day because he said why do we take 30% of urban renewal districts and put it into housing, and then such a small percentage of our general fund? We could spend all afternoon describing how we got into this predicament, but it has a lot to do with the other priorities that we have to fund like public safety, and other needs of the city. But, I want to

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just be very clear on the point you raised because again, I have seen emails from people raising the same question, and I regret that people actively mislead others about what we're -- what is before us. As the housing commissioner for the city of Portland, who is in charge of enforcing the 30% set-aside, if this passes, the 30% set aside attaches. I asked Debbie Aiona the other day when she raised this question, from the league of women voters, identify for me, a single dollar that Margaret Van Vliet or Traci Manning have spent outside of the 30% set aside since I was elected. She said nick, I have no problem with you. It's if you drop dead some day, and someone else is in your chair. Fair enough. That's why it specifically says in this -- in what's before us, that the 30% set aside for housing, affirmed by this council last year, applies. We have very specific guidelines, as you know, because you've been a strong supporter about income limits and the kind of housing. And I would be happy to talk to you offline about how we intend to spend it. But I will tell you, one of the things that's important to me, at a time when the vulnerable people you are talking about, I can't serve, because of federal cut backs, state cutbacks and a growing need, is it the 46 million we may generate through this urban renewal district, could go into keeping older adults who are disabled, in their homes, could help me address homelessness and could help me to allow, for example, low income families who, by the way, may choose to go to PSU, have a place to live. That's not student housing that's housing that a low income student might be eligible for, and in a perfect world we'd have the general fund dollars to do this, and I would not have to rely on either limited tax abatements, or urban renewal. I get that. But, this very specifically says the 30% set aside applies. I have a very clear record over the last four years. I wasn't here when the headwaters was conceived of or built. And if I sold the headwaters today, the public would take a bath because there is a penalty clause so I have to let another two years go by until we have that discussion. But if there is any question about this money, and our intent, it is, I think, resolved by the fact that it says very clearly in the plan that 30% set aside applies.

Trudeau: Why at the meeting at PSU about this did, was workforce housing brought up then?

Fish: By whom.

Trudeau: By the principal of Lincoln High School.

Fish: Well, the principal of Lincoln High School is not the Portland City Council.

Adams: Well that was -- our \$10 million that goes to helping the school district plan their new campus. Part of what they are looking at is the opportunity to help redevelop or redesign their campus, and it's just an idea that they have put on the table, is that they do it in a way that helps pay for the school itself. The new, if there is a new facility, at that site to help pay for itself, through an entrepreneurial approach so they put that on the table as an idea to explore. Will it work will it not work?

Trudeau: How about low income housing in the city -- in Lincoln High School.

Adams: That's what commissioner --

Trudeau: I'm just saying -- I'm saying we're -- you know --

Adams: Well let me finish. I let you talk.

Trudeau: Ok, sorry.

Adams: You know. What commissioner Fish has told you is -- and it's one of the most stringent set asides around, he just told you that the 30% set aside, the rules apply to this district, the university district. There is not a lot of affordable housing in this part of town, and as a product of a single mom with four kids that was going after a high school and college diploma, I want more affordable housing for students, especially students with kids. But that's for future decision makers to figure out. So I actually think that we're on more of the same page here in terms of what the laws in the future are and what our legislative intent is, than you might think at first blush or second blush.

Fritz: I have a clarifying question, is the Lincoln High School site identified as a potential site for affordable housing?

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Fish: It's not currently, and we have, approximate to Lincoln High School, there's some buildings that my team is trying to preserve that historically is part of our preservation campaign. I think Anne, you raise good questions, at every time we talk about urban renewal, we should put them on the table, so and I applaud you, I applaud league of women voters for being stalwort, and as a result, we've been pretty rigorous in using these dollars for a specific purpose, but at least as to that question, we have tremendous need in this district, particularly among older adults, people who are disabled, low income families, this 467 million is money I wish I could spend through the general fund directly. I don't have it, but this will allow us to do some legacy projects in this district. And I invite you to be part of that planning process as we go forward and I invite to you look at our four year track record of how we've spent tiff for affordable housing.

Fritz: To further clarify if there was workforce housing that would not qualify as part of the 30% set aside.

Fish: It's not currently allowed in the 30% set aside precisely because of the income guidelines we use. I have not invested in workforce housing as your commissioner, and you know --

Trudeau: But that's my concern. I mean, you haven't done it but in the past, what has happened is that --

Adams: Well, Miss trudeau --

Trudeau: Go ahead.

Adams: Thank you. [laughter] Are you done? I need to move this on.

Fritz: One final point of clarification is that my understanding is the federal guidelines mean that we cannot use the set aside for student housing. So that in the situation that commissioner Fish envisioned with a family, it would be a --

Adams: We can do mixed income, mixed funded housing.

Fritz: Mixed income, mixed funded housing. I think you're raising some very good questions, and some more clarification --

Adams: But dig into the facts Ma'am because you'll find that the concerns you have, both in terms of since we established the 30% set aside since i've been on the city council predates my colleagues here, and we have done exactly, we have done pretty darn near close from what I understand your position to be, so I appreciate the concern. It's good to get the legislative intent out here today. I actually think that we followed through. Hi, you've been very patient, thank you.

Erica Aslun: Good afternoon, Mayor Adams and council. My name is Erica Aslun, and I am a staff member of laborer's local 483, which is the union of city workers who do transportation maintenance, parks maintenance, recreation, among other things. We've been working long and hard to get to a responsible budget for the city of Portland together, and specifically, its maintenance of transportation infrastructure and parks. Thank you for your commitment to these services council. I think that you really have shown an understanding of the need for maintenance in the city. The staff of local 483 is here today to reflect what we hear from the community as their concerns regarding urban renewals, and to have some questions answered about the feasibility of using tiff financing when we're fiercely attempting to protect our tax base for services that are, our city and our locals members are obligated to provide, maintenance of Portland. The slow, dignified work that keeps the city moving so, i'll be reporting back to our executive board with answers to some of our questions, so our union can take a position regarding tiff financing. It's our understanding that any increase in property taxes within an urban renewal area won't be realized by the city until years down the line if they even get out of debt service. And as a sister local to laborers unions in the building trades, we support responsibly financed capital projects within the city. For instance, as council knows, much of our needed repair to existing infrastructure is considered to be capital improvements. Local 483 has also pledged to work with you in the community toward the ends of delivering more revenues for vital city services. And our criteria for any legislative and city reform is that it A, helps working people, and B is responsible. And people

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have already mentioned the money that has been diverted out of the Portland tax base. More than 34 million from Portland last year, and 28.9 million from schools. And we're asking ourselves whether the budget cuts and layoff scare that just threaten our members and our city could have been avoided by not using tiff financing? We believe that the city's tax base should be used to finance the backlog of maintenance in capital improvements to the city of Portland's existing infrastructure. So the bottom line for our members is, does tax increment financing meet that goal? And also, what is the funding plan for maintenance, for maintenance of the areas within the urban renewal areas?

Fish: Erica can I just ask you a follow-up question? Are you also in your testimony asking us to consider investments in park and street infrastructure in this district as part of an allocation of funds?

Aslun: I guess my question would be, is that possible?

Adams: The short answer is yes. Thank you all very much. Appreciate it. Next four?

Adams: Welcome back to the city council. Doctor, do you want to go first?

Eric Fruits: Well my name wasn't first but I could go --

Adams: Go ahead.

Fruits: -- well sure, thank you. I didn't want to go out of turn. You should have gotten this handout here. My name, mayor Adams, thank you for having me here, city commissioners, my name's Eric Fruits. I am a local economist specializing in urban economics and real estate. I am also one of the founders of the learn now build later grassroots coalition. So I am familiar with many aspects of local education issues, I'm also the chair of my neighborhood association, so I wear several hats. Even so, I still speak for myself on this issue. I would like to begin by just saying, I'm going to apologize in advance for being blunt with only limited time, for informed public input, again, informed public input. We simply do not have time for delegate speech. So, I will begin my, now by saying, noting this education --

Adams: You are known for many things, and delicate speech is not one of them.

Fruits: Oh well thank you. I will take that as a compliment.

Adams: You should.

Fruits: Okay, good. I'll tell that to my kids, they get to hear a lot of my indelicate speech. Can I restart the clock? No, I'm joking.

Adams: Yes, you can.

Fruits: Oh wow, thank you. So I admit the urban renewal area is unique. It's unique in the sense that I have never seen an urban renewal area that's had so little urban renewal in it. The handout you will see was put together from information that was provided by the Portland development commission. And what I did is I took that, it was the, the table that, that mr. Clinton didn't want to go over. But I kind of moved things around and turned it into a pie chart, and as you could see, half of the proposed spending in the area has absolutely nothing to do with improving property values. And improving property values is critical to urban renewal. Without the increase in property values, the burden of paying for the URA's bonds is ultimately going to fall on the city's general fund. If this district fails to generate enough tax revenues, the services in the city that the city is responsible for, those top priorities streets, fire, so forth, those are going to suffer painful cuts. Moving on, almost 20% of the money can only be described as slush funding. And again, I hate to be indelicate, but I guess that's what i'm known for. This is all money that's just set aside to entice, expand, or accelerator unnamed and even unknown businesses at this time, also potential entrepreneurs, again who we don't know, who may not even be born yet because this district has a 20-year life. And again, this is money we have no idea who is going to get it and how it's going to be spent. It's a slush fund. Moving on, almost 1/6 of the money goes toward staffing and overhead at the Portland development commission. Remember that again, this is money that is funneled from other vital services. This is money that we're going to sacrifice city services, to expand the pdc

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bureaucracy, or at least maintain it. When you look at the perspective building projects, those are the things in the blue, you should be struck at how many of these potential projects will generate little or no tax revenues. Where's the tax increment to pay for this tax increment financing? And last, I know we spent a lot of time on this, I'd like to direct your attention to what I call the mystery earmark for the Portland public schools. It's mysterious, in the amount that the amount of the earmark has dropped from 14.5 million to 10 million. With no explanation of what the original amount was for, and what the new amount is for, or why it dropped almost a third in the space of a few weeks. No one has really gone on record to say what this money is for, and it really highlights the issues that the league of women voters brought up, that there really is no urban renewal plan here that there is very few projects that have been identified. Again, no one has said what that money is for. We have some hints though, today, in the DJC. That Lincoln's principal said that pps would like to surround lincoln school, lincoln with apartments, rebuild Lincoln, provide covered parking for Jeld Wen field and Multnomah athletic club. Since then, the district, at least the people I have spoken with have distanced themselves from her comments. Not surprisingly. It is well-known that lincoln is one of the most affluent high schools in the district. It's students are housed in one of the best buildings in the Portland public schools portfolio. Crowded, but one of the best. The schools foundation auctions off student parking spots for \$1,000 apiece.

Adams: So I need you to wrap up, sir. I gave you extra time.

Fruits: I apologize. And again, I apologize for being blunt but I urge you to certainly reconsider this urban renewal area and think about doing urban renewal in areas that really really are crying for help. Thank you for your time, I appreciate it.

Fish: I have one – Mayor, I have just one question because, Mr. Fruits earlier raised the question of the percentage of investments in a district that generate increment. And I think that that's a fair question. And it is one of the criticisms against the 30% set aside, which is why some organizations have said we should not set aside 30%. Do you have an opinion on that?

Fruits: Well, I think the set aside has a fairly long history, if I recall, it came from commissioner sten, who was concerned that a lot of urban renewal money was used on things other than affordable housing, and so it was a council decision, at least from my understanding that --

Fish: It came from the Oregon opportunity network. And sam chase that sold the council and the mayor on it, but my question is, do you believe that to the extent that 30% is set aside for housing, that does not generate increment? That that is a valid investment or not? Or would you urge us to reconsider that?

Fruits: I don't know if it's valid or not, but I think that what it does is it takes a lot of --

Adams: Dr. Fruits --

Fruits: -- potential off the table for tax increment, and so you could get yourself backed into a corner, financially, with such a large set aside.

Adams: Dr. Fruits, you are always unvarnished from what I can gather as a contributor to the cascade policy institute and promoting right to work --

Fruits: Is that a bad thing?

Adams: You are always unvarnished, so --

Fruits: I will have to look that word up.

Adams: It surprises me that you said that this isn't the right place for tax increment. I am left with the impression and I just wanted to check in with you that you would not support tax increment anywhere in the city?

Fruits: I don't think it's a good idea but if you want to do it, you should do it somewhere wisely. I live near hollywood, which is crying for help.

Adams: Oh you would support tax increment district in hollywood?

Fruits: I did not say that, I said I wouldn't support -- but if you're going to do it, do it somewhere where it's needed.

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Adams: All right, all right, all right, all right.

Fruits: Mr. Fish should understand hollywood.

Adams: No, you're saying you don't support tax increments, fair enough, but the league of women voters has never supported since i've been around tax increment. It's a principle disagreement so I was just taking you at your word of being blunt. So, hi, welcome.

Luis Brennan: Hi. My name is Lewis Brennan, i'm a citizen of Portland. I had a, a small point to make about what I believe is a disconnect between this use of tax increment financing and the original intent of tax increment financing and a possible problematic model that I see being promulgated through this. My understanding, and I'm not -- my point is that i'm not actually contesting any of the individual projects. I do believe that a great city needs a great university and that good union jobs in construction industries are perfectly valid and worth having. But my understanding of the original intent of tax increment is improving blighted sectors of our community, right? And as a model it pays for itself, right? In post-measure 50 Oregon, that no longer necessarily makes sense and in a place like PSU where it's not necessarily blight where it's actually a well developed neighborhood to start with. It raises some questions. The PDC itself is projecting on average 3.5% property value growth in this area. Over their projected 2.7% growth, without tax increment, which is to say that there is only a .7% gain in property increase using the tax increment. So this no longer fits into the standard model for what a tax increment district looks like where it pays for itself by its own, by the projects, producing growth in property value. Instead what it seems to me, is a way to lock ourselves in, into a long-term earmarked plan for development, concerted development in single community. Where we say, we want to do these projects, and we want to designate city funds on the long-term to do those projects. To me, in an age where we are facing great economic uncertainty, and a large amount of rigidity in our budget, causing more rigidity and reducing the amount of flexibility we have in our budgeting decisions, is a grave mistake, and so rather than contesting the individual projects or the individual nature of this plan, I believe that tax increment is not the right way to go merely because it handcuffs the city to do the great projects that it needs to get done.

Adams: Thank you, Mr. Manton, welcome back.

Steve Manton: Mr. Mayor, members of the commission, I'm Steve Manton, a bit of full disclosure, I have two degrees from Portland State and my children went to Portland public schools, my daughter graduated from Lincoln. With that said, the thing that strikes me about this whole plan so far, is that nobody has actually stated who is going to pay for this and how it's going to be paid for. A brief bit of history, you know, when they were going to do urban renewal back in the 1950s, every taxing district had a tax base, and they all levied up to the maximum of that tax base every year. And they had rate, and a property value in, and between knows they adjusted those each year, so that they could get that full value. That was what they used to create the urban renewal. They said listen, we're going to have a district, and within that district, that tax increment financing will be used, where the property owners in that district will pay for that urban renewal district. And then when it is de-feesed everyone in the city will benefit because the increased value should push everybody else's rates down. Thereby, creating a lower property for each of the homeowners, and that's how they sold it to everybody. All well and good until measure 5 comes along. Measure 5 freezes the tax rate. The tax rate now is a totally different thing. The base, is not the determinant any longer, it's a tax rate, a few years later we had measure 47 that came through. Which froze the value, and then, because it was a bad law, the legislature got involved and created measure 50. When they did that, urban renewal advocates went into the legislature and said, listen, PDC and other agencies are dying. They cannot live with the way it is right now so we want to change the way that we can fund these things, and what they did was they created what's known as division of taxes. So the idea that it's tax increment financing is wrong these days. Yes, the tax increment is used to determine the collection of taxes everywhere, but they divide those taxes across all the tax bases,

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and all the property owners in the city of Portland. So essentially, what you are asking all the property owners in the city of Portland to do is pay for this urban renewal district that is coming up right now. That means that people who live in centennial district out in deep southeast, are going to be paying for lincoln high school. That means that people who live in deep southwest, are going to be paying for Portland state even if they have no, nobody going there or anything to do with the organization. So, we have this across all of our urban renewal districts. Essentially, you have the people who live south and east of sandy, and south and west of i-205 paying taxes for no services at all, and a reduction of services to a certain degree because we can't put that money into police, we can't put it into fire, we can't put it into parks, because it's all locked up going into specific districts.

Fish: I'm just curious sir, you'll get your time back but, i'm just trying to reconcile that with how we currently fund things for the general fund. Just so for example, I live in Grant park neighborhood, I pay taxes, part of my taxes improves parks in southwest. How is that different from what you've just described with urban renewal?

Manton: Part of your taxes pays for laurelhurst park. Part of your taxes pays for your fire protection and part of your taxes pays for your police protection. All of these go to somebody else's area of the city, and take away the money that's available for services throughout the whole city.

Fish: And you will get the additional time sir, but doesn't that just throw us back to the question of whether as a community, we think the investment is a priority investment, not the question of whether I immediately benefit? Because my taxes, by definition, are used to fund lots of things that I don't directly benefit from, but if I believe that an infrastructure in another part of the city should be invested in, the whole city benefits. If I think that a stronger Portland state university benefits the whole city, then the whole city benefits. So i'm just trying to understand the difference in your argument about urban renewal, and the focus of taxation versus how we fund things to the general fund, and I am not sure that there is a big difference.

Manton: Well, here's the big difference, when they passed a renewal law back in the 1950s, it said it would do certain things, and only certain people would pay for it. It's 180 degrees reversed in what it actually said it would do right now, in terms of how the funding is taking place and --

Adams: So I would argue that what we spend, and what we focus our investments on in any new urban renewal district, really matter, there has to be a city-wide benefit. And so, focusing on, a part of the city that already has significant investment in transit, so that's even apart from the educational work, but significant investment in transit, an aging population that's going to depend on that transit more and more to get around. To me, that is why I move this forward. And the benefits of Portland state university is more even than city-wide, it's like even region and statewide so, I think it, actually, addresses the specifics of this proposal. I would argue actually, addresses the evolving financial realities that you summarized. Your rebuttal.

Manton: Actually, what you are asking, the city of Portland taxpayers to do is to do -- I keep hearing everybody talk about regional, the regional university. And we're being asked to pay for the regional university, which is actually a state university. We're being asked to cover that as the city of Portland taxes.

Adams: Yeah, but our --

Manton: Wait a minute.

Adams: -- you made that point already.

Manton: I did, but no, you kept saying regional. You all said regional several times. And we're being asked all to pay for lincoln high school. I'm with pps. They want me to pay for it, send a, you know, a bond issue to me, but they are asking people whose kids don't even go to Portland public schools, to help pay for that schools. And, the county, is asking the city of Portland taxpayers to pay for a building without the other 20% of the county that doesn't --

Fish: Mayor I don't think we have enough time to, I mean, I think in fairness, this gentleman is raising -- raising policy questions, equity questions, how we spend, in a democracy we debate these

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questions, and you have put on the record, I think, some interesting points. There actually some points i'm going to talk to staff about. I'm not sure we're going to resolve it today but I appreciate –
Adams: Well we'll have him come up and discuss some of these issues, because this isn't the first second or third time, I've got to move on. It's getting late in the afternoon.

Manton: Alright Sam, thank you.

Adams: Alright.

Fritz: But we don't vote until next week, so you are welcome to send in more written testimony --

Adams: So if I could have, is that everyone on the list?

Moore-Love: Three more?

Adams: Three more? Ok. We have another item after this folks.

Adams: Have a seat. Welcome back. Glad you're here. Mr. Perkins, do you want to go?

Brad Perkins: Yeah. Brad perkins. I am running for the metro position district 5, which does deal with the region. Also, I do sit on the Oregon convention center urac, ok. I'm not going to come here and lambast Portland state university. I mean, it's a great institution. And I think wherever they can leverage the dollars, it's important. Ok. I am here mainly to discuss with you the process which we got to this point. First of all, the question of blight. Where is it? Ok. I go back many years, and when the urban renewal districts were first formed in this area, and I had never imagined that an institution like Portland state in downtown, in this year, 2012, would be considered a blighted area. Especially with all the transit systems that are here now. So, what does that, what does that, where do we go from here? I think that the urban renewal districts are a very important economic tool to advance development in the Portland region. I don't want to lose that. Ok. And I fear that this may be a case where we will because people will get upset, by the way in which we are twisting the idea of blight and the need for urban renewal, in this area. The point is, is that I haven't been proven yet that there is a real need here, to have the leveraging. Let's go across the river, a whole different dimension over there, on the east side. Somebody mentioned Hollywood in more in need. How about Sullivan's Gulch trail? That would be a great asset to signify that area as a urban renewal district. And take a strong look again, not just at the coliseum this time, but the rose quarter as to how it can be a major transportation tourism network that would tie in the Sullivan's Gulch trail, the north willamette greenway trail, tie in high-speed rail from vancouver to the rose quarter, really build these systems. And really have housing that's connected to the systems. That work. That can be affordable housing, that can be market rate housing, then you wouldn't have to have subsidization of a hotel down at the Oregon convention center. I can't even use, or suggest now, using planning money for the next phase of the Sullivan's Gulch trail, because now they are saying, that oh, by the way, we have changed the policies as to how we use urban renewal money, and it's going to go towards businesses that want to improve their business or improve the number of employees. So, as far as transportation systems and the planning of such, it is off the map. It's off the ability to use that.

Adams: So Mr. Perkins your time is up. I just wanted to make sure that I understood you correctly because it's been a long day, are you saying that an investment in the Sullivan's Gulch trail is more important than an investment in psu?

Perkins: I think they both weigh very heavily.

Adams: You are going to have to answer these questions with a yes or no. Which is more important?

Perkins: I think sullivan's gulch trail and the networks that it will create with the new access for development --

Adams: No, you've made your case. I just wanted to make sure that's what I understand.

Fish: In fairness, since you and I set up the sullivan's gulch planning process, and it's a joint process of PBOT and parks and since we also funded it, and since we also invited brad to be on the board. I think it's also fair to say, since you said it on the record, that the reason there's going to be

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a pause in our development is, has nothing to do with urban renewal, and has everything to do with the railroad that we are trying to get to be a player to allow us to do this, and the railroad issue, as you know, as thorny as the funding issue, we share the vision, and that's why we invited you to be part of the planning process, but I think it's a bait and switch to say it's more about economic, about urban renewal, than about the railroad, until we have issues of rights-of-way, and use agreements with the railroad, there is not a heck of a lot that we can do in Sullivan's Gulch, except to the planning process which we've actually made progress on.

Adams: Ms. Schwab, welcome back.

Perkins: I want to respond to mr. Commissioner Fish said.

Adams: Miss schwab, it's your turn.

Perkins: Thank you.

Mary Ann Schwab: Thank you. A long day for everyone. Mayor and commissioner Fritz and Fish, I have a little story of my own with the railroad, you know your 82nd underpass a tri-met, the beautiful street of roses. Several years ago it was like riding a train without a caboose. We did get the railroad and we were actually successful in putting metal and wrought iron fences at the vacant tunnel. Some pretty horrible things were happening in that tunnel. It's located not far from Madison high school, and at the time, I was a secretary, out in that area. So, finding anyone to answer a telephone call or any human being with the railroad, I congratulate you.

Fish: Mary Ann Schwab, were you voted volunteer of the year two years ago in Multnomah county?

Schwab: Kind of sort of, yeah, no. 14. They don't advertise that. And I don't, either. Anyway, can I let the clock start, as I have several hats today, my first one is southeast uplift. Dear mayor Adams, the southeast uplift board of directors voted last night, which was monday this week, to request the time line for the decision on the psu urban renewal area be extended for 90 days, this extension will allow all interested parties to have adequate time to fully be informed of this project while also demonstrating the cities commitment to a high standard of the public involvement processes. Thank you, signed by jeff lynott, and I was there, it was a unanimous vote, so please, if we could just table this a lot of the answers being brought forward that are quote, in the record can really be addressed. And we're hoping that you will seriously table this for 90 days. How hard can that be? It's not that the dollars are going to be right here the day after tomorrow. It's not that we're giving birth to quadruplets, or are we? Let's put this on hold, that's what we're asking. Thank you.

Adams: Thank you Ms. Schwab. Is that it?

Schwab: No that's SE uplift, now my other hat. I'm also a member of the league of women voters who served on your committee well over two years for education equity studies so I do have a little background of this. We studied three of the six Portland school districts. And I'm glad mayor Adams that you discovered that again with your 7.5 million going out, some to Portland schools and by population to the others. I applaud you for that and also karen grace, superintendent of parkrose. I kind of think that she had something to do with that, too. I am not speaking for the league now. I am speaking for myself.

Adams: We have always given it that way.

Schwab: That's good. That's good. I am saying thank you.

Fish: It doesn't mean that karen isn't a terrific advocate.

Adams: She is. She was on the coast, but she's a great advocate. We've always distributed admw.

Schwab: There is i-pods everywhere. Okay, southeast uplift board of directors voted to write a letter to city council requesting a friendly 90-day delay in voting for the new pvc, ed, urac, they felt the public involvement principles were compromised when scheduling three key stakeholder meetings within 30 calendar days, april 10th, reporting, planning and sustainability commission, april 17th, the pdc ura open house at Portland state campus, april 26th, Multnomah county approval

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of the inner governmental agency agreement, with the Portland development commission, Multnomah county and Portland state university, which brings me here to meeting no. 4 for public comment. Like the [inaudible] board of directors I am asking you to table the 496, for the friendly 90 degrees, thereby respecting the piac principles and guidelines for transparency to allow the seven coalitions to review the materials, starting with the income guidelines. Everyone talked about it here a minute ago. A family of four at \$73,000. What is affordable housing? What is low income housing? What is [inaudible] housing? What is market rate?

Adams: I need you to wrap up.

Schwab: Ok. I will throw out these figures to you that what it's really going to cost people, we said 28 years now today I've learned a tale is seven to nine years, the bond insurance company, cost for this is \$7,700,000. The housing set aside is \$46,500,000, pdc direct staffing and overhead 24,5 -

Adams: So we've had those numbers by other testifiers and they were alluded to by staff presentations I really do need to get us back to --

Schwab: Okay. Thank you.

Adams: Thank you, Ms. Schwab, thank you Mr. Perkins. So could we have staff come back up? So I noted some questions I want to go through, and then I'll ask council -- Well a -- staff and partners. So I have not looked at the numbers lately, but the last time I looked, the city of Portland was a net exporter of property taxes to the rest of the state, for a variety of things. We're a net exporter of corporate and individual income taxes, lottery funds, vehicle related fees and taxes, in other words, we pay more than we get back in terms of state spending. That's the last time I checked. The numbers might have gone up and down, maybe there's been a big change, but that's the last I have checked. So as it relates back to schools, we heard from David Williams, and I just wanted to double-check that the net impact on Portland public schools is zero. Is that correct?

Quinton: It flows indirectly -- well let me bring up Morgan Masterman. Morgan why don't you come up? We can have extra chairs.

Adams: Morgan, would you introduce yourself?

Morgan Masterman: Morgan Masterman policy coordinator at pdc.

Adams: Hi.

Masterman: The net zero impact to Portland public schools is based on the functionality of this type of urban renewal district which doesn't impact the local option levee as Dave said before -- it only takes from the permanent rate.

Adams: So it's new, it's post-reforms that Chair Kogan mentioned and so it doesn't have the impacts that other districts have. Because the other districts do not have local option levees, David Douglas Parkrose Reynolds are not impacted, as well, is my understanding, is that yours?

Masterman: That's correct.

Adams: Okay.

Fritz: Except to the extent that we're not sending that money to the state so the state has less to divvy out --

Adams: So let's be clear --

Fritz: -- is that correct?

Adams: No.

Masterman: The state school fund is --

Adams: So let's be clear -- commissioner, we are subsidizing schools across the state. Already. If we earn just a tiny bit back with this decision, bully on us. Alright the next question I heard was that concern that we are -- the whole issue of -- I just want to air out, is there anything else in terms of the requirements on affordable housing? Those are the standard requirements. There is nothing different, in the creation of this district that Commissioner Fish didn't improve upon earlier, what 16, 18 months ago?

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Quinton: The set aside applies.

Fish: I will walk you through just two or three questions just so that it's clear on the record because it has been raised. The 30% set aside for affordable housing that was adopted by this council five or six years ago and reaffirmed last year, applies to this district.

Quinton: Yes.

Fish: And they are very specific criteria, which the city has adopted with respect to the 30% set aside.

Quinton: Yes.

Fish: And I believe the only missing piece is that based on some requests that we have received, if this district is adopted, the housing bureau in the fall will have public process to determine -- to get some public feedback on income guidelines and the kind of housing people would like to see. We have some flexibility between home ownership within certain range, housing for older adults, family friendly, whatever, so we'll be seeking some input looking specifically at the needs of the district and the opportunities in the district and then get some public feedback. So I --

Quinton: Yeah. I'd imagine that the whole range of php programs that are funded by the tiff would be on the table to be considered by your staff. Yeah.

Fish: Thank you.

Adams: The testimony that dr. Fruits from the cascade policy institute said that 19% is going to slush funds. That includes targeted industry, recruitment and expansion, I just want to give you an opportunity to respond to that characterization of business assistance, a lot of small business start-up assistances, slush funds, why -- is this consistent with the economic development strategy, why is this worthwhile?

Quinton: Yes. This is exactly how we spend our -- the tax increment funded dollars, with regard to economic development so they fund small business loans, they fund larger business loans in the event that we have a larger business recruitment and retention, it fund investments in facilities that are used by businesses, and just to give an example, and it relates to another question, the wet lab space that Design Medics uses is in the Portland state business accelerator was funded by \$1.5 million from the north macadam ura, so it's a -- it truly is an example of how we could spend tax increment dollars from this urban renewal area in a facility to build out the kind of space that we just heard today, is desperately needed for companies that are coming out of both ohsu and psu. So that -- those different categories of dollars really, I mean, those are the kind of programs that we're talking about that we would fund, and it is consistent with programs and loans and other initiatives that we funded with tiff.

Fritz: I have question about that. We heard that the facilities in south waterfront are too expensive for startups to rent; wouldn't these new facilities also being new buildings, be more expensive to rent?

Quinton: No. So, the wet lab space in the business accelerator is, is priced at a rate that the startups can afford. It is, it's subsidized space, so we've used tax increment dollars to subsidize wet lab space. The wet lab space is not meant to be permanent space, it's meant to be temporary space that these companies can use, kind of when they're in that, that testing phase. And they need private lab space outside of the university setting and, and so our goal, both in this URA, this new one but also continues in North Macadam is to continue to figure out ways to put dollars to work in that way. The business accelerator was -- is the only opportunity we've had so far, but the collaborative life sciences building we continue to talk with ohsu and the other OUS partners about whether or not there will be an opportunity for us to put dollars to work in that building to lower the cost of that kind of space for life sciences based companies. Does that answer?

Fritz: Yes. And is there a budget for that in this URA?

Quinton: Yeah, it's in -- I have to pull up the really small print chart here. If you look in the -- if you look in the third -- the research and technology commercialization section, it has, in the

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entrepreneurship section it has research facility expansion and then start-up accelerated lab space, that's in this chart here.

Fritz: Ok.

Quinton: I think i'm getting to the age that I can't read it without glasses. So, if you look across, those line items, that's the – those are the proposed expenditures for that category.

Adams: Commissioner Fish.

Fish: First to President Wiewel at the last hearing we had, commissioner kogan made a request that you change your motto, have you made any progress towards that?

Wiewel: [laughter] He suggested we change it from let knowledge serve the city to let knowledge serve the county. I think that we have always taken the word "city" to mean in general, the region. And the urbanized area and I think he's probably ok with that.

Fish: Patrick, a number of people who testified talked about the question of blight, and could we establish blight, and my recollection is that the last time the city had a fight over that issue, it related to the expansion of the river district. And there was a legal challenge brought that was, ultimately -- went to the LUBA the land use board of appeals, and that was litigated, and then came back, and we got some guidance, and I think --

Quinton: Yeah.

Fish: -- since I believe that's the most recent experience we've had with the statutory meaning of blight as interpreted by LUBA. But, could you just give us a quick primer on what we learned from that proceeding and how it impacts your thinking as to whether there is sufficient blight in this district?

Quinton: Yes. I will turn it over to lisa Grant, who is an attorney with pdc who has looked into this issue and can respond directly to your question.

Lisa Grant: Hi. Lisa Grant assistant general council at PDC. So, in connection with the opinion that we got from the luba appeal, there was several things that came out of that opinion, relevant for this district, though it is the concept that in establishing your blight finding, when you find blight in a district, what you are looking for is that the -- not every parcel in the district need be blighted. That its the district as a whole that's blighted. So, when patrick had the map, that showed the different indices of blight, we conclude based on those three indices that he identified, that as a whole, we feel comfortable that you can make that finding, that the area is, in fact blighted. There was testimony about --

Adams: If I could just summarize. It's the law has been clarified by a variety of court actions over the years, and we now have a much more objective way as we saw illustrated in the map, a much more objective way on a proposed boundary-wide basis than we've had in the past.

Grant: I think the outcome of the luba opinion in the river district really is – that the nugget we got from that is that it's the area as a whole. And that not every parcel in a district needs to be blighted.

Fish: I remember that part of the debate, and the testimony was, you know, how much, what percentage of a district must be blighted to qualify, and this LUBA decision – so, that decision in part has guided the opinion that patrick gave us that this would qualify. The blight component would be met in this new proposed district, correct?

Quinton: Right.

Fish: Ok. And I think what we should, I would like to suggest that we, to the extent we have some relevant materials that, that anyone in the public wants to review on this question, that's in the public domain, we should just link it to the website so it's available. That's an important document.

I had one more question, if I could. We had a couple of people raise a question about the amount of funds set aside for overhead. Now, I want to give you a chance to respond to that first and then I have a follow up question, so some people testified they thought it was on the high end for a district of this size and duration, what's your response?

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Quinton: So it's the number's \$24.5 million over 28 years, it's an annual average about \$875,000. That's the cost of pdc operating this urban renewal area, and you know, people can have their own opinion about what's the right number, it represents just under 15% of the total dollar amount. It's consistent with our historical operating percentage, and you know, once again, I would -- we pay attention to this a lot, and I certainly would invite people to look at other public agencies, agencies that do similar work, and be happy to compare that number, but I just want to split out, that there is just under half of that is truly direct project related costs, so if the projects don't happen in a certain time frame, we don't get the money we don't spend the money, so there is, you know, there is the allocation of rent and those kinds of things, and permanent staff, the folks who, you know, do payroll and those kinds of things, who, you know, which don't go away, we allocate that cost, but a big chunk of this is project related costs, so if the projects happen, these dollars come out of that, if they don't happen, we don't get the dollars. It's you know, it's --

Fish: You said half of it was project related so the other half --

Quinton: I'm sorry, it's half of the staff cost, about a third of the total cost about \$8 million is directly project, is direct project staff cost, so if the projects don't happen, the money doesn't flow to us.

Fish: Okay. And when you say it's consistent with our historical averages, you are talking about in the aggregate or is that a district-by-district average?

Quinton: In the aggregate, it really -- it's hard to, it's hard to say what the, what the ideal percentage should be for an urban renewal area. Each urban renewal areas don't spend money flat in a flat way, they spend money in lumps so you can have a lot of activity in a particular district, a lot of it could be staff intensive, and then a few years go by and you don't have a lot of activity. So, there is no way -- we look at it, you know, in the aggregate, and depending on how much gets spent in a given year, that moves up or down, so it's in that 11 -- 15% range.

Adams: And the city council and the Portland development commission have to approve your assumed administrative costs on a year-by-year basis for this district and every other district.

Quinton: Right.

Fish: Two more questions and then I'll shut up, this is just my last chance, one for you Dr. Wiewel, but one more for patrick. We had testimony from the laborer's representative about expressing a desire to see some dollars set aside for infrastructure, roads, parks, and other things. And historically we have negotiated dollars for that purpose. This district does include a significant portion of the south park blocks, for example, which goes to the heart of psu and benefits not only the campus, but the broader community. And I just want to confirm the exchange that we had earlier that the decisions about whether there be specific money set aside in the future for a parks infrastructure plan is for a future pdc and council to decide. Is that correct?

Quinton: Yes. It is certainly an eligible use of dollars. I think we have a very, contrary to what's been testified here, we do have a very tightly focused plan, so I think that any investment we make in whatever, whether it be infrastructure or parks or buildings or -- and it should promote the mission of the district. But I do think there's parks and other infrastructure investments that could meet that definition. You know, it could be that the public piece that attracts private investment in an adjacent facility that promotes psu's research agenda, which we hear sometimes. We don't need the building, we need the sidewalk done or we need this park done, and that's going to attract our private investment in a building.

Fish: And doctor Wiewel, perhaps the last word, at least from me to you, sir, we've had some lively debates in my four years here about what's an appropriate purpose for a urban renewal district. We've had very lively discussions up here about, for example, whether we should use urban renewal in lents to build a minor league baseball stadium. I disagreed with that, others agreed with it. About whether we should use it to renovate memorial coliseum. I have agreed with that others have disagreed with it. About light rail and a host of other expenses. So, some people who

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have testified today have questioned whether an investment in Portland state is core to what we're trying to accomplish here on our economic development agenda, and in terms of the benefits to the city. Last word to you.

Wiewel: Well, it won't surprise you to hear that I think it's absolutely an essential way of using funds like this. There are two key reasons. One is, that universities increasingly and Portland state always has been an example of that, see themselves as local anchors. Anchors critical to the economic wellbeing of the region, and that's why we look to do partnerships. Most of our buildings already that we have done in the last ten years, are partnership buildings. Whether it's private sector uses, in the building. And this will continue. The opportunities for whether it's a business accelerator, a joint venture with a research company, whatever may, kind of activity, private activities that are taxpayers that we can stimulate with this -- jointly with the university, that's critical to our roll, critical to how we envision ourselves, and again, I want to repeat what Patrick said earlier, if when we do a building that has any kind of a private sector use in it, then taxes are paid on the proportion of that building that is private sector use. So just because it is owned by the university, doesn't exempt it from property taxes. And again, the second one, is that, probably it's true that the biggest increment that an in -- that a district like this helps generate, is the educational increment. The educational benefit, that is created in the region, that actually takes place everywhere in the region. Not just in the urban renewal district. Not even just in the city of Portland. But it benefits the whole region because having a more educated population will increase the economic vitality of this region, which will increase income inflow, taxes for all the taxing bodies. In ways that are not very easy to measure, but Joe Cordry, a local consultant here has done the analysis of that if you just increase the percentage of people with a bachelor's degree by 1% you will increase the gross product of Portland by \$1.4 billion. Alright, that's 1% \$1.4 billion. And probably somebody in the city can figure out how much an increase of the gross domestic product of Portland, by \$1.4 billion, how much that means in terms of taxes in all the ways that the mayor earlier mentioned.

Fish: Thank you sir.

Adams: commissioner.

Fritz: What percentage of the planned building for Portland state university comes from the urban renewal versus elsewhere?

Wiewel: Of the, well, it depends on what building you look at, for instance the one where the amount is specified, our -- the business school building, I think, it suggests, if I remember, \$2 million from the urban renewal.

Quinton: Yeah.

Wiewel: And that is a \$50 million building.

Fritz: So would you not be able to do it for that?

Wiewel: It's 4%.

Fritz: Yeah. Would you not be able to do it without the urban renewal district?

Wiewel: We just did the Oregon university system just put together the rankings for its capital request, and this was an absolutely critical piece because you get the points for different things, having this in there, and it's tentative obviously, subject to your approval, it's a critical piece in giving it the points to show that the other matching money is in place. It would lose significant points without looking at all the other things, I don't know if it will drop below the line or not. But, yes, this is the kind of critical money that helps projects happen.

Fritz: Okay, thank you. Please answer my question from earlier, which you -- it's not that you didn't answer it, you weren't given an opportunity. Why, if we have \$50 million to invest in Portland state university why would we not invest in faculty salaries, in scholarships for students and in those ongoing needs that help students and faculty make it at Portland state university?

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Wiewel: Well, if somebody is willing to write another \$50 million check I would be happily -- I mean, as you know, i'm not being facetious but as you well know, all funds come with strings attached, they are unfortunately not endlessly co-mingled. This one is an opportunity to build the buildings. We cannot educate people without the buildings. Obviously we're looking at some of the infrastructures and things, we're looking at other venues and other sources for the money to provide scholarships, to hire the faculty and so on. One important thing is that Portland state is already -- has the least square footage per student, of any university in the Oregon system, and less than any of our peer institutions. So, we already have too little space to actually do the job that we want to do for our current student body. But as I said, we expect to grow to at least 36,000, and in just the next seven to ten years, those -- we will need money, of course, to educate those students, some of that will come from tuition. Some of that will hopefully come from the state, as we move forward. We're moving into a slightly different economy, and as you know, we continue to work hard on increasing the state funding. Some will come from philanthropy, which we are spending a lot of time increasing the amount of money that comes from philanthropy. So, we will work on all fronts. This is by no means the only resource that we're looking at.

Fritz: Thank you. I'll just state for the record that i'm really concerned that we focus on buildings before we focus on the people to teach and the students.

Wiewel: Well, may I -- that is not a correct statement. Because I've been, for the last four years, i've been working on the operational funding and on the philanthropy that pays for the salaries and that brings in the scholarships. Today, I happen to be talking about the other thing.

Fritz: I meant we in terms of the general community and in terms of State funding which as commissioner Leonard aptly referred to, that our state, does not fund education adequately.

Wiewel: And I would love to come back to the city council to talk about funding for scholarships and for faculty salaries.

Fritz: Well, I mean the --

Wiewel: No, seriously.

Fritz: -- someone testified that this in fact is a long-term earmark to support psu. So I associate myself with the remarks of steve novick, if the council wants to support psu, I think we should be having that discussion as to how -- what's the best way to do that. I'm hearing from you that you think this is the best way to do that.

Wiewel: This is the only option that's on the table. Nobody offered to just write a \$50 million check.

Fritz: I have a couple of other questions for pdc. The charts in exhibit b, pages 18 and 19, seem to show that the forgone revenues have a present value of about \$62 million. Where all the revenues gained to the tax rolls in 2046, are \$1.6 million. Is that correct? That we only gain \$1.6 million in tax revenue? It's exhibit b, page 19, table 11. Maybe that's something you can get back to me before next week if you'd --

Masterman: Yeah, table 11 is the amount in the year after the bonds are paid off. That the city would receive, the tax jurisdictions would receive in taxes.

Fritz: And it would be \$1.6?

Masterman: Who -- for that one year.

Quinton: That's a one year -- so that's when the, back on the rolls, that's what you would begin to expect to collect annually.

Fritz: Ok.

Adams: So I need, I apologize; I need to make a programming note because commissioner Fish had to go to an appointment, our work here will continue. And I will submit it for the record, when we take this up again. We are recording this. Take this up again next week. We're not voting on this issue today.

Quinton: Right, right.

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Fritz: Thank you, mayor.

At 4:38 p.m., Council adjourned