



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **7TH DAY OF JANUARY, 2015** AT 9:30 A.M.

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

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

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

Item Nos. 11 and 13 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

The meeting recessed at 9:34 a.m. and reconvened at 9:35 a.m.

COMMUNICATIONS		Disposition:
1	Request of Craig Rogers to address Council regarding Street Fee (Communication)	PLACED ON FILE
2	Request of Mary Eng to address Council regarding access to democracy (Communication)	PLACED ON FILE
3	Request of Ben Harvey Pickering to address Council regarding being criticized for speech and not allowed to talk (Communication)	PLACED ON FILE
4	Request of Kirsten Everett to address Council regarding homeless issues (Communication)	PLACED ON FILE
5	Request of Lanny Provo to address Council regarding danger on the tracks at NW 15th St (Communication)	PLACED ON FILE
TIMES CERTAIN		

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<p>*6</p>	<p>TIME CERTAIN: 9:30 AM – Amend subrecipient contract with JOIN for \$492,273 for housing vulnerable adults, and outreach and housing placement to veterans and people experiencing homelessness in Multnomah County east of the Portland City limits (Ordinance introduced by Commissioner Saltzman; amend Contract No. 32001124) 20 minutes requested for items 6-8 (Y-5)</p>	<p>186956</p>
<p>*7</p>	<p>Authorize subrecipient contract with Catholic Charities for \$110,000 for housing placement services for women (Ordinance introduced by Commissioner Saltzman) (Y-5)</p>	<p>186957</p>
<p>*8</p>	<p>Amend Intergovernmental Agreement with Multnomah County for \$355,000 for the Homeless Family System of Care program (Ordinance introduced by Commissioner Saltzman; amend Contract No. 30004092) (Y-5)</p>	<p>186958</p>
<p>9</p>	<p>TIME CERTAIN: 10:00 AM – Consider proposal of Mark Edlen for Demolition Review approval and the Bureau of Development Services staff recommendation for denial for the demolition of the Buck-Prager Building, a contributing resource in the Alphabet Historic District, built in 1918 to allow for the construction of a 6-story apartment building with below-grade parking on the west half of the block at 1727 NW Hoyt St (Previous Agenda 1332; Adopt Findings introduced by Commissioner Fritz; LU 14-210073 DM) 10 minutes requested Motion to adopt Findings: Moved by Fritz and seconded by Fish. (Y-5)</p>	<p>FINDINGS ADOPTED</p>
<p>CONSENT AGENDA – NO DISCUSSION</p>		
<p>10</p>	<p>Appoint Tiffany A. Hager for a term to expire January 6, 2019 to the Home Forward Board of Commissioners (Resolution introduced by Mayor Hales and Commissioner Saltzman) (Y-5)</p>	<p>37103</p>
<p>Mayor Charlie Hales Office of Management and Finance</p>		
<p>*11</p>	<p>Authorize the City Attorney to institute legal proceedings against Pabst Brewing Company to recover damages from Portland, Oregon sign trademark violations and enjoin future unauthorized use (Resolution)</p>	<p>RESCHEDULED TO JANUARY 28, 2015 AT 9:30 AM</p>
<p>*12</p>	<p>Pay claim of Estate of Mara Forsythe-Crane in the sum of \$50,000 involving the Bureau of Transportation (Ordinance) (Y-5)</p>	<p>186942</p>
<p>*13</p>	<p>Pay claim of Dean Marriott in the sum of \$49,000 involving the Bureau of Environmental Services (Ordinance) (Y-5)</p>	<p>186959</p>

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*14	Pay claim of Alemayehu Meskele in the sum of \$7,018 involving the Portland Water Bureau (Ordinance) (Y-5)	186943
*15	Pay claims of Luis Rico and Daniel Rico in the sum of \$24,493 involving the Bureau of Parks and Recreation (Ordinance) (Y-5)	186944
*16	Pay claim of Josh Zank in the sum of \$25,000 involving the Portland Parks Bureau (Ordinance) (Y-5)	186945
*17	Authorize an Intergovernmental Agreement with Home Forward for compliance and other services related to Workforce Training and Hiring and Section 3 Programs (Ordinance) (Y-5)	186946
18	Extend term of franchise granted to MCI Communications Services, Inc. to build and operate telecommunications facilities within City streets (Second Reading Agenda 1308; amend Ordinance No. 170954) (Y-5)	186947
19	Extend term of franchise granted to Sprint Communications Company, LP to build and operate telecommunications facilities within City streets (Second Reading Agenda 1309; amend Ordinance No. 172141) (Y-5)	186948
20	Extend term of a franchise granted to NewPath Networks, LLC to build and operate wireless facilities within City streets (Second Reading Agenda 1310; amend Ordinance No. 180376) (Y-5)	186949
Commissioner Nick Fish Position No. 2		
*21	Amend grant agreement with Regional Arts & Culture Council to promote and administer selected arts and culture matters for the City and provide for payment (Ordinance; amend Contract No. 30001790) (Y-5)	186950
Bureau of Environmental Services		
*22	Authorize application to Metro for a grant in the amount of \$750,000 for Tryon Creek at Boones Ferry Road Culvert Replacement Project No. E08682 (Ordinance) (Y-5)	186951
23	Authorize an Intergovernmental Agreement with Portland Public Schools for installation of stormwater improvements at Laurelhurst School to protect nearby residences from basement sewer backups (Ordinance)	PASSED TO SECOND READING JANUARY 14, 2015 AT 9:30 AM
Water Bureau		

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<p>24</p>	<p>Authorize an Intergovernmental Agreement with Multnomah County Department of Community Justice in the amount of \$200,000 to conduct general heavy brushing work (Second Reading Agenda 1315) (Y-5)</p>	<p>186952</p>
<p>25</p>	<p>Amend Intergovernmental Agreement with the Regional Water Providers Consortium to extend the expiration date to June 30, 2020 to provide staff support services (Second Reading 1316; amend Contract No. 50880) (Y-5)</p>	<p>186953</p>
<p style="text-align: center;">Commissioner Dan Saltzman Position No. 3 Portland Fire & Rescue</p>		<p style="text-align: center;">PASSED TO SECOND READING JANUARY 14, 2015 AT 9:30 AM</p>
<p>26</p>	<p>Ratify a Letter of Agreement between the City on behalf of Portland Fire & Rescue and the Portland Firefighters' Association Local 43 that expands the Alternative Destination and Transportation Pilot Program (Ordinance)</p>	
<p style="text-align: center;">Commissioner Steve Novick Position No. 4 Bureau of Transportation</p>		
<p>*27</p>	<p>Authorize an Intergovernmental Agreement with the Oregon Department of Transportation for a Blanket Services Agreement for design review and construction inspection services to be provided by the City on an as needed basis (Ordinance) (Y-5)</p>	<p>186954</p>
<p>28</p>	<p>Authorize an Intergovernmental Agreement with the U.S. Department of Agriculture for Wildlife Damage and Conflict Management (Second Reading Agenda 1312) (Y-5)</p>	<p>186955</p>
<p style="text-align: center;">City Auditor Mary Hull Caballero</p>		
<p>29</p>	<p>Accept revised report to Council on 2014 Municipal General Election to include signature requirement update (Report) (Y-5)</p>	<p>ACCEPTED</p>
<p style="text-align: center;">REGULAR AGENDA</p>		
<p style="text-align: center;">Mayor Charlie Hales Bureau of Police</p>		

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*30	Apply for and accept a grant in the amount of \$42,000 from the Oregon Department of Transportation and appropriate \$38,000 for overtime reimbursement for the FY 2014-15 Safety Belt Grant Program (Ordinance) (Y-5)	186960
*31	Accept a grant in the amount of \$12,000 from the Oregon Department of Transportation and appropriate \$10,000 for overtime reimbursement for enhanced speed enforcement at top speed-involved crash locations within the City during Federal FY 2014-15 (Ordinance) (Y-5)	186961
32	Authorize a competitive solicitation for an on-body camera system for Police Officers (Second Reading Agenda 1276)	REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION
Office of Management and Finance		
33	Accept bid of James W. Fowler Co. for the Fulton Pump Station Replacement Project for \$10,554,563 (Procurement Report - Bid No. 117058) Motion to accept the report: Moved by Fish and seconded by Fritz. (Y-5)	ACCEPTED PREPARE CONTRACT
Commissioner Nick Fish Position No. 2 Bureau of Environmental Services		
34	Amend contract with Natt McDougall Company for additional compensation to resolve final contract claim for the Guilds Lake Pump Station Improvements Project No. E08877 for \$661,902 (Second Reading Agenda 1325; amend Contract No. 30002577) (Y-5)	186962
Water Bureau		
35	Authorize an Intergovernmental Agreement with Tualatin Valley Water District and the City of Tualatin in the amount of \$300,000 for construction of new piping and meter on the Washington County Supply Line (Second Reading Agenda 1326) (Y-5)	186963
Commissioner Steve Novick Position No. 4		
36	Direct the Bureau of Revenue and Financial Services to research and report to Council on the feasibility of applying a local income tax to income earned in Portland by individuals who are not Portland residents (Previous Agenda 1282) Rescheduled to January 8, 2015 at 6:00 p.m. Time Certain.	REFERRED TO COMMISSIONER OF PUBLIC SAFETY
Bureau of Transportation		

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*37	Authorize contracts as required with 15 technical and expert service firms for on-call architecture and engineering services in support of the Portland Bureau of Transportation (Ordinance) (Y-5)	186964
38	Amend Code regarding Publication Boxes (Second Reading Agenda 1322; replace Code Chapter 17.46) (Y-5)	186965
39	Approve use of the Portland Bureau of Transportation's rule making authority for modifications to TRN 10.19 for regulation of Above Ground Structures (Previous Agenda 1323)	REFERRED TO COMMISSIONER OF PUBLIC SAFETY

At 11:05 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 7TH DAY OF JANUARY, 2015 AT 2:00 P.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Kathryn Beaumont, Chief Deputy City Attorney; and Greg Seamster, Sergeant at Arms.

		DISPOSITION
*40	<p>TIME CERTAIN: 2:00 PM – Authorize a contract with Dr. Dennis Rosenbaum through Rosenbaum & Watson, LLP to serve as the independent Compliance Officer and Community Liaison for the Department of Justice Settlement Agreement and amend the FY 2014-15 budget to reallocate funding (Ordinance introduced by Mayor Hales and Commissioner Fritz) 2 hours requested for items 40 and 41</p> <p>Motion to accept amendments in City Attorney 1/6/15 memo to clarify contract scope of work and correct dollar amount scrivener error: Moved by Fritz and seconded by Novick. (Y-4) (Y-4)</p>	<p>186966 AS AMENDED</p>
*41	<p>Amend the FY 2014-2015 budget to include appropriation authority for additional expenses related to the United States Department of Justice Settlement regarding police practices (Ordinance introduced by Mayor Hales)</p> <p>Motion to accept amendment in City Attorney 1/6/15 memo to correct dollar amount scrivener error: Moved by Fritz and seconded by Novick. (Y-4) (Y-4)</p>	<p>186967 AS AMENDED</p>

At 3:53 p.m., the meeting recessed.

January 8, 2015

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **8TH DAY OF JANUARY, 2015** AT 2:00 P.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ian Leitheiser, Deputy City Attorney; at 3:00 p.m. Kathryn Beaumont, Chief Deputy City Attorney; and Jim Wood, Sergeant at Arms.

The meeting recessed at 2:24 p.m. and reconvened at 3:01 p.m.

<p>42 TIME CERTAIN: 2:00 PM – Accept the City of Portland 2015 Federal Legislative Agenda (Report introduced by Mayor Hales) 1 hour requested for items 42 and 43 (Y-4)</p>	<p>Disposition: ACCEPTED</p>
<p>S-43 Accept the City of Portland 2015 State Legislative Agenda (Report introduced by Mayor Hales) Motion to accept the substitute report: Moved by Fish and seconded by Fritz. (Y-4) Motion to adopt Novick amendments on the Transportation section: Moved by Novick and seconded by Fritz. (Y-4) (Y-4)</p>	<p>SUBSTITUTE ACCEPTED AS AMENDED</p>
<p style="text-align: center;"><i>Continued next page</i></p>	

<p>44 TIME CERTAIN: 3:00 PM – Consider the proposal of Sam Rodriguez, Mill Creek Residential Trust, LLC and the recommendation from the Hearings Officer for approval to change the Comprehensive Plan Map designation from High Density Multi-Dwelling to Central Commercial and the Zoning Map designation from RHd, High Density Multi-Dwelling Residential with a Design overlay zone, to CXd, Central Commercial with Design overlay zone, for property in the vicinity of SW 20th and 19th Avenues and SW Main and Madison Streets (Previous Agenda 1255; Hearing introduced by Commissioner Fritz; LU 14-105474 CP ZC)</p> <p>30 minutes requested for items 44 and 45</p> <p>Motion that Council adopt an order that states:</p> <p>A. The applicant has withdrawn the underlying application for a comprehensive plan map amendment and zone change (LU 14-105474 CP ZC (Block 7));</p> <p>B. As a result, the Council lacks jurisdiction to address the substantive issues raised in response to the hearings officer’s recommendation on the application or to approve or deny it;</p> <p>C. All Council proceedings on this application are terminated and it will receive no further consideration by the Council. Council expressly takes no position on the arguments raised by the applicant, supporters, opponents, and others concerning the substantive merits of the application or the Hearings Officer’s recommendation; and</p> <p>D. The effect of the applicant’s withdrawal of the application and the Council’s action is that the site’s comprehensive plan designation remains High Density Multi-Dwelling and the zoning remains RH.</p> <p>Moved by Fritz and seconded by Fish. (Y-4)</p>	<p>APPLICATION WITHDRAWN</p>
<p>45 Amend the Comprehensive Plan Map designation and amend the Zoning Map for property in the vicinity of SW 20th and 19th Avenues and SW Main and Madison Streets at the request of Sam Rodriguez, Mill Creek Residential Trust, LLC (Previous Agenda 1256; Ordinance introduced by Commissioner Fritz; LU 14-105474 CP ZC)</p>	<p>REFERRED TO COMMISSIONER OF PUBLIC UTILITIES</p>

At 3:06 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 8TH DAY OF JANUARY, 2015 AT 6:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5. Commissioner Saltzman left at 7:40 p.m.

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

<p>46 TIME CERTAIN: 6:00 PM – Create the Portland Street Fund and establish a non-residential transportation fee to fund Portland's street maintenance and transportation safety needs (Previous Agenda 1329; Ordinance introduced by Mayor Hales and Commissioner Novick; amend Code Chapter 7.02 and add Code Chapter 17.21) 3 hours requested for items 46 and 47</p> <p>Motion to accept amendments in Bureau of Transportation 12/31/2014 memo: Moved by Fritz and seconded by Novick. (Y-5)</p>	<p>Disposition:</p> <p>REFERRED TO COMMISSIONER OF PUBLIC SAFETY AS AMENDED</p>
<p>47 Establish a residential transportation income tax to fund Portland's street maintenance and transportation safety needs through the Portland Street Fund (Previous Agenda 1330; Ordinance introduced by Mayor Hales and Commissioner Novick; add Code Chapter 5.76)</p>	<p>REFERRED TO COMMISSIONER OF PUBLIC SAFETY</p>

At 8:23 p.m., Council adjourned.

MARY HULL CABALLERO
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council

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

January 7, 2015
Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

JANUARY 7, 2015 9:30 AM

Hales: Good morning, everyone, and welcome to the January 7th meeting of the Portland City Council, welcome to the first meeting of the New Year. Would you please call the roll?

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

Hales: Good morning, everyone. We have a couple items of Council business to deal with before we get into our agenda.

The first is a recognition of a passing of a community treasure, Geneva Knauls, and her family is here today for us to have a moment to honor her. She was born on Christmas Eve in 1935, and died December 22nd of last year following a long illness. She was the wife of Paul Knauls, known as the Mayor of Northeast Portland to all of us and who lived in the same house with Paul for 49 years and is the mother of extended family, some of whom are here today with us.

Geneva was the owner of Geneva's Shear Perfection, which employs 13 barbers and beauticians, one of the longest-running and most successful African American-owned businesses in Northeast Portland. She started as a barber in 1962 and at the time was the only African American woman barber in Portland. She'll be remembered for a lot of community service and a lot of community recognitions, like the business excellence award, the King neighborhood business award, recognized by the Portland chapter of Delta Sigma Theta women of excellence -- many more. And she'll also be remembered for a lot of work in good causes like the American Cancer Society and the sister circle and New Hope Baptist Church, the Urban League in Portland, so much more. But for those who knew her and loved her, she'll be remembered as the person to go to for encouragement or a hug or a smile -- just person to person. In lieu of flowers, the family has asked for a donations to Self Enhancement, Inc., and the information is posted on my personal website, and I'm sure others in the council will do likewise because we all knew and treasured Geneva.

So, one of the things that I get to do is make declarations and proclamations, and so we're going to declare that Sunday, January 11th, will be Geneva Knauls Day in Portland. But I would like us to begin this day and this action in the Portland City Council with a moment of silence for Geneva Knauls. [moment of silence] Thank you. Paul, thank you to you and your family for being here today. You have our love and support of Geneva's passing, and our thanks for all the good that she did in this community, thank you so much.

So, we'll move on to more routine business, and wish you all and your family well at this time of her passing. We have work to do. There may be other members of the Council that would like to say something while you are here, and we will let you proceed. Yeah, let's take a break so we can say hello personally, and then we'll move on from there. So, we'll recess for a couple of minutes.

At 9:34 a.m., Council recessed.

At 9:35 a.m., Council reconvened.

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Hales: Thank you all. Now, before we get into the council calendar, we have internal work to do. And that is every six months, we elect a member of the council as Council President to preside over Council in my absence, and it is time to do that. I need a motion to elect Commissioner Novick, because we do this by rotation and acclamation, we hope, as the next president of the council. So, is there a motion?

Fish: Is there a basis to state an objection?

Hales: [laughs] No, there is not.

Saltzman: I nominate Commissioner Steve Novick as president of the council.

Hales: Is there a second?

Fritz: Second.

Hales: Further discussion? Roll call on that motion, please.

Roll on motion to elect Commissioner Novick as President of the Council.

Fritz: Aye.

Fish: Congratulations, Steve. Aye.

Saltzman: Aye.

Novick: Aye.

Hales: Aye. Done. Passing the official emblem. Alright. Thank you very much.

Welcome, everybody. We'll begin in a moment with Council communications items, and then move on to the regular agenda that includes both some time certain items and the rest of the balance of our business. If you are here to speak on a Council calendar item, we typically allow people three minutes, and we ask that there always be decorum in this chamber. So, if you agree with someone, you are free of course to give them a thumbs up or a wave of the hand, but we ask we not make vocal demonstrations in favor or opposition to our fellow citizens so they have a chance to have their say regardless whether we agree with them or not. If you are a lobbyist representing an organization, under our City Code, you are required to disclose that, so please do. And with that, we'll turn to communication item number one.

Item 1.

Hales: Mr. Rogers, come on up.

Craig Rogers: Good morning, Mayor, Commissioners. Thank you for this privilege to have a few moments with you.

Ever since the beginning of the street fee, as I grew and learned more, there's a picture in my mind's eye I wanted to share with you, and now I have an opportunity right now, and it has to do with something that Amanda recently shared about \$3 a month in missing a meal. Because near where I live near 111th, an old, old Winnebago showed up, and there was a mother with four children. I drove past it for about a week and began to talk to them. They lived in a trailer park nearby, and they were just overnight evicted like that. There they were in this old, old Winnebago, and the kids running all over the park near Floyd Light Middle School, and you could tell -- poverty. They were hard up.

And this picture has come to mind. Because that mother of those four children -- this was taken during the dust bowl era. It's a classic photograph. And I love photography. That's why it came to mind.

So, I really respect the fact of what you had to say of taking a stand that you have on the street fee. I really support you on that, because that mother had so much fear. And fortunately, as a result of being in the work group, I had an opportunity to meet Jill, who is the head of Home Forward. So, I got information from Jill to give to this mother of four young children who were probably in the ages of two to 12 and see if something could happen there. I stayed in as much communication as I could with her to help her move forward there with Home Forward.

Hales: Thanks for doing that.

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Rogers: There you go. I wouldn't know Jill unless I had attended all those work group meetings.

So then, something I subscribe to is investors business daily, and here it says leaders in success. It has 10 secrets success no matter what you do in life, and number 10 -- after you go through all the others -- is be honest and dependable, take responsibility. Otherwise, number one through nine won't matter. And that's really significant to me. Boy, time is running right along. I think it's interesting to note that in this auditor's report that it says, however, despite PBOT knowing the inevitable in cost and consequence of failing to maintain streets, PBOT management and City Council limited street maintenance work in recent years, choosing instead to focus on other priorities. That's why an oversight, a real oversight is so important.

Hales: Thank you very much.

Rogers: You're welcome.

Hales: OK, welcome the next person, item number two.

Item 2.

Hales: Ms. Eng, are you here? Doesn't look like that. OK.

Item 3.

Hales: Mr. Pickering? OK. Number four?

Item 4.

Hales: Ms. Everett, come on up.

*****: She didn't come today, but she asked if I could come instead.

Hales: We don't typically allow that, because then we'd be doing proxies all the time. I'm sorry.

Item 5.

Hales: Come on up, Mr. Provo. Good morning.

Lanny Provo: I'm here with Susanna [indistinguishable] and I had another person, Elizabeth, who recently had accidents on NW 15th.

Hales: 15th and what?

*****: Northrup and Overton.

Provo: And the other want was closer to Front Street.

Hales: OK, where it crosses the main line there.

Provo: Near the Montessori school.

Hales: OK.

Provo: I'm sure that you are familiar with this street. There are old tracks embedded in the street. And a lot of times, they're covered with debris, with leaves, with trash, and we're all aware like the light rail tracks can be dangerous for bicycles, but Susanna, you know, like in October -- also, Elizabeth, and some other people have fallen there, too -- was thrown from her bicycle and had a broken leg, and she had to have an operation on her wrist. And we just feel like that -- I know you have a problem financing some of these projects.

I would hope you would at least put in some signs similar to the ones you have near the light rail tracks to warn people that it's dangerous there. And also, the fact on Front Street there is a lot of new apartments being built close to the Riverscape area, and there's a lot of people moving in there, and they're not really familiar with this situation there. And I personally almost fell there, but I didn't have an accident. But it's something that is not -- it's not easy to anticipate what's going to happen because the tracks are -- the street is irregular and the tracks are kind of embedded, and hopefully, some day they will be taken out, or else you can pave over them.

Hales: Yeah. You're talking about the old freight tracks that are still in the street.

Provo: The old freight tracks still in the street that were either left there for nostalgia reasons or they were left there because they did not have the money to take them out. I

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suppose that you could recycle the field and pave over them, maybe you compensate for some of the loss.

Hales: Hmm. Sorry to hear you got hurt.

******:** Luckily, I was able to recover in the last three months, but the only way to ride on that area is on the middle, and because I tried to let a car pass me, one of my wheels got caught. But yeah, it would be nice to have signs if you can't do anything about the road because at least this way you will be a little more leery about trying to go there.

Hales: One of the reasons we have this process is so people can bring things to our attention. So, we appreciate you coming. Steve -- Mr. Novick is the Transportation Commissioner --

Novick: Yeah, I'll talk to the bureau and so if there's anything that we can do, and see what the cost is of removing the tracks and actually see what we can do in terms of the signage.

Provo: OK. There is another thing, there are bike lanes on 14th and 16th, but because of the traffic and also because of the convenience, a lot of times people do short trips into the Pearl on the street. Elizabeth, who is a flight attendant with Alaska Air, broke her thumb. She was going to come, but she couldn't make it this morning. And she has been out of work for two months because of this.

Hales: We appreciate you letting us know about this. And obviously, the bureau under Commissioner Novick's direction can look into it. We created that peculiar sign that we used along the streetcar line.

Provo: Yeah, I like that sign.

Hales: And actually, the City of Portland's sign shop actually invented that sign because there was no national standard sign to use for "watch out for the tracks if you are on a bike." There may be other places -- and you've just identified some -- where there is not necessarily the streetcar tracks but other tracks in the street where we ought to use that. Again, sorry that you found out painfully about this problem and we're glad that you let us know about it.

Provo: Thanks for letting me talk.

Hales: Thank you very much for coming. Take care. Let's move to the consent calendar, and I believe that there's a couple of items that are going to be pulled. One is number 11, which I am -- with no objection -- going to pull and reschedule for January 28th because we think that there is a possibility of reaching some agreement in that case. And then I believe that there's been a request to pull number 13 to the regular calendar, is that correct?

Moore-Love: Yes.

Hales: OK. Other requests to move things from the consent calendar to the regular calendar? If not, let's take a roll call on the balance of the calendar.

Roll on consent agenda.

Fritz: Aye.

Fish: Aye.

Saltzman: I just want to recognize that in passing the consent agenda we are appointing Tiffany A. Hager, who is here in the audience, to the Home Forward board of Commissioners to represent the City of Portland. So, congratulations, Tiffany. Aye.

Novick: I just wanted to say I am relieved that 11 has been pulled. I hope a resolution can be reached, because I am concerned about the effect of a lawsuit with our relationships with the ghost of Dennis Hopper and the bicycle messenger community. Aye.

Hales: [laughs] Aye. And Tiffany, congratulations. I thought you were going to talk about blue ribbon committee -- that was the low-hanging fruit there. [laughs] Alright. Let's move on to time certain number six.

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Item 6.

Hales: Could you also read seven and eight, as well?

Item 7.

Item 8.

Hales: Commissioner Saltzman.

Saltzman: Thank you, Mr. Mayor. In last year's budget, City Council allocated an additional \$500,000 in new ongoing funds to additional services for people experiencing homelessness. Through a competitive process which emphasized the priority populations identified in A Home for Everyone, including women, families, vulnerable adults, and veterans as well as increasing access for people of color, three programs were selected for funding.

The first is Catholic Charities housing transition program, which will work with Rose Have, Easter Seals, SAFES, and the New City Initiative to transition 40 women from the street into permanent housing. The second is the homeless family program. We will build on its success of partnerships that it has, which rely heavily on culturally-specific providers to move 66 households into permanent housing, including 15 who have experienced domestic violence. The third investment is JOIN and Cascadia, which will continue their innovative partnership with public safety to permanently house 38 individuals. This is a program which started initially with one-time funds and we are excited that it will be continuing, as it proved to be a success.

Here to talk about these programs are Margi Dechenne, Catholic Charities' housing transition program manager; Tawna Sanchez, NAYA's director of family services; Will Harris, interim director of JOIN; and Assistant Chief Bob Day of the Portland Police Bureau. If you could all please come up, you might need to pull up an extra chair. Margi, why don't you go ahead and kick things off?

Margi Dechenne: Good morning, thank you. Housing transitions is a housing first program that places homeless non-parenting women in permanent housing and then offers ongoing support for housing retention and community engagement. Our program operates a Monday through Friday drop-in center -- women only -- where women can access services like showers and laundry and food. It's also where we begin our relationship-building with people so that we house them and have an ongoing relationship with them for often a couple of years.

Through the Home for Everyone initiative, housing transitions will work with our long-time partners Rose Haven, Salvation Army SAFE shelter, the Easter Seals senior employment program, and New City Initiative to place at least 40 women in permanent housing and also to offer them opportunities for work and community engagement. We will meet women at the places where they're most comfortable, adding Rose Haven and SAFES' outreach efforts, housing 10 women from each of the programs. The Easter Seals senior community services employment program works with individuals 55 and older who do not have income, and places them in community agencies half time at no cost to the agency.

We've referred many women to this program over the last few years, but have also benefited from having Easter Seals interns work as part-time staff in our program, both in our drop-in and our employment programs. These two interns have added to our capacity by the equivalent of a full-time employee, and our first intern from Easter Seals -- a 58-year-old woman that we placed in housing a number of years ago -- is now a permanent employee of Catholic Charities and works as a resident services coordinator at one of our housing sites.

Through this initiative, housing transitions will be able to place 10 older homeless women in permanent housing, and Easter Seals will ensure their ability to have income,

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provide valuable assistance to other programs, and to maintain their housing on their own. New City Initiative engages faith communities in providing programs and services to formerly homeless individuals. We have partnered with New City in our healthy sisters program, which engages volunteers to provide practical assistance and health information to formerly homeless individuals and to improve their overall health, and also to engage in community after placement. New City provides volunteer-driven social activities, giving the women a richer life, reducing the isolation women often experience after moving indoors, and enhancing the retention. Housing transitions expects to house at least 40 homeless women through this initiative, and we are so grateful to you for giving us the opportunity to do so.

Saltzman: Thank you. Tawna, do you want to talk about the homeless family system?

Tawna Sanches: Good morning. We want to actually thank you very much for this opportunity. Not only NAYA family center, but SEI, Human Solutions, Catholic Charities el programa hispano, Portland homeless families -- and I am forgetting someone. Anyway, we're all just very, very excited about the opportunity. There are so many -- especially communities of color -- that struggle with homelessness and in such a way that it's a little bit different. Not all of them are accessing the shelters, not all of them are putting it out there that they are struggling with things. Many of them are doubled up and even tripled up in families and living in places that are obviously not meant to be lived in.

So, this is just an amazing opportunity. The team is very, very excited about having additional resources to work with. They've done some amazing things with families, and they've broken down some barriers that were just -- even minimal things.

I want to tell you about one in particular. We had a family that they could not get into housing because they had a legal issue that had been from another state far away. I think it was Georgia or something -- had a legal issue that kept the man from getting his ID, from you know, saying that he had something on his record. And one of our homeless team members was able to make communication with that district and talk to them about the situation and ask them if they could reduce the fee so they could pay the fee and be able to let that go and get his ID and be able to get into housing. And it was an amazing thing, it just took a few weeks for them to be able to do that, and that was something we didn't even think about that could happen.

But these are the things that our mobile housing team are thinking about, like, how do we do this? How do we eliminate problems or legal issues or back rent from who knows when or something that happened a long time ago to help these families get into housing? And it's working. That's the most amazing thing about it, is that it's working, and they are able to think of these things and able to help talk with landlords and help people make that communication that maybe they did not have that opportunity before. Maybe they didn't understand like, how do I go about this and explain this situation? Sometimes, this is obviously with families who have never been homeless in their lives and they didn't know what to do next.

So, it's a really amazing opportunity to have all these team members working together and figuring out how do we best serve the people in the city of Portland. Thank you very much for that opportunity.

Saltzman: Thank you, Tawna. Will?

Will Harris: Thank you. Really appreciate this opportunity to share JOIN's work in this initiative. JOIN street outreach brings us into a relationship with a highly vulnerable population facing deep and complicated challenges, multiple obstacles to transition off the street. In many cases, this population has had repeated interactions with public safety, is accessing community resources.

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We're here to thank Commissioner Saltzman and Council for dedicating some critical resources through this home start initiative to help overcome those challenges to housing success that so many of this population face. Our collaboration is built on a strong working relationship with the Portland Police Bureau, and brings additional resources to that relationship and emphasis. Officers on the street have access to a 1-800 number that connects them to JOIN outreach, as well as a dedicated email and we as personal relationships with each of JOIN's outreach workers, and now Cascadia Behavioral Health workers, which is an important addition to this process. We find that a lot of times the basket of available services -- it's the mental health that's been missing because folks have been on the street for a long time, and a having Cascadia mental health worker available has been critical. In many instances in creating that basket of services, it helps someone be successful in their transition.

To date, going back to the origins of the funding, we have helped 47 highly vulnerable people move off the street and into stable housing. Those are safe places where they can explore other interests and add value to their life. I would like to share a story, one individual, a man Michael, who had been homeless for over a decade in the inner southeast Portland, a regular St. Francis dining hall. We connected with him about three years ago, and the extent of his challenges were so pervasive that about all he could remember day-to-day was the name of his JOIN outreach worker. We would get calls from St. Francis staff and from him asking about his disability check, which he did get, but he couldn't remember who his payee was, how to access his check, how to access his disability benefit, how to use that in any fashion, how to live on his own. And through that process, he probably epitomizes the vulnerability that some folks faced. He was preyed upon repeatedly, and as that victim of crime, had so many interactions with the public safety. And it's something that we don't normally think about in terms of how homeless people interact with public safety. They're victims of crime as well.

So, using funding in this initiative we were able to connect with the Cascadia mental health worker, who was able to leverage the other resources around mental health services and find him at the Royal Palm where he was able to access the supportive community, group therapies, and other process through which he can develop the skills around a daily routine. If we can get somebody stabilized in a place where they can create the daily routine, other things become possible. Band width exists to explore other interests. And I think when we think about this funding -- at least from our perspective and role in this -- is how do we not only place people into housing, but how do we recreate value in their lives? How do we let them have the resources to recreate added value in their lives? And I think that we've done that with this funding with people like Michael.

I am very thankful that Council dedicated the resources, and we're very excited to expand this collaboration outside downtown and to the high impact areas like Northwest Portland and St. John's, among some of them. So thank you.

Saltzman: Thank you, Will. Chief Day?

Robert Day, Portland Police Bureau: Good morning, Council, Mayor. Thank you. I just want to start out saying I'm grateful to Commissioner Saltzman for this opportunity for this ordinance. I remember as a young police officer being assigned to the mounted patrol unit in the early 90s, and addressing some of our chronic homeless and camping issues. I can still vividly remember being under Burnside Bridge issuing multiple citations and taking a very enforcement approach at that time with very little consideration about where do people go or where do they need to go and how are their needs met. And I am embarrassed by that, because I think that that was out of ignorance on my part, out of ignorance as an organization for the Police Bureau, but I am so immensely pleased with our efforts over the last couple of years. And it's been a learning process for me in Central

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Precinct to come alongside so many great partners like here at this table and otherwise and have the City support to do that.

And most importantly, to not only get people in to housing and the story of Michael that we just heard and so many others -- which I can relate on a personal level from our officers' experience -- but I am now able to direct our officers who are trying to balance community needs, criminal behavior, with also people that are just in the need of assistance or experiencing homelessness or mental health or drug and alcohol addiction -- all the things that play into this. We're able to actually provide resources.

Twenty years ago when I was out there, I didn't have any idea who existed and where to direct people. I just knew that you couldn't be here right now and you needed to leave. And now, you know, even our terminology within the Police Bureau -- we talk about outreach. We begin all our conversations with an opportunity to direct them to other areas besides the criminal justice system. And that has been such a blessing not only I believe for the individuals, but I don't want to speak for the members of the Police Bureau that are out there and feel like they have other options besides just enforcement, and this funding really allows for that, and I am grateful for the partnerships. We're all learning as we go, and I think we're a little late to the table but we're getting there, and I appreciate your support for that.

Saltzman: Thanks, Chief. Appreciate it.

Hales: Questions for this panel? Alright.

Saltzman: Thank you all very much.

Hales: Let's see if there is anyone else that would like to speak on any of these items -- six, seven, or eight.

Moore-Love: We had four people sign up. The first three, please come on up.

Joe Walsh: My name is Joe Walsh, I represent individuals for justice. We have a concern about the administrative costs of these programs. What happens usually with this Council is you allocate money and then you go on to something else because you're busy and you do other things. And I understand that; it's not a criticism. It's a fact of life. You do a lot of different things. Our concern is that you not allocate this kind of money and then just forget about it. Also, we have a question about -- and I think I'm right on this -- this is outside of the city limits on the east side of the county. Is that correct? That's what it says. It says it's the county.

Saltzman: The homeless family system operates county-wide.

Walsh: Why do you have city limits in there? You say county and city limits. It seems to me what you're saying is you are going way out east -- which I have no objections to -- but you have 2000 and 3000 people right here in the city that can't find a place to sleep. So, where are all those funds? I look at this and two things come to mind. You are doing a good job moving people from temporary housing into permanent housing. Outstanding work. I mean, they're going straight to heaven on that one. However, their outreach is questionable. And we are hearing on the street that they're being told that JOIN has a waiting list of three to six months to see a caseworker. So, in my mind, you would come up to somebody on the street and say, hey, would you like housing? And they say yes. And they say well, OK, fill out this form, and we'll get back to you in six months. Now, if that's the program, somebody ought to say, that's not good enough. Let me wrap this up. There are two things that I'm concerned about. Number one -- and I think Commissioner Saltzman said I'm wrong on this -- and the way it's written up led me to believe that it's way on the east side of the city limits. It should be here and there. I don't know how you do that. Maybe \$200,000 each way, but you have people right in front of your offices that are on the street. Why would you go way out there and find them? Thank you.

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Hales: I think, as I read the ordinance -- you can respond to this, Commissioner Saltzman -- we have already amended another governmental agreement under item number four of the ordinance to accept an additional \$207,273 in County general funds in order to pay for the portion of the work that's outside of the city limits. So, they're paying for the portion of the work that's outside the city limits.

Walsh: We'll talk to the County about that tomorrow morning --

Hales: Hang on, I'm answering your question. So, we're not paying for services outside the city limits, they are. The county provides a variety of --

Walsh: You're coordinating it.

Hales: We have the contract with JOIN.

Walsh: That's right. And that's problematic.

Hales: OK. But as long as you know the color of money is right here, and that is the county is paying --

Walsh: It's all tax money, Mayor.

Hales: Sure, but you raised the question of why the City of Portland would spend money outside the city limits. We're not.

Walsh: No, I said why would you spend money to do this kind of stuff? You're an elected official, so is the county. We will talk to the County tomorrow about this, but I'm saying you have a responsibility, also, because you are saying that you are the contractor in this. So, I'm saying, Mr. Contractor, I want you to look at this very carefully and say, is this the best use of the money? And I like JOIN. I'm going to say that straight out. I love them. I didn't like them in their outreach programs.

Hales: OK. Thank you. Lightning?

Lightning: Good morning. My name is Lightning, I represent Lightning PDX Humanitarian. Again, Commissioner Saltzman, I want to commend you on your efforts on this. Any money directed towards the homeless situation is positive in this city or Multnomah County. The concern I had originally on this is just to make sure the funds for Multnomah County -- since they do also have surplus -- are paid for Multnomah county on the east side where it's necessary they do that. And I understand that's what you are doing on this.

Now, a couple other concerns -- I was impressed with the JOIN speech and also the officer that was up here. We're making great changes pertaining to the homeless. I think we're making great strides. I think we need to keep focusing on the addictions that a lot of people do have. We need to offer better treatment. We need to treat them better. We need to understand that when we do remove them, where do we remove them to? And that has been stated today. We're looking at that very closely. And also, understand -- what is the best treatment for people that really need certain services provided where they might not be able to get into other type of housing because of their addictions? We need to keep focusing on that.

I want to focus on the suicide prevention aspect of this. We need to understand that a high percentage of homeless people that are heroin addicts do commit suicide. It goes down the list of meth addicts, it goes down the list of cocaine, it goes down the list to alcohol. We need to focus on that and keep a close eye on that and understand that treatment is out there, and we need to keep providing that and understand when you remove people, it creates a lot of stress in their lives. They've been displayed out of their jobs, their friends, and when they are out on the sidewalks and on the streets, they're looking for more positive solutions -- which the speakers have stated they want to go in that direction.

Again, Mayor, I am going to compliment you on the bigger picture of homelessness, because I was listening to what's called aspen ideas where some of the founders in other states go and have discussions. And Brian Chesky from Airbnb at that meeting said that

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because of Mayor Hales, I'm looking at doing more things towards affordable housing and also the most vulnerable people in the city. That is the biggest direction we need to have -- is people coming into this city understanding if we talk shared economy, we need to also understand the homeless communities are part of the economy, and you begin to share that responsibility also. That's what was stated. And if we continue to do that from the get-go, we're going to end chronic homelessness, and we will maintain chronic homelessness from the first year and let the other services step in and provide the service they need.

Ending chronic homelessness can be a reality with the right people brought in and the right resources from the other companies that are billion dollars companies coming into this city and stating that they are listening to you close on the issues of homelessness. Thank you.

Fish: Lightning, can I just add -- could you give us afterwards the reference to where this gentleman said what you've just quoted?

Lightning: Yes, sir. You can pull that up at the internet, it's called aspen ideas, Brian Chesky, founder of Airbnb.

Fish: I am delighted to hear he stated that as a goal, and we'll be looking closely at the details of that.

Lightning: Let me answer that, if I can, please, sir. He stated that as a direction he'd like to look into to be part of the solutions through this city. There is no other commitments there, and I respect that he's at least thinking about it, looking at it, and determining how they want to spend the resources in this city. That changes the whole dynamics of homelessness through this city to have people do that before they enter with their businesses?

Fish: Well, Commissioner Saltzman has proposed we take 100% of the revenue from Airbnb and we address affordable housing, which I support. And if the president of the company believes he wants to use his revenues to help address affordable housing, I think that we could potentially have a marriage made in heaven. So, I'll look it up.

Lightning: Well, your numbers might be a bit high but their intent to look at it and address those issues is one of the most positive things that we can have going forward in this city, and it will change the dynamics of ending chronic homelessness. Thank you.

Hales: Thank you. Mr. Johnson, good morning.

Charles Johnson: Good morning, Mayor, Commissioners. My name is Charles Johnson. And I don't know which is a more contentious phrase around here, Airbnb or the United States of America versus the City of Portland for the conduct of the Portland police department. But it was encouraging to hear the officer's words about improvement and interactions with the homeless people and people in distress here. However, when we look at these items six, seven, and eight and we begin see the paperwork blossom -- 12 pages here, 21 pages there, six there -- we haven't even talked about the fact that there is other contracts with REACH and Hacienda. That just adds more weight to Mr. Walsh's words that we have to wonder about oversight and administration.

Obviously, you need to vote yes on these items, but we need to have a more comprehensive number and fact-based discussion that what happens with the coordinating council to end homelessness or the council to perpetuate jobs at TPI and REACH and Hacienda and JOIN -- and you can see the list is getting long and we haven't talked about the new person appointed to the Home Forward board. So, anecdotal stories that were brought up -- and the reason I mention United States of America versus the City of Portland is that's supposed to be crisis services, a mental health drop-in center. And even though it's a nice story about releasing money, it was a story of failure, it was a story about making up for a mistake. And I hope that our fellow citizens will continue to not just pressure you, but also work with you creatively to have solutions so that people who

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mental health and barriers to housing don't have any time on the street. That they can actually just go into Cascadia mental health services, get treatment -- not go back to sleeping on the street or given a ticket for \$5 nights on the floor for city team, and with Senator Wyden having been in the area for his town halls, I just want to remind everybody about the way people are sleeping on Naito parkway under the Morrison Bridge that they need to engage their federal officials and restore funding that was taken away that was formally keeping people safely and humanely housed and now has them out on the streets in the elements. Thank you.

Hales: Thank you all. Anyone else want to speak on these items? Come on up. Good morning.

Steven Entwisle: Good morning, Council, Mayor. My name is Steven Entwisle, I represent individuals for justice, and I also represent the healing man sanctuary. I would like to address a few issues that I see, and what I see is -- from certain enforcement individuals -- a culture of hate against the people that are experiencing homeless. And there is a brutality that is used to intimidate and more or less -- I don't like to use the word, but terrorize people who are homeless. I see this, and this is not good. This is not what we want in our city. We talk about how the good things that we do, and that's good. Everything that we do. But this has to stop.

I would also like to say that we should make it a hate crime for anybody to beat up on homeless people just because they are homeless or just because they are financially struggling. That could be any one of your cousins, aunts, fathers, anybody. Your family. You know? Mr. Saltzman could have a cousin out on the street, and if a cop is beating him up and he's not doing anything bad, he's not saying anything, you know, what does that say about our society? I'm just -- these things happen and I think that we need to take concern on that. We can do much better. We don't have to worry about giving money to the homeless, it's not going to hurt them. People know what to do with money, and money is a shortage right now for people. People aren't going to be clamoring over the borders trying to get over here because it's so good for homeless folks. That's a myth. That never happens. That's something that is preached here, there's like an invisible red line here from the help from the folks in our government to the people that are actually going through the hardest times. I think we need to take a harder look at this, and look at more solutions. The more solutions, the better. The more options, the better. Every little bit helps greatly -- it does. But we should not limit the options, that's all. Thank you.

Hales: Thank you. Good morning.

Angela Hammit: Good morning. I'm Angela Hammit, I'm here representing individuals for justice. I would just like to take the opportunity to say thank you for everything that you are pulling together. It can't be easy. It is a major problem, and I know that you've put hours and hours and hours into helping the situation. I appreciate your task force that I believe you are in charge of -- Amanda Fritz -- with the mental health workers responding with the police. The only thing I would change is that I would have the mental health people arrive in their own vehicles, not in the police cars. It's still intimidating. They might not be getting out with the big gun, but they have a man with a big gun there with them. And that is very intimidating thing for the mentally ill. It's intimidating for me. I don't feel like -- there's a power -- I don't have a gun and a badge, you know? I don't have the power. So, it is intimidating.

I would like to talk about -- I don't know how or if you have any control or if you have anything to do with these, but the JOIN, the Salvation Army for women, all of the programs that I have seen that I've come in contact with and taken people to get help -- there is a breakdown there. I took one gentleman in to get -- he needed a payee, and they ended up stealing his money. And so, I thought I was helping someone, what I did was send him to

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the wolves. TPI -- I will never send anyone to TPI again. It's the workers -- not so much in the top, but you walk in there and you are treated disrespectfully. You are treated like the bottom of somebody's shoe. I think that those places could hire the people that actually need the place rather than hiring the people that are -- they have no compassion, they have no empathy. They are there to pick up a paycheck, and you are a pain in their butt. That's just how you're treated when you go into these places. I appreciate what you're doing, but it would be nice to put -- I see women there sweeping the floors, mopping the floors. They want to be working and do their share and they want to pull. They are not getting paid for it. They get to sleep on is a floor and a mat. That's what they get. And the other people working, they should not be working there.

Hales: Thank you. Thanks very much. Anyone else? These are emergency ordinances. Let's take a roll call vote on each, please.

Item 6 Roll.

Fritz: Aye.

Fish: Dan, thanks for your leadership on this. To our trusted mission-based nonprofits, thanks for the great work you do in the community. To Sally, Ryan, and the gold medal team at housing for the work you do. And we have had a number of people testify today that we're falling short. The one thing I think that we can say with certainty is that there will be fewer not more dollars coming from the federal government now that the Republicans control both bodies. So, we will not be seeing an increase. And remember, the last two candidates for president of that party suggested we abolish the Department of Housing and Urban Development as not being a priority bureau for the agency for the federal government. So, we're not likely to see more federal dollars. And that's one of the reasons why I will support Commissioner Saltzman's proposal in the regular budget that we take \$5 million of the one-time general fund money in this year's budget and we apply it to his housing investment fund, because the only way we're going to solve this problem is to increase the supply of affordable housing. There is a shortage. We must attack it from the point of view of adding to the supply, and I think that Dan has the right idea with the HIF, and I will support that during the budget cycle. Thank you, Dan. Aye.

Saltzman: I want to thank the providers who presented to us today for their great work, and I also want to recognize Sally Erickson and Ryan Deibert and Shannon Singleton of the Portland Housing Bureau for providing careful oversight and administration, and making sure that these dollars are achieving good results. And I think that we heard evidence of that by our invited panel today, so, very pleased to support this. And thank you to Council for their commitment of the ongoing funding of \$500,000 a year. Aye.

Novick: Thank you, Commissioner, and thanks to everybody for your testimony and your work. Aye.

Hales: Thanks, Commissioner Saltzman, for your leadership in this community and Council priority and for these great partnerships administered through the bureau with people that really do care. Obviously, there places that we always have to work on on how we deliver those services and obviously, as Commissioner Fish pointed out, we need to find local strategies for solving these problems because help from Washington on a number of fronts is not likely to be forthcoming. So, we as a community have the habit of coming together and finding the ways and means to make a difference, and this is a good example in each of these cases of how we do that. Thank you. Aye.

Item 7 Roll.

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

Item 8 Roll.

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

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Hales: Ok. Let's move on to our 10:00 a.m. time certain, which is just the adoption of findings. Could you read that item, please?

Item 9.

Hales: Commissioner Fritz, do you have any comments or like to make a motion?

Fritz: I move to adopt the findings.

Hales: Any second?

Fish: Second.

Hales: Any discussion? Roll call on adoption of findings.

Roll on motion to adopt the findings.

Fritz: Well again, thanks to the Bureau of Development Services staff for their excellent work on this project. And also, please convey our thanks to the Historic Landmarks Commission, whose write-up was also outstanding. And I believe that with this vote, we are saying that historic resources are important in Portland and that contributing structures contribute to a historic district. So, I am very pleased to vote aye.

Fish: I thought that we had an unusually thoughtful discussion and hearing last time, Mayor, and I'm grateful to Commissioner Fritz for the way you helped to shape our conversation. And I think that we are -- in taking this action -- saying the bar is high for these kinds of actions. These do not come to us often, and we are going to take them on a case-by-case basis, but I think that we got it right in this instance. Aye.

Saltzman: Aye.

Novick: I was on the losing side of this vote substantively, but out of deference to staff, I will vote to adopt the findings supporting the decision the rest of the council reached. Aye.

Hales: Thank you. Aye. We need to move on to item number 13 that was pulled from the consent calendar and act on that, and then move onto the regular calendar.

Item 13.

Hales: Ben, what do you need?

Ben Walters, Chief Deputy City Attorney: Tracy is on her way down.

Hales: OK. Does someone want to speak on this item? Apparently not. I think that we are ready to act on it, then.

Fritz: Do we know who pulled it?

Moore-Love: Joe Walsh pulled it.

Fish: At his request.

Hales: We're doing what he asked.

Fritz: Did he know that we were going to do it right now?

Hales: I don't know.

Moore-Love: He probably thought at the end like we usually do.

Hales: Would you like to speak on this item, Mr. Johnson?

Charles Johnson: Good morning, Commissioners. This item got good inside coverage, fair treatment, even though it would have been nice maybe for you all to have this stay on the consent agenda, things are going to happen. We have a public servant who had a 20-year career, and then at the end, there's reportedly friction with Commissioner Fish about the man's departure. When we live in a world where these decisions are made by five people who have salaries of \$100,000 a year -- speaking of yourselves -- to some Portland residents that seems like a lot of money. And then we find out, wow, in order to make the sewage go away, we have to pay somebody twice as much as the mayor. And situations develop where they get 50,000 special severance. But I think when you look at a 20-year career and the fact that the friction between his overseeing commissioners -- just a temporary issue -- these are costs of doing business and they're easier to swallow on days when we see you finding the money to work with JOIN and when it's been pointed out that

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Commissioner Saltzman, who many of us think of as being too pro-business, is honest and sincere enough to say there's a supply problem, we have to make housing.

So, without talking to the latest concerns about the budget overruns -- I want to say, if we have massive 300% budget overruns or 200% overruns, I hope that it always happens in providing homes to the homeless or under-housed people in the future instead of the Bureau of Environmental Services. But these severance payments are part of doing business, and I hope that they keep in mind when it comes time to look at surpluses when the budget goes well that we try and match the funds to really serve the most needy people, and consider having better options for people who are stacked up on the streets for everybody to see because we're not as good as we think that we are. Thank you.

Hales: Thank you. Mr. Walsh?

Joe Walsh: My name is Joe Walsh, I represent individuals for justice. When I saw this item, the first thought that I had was OK, we have got to get rid of this guy, fine. It's going to cost us \$50,000 to get rid of him. He was involved in the Taj Mahal. This building that started with three million dollars and ended up at \$12 million. So, we got rid of them. And part of the package is that he's going to get \$50,000. And we also have to pay the legal fees of the outside counsel who investigated this case, and I don't know how much that is, but it's usually \$350 an hour. And knowing lawyers, it's probably \$35,000 or \$50,000. It's sad that we have to do this. Really sad. This man is being rewarded for what some people think is fraud. People seem to get rewarded when they commit fraud. And that's our system -- people seem to get rewarded when they commit fraud and they lie.

Hales: Joe --

Fish: That is totally inappropriate -- you cannot make comments -- you cannot malign and defame someone without evidence. And it's totally inappropriate for you to say that. And for you, of all people, who insists on basic fairness --

Walsh: What did I say that maligned --

Hales: You're making a criminal accusation --

Fish: You're making accusations about his conduct that you have no basis to make, including fraud, which is a crime. And you of all people --

Walsh: Isn't there an ongoing criminal investigation on this item?

Hales: There's not.

Fish: No, there is not.

Walsh: In what your paperwork says, yes, there is. That he is going to help find out exactly what happened with the contractors and why it was over budgeted three times the amount of money and some people, like me, think that's fraud.

Fish: OK. You're entitled to your opinion, but there is no basis --

Walsh: Please don't interrupt me three minutes --

Fish: There's no basis for you to say that --

Walsh: Please don't interrupt my three minutes. I'm entitled to that by the Charter, not you.

Hales: You'll get your three minutes, but if you make outrageous charges about somebody --

Walsh: What's the outrageous charge?

Hales: We've addressed that. Please move on.

Walsh: It is sad to do this. This man has a 20-year longevity working for the City. I give him [indistinguishable] for that. We just had a governor that went to prison, and we had official after official after official going before the judge and saying, how wonderful this man is and this man shouldn't have gotten 10 years, he ended up getting two years. This is the same kind of thinking. We cannot reward people that do this stuff. We should fight it. You guys fight the weirdest appeals, but you won't fight this one, and this is a good fight. You could win this fight. Because he's wrong. When you put someone on leave with pay, there

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is no option to come back and say you're punishing them, because you're not. You're not taking anything away from them. And most of the courts agree with that. So, you could have won this one. But you want to appeal Judge Simon's decision, and you're going to lose that one and look like idiots. Thank you.

Hales: Thank you. Anyone else?

Walsh: And I hope I didn't defame you, Mayor.

Hales: You didn't. Good morning, welcome.

Mike Houck: Good morning, Mayor and Commissioners. My name is Mike Houck. I'm here representing myself as a citizen of the city of Portland and somebody who has worked with you, with City staff for the last 30 years or so. Twenty years ago, I sat on the advisory committee, the hiring committee that interviewed applicants to become the next director of the Bureau of Environmental Services. And I didn't intend to testify today, I came down only because something like what we just heard might occur.

I'm here to tell you that Dean Marriott was heads above every other candidate for that position. And I have to say that regardless of the Auditor's report, regardless of the wastewater treatment center, I think we need to think in terms of what I've referred to -- a couple of you -- regarding the proportionality. Dean Marriott was at the helm of BES as the City of Portland became the premiere stormwater management agency and watershed health agency in the country, and I just say that Dean can walk away from the City of Portland with his head held very high. And I only hope that we get somebody to replace him that will take the bureau into the next era of integrating gray and green infrastructure and improving watershed health throughout the city.

Hales: Alright, thanks very much.

Houck: Thank you.

Hales: Anyone else? Discussion? Roll call.

Item 13 Roll.

Fritz: Well, thanks for that testimony, and to Dean Marriott for having turned the ship from the direction where it used to be going and getting the Big Pipe project on time and under budget, and indeed, putting the environmental part into the Environmental Services. Thanks to Commissioner Fish for working on this settlement. Aye.

Fish: With this action, Mayor, we will launch a national search for Dean Marriott's replacement. Mike Houck's testimony reminds us that we'll be looking for a unique person that understands that a modern sewer and stormwater bureau leader understands the value of what we call green infrastructure, which is not only good for rate payers and for the environment. So, we'll launch that search. I have also asked the outside law firm that we retained to do an investigation to change course. Now that Dean has decided to move on, what we're going to ask them to do is give us a report with some lessons learned, and some counsel as to how we might improve our overall performance on contracting going forward, which I think would be of great value to the council.

Dean Marriott has served the City for 20 years. We wish him well as he moves forward, and I think that the resolution of the matter is reasonable and honorable, and frankly is in the best interest of the City and my ratepayers, and I'm pleased to vote aye.

Saltzman: I had the privilege of being the Commissioner-in-Charge of the Bureau of Environmental Services for 11 years, working with Dean Marriott that entire time. I really want to thank Dean for his tremendous accomplishments. As has been noted, Portland's largest public works project ever, the Big Pipe project -- which was more than just a big pipe, it was also investments in green infrastructure. That project, \$1.4 billion, brought in on-time and on-budget. We need only look north to Seattle to see the struggles that they're having trying to get their big pipe built to realize what an accomplishment that that was for the City of Portland and for its ratepayers.

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Dean thoroughly embodied the spirit and the mission of the Bureau of Environmental Services. He helped to shape that spirit and body of Environmental Services, setting it on a good path of not only doing the gray investments -- the pipes, and the pump stations -- but also the swales and the ecoroofs and all the other things that we rely on to manage stormwater successfully in our city. So, I have a great privilege to work with Dean, and I just want to wish him very well in his future in his next endeavor. Aye.

Novick: Thank you, Mr. Houck, for your testimony. Thanks to Mr. Marriott for his service. On a lighter note, Commissioner Fish, I do want to state that if you can find somebody to head the bureau named Ed Norton, that would be ideal. Aye.

Hales: It's the responsible solution, this is a good man who has done good work for this community and I appreciate his service. I've had a chance to tell him that in writing, and I will have a chance to tell him that personally, and this is a chance for our Council to do what we've done today, and that is do the right thing for a manager who has served us very well and who is moving on, and we thank him. Aye. Let's move onto the regular agenda.

Item 30.

Hales: Why don't you read 31 also?

Item 31.

Hales: Sergeant Barnum is here to explain these items to us and take any questions for the bureau.

Bret Barnum, Portland Police Bureau: Good morning, Council. Sergeant Bret Barnum with the traffic division. On item 30, the Portland Police Bureau traffic division has been involved with the safety belt grant for over 50 years now. I was a grant manager of this grant for quite some time. We are now the number two state in the nation for seat belt usage. So, I think that that's a real reflection on the good use of the grant funds, spending it correctly and working high crash corridor areas to re-instill to the community through not just citations but warnings that safety belt use is important, in our state, and it does provide a significant reduction in serious injuries and fatalities when our community members are wearing their belts properly.

Hales: Questions about this one? And then second one.

Barnum: On the speed grant -- this was Sergeant Gunderson's grant. He was not able to make it, he had a family illness. So, in reading some of his notes for the grant -- the use of these grant funds that allows for this last year, allowed for a total of over 1000 contacts, and this is on ODOT state highway properties -- so I-5, I-405, or other state highways, Highway 43 that are within the city.

In 2014, we had a 44% reduction in fatalities on the state highways within the city limits. We also had a 14% reduction in injury crashes, and a 3% reduction in non-injury crashes. So, all the way around it is proving our visible presence out there, providing not only citations but also warnings to our motoring public in the city that we are reducing the number of fatalities and serious injury crashes to our citizens and our community members.

Hales: Thank you. There is questions before -- Commissioner Fritz made some about overtime, and I think that's being reviewed by the bureau about the balance of using full-time personnel versus overtime still part of the staffing steady work, I assume.

Barnum: Yes. As far as I know, and both these grants, the safety grant will provide for 150 hours in the whole year. So, it's not a tremendous amount, but it does provide us some time. 150 hours is really a minimal amount of overtime when you factor it out over the course of 12 months. And then the speed grant this year is very minimal amount. I believe it's 10,000, and they will be able to carry over 2000 from last year, so that's even a considerable less amount of hours. The hours when they are worked are done in a four-

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hour increment, so it doesn't tax any one individual in a four-hour shift, period. So, with that we keep our officers fresh, available for the day-to-day duties as well.

Fritz: Would we be allowed to use the funds for straight time rather than overtime?

Barnum: We also work these grants. Part of the grants we do work straight time in these specific areas, and that's a part of the rules of the grant in order to -- especially, the speed grant, I know for certain that we have to work straight time hours, some regular duty hours in these areas that we work on overtime.

Fritz: But in this one, would we be allowed to use the 38,000 for straight time rather than overtime?

Hales: Under the terms of the grant, do you mean?

Fritz: Yes.

Barnum: No.

Fritz: So, that's an issue that perhaps we should add to the state legislative agenda. Having worked in nursing where people do a lot of overtime too, and becoming concerned about sometimes my colleagues would be working so many extra hours that I wasn't entirely sure that they were going to be safe -- same for our police officers. Obviously, this is a fairly small amount, but we keep getting these grants that are always for overtime, and I think that maybe we should address that with our state legislative delegation that if there's enough work, maybe cobbling together all of these grants. Maybe the state should be funding police positions dedicated to these particular purposes. Thank you for your answers, I appreciate it.

Barnum: Sure.

Hales: Other questions for the Sergeant Barnum? Great. Thank you very much.

Barnum: Thank you.

Hales: Anyone else want to speak on these items? If not, then we'll take a roll call on the first.

Item 30 Roll.

Fritz: There are also some incentives to using your seat belt and going the speed limit, and I want folks to know that that is the case also, and when there is a crash, it's comforting when you your loved one has been wearing his seat belt, which we got accidental death insurance coverage for, which I didn't know. I appreciate the work that the officers do to make sure that people are wearing their seat belts and driving the speed limit. Aye.

Fish: Aye.

Saltzman: Aye.

Novick: It is something to be proud of that we are number two in the country in the state in seat belt compliance, and really appreciate the work that you do. And this is money to be put to good use. Aye.

Hales: I appreciate the Sergeant Barnum being here and the fact that he just mentioned this in passing that, you know, our practice is often to give people warnings for this kind of violation or for trying to text or use your cell phone while driving, which is illegal. And the point of those encounters is to get the public to do what they should be doing the right way. And obviously, that's starting to show up in the numbers and that's a great trend. Enforcement has its place, so does that relationship where an officer is reminding people to do the right thing. So, I appreciate that we're always trying to strike that balance out there on the streets when we're encountering motorists. Thank you. Aye.

Item 31 Roll.

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

Item 32.

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Hales: It's my plan to refer this back to my office for additional community input about available technology and policy. As you may recall, we had a presentation here about this last month, and we have conducted the request for information. They're still compiling the results of that request for information and they're looking at the idea of a pilot test. So, it's appropriate to take a little more time to actually seek our RFPs. We have the funds available. We know that they're not sufficient to do everything that we need to do with on-body cameras, but it's appropriate that we do this the right way. Obviously, there's legislative work to be done as well in making sure that we can use the data and safeguard the data that we obtain for using body cameras. So, if there's no objection, it's my intention to return there item to my office, and we'll do that and bring it back at the right time. Thank you.

Item 33.

Hales: Ms. Moody.

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

Good morning, Mayor, Commissioners. Christine Moody, procurement services. You have before you a procurement report recommending an award to James w. Fowler, and the original engineers estimate was 9.6 million. On November 4, 2014, eight bids were received, and J. W. Fowler is the low bidder at \$10,554,563. The Portland Water Bureau has reviewed all bid items and believes the price offered is good. The City identified 20 divisions of work for potential minority, women, and emerging small business subcontracting opportunities. Subcontracting participation on this project is at 20.7% in the areas of concrete flat work, irrigation, traffic control, trucking, and ecoroof. I will turn this back over to Council if you have any questions.

Fish: Christine, I have a couple. I see that the project estimate was moderate. And the low bid was, what, about 10% above the estimate. Is this further evidence of a robust market now for construction and prices going up at the other end of the spectrum where we saw a better price during the recession, we're now seeing -- because of all the construction -- the reverse effect?

Moody: Yes, Commissioner, I believe so. There was also eight bidders on this project, so that's why the Water Bureau believes that this is a really good bid.

Hales: How many?

Moody: Eight.

Fish: The fact that there were eight different people competing means we are reasonably confident that we got a good price.

Moody: We're getting a good price, yeah.

Fish: Any guidance for us or me as the Commissioner-in-Charge in terms of the project construction estimate? Is there anything we need to do differently going forward in light of what appears to be a construction boom and rising prices?

Moody: Well, we have been meeting internally. The construction bureaus have all met and working on updating their pricing more frequently so that as the estimates come before Council, they'll be as accurate as they can at that time, understanding that the authorizing ordinance is generally six months before I'm back here with the contract award.

Fish: Right. Well, the mayor has raised this a couple times in the past about just making sure that our assumptions are linked to the current market conditions. And it seems like there is a crane on every corner of the city, so we're obviously in a different contracting environment. We're not getting -- we continue to get good interest rates on our debt, but we're not getting the same prices in our competitive process, and that's because there's a lot of work in the pipeline. That's a good thing. Thank you for working with the bureaus to update their assumptions so there is a closer alignment between our estimates and the actual bids.

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Hales: Other questions? Thank you very much. Anyone want to speak on this item? If not, motion to move.

Fish: So moved.

Fritz: Second.

Hales: Discussion? Roll call.

Item 33 Roll.

Fritz: It's got to see the subcontracting going for hefty things like roofing and concrete flatwork and such. Thank you for your work. Aye.

Fish: Thank you, Christine. Aye.

Saltzman: Aye.

Novick: Thank you, Christine. Aye.

Hales: Commissioner Fish, when I was running for office in 2012, there were two cranes on the horizon in Portland. They were both for public works projects. And now I think you're right, there is something like 17. I have taken personal credit for that change, of course. It had nothing to do with the larger economy. But it certainly has had something to do with the bid prices, we'll be dealing with that for the foreseeable future. So, thank you. Aye.

Fish: I see you're channeling Al Gore.

Hales: Yeah, that's right. He invented the internet and I'm responsible for all those cranes. [laughter] Let's move on.

Novick: Wait a minute, Al Gore really did have a lot to do with the invention of the internet.

Hales: That's right. No good deed goes unpunished in our business. Alright, next one please.

Item 34.

Hales: Second reading and roll call.

Item 34 Roll.

Fritz: Aye.

Fish: I want to thank Mark Hutchinson and the whole team for their presentation. And perhaps the greatest compliment I've received during my tenure at BES is that Commissioner Fritz recently told me we might be overdoing it on some of these presentations. And the goal of course is move them from consent to the regular agenda, make sure the council has all the necessary information to make an informed judgment. It's a work in progress, but I'm very proud of the way that BES and its senior team has embraced his new approach, and I do think while they are -- they sometimes are technical and tedious in nature, I do think the council is getting a lot of good information upon which they can make an informed decision. I thank my colleagues for pushing us in that direction. Aye.

Saltzman: Aye. **Novick:** Aye. **Hales:** Aye.

Item 35.

Hales: Also second reading item. Roll call, please.

Item 35 Roll.

Fritz: An important clarification, Commissioner Fish -- I have found the presentations very interesting, and it's good that -- you know, there's folks toiling away every day on items like this every day in this city, and they do good work, and it's been good to see some folks before us that haven't otherwise had the opportunity to present about their work. And they're obviously so proud of what they do and work really hard for the citizens of Portland and the ratepayers. So, thank you for doing these presentations. Aye.

Fish: Aye. **Saltzman:** Aye. **Novick:** Aye. **Hales:** Aye.

Item 36.

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Hales: I have a request from Commissioner Novick to reschedule this item to January 8 at 6:00 p.m. Is that correct?

Novick: That's correct.

Hales: Unless there is objection, so ordered.

Item 37.

Hales: Commissioner Novick.

Novick: Colleagues, this contract for 15 on-call architectural and engineering services originally came before Council on September 10th of 2014. It was referred back to my office to respond to Council questions regarding MWESB participation.

My office, with the assistance of PBOT, issued a [indistinguishable] amendment to Council offices on December 23rd, and once more on January 6th which sought to address previous questions regarding MWESB participation and outreach. This information is reflected in the impact statement of the ordinance. Andrew Carlstrom from PBOT is here with us today to give an overview of the purpose of this contract, what kind of outreach PBOT directed above standard procurement requirements, the level of MWESB participation, and potential next steps for PBOT to improve MWESB participation and selection. Andrew?

Andrew Carlstrom, Portland Bureau of Transportation: Good morning, Mayor Hales and City Commissioners. Andrew Carlstrom, Portland Bureau of Transportation. The purpose of this ordinance is to provide PBOT with on-call architectural and engineering services in nine service areas ranging from landscape architecture to traffic engineering. This on-call capacity is needed because transportation project needs generally include work with short deadlines, scopes that may need to be developed quickly, and or require expertise that PBOT does not have in house.

If you approve this ordinance today, PBOT will have the ability to execute task orders as needed for projects with the selected prime contractors in these nine service areas. Council questions in September focused on MWESB utilization, and PBOT appreciated the opportunity to provide you clarifying information both in the impact statement and in the memo you received from Commissioner Novick in December. It should be noted that the MWESB contract considerations were only within one criteria selection category for this qualifications-based proposal evaluation. In addition, the selection process included one minority evaluation program representative on each of the nine selection committees. And although one of the 15 selected contractors was an MWESB firm, when considering all the subcontractors identified by successful proposers, the total utilization by dollars would have been 25.3% if all contracts, contract authorities, and identified subcontractors were utilized as stated on PTE disclosure forms. This equates to 462,000 out of 1.825 million. Thirty-one of the 40 disclosed subcontractors are MWESB firms.

PBOT conducted extensive outreach for the solicitation, which the procurement services recognized. And both PBOT and procurement services do not have any information that would lead to a conclusion that redoing this solicitation would increase the overall MWESB utilization percentage. PBOT appreciates Council questions, which have encouraged additional introspection and review of how solicitations are conducted. And internally, the bureau is currently reviewing its outreach efforts, determining where additional work can be done, and is developing a new comprehensive outreach plan with the goal of ensuring maximum MWESB participation with both prime and subcontractors for bureau solicitations. In addition to the external focus, PBOT intends to increase internal training for PBOT staff to analyze utilization and to collaborate with other City bureaus to share best practices, outreach strategies, and share outreach opportunities. Thank you for your consideration.

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Hales: Thank you. Questions for Andrew? Thanks very much. This is an emergency ordinance so, we'll take a roll call.

Moore-Love: Is there any testimony? I didn't have a sign-up sheet.

Hales: Sorry, I didn't ask for any. I didn't see anyone, but anyone want to speak? OK. Now, roll call.

Item 37 Roll.

Fritz: Thank you for the additional work on this and for the briefing that I received, it was very helpful. Aye.

Fish: Aye.

Saltzman: Thank you for the additional work you did, appreciate it. Aye.

Novick: Aye.

Hales: Thanks very much. Aye.

Item 38.

Hales: Second reading and roll call.

Item 38 Roll.

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

Hales: A little piece of progress. Aye.

Fritz: Thanks very much to the citizens who got this going and kept it going, and congratulations.

Hales: Good work.

Item 39.

Hales: Commissioner Novick.

Novick: Colleagues, we're prepared today to address several questions that came up in the first hearing on this matter. One thing I've been informed of -- there was a question about noise from the utility cabinets. Mary Beth Henry contacted Kansas City officials who confirm that the Google utility cabinets at least don't seem to make noise, and the city hasn't received complaints about their aesthetics. Alex Bejarano is going to address the questions that came up about art wraps, and Kyle is here to talk about additional outreach that's been done in the last couple of weeks. Alex, do you want to take it away.

Alex Bejarano, Portland Bureau of Transportation: Sure. I think we are going to start with Kyle with the presentation, and then I'll chime in.

Kyle Chisek, Portland Bureau of Transportation: Kyle Chisek with the Bureau of Transportation. So to recap, these above-ground structures are utility cabinets in the right-of-way. They are primarily electrical and are hard wired facilities. Our current policy, we do allow them by exception, and they are -- we have some from BES, Water Bureau, Northwest Natural, and quite a few from Transportation for our signals and street-lighting equipment. At our public hearing in December, some questions came up about the art wrap. We had also some questions about certain design districts, specifically Terwilliger Parkway.

We did some research. We did some rethinking. At this point, we're proposing that the art wrap is no longer mandated, that the cabinets will be either stainless steel or painted in a neutral color. As a consequence of that, there won't be a renewable fee because you won't need to rewrap a cabinet. Inspections will be complaint-driven. So, if something gets tagged, we'll give the utility 48 hours to basically rectify that or resolve the graffiti issue. For Terwilliger Parkway specifically, in acknowledging its scenic corridor -- it has design standards -- however, utilities are exempted from that. We're going to take the approach that we're going to treat it like a design district. So, for historic districts and for design districts, we're going to work with the Design Commission and the Landmarks Commission to come up with specific standards for those districts. Terwilliger Parkway we

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will also treat that way, so Design Commission will weigh in on what standards need to be applied for these cabinets.

And then our next steps are going to the design and historic commission, and if Council approves, we will propose to file the rule for adoption as well so that generally -- with the Auditor's Office -- takes a few weeks. As far as our timeline for that process, we sent out the notification in October to neighborhood associations -- we coordinated with ONI and that's how we made contact with the neighborhood associations -- district coalitions, and then the utilities through the utility notification system. At the request of several of our neighborhood groups, we kept the comment period open. They rightly said this is not enough time, we missed our monthly meeting in October, we're not going to take this up again until later, so can you keep the comment period open? We kept it open until the public hearing, and then after the public hearing after the item had been continued, we kept it open. We have not received any new comments, so basically, we're dealing with the remaining comments and feedback from City Council at the last Council hearing.

Hales: Questions?

Fritz: I don't have a revised exhibit A. Is there one?

Chisek: We don't have a revised exhibit A. The exhibit was as an example of the proposed rule. But we would take the council feedback as we were adopting the rule as the bureau and the legislative intent to make those changes.

Fritz: So, there wasn't -- the public wasn't notified that there's a revised exhibit. I don't know if we're going to have any testimony today, but I'm not comfortable voting for something that's not what we're going to be doing. I'd prefer to see a revised exhibit that has those changes that you outlined in it and have that available for public comment so they can tell us, yes, they got it right or no, they didn't.

Chisek: OK.

Novick: Thank you, Commissioner. I should have thought of that.

Hales: Other questions or concerns?

Saltzman: What is the expected timeline for the Design Commission and Historic Landmarks Commission to take action?

Chisek: When we spoke with BDS staff, they were anticipating in February that we could be an item on the agenda.

Saltzman: Does that mean they'll actually complete action by February.

Chisek: I believe so. We'll be working with BDS staff to create the standards of what needs to apply to these cabinets in that time frame.

Saltzman: So the final rule we can expect sometimes in February or March?

Chisek: Yes.

Fritz: And that comes back to Council?

Chisek: If Council isn't comfortable voting on the resolution, we will come back to Council with the revised exhibit. The current rule in [indistinguishable] 10.19 was promulgated with bureaus' rule-making authority. So, in an effort to be transparent and get the broadest input possible, that's why we brought it to Council. But we would file that with the Auditor directly.

Fritz: Well I think there's evidence that we did get testimony on it and it is a policy decision about things in the right-of-way that Council probably should weigh in on. Rather than holding up the process for an amended version to come back next week, maybe it would be best if you continue as you just outlined but bring the final back to Council.

Novick: Is that acceptable?

Hales: They could go ahead and go to Design Commission and get that guidance, because that also might change what's in front of us.

Fritz: Exactly.

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Hales: OK. Do we need to act on the resolution in order to send you off to the Design Commission or are you free to do that without the resolution?

Bejarano: I think we're free to move forward.

Hales: OK. You're free to get their direction and come back with a final version after that.

Chisek: OK.

Hales: Does that work?

Novick: Thank you.

Fritz: I very much appreciate you bringing this to Council. It's the kind of policy decision that the public likes to weigh in on in a very public way, and I do certainly as a Council member. So, thank you.

Novick: And as a member of the public.

Fritz: As well.

Hales: Did anyone come to speak on the item today?

*****: [inaudible]

Hales: Well, there's actually a resolution on the table, but we're not going to take action on the table.

*****: It doesn't match [inaudible] --

Hales: Right, that's what we're going to try to fix. If there's no objection, I'm going to return this to your office so then you'll set the time table for when the amended resolution and exhibit come back to us. Does that work? OK, then we'll return this to Commissioner Novick's office.

Novick: Thank you.

Hales: Thank you for your work. And we are recessed until 2:00 p.m.

At 11:05 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.

JANUARY 7, 2015 2:00 PM

Hales: Good afternoon, everyone. Welcome back to the afternoon session of City Council. Would you please call the roll?

Fritz: Here. **Fish:** Here. **Novick:** Here. **Hales:** Here.

Hales: And would you please read the two items?

Item 40.

Item 41.

Hales: OK, thank you. This is a very important step in our agreement with the United States Department of Justice about how we change practices in the Portland Police Bureau. We've gone through a very detailed process to get to this point and to have a proposed contractor as our Compliance Officer, Community Liaison. I will call up a panel to present the package to us -- Ellen Osoinach from the City Attorney's Office; Judy Prosper from the same; and Deanna Wesson-Mitchell from my staff. And we'll have them present the substance of this, and we have some amendments on rather technical matters, but they're changing dollar amounts within the contract -- within the proposed contract -- and then we'll take public testimony. So, if you three would please come up. Thank you very much. Good afternoon.

Judy Prosper, City Attorney's Office: Good afternoon, Mayor Hales and Commissioners. I'm Deputy City Attorney Judy Prosper, and it's my privilege to be here before you again with my colleague Ellen Osoinach and Deanna Wesson-Mitchell this afternoon. As you directed in ordinance 37093 passed on November 11th, 2014, we have - - together with Christine Moody, the City's Chief Procurement Officer -- negotiated a contract with Dr. Rosenbaum's team to serve as Community Liaison and Compliance Officer, COCL, under the Department of Justice settlement agreement. We are here today to present this contract to you for your approval. Before I begin, I would like to clear up a few technical points. What is before you today is a slightly different version from what was filed December 31st by the City Attorney's Office. The changes are minor but necessary. On the ordinance itself, on the second page, there was a typo in the total not to exceed amount for the five-year contract. It read \$1,575 instead of \$1,575,000.

Fish: And here we thought -- [inaudible] [laughter]

Prosper: Yes, sorry. That changes on the second to the last line to the now therefore clause in section A.

Hales: OK. And there's another correction item 41, right?

Prosper: I believe so. And my colleague, Ellen, will address that.

Hales: OK.

Prosper: In exhibit 1 to the ordinance, the actual contract itself, on page six of 11, the final paragraph in statement of work, general responsibilities and payment schedule section, we made a clarification about the required presence of either Dr. Rosenbaum or Dr. Watson at each of the quarterly town hall meetings convened by the COCL. You'll see that change in the last sentence of the last paragraph. Instead of Justice De Muniz will chair the quarterly meetings of the COAB, it will now read Justice De Muniz will chair and preside over the

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quarterly meetings of the Community Oversight Advisory Board, COAB. Either Dr. Rosenbaum or Dr. Watson will attend the COCL's quarterly open town hall meeting to present the draft compliance reports to the COAB and to receive public comment on the assessments of compliance and recommendations as provided by the settlement agreement. Those are the only two changes to this item.

So, now on to substance of the contract. Recalling that on December 17th, 2012, the City of Portland and the United States Department of Justice filed a proposed settlement agreement in U.S> v. City of Portland. On January 30th, 2014, the City issued a request for resumes, seeking a COCL pursuant to that agreement. Dr. Dennis Rosenbaum submitted an application in February of 2014, and his team was chosen by Council to serve. This contract will be between the City of Portland and Rosenbaum & Watson, LLP. The City's project manager for the contract is Deanna Wesson-Mitchell, and she will review and approve the invoices submitted by the group.

Pending your approval today, we intend the contract to be effective January 10th, 2015, and expire in five years on January 10th, 2020, unless otherwise terminated or extended. Who's on the COCL team? Dr. Rosenbaum is a full professor of criminology, law, and justice; and the director of Center for Research and Law and Justice at the University of Illinois at Chicago. He will serve as the Compliance Officer and Community Liaison. Dr. Amy Watson is an associate professor at the Jane Addams College of Social Work at the University of Illinois at Chicago. She will be the co-director and mental health specialist. The Honorable Paul De Muniz, a retired chief justice of the Oregon Supreme Court and distinguished jurist in residence at Willamette University College of Law will serve as the director of community engagement. Mr. Thomas Christoff, doctoral candidate in criminology, law, and justice at the University of Illinois at Chicago will serve as project manager and data collector. Dr. Geoffrey Alpert, professor of criminology and criminal justice at the University of South Carolina will serve as a policy advisor.

Compensation. The maximum annual sum to be paid on the contract is \$315,000. A note here about the seeming rise in the cost of the contract. When Dr. Rosenbaum bid for the contract, he fully intended to be able to complete the work outlined in the settlement agreement for \$240,000 per year. As interviews and negotiations progressed, the Portland community and the City recognized that the community liaison duties of the COCL would need to be more robust than previously anticipated. The City is very fortunate that Dr. Rosenbaum was able to convince the chief justice to join the COCL team and to lead and enhance the community engagement and local presence efforts.

For the sake of easier accounting and reimbursement purposes, we merely separated the actual services for the various team members from reimbursable travel expenses. COCL team members, including the chief justice, will receive payment of \$240,000 for their professional services and up to \$75,000 may be reimbursed for documented travel expenses for the maximum total of \$315. Reimbursement expenses will be based on the U.S. General Services Administration per diem rates, which can be accessed on the GSA website. These are the same rates as allowed for City employees. Hourly rates are not applicable to this contract, as it is a negotiated fixed fee that will be paid out in equal monthly increments.

Early termination of the contract. In order for the COCL team to maintain its utmost independence, the contract cannot easily be terminated by the City. We removed the standard termination for, quote, convenience clause that is present in most contracts. The City cannot merely terminate the contract if it is unhappy with the results of the COCL team's analysis or recommendations. There are only a few discrete number of ways that the contract may be terminated.

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General responsibilities of the COCL team. Aside from general contract terms, the responsibilities are the COCL team boil down to four major categories which are highlighted in the contract. One, the requirements of the settlement agreement. The COCL is responsible for synthesizing data related to Portland Police Bureau's use of force; will report and be responsive to the City Council, DOJ and the public; will gather input from the public related to PPB's compliance with the settlement agreement. COCL team members will not be attached to any one City office and will be wholly independent of PPB. In sum, the COCL team must comply with any requirements of the settlement agreement which specifically reference work to be done by the COCL.

Number two, court appearances. The settlement agreement does not require the COCL to attend any court proceedings. The City, however, is currently required by the court to direct the COCL to attend court appearances. The frequency and scope of any such court appearances are not yet determined, and the City is presently unable to accurately predict the scope of work that may be required of the COCL. We have added a provision that states that if the COCL is required to appear in court more than once per calendar year, those additional appearances are outside of the scope of the work and compensation under this contract and will be separately negotiated.

Number three, community engagement and local presence. As previously mentioned, a high level of in-person service to the public and the City is necessary for the success of this endeavor. Toward that end, Justice De Muniz will for the first six months for the contract dedicate two to three days per week for community engagement. And thereafter, he will dedicate at least one day per week. Justice De Muniz will chair and preside over the COAB. Those meetings must happen at least quarterly, and once the COAB is seated, specific scheduling decisions will be made by that body together with the COCL team. Dr. Rosenbaum and or Dr. Watson will hold in-person meetings every month with relevant stakeholders and maintain weekly contact throughout the contract. Either Dr. Rosenbaum or Dr. Watson must attend the COCL's quarterly open town hall meetings to present the draft compliance reports to the COAB and to receive public comment.

Number four, the work plan. The COCL team will provide a first-year draft work plan no later than January 31st, 2015, recognizing that once the COAB is seated, adjustments may need to be made to the plan. These are the basic provisions of the contract. We hope it complies with your expectations and that you will approve it today. Ellen, Christine, and I will be glad to answer any questions that you have. Thank you for your attention and consideration.

Hales: Thank you. Questions?

Fritz: Just to reemphasize, you said that the contract does include one trip per year to go to Judge Simon at his behest.

Prosper: Yes, Commissioner, one per year. If there are an excess of one, we would negotiate for those.

Fritz: So, the expectation is if the judge requires more than that, then we would pay more but that we would expect the COCL to come as often as the judge wants him to.

Prosper: As often as he is able, yes. Absolutely.

Fritz: OK. And do you need us to move those amendments?

Prosper: Please.

Hales: Before we take public testimony, we should. Want to do that now? OK. Do I hear a motion to put the amendments --

Fritz: I move the amendments as outlined by our Deputy City Attorney.

Novick: Second.

Hales: Further discussion on adopting those amendments so that we can hear public testimony on those as well? Then, roll call on the amendments.

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Roll to accept amendments.

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

Hales: Thank you.

Prosper: Thank you.

Ellen Osoinach, City Attorney's Office: Good afternoon. I'm Ellen Osoinach, I'm a Deputy City Attorney in your City Attorney's Office, and I am here today to talk about Item 41, which is an ordinance that allocates \$250,000 for additional expenses that the City anticipates to incur related to the Community Oversight Advisory Board, as well as administrative support for the Compliance Officer and Community Liaison, which is the COCL.

The settlement agreement that we have with the Department of Justice requires us to provide administrative support for both the Compliance Officer and Community Liaison, the COCL; as well as the Community Oversight and Advisory Board, or the COAB. During our negotiations with the COCL team, they identified some critical elements of administrative support for their work. I would like to pause here to observe that the COCL team has been fairly extraordinary already in their efforts to engage the community. This contract has not yet been entered, but in order to do outreach, Justice De Muniz has spent over nine days here in Portland attending various community meetings. The entire COCL team flew out to Portland several weeks ago.

They also met with numerous stakeholders, including members of Council, members of the community, members of the Police Bureau. And based on all of those conversations, they identified what they thought were some critical administrative support not only for the COCL team, but what they anticipated might be some of the needs of the community oversight and advisory board. And so, the ordinance before you today that allocates money is to address some of that input that they received from the community. So, some of the elements that they identified included staffing for their own work, office space, website development and hosting, conference calling services, photocopies, and other basic supplies and equipment.

So, the City has been moving forward with selecting members for the Community Oversight and Advisory Board or COAB. Those efforts are being led by Commissioner Fritz as well as Mayor Hales. And so for context here, the COAB is a group of individuals who will work with the COCL to monitor implementation of the settlement agreement. And the City is accepting applications. If you are interested in applying you can Google COAB application or you can go to the website of Commissioner Fritz or the website of Mayor Hales and you will find applications there.

Fritz: And the deadline is this Friday, so do it today.

Osoinach: Yes. As I mentioned, the City is required to provide administrative support for the COAB. Justice De Muniz identified website development and hosting as well as recording of those meetings as critical services that he thinks that the COAB should provide. The current expectation is that the COAB will have its first meeting on February 9th.

Not to discourage people -- and in fact, many people have already applied to be part of this important public service -- but there is a tremendous amount of work that the COAB will need to get done in its first three months. I'll just highlight what they have to accomplish no later than mid-May of this year. They are required to hold two hearings to gather public input about the status of the Police Bureau's current community outreach efforts. They need to create a process for receiving and passing on to the COCL public comments on the COCL's first report which will assess the City's implementation of the settlement agreement. They need to attend a town hall to discuss the COCL's first report. They need to draft their own feedback regarding the report. And finally, they need to

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consult with the City regarding a survey of the community about their experiences and perceptions of police outreach and accountability.

So, given the amount of work that the COAB must accomplish in this very tight timeline, we can reasonably anticipate significant start-up costs, although it is difficult to be precise at this point about exact expenditures. The ordinance before you allocates a total of \$250,000 from contingency to cover the administrative costs identified by the COCL, as well as the anticipated costs associated with the COAB. \$45,000 of the funds will be allocated to the Office of Neighborhood Involvement to fund through July 1st a staff person whose job it is to provide administrative services to the COCL team. For example, this person would be expected to make travel arrangements for the COCL team, prepare invoices and correspondence, schedule meetings, respond to inquiries, make copies and manage website content.

Council previously allocated money for a separate administrative support for the COAB, as we are required to do by the settlement agreement. That person will be a mental health specialist whose job it is to provide administrative support for the COAB and to broadly facilitate civic participation of people with lived experience of mental illness and the implementation of the settlement agreement. The City is currently accepting job applications for the mental health specialist position. Both the mental health specialist position as well as the COCL staff support position that is before you in the ordinance today will be assigned to the Office of Neighborhood Involvement. We expect that they will work closely together to support the work of the COCL and COAB.

Deanna Wesson-Mitchell has more details on the uses of the remaining \$205,000 that you are allocating today will be put. I will pause at this moment to now offer an amendment because there is yet another error in the numbers that we put in there. And in fact, I believe the original ordinance listed \$215,000 to be allocated for expenses when the amount should be \$205,000, which added to \$45,000, equals \$250,000. So I'm available to answer any questions. Thank you.

Hales: Motion to adopt that amendment as well.

Fritz: So moved.

Hales: Is there a second?

Novick: Second.

Hales: Any discussion? Roll call on amending the dollar amount.

Roll on motion to accept amendment.

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

Hales: Thank you.

Fish: Ellen, I have a couple of questions. Should we wait until the whole panel is finished and then come with questions?

Hales: Either way. Deanna's got a few more points to make --

Fish: [speaking simultaneously] -- complete the presentation.

Deanna Wesson-Mitchell, Office of Mayor Charlie Hales: Deanna Wesson-Mitchell, policy director with the Mayor's Office. Ellen and Judy have talked about most of the things I had to talk about, but just clarifying that the office space is -- they've selected to be Rosewood Initiative at 162nd and Stark. It is a facility that's open to the community that has -- they're already involving the COCL in their community outreach out there. And the extra money is going to pay for office space lease setting up the cubes, computers, phone lines, meeting facilitation, location if there is costs for that. Justice De Muniz has requested that -- really wants all of the meetings to be televised, so making sure that those costs are covered. If we can have -- there's just a lot of details that are going to need to be paid for.

That's kind of where that money is going to be used. We really want to do everything that we can to make sure that they have all they need to be successful. And we

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assume that by the end of this budget year, we'll have a much better idea of what those regular costs will be beyond just getting the start-up fees done.

Hales: Questions?

Fish: Thank you. Two questions. First is on the legal issue of determination of the contract of the COCL. To what extent does the COAB has any authority on this issue? I last week nominated Avel Gordly my representative -- as my candidate. So, the board is composed and after year one, the COAB says, we don't like, the job that the COCL is doing. So, under the proposed contract, how would we resolve that issue?

Osoinach: The settlement agreement really contemplates a cooperative working relationship between the COCL and the COAB. So, the settlement agreement itself never included provisions for the removal of the COCL by the COAB. Conversely, however, as the chair of this the COAB, the COCL has a process that is outlined in the settlement agreement if there is a member of the COAB who either leaves or is removed -- there is a process for that. So, the answer to your question, in terms of terminating the contract, the COAB is a recommending body. So, they certainly could recommend that the contract be terminated if they thought that the COCL was failing to perform the duties imposed by the settlement agreement. But they're limited to recommendations. They don't have the power to terminate the contract.

Fish: OK. And second, on the budget side, can you just walk me through what is the pure start-up costs and then what do we anticipate will be the ongoing costs? And is it your intention, Mayor, to seek ongoing funding in the normal budget process for a certain number of years to cover this?

Hales: Second question, yes.

Fish: Yes on the second question. After the first year start-up costs plus budget, what do you anticipate the number in the out years?

Wesson-Mitchell: I really don't. We're looking to see what it's going to cost. I think other committees in the City have -- I believe HRC's budget is about \$30,000 a year. Each committee has a budget to achieve their goals. We're really going to need to know more what -- because the COAB is going to be very much creating what they want to do -- and figure out, you know, what is reasonably needed to accomplish their goals over longer term.

Fish: But in any event, we'll take that up in the normal budget cycle.

Hales: Yes. We will have a little more information than we have now.

Fish: With more information, we'll have a placeholder number, and you will be seeking ongoing funding for that.

Wesson-Mitchell: Yes, come the next budget.

Fish: OK, thank you.

Hales: Other questions for our panel? And we may have more later, but thank all three of you. I know we have public testimony but we also have -- if there are Council questions, Chief Justice De Muniz is here as a representative of the proposed contractor team, and we also have representing the Department of Justice our United States Attorney and members of her staff. I want to give you, Amanda, and your team an opportunity to respond to the efficacy of what we're doing here and the sufficiency of it. We will take you first and show you the courtesies properly due to you as a federal official. Thank you for being here.

Amanda Marshall: Thank you, Mr. Mayor. Thank you, members of Council. I would like to just make a few brief comments. Initially, I just want to thank the City on my behalf and behalf of the Department of Justice for identifying the Compliance Officer Community Liaison and putting forward this contract. It's an important first step in implementing our joint settlement agreement, and so we appreciate your movement on this issue.

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We commit to the citizens of Portland, again, that the United States is dedicated to implementation of this agreement. We will be monitoring the City at every step of the way and holding the City accountable. This partnership that we have with the City has been unique. It's something that only exists in city of Portland, and the collaborative relationship that we have had has led us to this settlement agreement and this implementation and will continue going forward so that the City and the Department of Justice can achieve our shared goals.

I also want to remind the community that the agreement creates the Community Oversight Advisory Board to inform and advise the City, the United States, and the Albina Ministerial Alliance Coalition, and Dr. Rosenbaum's team. Applications -- as has been mentioned -- are available from the City now through Friday and we encourage members of the community to apply. The advisory board will bring the community voices to the center of this discussion and will help inform the progress that we make moving forward. So, thank you again for moving forward on this contract today.

Hales: Thank you. Questions? Thank you so much. OK. Let's move in to public testimony.

Moore-Love: We have 13 people signed up. The first three please come on up.

Hales: Good afternoon.

Dan Handelman: Good afternoon, Mayor Hales. I'm Dan Handelman, I'm with Portland Copwatch. I have some comments about the contract that is before you. It kind of goes back to discussions we were having in October when the council was announcing its intent to object to the judge's court order asking for your annual appearance. I'm glad that that annual appearance is written into this ordinance, but the implication that the City is currently required to come in on the annual hearing reminds us that you have not yet rescinded your efforts to appeal that -- the very minimal review that the judge is going to be giving to you each year -- and we urge you to rescind that appeal.

Hales: We need to clarify that, Dan. We have not appealed the requirement for an annual hearing. We have appealed evidentiary issues beneath that, but the requirement to appear at an annual hearing is in the agreement. We subscribe to that and every other provision of the agreement. In fact, you may convenient what our mediation questionnaire that says specifically that we are docketed for a hearing on September 14th of this year at 9:00 a.m., and the City intends to appear at that hearing. So, there's no question that we will appear at that annual hearing that is required. The only question that's before the mediation panel that is now taking place is the evidentiary question of what evidence has to be presented and how often.

Handelman: Mayor Hales, I'm glad you are mentioning this document, because you need to read that last paragraph on the first page which explicitly requests the judge's authority to order these hearings.

Hales: Not that hearing. Additional hearings.

Handelman: Well, that is not what it's questioning. It's questioning whether the judge --

Hales: We will get Ms. Osoinach up to clarify that.

Handelman: OK, but my point I don't think that is what the City is appealing. That is not what it says. In that sense, the City chose -- after community member said please choose a local person, because we need somebody on the ground -- we asked you to choose a local person and chose this team from Chicago, and now you're allocating 75,000 extra dollars to fly them in, which you wouldn't have to pay if you had chosen somebody local. And \$75,000 could pay for an extra investigator in IPR, a staff person for the CRC, or could fund Portland Copwatch for 12 years. So, that's a lot of money, from our point of view, to fly people in and out.

The implication -- or the only mention of the meetings your staff just told you is that there will be quarterly meetings. The COAB -- I think everybody is expecting them to meet

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at least monthly, with all the workload they have, and I'm hoping that Justice De Muniz is expected to chair those, too, because that is what the settlement agreement says. It should say expected to chair quarterly and any other meetings. You know, since that is being amended now, might as well amend it and say and any other meetings of the COAB.

The contract also says that it will terminate when the DOJ agrees that the City is in compliance. The settlement agreement says the City has to be fully in compliance for one year before it's done. I'm hoping the contract can be were then more clearly so that the COCL's job will continue for that year until the City is fully in compliance with the settlement agreement as written. Judge De Muniz's role -- it was promised to us by Council that he was going to be here three days a week. The contract now says two or three days a week for six months. And then after that, only one day a week. So, we're still not going to have real eyes and ears on the ground from this out-of-town COCL.

Finally, I just want to say as a member of the steering committee of the AMA coalition that the collaborative agreement between the City and AMA coalition says any efforts to weaken the settlement agreement we're going to oppose. And despite what you're saying that you think you're trying to appeal whether there's going to be more or whether what the terms are going to be of these hearings, this is a challenge to the judge's authority to hold hearings at all and you should just drop the appeal.

Hales: Thank you. JoAnn, welcome.

JoAnn Hardesty: Thank you. Good afternoon. For the record, I'm JoAnn Hardesty, and I'm here representing the AMA Coalition for Justice and Police Reform. Dan said a lot of what I wanted to say. One thing, however, that I want to put on the record is that I do not believe that a police officer should be overseeing the contract of the oversight of fixing what's wrong with Portland police. You may remember that the settlement agreement specifically made sure that the COCL did not work for any individual City Council member. In fact, the COCL works with the entire City Council, and it is inappropriate to have a police officer be the one deciding whether or not the contractors are doing their job that they have been hired to do. And so, I would hope that you would change that.

Fish: Who do you recommend, JoAnn?

Hardesty: I recommend the Auditor, which are set up to audit stuff -- as one example.

Hales: One, Ms. Wesson-Mitchell is a former police officer, not a police officer. And secondly, this is intended as a temporary arrangement until the staff person that was just described is hired.

Hardesty: And the Office of Neighborhood Involvement is where you expect that to be?

Hales: Mm-hmm.

Hardesty: I think it sets the wrong precedent. She may not be a police officer today but still has the opportunity to go back and be a police officer if she so desires.

Hales: Well, somebody has to administer this until such time as there's staff.

Hardesty: I bet the Auditor would be happy to help.

Hales: We can ask that question.

Hardesty: OK. I also agree with Dan in regard to having nobody on the ground on a regular basis that's actually engaging community members and what's going on with the police. Judge De Muniz -- six months? The contract is for five years. So, the fact that we're going to go from two to three days, which is wiggly, to one day a month I think is totally inappropriate for this contract. We need people on the ground engaging people where they are. That means where houseless people are, where grassroots, African American youth are handing out -- and I love Judge De Muniz, but I don't think he is a grassroots outreach person.

And so, who's going to be the liaison to make sure that real voices are included into this process? And I know we talked about putting a computer system in place, but again,

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that only works for people who have computers. It doesn't work for the rest of us. And so, it is important that when we put this system together that it is transparent and people who need to access it know how to access it. I'd hate to have a phone number that only gets answered once a week because Judge De Muniz isn't there the other days.

Fritz: Just as a point of information on that, that's the intent of the administrative assistant in the second ordinance. And I think that's a terrific suggestion about having some outreach experience that we can put that into the job description for that person. But certainly, the intent is that would be a full-time person who would be answering the phone in person.

Hardesty: Thank you, Commissioner Fritz. I appreciate that. There was one last point I was going to make -- the cost. I think what we're hearing is very fluffy numbers. So, I'm unclear if the \$75,000 is what's being paid to Dr. De Muniz or if that is the budget to put the office in place, the computer system in place, and hire staff.

Hales: I believe that's a not to exceed amount for travel expenses that's billed against and receipted against incrementally.

Hardesty: But if you look at the other page where it says subcontractors, I see Judge De Muniz receiving \$75,000 annually in this contract. And so that's why I'm confused. I thought there was \$75,000 for travel, and then another \$75,000 for Judge De Muniz.

Fritz: Which is part of the 240.

Hales: Within the 240.

Hardesty: Which is part of the 240.

Fritz: Right. And then there's the second 250 in the second ordinance for all of the support, the cable TV, the administrative assistant, the office space, those kinds of things.

Hardesty: Thank you. Because this document does not make that clear. It appeared differently. I heard the testimony, but it didn't match what I was reading.

Hales: We will get them back up on that point, too.

Fritz: I think that's a good point. I was quite concerned about the speed in which we're having to do all of this. It's required by the settlement, the DOJ has been accepting some feedback, but also definitely pushing us to continue doing things as fast as we can. So, I share the concern that there hasn't necessarily been the time available, as was shown by all of the typos that we had to get corrected. So, thank you, and we acknowledge that that's a valid concern.

Hardesty: Thank you. Last thing, but not least, I actually have something positive that I like about this contract.

Fish: Take as much time as you want. [laughter]

Hardesty: I want to appreciate Judge De Muniz going out to Rosewood Initiative and determining that he would set up an office in that community, because that is a community that desperately needs this kind of service right there. So, that is a wonderful, wonderful outcome of this contract. Thank you.

Hales: Thank you.

Handelman: I just wanted to note, Commissioner Fritz, that this is called an "ordinance" as well on the top of the page --

Fritz: I saw that in the draft and forgot to correct that, sorry.

Novick: Commissioner, I once filed a brief on behalf of the "Untied" States, so you have lots of company.

Hales: Welcome.

Jan Friedman: Thank you. I'm Jan Friedman, I'm a staff attorney with Disability Rights Oregon. We're also part of the Albina Ministerial Alliance. Bob Joondeph has been on the committee that chose the COCL and we're a member of the Portland Police Bureau Behavioral Health Unit advisory committee. And I'm here today with concern regarding this

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annual hearing before the judge and that that be something that be put in place and that it be put in place in perpetuity. There's a reason that people go before a neutral, impartial person, and I think the reasons for that exist in this situation. We have a situation where our clients, people with mental illness, were being victims of excessive use of force by the Portland Police Bureau. Now, that's a very serious matter, that's the reason the settlement agreement is in place, and I think it would be wrong to put this in the hands of anybody that is other than a totally impartial body. If Judge Simon is not serving that role, you have a different judge in that position, but you need people to go before the judge and you need not for the COCL to be brought at the request of the City, but for them to be required to be there. I'm not sure how the -- because the City shouldn't be involved. The COCL -- from my understanding -- at the outset of this, was a totally independent, free-floating entity that was there to ensure that the settlement agreement was actually going to take place as it should be, or to try to get things, you know, hey, things aren't going to go perfect, but we need to hear about it. We need to hear about it at least once a year in terms of how things are going. So, I think if there's any thought at removing that piece, that's a mistake and it's a mistake for our clients.

Our clients already have a large trust issue. There have been long periods of time as well as certain individuals who would never call the police because they're worried about their family member. They'd like them to live and have trouble rather than die potentially. So, I think we have obviously a very serious situation, and we need to have that impartial body. There's a reason why we have a judicial system, and it's to handle those very sorts of matters. And like juvenile dependency cases, there's periodic review to see what's happening with those children. And we don't have children, we have adults. We have children, we have citizens of Portland, but it's very important to keep that in place.

Fish: Jan, can I ask you a question?

Friedman: Yeah.

Fish: So, from the point of view of your clients, what do you expect to be accomplished through these annual reviews? So, what do you expect the judge to do and what do you view is the scope of the judge's authority?

Friedman: So, in terms of what the judge would do, the judge would sit and listen to the information that's related to the settlement agreement and get a read on how things are going and if anything is off or if something needs to be tinkered with or something needs to be changed. That is what the judge would be, would be listening and taking in that information, saying, it looks like we're not here on this. It looks like we're doing a good job on that. Looks like there could be a change on this. In terms of scope of authority, that's a harder question, and I'm not sure exactly what the scope of their authority would be, but I would think it would be at the very least to be the person who's an expert on the settlement agreement, who can take in the facts, and who can make a determination as to where we're at on that settlement agreement -- are we in compliance or not.

Fish: And just to clarify, in this matter, I'm a client and not a lawyer. So, I'm getting advice from the City Attorney's Office. And I have not been able to get from anybody clarity about what is the scope of the judge's authority. And I believe that is in part why the City has sought review of this issue to have someone tell them. And it's not an incidental thing.

The reason I ask you about what your client's expectations are -- if it's a hearing for the purpose of the judge taking evidence and saying, you know, I'll give you an A in this area, a B in this area, and this area needs work, that's one thing. But what if it's a hearing and in the end the judge says, OK, I don't think this is working, I'm going to direct that this agreement be changed and I'm going to do it even though JoAnn Hardesty doesn't agree with me because I have a view that it should be done differently. That's not an incidental

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question to ask what the scope of the authority is, because we are submitting to the jurisdiction of a court.

The analogy that you gave about protected person -- well, you've got a thick rule book that says -- you know exactly what the court's authority is because it's statutory, because there is case law. We're creating something. So, I just want -- I don't want to get lost in this discussion that the question of what is the scope of the judge's authority is something that the City sincerely wants to have clarified. And I suppose you can go to the judge and ask, or I suppose you can go to a reviewing court, or I suppose we can try to negotiate it, but I still haven't had someone explain to me what the scope is and I don't want either side going into this with false expectations.

Friedman: Right. I mean, it think it makes sense to know what the scope is. I don't think this is your standard proceeding before a judge. This is something different --

Fish: Yeah. No, I get it.

Friedman: -- because it comes from a settlement agreement. I don't think it is a bad idea to ask Judge Simon what he thinks and maybe everybody says, fine, that looks good.

Hardesty: If I might, Jan -- Commissioner, the judge was pretty clear that he has no authority to change the settlement agreement at all. The judge was really clear that what he wanted was a verbal report once a year, because he did not want to wait until year five when the City of Portland came in and said everything is lovely, and then have to review five years of data in that fifth year. I think the judge was really clear. He didn't hesitate at all in what he said he wanted.

Fish: And JoAnn, since you may be more current in some of this than I am, is that in writing or something the judge said in open court?

Hardesty: He said it in open court and as part of his statement on him accepting the settlement agreement under these conditions. So, yes, it's readily available.

Handelman: I should further that. He said, all I can do is ask questions. He was very clear about that.

Hardesty: Yes, he was.

Handelman: And the City Attorney has asked him that question in court and that is what he said, all I can do is ask questions.

Hardesty: He also said there would be no testimony, no cross-examination. I mean, the judge was really clear, so I don't know what the clarification issues are that you guys have.

******:** There aren't any.

Hales: We'll ask the City attorney to come up and tell us that. Thank you all.

Fish: Appreciate the discussion.

Friedman: So, there's a record of that proceeding. It is sounding familiar to me now. You guys have much better recollection of what he said. But get the record, because I think he did make it very clear that he wasn't going to jump in and do something to shake the whole thing up. He is really just trying to be helpful, right, and make sure that there is a marking point.

Fish: There may be a reason to shake it up, but I want to be respectful of the fact that we're not the only party.

Hardesty: Right.

Fish: And every inch of the way, there has been a concern about doing it a certain way. At the end, I'm reluctant -- conceptually reluctant to say we're going to make someone king for a day. It may be against the desires of one or more of the parties.

Hardesty: You may remember, the reason --

Fish: I probably don't but --

Hardesty: There was a day and a half at the fairness hearing where community members came and they made a compelling case to Judge Simon that we needed someone outside

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of the City of Portland looking at this review and these transformation of Portland Police. And because the buck stopped with him since he has the settlement agreement on his docket, people asked him, they want him involved. Your community said they didn't trust this City Council to do it on its own. And that's part of the public record as well.

Hales: OK, thank you. Since we're bearing down on this point, I think it would be useful to get Ms. Osoinach back up and maybe Ms. Prosper as well. But I think you, Ellen, are the authority on that process. Judy's gonna take a pass on that. And get you to do a better job than perhaps I did earlier of iterating why this issue needs to be appealed and clarified.

Osoinach: Yeah, I mean, I'm not sure I can put it much more clearly than Commissioner Fish did. The panel that was just up here is correct that Judge Simon -- the City, along with other parties, had repeatedly sought clarity from him about what the intended purpose of the hearings were, whether or not cross-examination would be allowed, whether or not anybody besides the COCL would be required to present evidence, whether or not the community would be able to participate, what exactly the hearings looked like.

Because I cannot stress enough that there is no other court in this country in this type of agreement where you have a case that was filed, dismissed pursuant to a settlement agreement. There is no other court that has ever convened periodic hearings in a dismissed case. So, this is not something where any applicable procedures are readily available to the parties or the court to fashion what these hearings are going to look like.

And it is absolutely correct -- and the parties have the record of the proceedings -- that Judge Simon gave indications from the bench about what he would like these hearings to look like. And so, what the City and the United States and the PPA did was to take those statements that Judge Simon had made and to transcribe them into a written document that had all of the limitations that he said that he thought were applicable, including the fact that he didn't have the authority to order the parties to do anything, that the hearing would not be evidentiary, that there would not be any cross-examination, that the COCL would be the person that was presenting information -- since it's an independent assessment -- that the COCL would be presenting information to the court and Judge Simon rejected that order. He did not enter in writing the limitations that he had orally suggested would be appropriate in the hearing. And so, it is entirely unclear in this very novel proceeding what the parties can expect.

And in particular, there is a legitimate concern that the compliance officer team is supposed to be an independent assessor, and so to have that person be subject to cross-examination from the City, the Portland Police Association, Albina Ministerial Alliance -- all of whom may have concerns and questions that can undermine the authority of the COCL -- is in direct conflict with the intent of the parties entering into the settlement agreement.

The Department of Justice is the monitor of this settlement agreement. As the United States Attorney said, that's a very unique arrangement. It is something -- and we created a Community Oversight Advisory Body to have maximum community input -- again, unprecedented in the country. And so, we took great care, painstaking detail as we crafted the settlement agreement to describe the various roles. And so, to have at the end an order that does not describe the role that the City invited, agreed that the judge should play on an annual basis is concerning.

Fish: Ellen, let me just push on this point a little bit. So, if we're not clear -- and you described what you view as the challenge, the problem -- what are the different options that we would have to clarify it? For example, can we go back to the judge and ask either for clarification or reconsideration? Number one. Number two, what can we accomplish through mediation and is the judge a party to that? And number three, what are the potential benefits of the appeal in terms of getting clarification?

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Osoinach: So, let me take those in order. In terms of what we might accomplish in mediation, I'm pleased --

Hales: First one was, could we just ask?

Osoinach: Could we just ask, that's right, yes. Thank you. First one, can we just ask? Because the case is dismissed, we were in an awkward procedural posture to file a motion for reconsideration. We don't want the judge to reconsider or undo the settlement agreement. The order he entered ordered that the settlement agreement as approved and an order of the court. We don't wish to have him reconsider that.

Fish: Couldn't we do it less formally and just send a letter? I mean, judges get letters all of the time, they're the nature of motions but without the formality.

Osoinach: We certainly thought of that in this case. Judge Simon -- probably rightly so -- has been reluctant to have that sort of informal communication with the parties. I think there is a level of public interest and involvement that probably militates against that kind of informal --

Fish: You made a judgment that that might not be the best route. What about the other two?

Osoinach: I'm pleased to report that the Ninth Circuit agreed with the City that mediation is appropriate in this case. We had requested mediation and we were granted that request, due in no small part to the fact that the United States and the Portland Police alliance were parties to the appeal, also agreed that they thought that mediation would be appropriate in this case. In terms of what we can expect from an outcome, what we hope is to be able to come to an agreement about what procedures should apply in this very novel hearing. And so, it's hard to predict exactly how we will communicate --

Fish: How would a voluntary agreement through mediation be binding on Judge Simon?

Osoinach: Well, I think we all anticipate -- let me say this. The Ninth Circuit mediation program is very robust, and the mediators are very creative. And so, we expect the mediators will be able to assist us in figuring out exactly the answer to your question, how might we craft an order that we can present to Judge Simon that will work for him? And us.

Fish: And the fallback is the appeal, is to have the Ninth Circuit rule on this.

Osoinach: Yes, that's correct. Again, that's not -- that's a bridge we'll have to cross when we come to it. That's certainly not the City's intent. We absolutely think -- as do the other parties -- that mediation is going to result in clarity that we need to go forward.

Fish: What's the reasonable timeline do you think under which mediation could either be successful or not?

Osoinach: Well, we have an in-person mediation session scheduled for February 23rd. So, quite soon. And again, I think our hope is that we will really dig in at that session and produce procedures that work for everybody, and then hopefully they work for Judge Simon.

Fish: Just remind us, if you would, when would be the earliest date that that annual hearing would be held before Judge Simon?

Osoinach: It's currently scheduled in mid-September of 2015. We have already indicated to the United States -- and Mayor Hales and Commissioner Fritz and other members of Council have repeatedly said we absolutely intend to appear at that hearing and the best evidence that of is that we did not seek a stay of Judge Simon's order.

Fish: Just to make sure I understand, we may in late February, early March be able to resolve this issue through mediation, which obviously is the best possible outcome because it's a voluntary agreement by the parties. If not, the council will have a chance to get briefed again on next steps. And in any event, the annual hearing isn't for many months down the road and we've made clear that we intend to fully participate in the hearing, correct?

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Osoinach: Exactly.

Fish: That's helpful for me.

Hales: Other questions for Ellen? There were questions raised by Mr. Handelman about the contract which I'm going to hold, because we may have other suggestions from folks that testify. I will Ms. Wesson-Mitchell and Ms. Prosper back up in the end for those questions. I was noting them as we went along. Other questions for Ellen? If not, then we'll take more public testimony, please. Good afternoon.

Chris Lowe: Good afternoon. My name is Chris Lowe. I'm here representing Portland Jobs with Justice, which is a labor community coalition for workers' rights and social justice in town. I was here in October urging you not to make the appeal that you voted to make.

I'm here today to urge you to withdraw that appeal. I'm doing it in relationship to the community COCL and issues of trust and making -- I'm assuming good faith on the part of you as individuals, but I also want to communicate to you that you are distrusted as an institution -- not you as individual City Councilors, but the City Council, which has a pattern of practice that has created distrust over the community over a number of decades and a number of personnel changes. So, if we assume that the best will to make this settlement be a path forward for improved policing and improved community trust, then I think that puts a different light on this appeal.

From my point of view, the COCL needs to have community trust. And if Judge Simon is in the process, then that strengthens the COCL, gives them both on the enforcement side about compliance and the community liaison side an extra tool that's going to help with the COAB to make the whole process more open, more transparent, bring people in, feel like it's more trusted. On the other hand, if you pursue this appeal, what you are doing is you're saying the institutional prerogatives of the City Council as an institution outweigh the questions of community trust to improve the policing and to make this whole thing work better.

Fish: Can I just ask you a question? Were you here for the exchange we just had with Ellen?

Lowe: Yes, I was.

Fish: I appreciate your testimony. But did you listen to that exchange?

Lowe: I did.

Fish: So, you're still framing this as a question of trust when you heard the lawyers explain to us there is still an open question which potentially negatively impacts all the parties? And you're framing it -- you may have a different view, sir, but you're framing that as a trust question, and none of the parties actually know what the scope of the judge's authority is?

*****: [inaudible]

Hales: Hey, hey, no, no --

Fish: You'll have your turn.

Lowe: Later in my testimony I was going to come back to exactly the question you are raising. I can try to do it now. I hope you will give me a little latitude on my three minutes.

Hales: Sure, please.

Lowe: What I heard was a very procedurally-oriented set of arguments, and one of the key issues here is the parties, right? So, one of the unusual features of this settlement is that there are three direct parties, the Department of Justice, City, and the Portland Police union, and there is the Albina Ministerial Alliance coalition, which is not a full party, but has been certain processes for engaging in it.

Now, the problem with the mediation procedure is that you might come to an agreement between yourselves and the police union and the Department of Justice, but the voice of the community that has been brought in through the Albina Ministerial Alliance coalition is not part of that mediation. And from my point of view, the question of other

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kinds of negotiation ought to be out there as well. Have the City sit down with the Department of Justice -- in a more informal kind of way, not a formal Ninth district mediation process, but say, OK, how can we -- you know, what are the things that we really need to have clarified and how could we define that in a way? And then take that to the judge. And I think that the legalism of all of this is why I'm raising it as a trust issue.

And I'm also raising it as a political issue and trust issue for you to think about. I understand the arguments, but what I see coming down the road is that a perception, potential perception that -- what I understand Judge Simon to be basically doing with what he came up with is being a backstop against evasion. Right? So I've heard testimony before this Council from the Police Bureau that they have moved something on 80% of the issues under the settlement. OK, that's fine. But what's the quality of the reporting? And that's my understanding really of what Judge Simon would be intervening is -- what's the quality of the reporting if --

Fritz: Excuse me -- and you are not being timed at all and I appreciate the discussion -- how is that different from what the COCL and COAB are doing? Isn't that primarily their responsibility of the COCL and the COAB to look at what the police are doing?

Lowe: It's a backstop against -- we hope this process of the COCL and the COAB will produce community trust. If the COCL somehow ends up becoming a body where the way that -- you know, they're doing a minimal rather than robust compliance attitude, which has been the attitude of the City in many instances in the past --

Hales: This isn't the City, this is an independent body. The COCL and COAB independent body, funded by but not controlled by the City.

Lowe: Your understanding of the implications of where funding comes from is a bit different than mine --

Hales: Unless the Department of Justice wants to fund them, we have to fund --

Lowe: I understand that. Again, I'm coming back to the question of, what is the goal here? If the goal is to improve community policing and restore trust -- if that's the overall goal of the settlement -- which I believe I heard Commissioner Fritz in particular, and others of you say, you know, we want this to work. We're trying to make this work. That's why we entered into a settlement. That's why we're doing this unusual thing with the Department of Justice. If that's really your goal, then don't get narrow about it at the last minute.

Fritz: We're just trying to make sure that the COCL and COAB are those who have the most authority to say whether or not the police are doing what is required by the settlement. That's where the majority of the citizens' effort needs to be put. That's where the quarterly town halls taking input and the reporting --

Lowe: And I hope that all works out. But if the COCL ends up exercising its authority -- and the fact that they're outside of the community, you know, and has has been pointed out, Judge De Muniz has some respect but he is not engaged at that kind of community level -- that choice also affects this trust issue. So, you know this isn't -- in terms of voting on your contract today, it's probably not relevant.

I'm just trying to take this opportunity because the COCL and the COAB are at the focus of it, to really urge you to rethink how you're looking at this appeal, and think about whether there's better ways to get the information that you want to get about what needs to be provided and what doesn't that don't look like they're putting your institutional prerogative above the trust goals of the whole process. That's really the burden of my testimony.

Novick: This is a probably a legalistic point, but generally in the judicial system, you have one party suing another and the judge is sort of a referee of that dispute. And in this case, it is not just the COCL and COAB, it's the Department of Justice which is the other party that you would expect to be monitoring and seeing if we're complying with the agreement.

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And the concern I have about the judge's role is we don't want to get into a situation where -- if in a criminal proceeding, the prosecutor brought charges against the defendant and asked for life without parole, you wouldn't want a judge saying no, no, no, you are not asking for enough, you should get the death penalty. It's not the judge's role to take substantive positions like that generally.

Lowe: I don't believe -- my understanding -- is that is what is at stake in the judge's role, I think that what is at stake is the quality of the information that is before the public about compliance. So, building trust requires good information, requires transparent information, requires demonstrating that steps have been taken.

I think that Judge -- my expectation, my best expectation would be that the COCL will do a fine job. The COAB will support them. The reports that come in will be good and strong and robust in those ways, and Judge Simon will say, hey, yeah, that looks good. But if it should come out that the information is being obscured, that things are being -- people believe things are being misrepresented, I think that there is -- having him in the process creates an opportunity to prevent a kind of distrust cycle again.

And I appreciate what you say about the way that the adversarial legal system usually works, but, you know, we're also sitting here hearing testimony from the U.S. Attorney saying this is unusual, and from the City attorney saying this is unusual. This isn't a usual adversarial thing. There is cooperation going on. I have heard from you, saying we want this to be a robust process that really builds trust.

And I think you have to choose between those goals. Is your goal ultimately to use this process to change the relationships in the City and improve them and let go of the technical stuff, or is your goal to make sure that you're dotting every I and T of what your rights are in the process? So, again, that's my testimony.

Hales: Thank you. Next.

Michael Mea: I think I can stand.

Hales: State your name.

Meo: My name is Meo, first name Michael. I live at 2925 NE Weidler. And I have been listening to things I utterly deny. It doesn't matter all of these details. There is a simple and straightforward way you protect against brutal policemen. It's the same straightforward way we protect against incompetent doctors. It's the same straightforward way I as a teacher am fired if I start playing around with my girls in my classroom. Of course, I ought to have taught that to the last Mayor. Look here, the way we get rid of the -- the way we have police accountability is to fire people who are brutal to our citizens, and you're not doing that. And until you make that easier, until you do something in that direction, I'm going to continue to starve myself to death on your doorstep.

Hales: Welcome.

Nancy Newell: I support all of the testimony that's already been provided. And I don't understand why we're hiring an outside firm because we have a very unique program at Portland State University, peaceful conflict resolution, Master's program. We have the capability -- it's not just what exists under the law, because we know law has not served its purposes and we have some major crises across the country and in the city. And to address that requires a form of language that people understand in their own community, and I would object to hiring an outside firm. And not only for the expense, because so much of that money can be used directly in the community that could solve some of the problems so immediately, you know, regardless of what the judge says, we could be a model, too, in that sense. Not just in what we're trying to do here, but the fact that huge mistakes have been made. Tragic mistakes have been made, and it's an opportunity for everybody to do the best they can to correct that immediately.

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One example is Street Roots, a tremendous operation, and they came out with a story that prisoners are now charged for phone calls. We have a profiteering industry in this city and state and you should be making statements constantly to rebuild trust in the community. Because the reactions of people, someone said, well, you know, this fellow was doing awful things in Missouri and now everybody is up in arms here, what is this all about? Well, it is about stop and frisk, a whole mentality of you are no longer a human being. How do we change that in our community? We don't need a judge to tell us how to do that. We're human beings. We operate from the concept that we have a peaceful conflict resolution we can use the language, use the language, use the ability to build the trust, go into the communities.

And I don't agree with some of the way the funds are being used in this contract. I agree that you should remove your appeal, namely because the people believe that they've got a process that can work. And how is it that you're gaining through that appeal if you can direct questions through the judge and you can get clarification in other ways. I have seen in my own experience on closing nuclear plants, it's amazing what people can do when they sit down in a room and talk. We are going to close another nuclear plant, by the way. I would put in a high recommendation of better efforts from that direction.

Hales: Thank you. Thanks very much. Welcome. Good afternoon.

Myrlaviani Rivier: Good afternoon. I'm Myrlaviani Rivier, I was born and raised in Portland, Oregon. I appreciate all of your guys' work. One of the main things or the main take-away that I get from today is that there is a lot of narrowing in the process. I understand that the City Attorney's Office has to narrow or make understandable the scope of the judge. The difficulty with that is that you're dealing with a community that historically has felt shut out. And I think that when they hear that you all are appealing, this sends another message of distance. And I wish there was a way that people could get together and get creative and figure out problems without the -- no offense -- without the attorneys involved. I think that is possible. But I also understand that we have to deal with the police brutality here.

So, it's a real difficult position to finagle. I hope that it gets cleared out easily. At the same time, I wish there was a way that creatively some people could get together on both sides of the aisle, and figure out a solution where trust could be built. I don't know how at this time. Maybe by 7 o'clock tonight I could figure it out, but right now, I don't have anything in mind. But I see a real narrowing and I understand that it has to be defined -- intellectually I understand that. But I'm concerned about the community still even after all of these years. So, thank you for your time.

Hales: Thank you.

Rivier: And that's a lot of money. I bet you I could do the same work for 18% of that 250 or the 1.575.

Hales: Thank you. Mr. Stylzes, welcome.

King Bishop Stylze: King Bishop Stylze here representing the three kings of Portland. I don't want to take up too much time. I just agree with a lot of things that have been said. And in reference to the -- I do have a meeting with your office coming up soon with suggested solutions in how people can get together and bridge this gap. So, thank you very much for your time. I appreciate your work.

Hales: Thank you for your advocacy. Thank you. Welcome.

Robert Walter: Hello, this is my first time speaking.

Hales: Give us your name, that's all.

Walker: I'm Robert Walker. I represent random individuals for justice and I believe that we should reconsider the appeal. Not just as one Council, but how it would benefit the whole

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city and anyone outside of the city who might be watching this, we've got to -- we have to rethink the message that we're trying to send. That's all I have to say.

Hales: Appreciate it. Thank you, thank you very much. Mr. Walsh, come on up, I believe you're first.

Joe Walsh: My name is Joe Walsh, I represent individuals for justice. One of the few times you had me thoroughly confused. It seems that Commissioner Fish indicated that he would prefer mediation. Well, mediation -- from what I understand, and I just kind of ask some of these questions now as part of the appeal process. So, you have to go to the Ninth Circuit and file the appeal in order to get mediation. That was not clear from Commissioner Fish's statement. So, I think the people watching this would be a little confused at saying, gee, why don't we just go to mediation, or why don't we just send a letter to the judge and say would you clarify this stuff? That seems easy to us civilians, but that's not the process. The process is you are appealing a federal judge's decision to the Ninth Circuit Court of Appeals. That's what you're doing. You're going to spend a lot of money doing it, and in the hopes of the City attorney testifying here today that maybe we can get mediation out of it. To a civilian I would think that that is totally confusing.

So, we're saying to you, look, this judge is saying on the record, he has no authority to change the agreement. We all know that. It's on the record. I was there. I heard him say it five times. He kept saying it over and over again. I have no authority to change this agreement. All I'm asking for is that the City to come before me and answer some questions. That's it. If he doesn't like the answers, he's got no power to do anything. All he's doing is forcing the City on the record and an embarrassment to the Department of Justice in the hope that the Department of Justice will get off of their asses and do something. That's what he's hoping. By bringing you guys before him, he's hoping -- hoping, not demanding, not dictating -- he's saying, I'm hoping that the City does the right thing and straightens out this police department.

Every city in the United States now is going through this at one stage or the other. There is something very wrong with our police department. And it's an attitude. And if you don't like -- if you don't believe what I'm telling you, just return his statements. That's the attitude of your police department. Thank you.

Hales: Thank you. Welcome.

Byron Tennant: Hi. Thank you. My name is Byron Tennant, I am a Portland resident. With trepidation, I come here to name myself as someone who may be a candidate to participate on the COAB.

Hales: No trepidation, glad you volunteered.

Tennant: Unfortunately, it is very unclear today what the roles, rights, responsibilities of the COAB will be. I've got the frequently asked questions here that I have printed out. It looks like we're guaranteed the right to report to the public and to take questions from the public. And beyond that, it's very uncertain. It seems like a very big ask for us to apply for two years with this process -- I think we can all see -- still developing here. I see the neighborhood coalition, non-profit organizations can nominate one candidate. I have experienced technical problems with doing this in a timely fashion during this week just after the Christmas holiday -- all holidays. Can anyone name current participants on the COAB? I've heard one name come out. Is there anyone in addition to that one name who is currently -- when was the application for COAB widely circulated? Is there a date that --

Hales: By this Friday.

Fritz: I'll answer all the questions -- I'm writing down --

Tennant: Is there a date? When was the earliest date that COAB participants could have applied -- is one thing that I'm curious about. This seems to be happening very quickly, and I understand the importance and how much gravity there is to this. I want to

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emphasize that this is more than just problem of the police, more than just a problem of the City, this is really the community at large, and I want to make sure that we can involve the community in a meaningful way and ensure that we get the best participants on this COAB with the assumption that the role of the COAB will be very important in this going forward. So, I really want to urge Portland City Council to resolve in the year 2015 to make very clear from the beginning what public involvement is going to look like. And when we're making this big of an ask for this big of a two-year commitment, I think the importance cannot be denied. Thank you.

Hales: Thank you very much. Do you want to address some of those questions?

Fritz: Yes. Thank you so much for asking these questions, because it allows us to tell everyone at home watching on cable about the process. The application was posted on December 11th and it's open until this coming Friday, January 9th. It's the -- the application process is a little different than what is outlined in the settlement, and that was agreed to by the Department of Justice and the parties.

So, there's no longer an option to go to the neighborhood coalitions and for them to nominate, and there isn't going to be a public meeting, either. What the process is is that the Human Rights Commission and the Commission on Disability chairs choose five candidates with experience -- either lived or professional -- with mental health care. And then there is five at-large positions which a selection committee of community members will make the choices.

So, Commissioner Fish had previously referred to his candidate. In each case, it's -- the identified choosers get to make the choices. The council doesn't have to pass judgment on any of them except for the ones that we individually appoint. So, the Commission on Disability and the Human Rights Commission choose five, five at-large members are chosen by this collection committee of some 20-some different leaders of community organizations like the Urban League, NAYA, and NAMI, mental health care folks -- there's a number of different once. The same application form, though, is good for all of these different three sets of five.

The last five are chosen one each by each member of the council. Commissioner Fish announced ahead of time that his selection is former Senator Avel Gordly, and he did that in part to let folks know that somebody with amazing community stature both as a political leader and somebody who has a family member with mental health experience is very, very interested in being on this committee so that it is worth people's time.

The actual -- what the committee is going to do is not spelled out quite so -- in such detail in the settlement agreement, in part because the committee gets to decide what you want to do. They do hold town halls to hear from citizens. They work with the COCL to oversee the different -- multiple paragraphs in the settlement agreement have things that the police and the City are supposed to do. And so, the advisory board will be working with the COCL to say whether or not that was done. So, when the police say that there is over 80 different items that they have started work on or completed, the COAB or COCL are the ones who will check, yes, that is done or, no, this is not done. So, it's hugely important. Did I cover all of the questions that you asked?

Tennant: I'm not sure if I asked specifically, but can any nonprofit nominate a --

Fritz: No, nobody needs to be nominated. Anybody can self-nominate. You don't have to go to a nonprofit to nominate somebody.

Tennant: Right, let's say a nonprofit neighborhood association wants to nominate one person for COAB.

Fritz: That person just fills out an application form and sends it in.

Tennant: OK.

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Fritz: There's no requirement for anybody to nominate you -- there's no requirement actually for showing community support, although you can put that in your application. If you do have support of different organizations, you can put that in your application, but it is not required.

Tennant: And so, the requirement is basically to have been self-caring for mental illness for 10 years, or care for another individual --

Fritz: That's for the five that are selected by the Commission on Disability and the Human Rights Commission. For the five at large, there's no requirement for any mental health experience.

Tennant: I think three will be selected by the Human Rights Commission and the other organization you just mentioned.

Fritz: It's actually five. The Human Rights Commission and the Commission on Disability each get to actually select from their own members one representative and then they have three other representatives that they choose from the applications that come in.

Hales: That's the three you are talking about, right?

Fritz: There's five all together that are appointed by the Commission on Disability and Human Rights Commission.

Tennant: I hope you'll forgive some lingering confusion. Is there any date that we can expect to see nominees from the rest of the kind of one to one nomination processes?

Fritz: All of the application forms need to be submitted by this Friday at 5 o'clock.

Hales: But the rest of the nominations after that are on a schedule.

Fritz: No --

Hales: They're on a rough schedule --

Fritz: Well, the selection committee will be meeting later this month to choose their five at-large members, and then the day after, the Council will announce our appointees.

Hales: 22nd and 23rd. So, there is a schedule mapped out for that process to take place. It could go a little longer but intended to be within those parameters. So, it's gonna happen pretty fast, in other words.

Fritz: And there won't -- the public meeting where the selection committee makes its choices will be open to the public, but there will not be a requirement to get 50 signatures to support your nomination. There won't be any formal presentation from the candidates to the committee. It will be --

Tennant: I'm sorry, I'm still confused. I printed out this frequently asked questions on Monday, and so it's different actually from what's printed here. So, anyone can self-nominate for a COAB.

Fritz: Correct.

Tennant: OK.

Fritz: And Deanna Wesson-Mitchell, who is in the turquoise blazer behind you -- she can walk you through it if you have any further questions. I appreciate you asking these questions because I'm sure a lot of folks at home are also asking them. The key point is, go to the web site, Portlandonline.com, go to my web site, a link to the application form. If there's any questions, Jasmine in my office will be more than happy to answer questions on the phone or help folks --

Tennant: Is there any possibility of extending the application date past Friday?

Fritz: We were hoping so, but that is the point where the Department of Justice said no, we need to say to the schedule. I don't believe that we're going to be able to extend that schedule.

Tennant: Thank you.

Fritz: Thank you.

Hales: Thank you. Thanks for applying. Good afternoon.

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Leanne Serbulo: My name is Leanne Serbulo, I'm a professor at Portland State University and I'm before you today to urge you to rescind your appeal to Judge Michael Simon. I coauthored with my PSU colleague Dr. Karen Gibson an Oregon Historical Quarterly article which was titled Black and Blue. It's a study of the history of police and African American community relations in the city of Portland from 1964 until 1985. Our article won the Joel Palmer Award for the best Oregon Historical Quarterly article published in 2013, and I brought copies for you to read today.

The article tells the story of a civil rights struggle to reform the Portland Police, and this is also a story of a cycle of reform and backlash. Every time the Black community pushed for reforms, their efforts were met with resistance from both the police department and also from the City. It is often said that the purpose of studying history is to not repeat the mistakes of the past, and the main conclusion that we drew in our article was that police reform was most successful here in Portland when the City was held accountable by an outside agency. I'll give you an example.

In 1969, Robert Probasco and 13 other Black Portlanders living in the Albina District filed a civil rights lawsuit against the City, Mayor, Council, Police Chief, and 33 officers. Mr. Probasco had been stopped at a police road block that was set up in his neighborhood. The police pulled him out of the truck, drew a gun on him, put a gun to his passenger's head, and searched the truck without his consent. Each of the 13 other defendants similar experiences. The lawsuit ended in 1971 with a consent decree where the City admitted to no wrongdoing but agreed to implement a long list of policy changes, including prohibiting police from epithets, educating officers on search and seizure laws, requiring officers to wear name badges, banning the use of shot-filled sap gloves and leaded batons, implementing affirmative action hiring policies, and establishing a process so citizens could file complaints against the police.

The signing of the Probasco decree led to the establishment of the Internal Affairs division, the hiring of a reformist chief and the first efforts to diversify the Portland police force. These reforms most likely would not have been made at that time had it not been for the consent decree. It took an outside agency -- in this case, the U.S. district courts -- to force the reforms. While the decree inspired some significant change in the Portland Police Bureau, many of these reforms had little effect. Ten years later, Internal Affairs had rarely sustained any citizen complaints, and the bureau remained 97% white. Why were these reforms so ineffective? No outside agency was holding the City accountable for implementing these reforms.

By 1991, 10 years later, despite the promise of the Probasco decree, African Americans' civil rights continued to be violated by the Portland Police. This is the year of the infamous possum incident. That same year, two women filed civil rights lawsuits against the City and the Portland Police. They had been pulled over by the police on separate occasions and both had been subjected to racist taunts, beaten, and arrested. Their lawyers argued if the City had fully complied with the Probasco decree, their clients would never have been pulled over, harassed, or beaten. There were a number of other unfortunate incidents that may have been avoided if the Probasco decree had been fully implemented.

In 1979, it was discovered that the officers in the special investigations division were routinely engaging in illegal searches and seizures of narcotics. This scandal led to the release of dozens of convicted drug dealers, including Robert Jack Christopher, who had killed a Portland Police Officer Dave Crowther during an illegal drug raid. Had the City fully complied with the Probasco decree, especially the section on training officers in the proper use of search and seizure, lives may have been saved, including in this case the life of a Portland police officer. Had the City fully complied with the Probasco decree and

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established racial sensitivity training for its officers, then perhaps Tony Stevenson, Keaton Otis, Kendra James, James Jahar Perez, Jose Mejia Poot, or Aaron Campbell would be alive today. Had the City fully complied with the Probasco decree by establishing an effective citizen complaint process where officers repeatedly use excessive force were disciplined for their actions, then maybe James Chasse might still be alive today. Why didn't the City fully comply with the Probasco decree?

Hales: I want to ask you to try to wrap up, you're past your time.

Serbulo: Oh. No one was holding them accountable. After the reformist chief retired, the police union filed lawsuits opposing reforms and rank and file officers sneered at Internal Affairs. A backlash came, and it became easy to ignore this decree because no one was holding the City accountable.

The mayor and Council today have assured us that they intend to fully comply with the Department of Justice settlement, and that this is no need for Judge Simon's oversight. The community, they say, should trust the City. While the mayor and the council are well-intentioned, we should not forget that the reforms that are outlined in the DOJ settlement were not initiated by the City. These are changes that the City was forced to make because the DOJ, an outside agency, found that the Portland police routinely and systematically violated the civil rights of people with mental illness and those perceived to be mentally ill.

As we've seen throughout our city's history, it takes the intervention of an outside agency to get police reform in Portland. If the mayor and Council are serious about improving police community relations -- which I believe you are -- then we should embrace Judge Simon's annual review hearings. If reforms are truly being made, these hearings would provide an opportunity for the City to highlight their efforts, and to repair the lack of trust that exists between our communities and the Portland Police Bureau. If the judge finds that these reforms -- like many that have come before them -- are being held up or resisted by elements opposed to change, then the mayor and Council would have an ally in assuring these reforms get made.

And finally, if there's some failure to comply with the settlement order, than this would be an outside agency that could ensure that even there is a backlash, these reforms still get made. So, Mr. Mayor, members of the Council, please heed the lessons of history, rescind your lawsuit, and let's not make the mistakes of the past.

Hales: Thank you. Any others?

Moore-Love: The last one who signed up is Charles Johnson.

Hales: Good afternoon.

Charles Johnson: Good morning, Commissioner. I do want to apologize -- for the record, my name is Charles Johnson. I did have an outburst. Mr. Fish and Chris Lowe were having their effort to understand the importance of respecting the hurt and distrust the community has versus the priority of legal minutia. And I know Commissioner Fish -- his heart is on the side of making sure that every member of this community can have more trust and more respect for the police, but he also is infected by some law school training or something like that, but we forgive him.

You have to weigh things. The fact is that the Albina Ministerial coalition, Dr. Haynes was out front, and in the end, we didn't vote for you because -- those that law degrees -- I see the parking guys are absent. It's a slap in the face to the community. A Human Rights Commissioner resigned because the perception in the community is that you're not looking for the maximum leverage to make the maximum improvement in the Portland police department. I hope that you will be as courageous and even more courageous than Mayor Bill de Blasio in New York, and risk having the police turn their back on you.

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The simple truth is that too much harm happens to ordinary citizens, and the collection of alphabet soup is not very reassuring to really anyone. Some people who are professionally entrenched and have salaries and have to do political dances to protect their paychecks are happy to get up here and say, ah, COCL and COAB, yay, justice -- but there's a lot of distrust. I hope the new Police Chief O'Dea and yourself, Mayor, will be more engaged with the communities.

Even though I understand the procedural aspect that we're setting up an independent body, just as the Federal Reserve is somewhat independent supposedly, and the Social Security Administration is independent, we hope that the COCL and the COAB will work only with the good of the community in mind. I hope that in the next few months, regardless whether you stop -- and the best way to build that trust would be to simply tell the City Attorney's Office, whatever you do in mediation today is not as important as us reaching out to the community and withdrawing the appeal. It's also very cost-effective.

I hope you will deliberate on that suggestion and even if you don't have the wisdom to follow that suggestion, which has been offered in beautiful testimony by Chris Lowe and the woman just before me, that if you are stiff necked and hard-headed and persist with this appeal, you will also take concrete visible steps to be in the communities that are essentially offended and insulted by your choice. Thank you.

Hales: Thank you. Anyone else? I have questions for staff, so Judy in particular, and maybe you also, Deanna, and come up Ellen. There may be questions for all three of you. Mr. Handelman raised a couple of issues that I want to get clarification on, and that is quarterly meetings versus more often, how is the contract set up to address that issue?

Prosper: Sure. The contract, first of all, speaks to the settlement agreement. So, whatever's required by the settlement agreement must take place under the contract. Because the COAB is not yet seated, we wanted to be able to give them maximum flexibility, so we only scheduled -- they haven't even been scheduled with dates. We only speak to the quarterly COAB meetings, because the other ones -- at whatever rate or instance that they are going to happen -- are unknown. Since the COCL is to chair the meeting, presumably all the COAB meetings that will take place, once it's formed and they decide, they will be there to chair them, and Justice De Muniz will be there to chair those meetings.

Hales: So when the Community Outreach Advisory Board is impaneled and they begin to meet, they say we will have to meet every month for the next year, that's their decision?

Prosper: That should be their decision. It would have to be minimally quarterly. But they decide how much more frequently --

Hales: But more often than required by the agreement --

Prosper: Yes, more frequently. And given how much work Ellen said, they will probably going to meet much more frequently.

Hales: A likely scenario. The COAB is required to chair the meeting.

Prosper: The COCL is required to chair the COAB meetings.

Hales: Right, sorry. The Community Outreach Community Liaison or team is required to chair that meeting?

Prosper: Yes. The meetings can't happen without the chair.

Hales: Regardless of how many meetings the board or committee decides to have, the contractor will chair that meeting.

Prosper: Yes.

Hales: OK, just wanted to get that clear. What about this question of, does the agreement with the COCL persist one year after the Department of Justice finds the City in compliance? Or does it expire immediately upon the Department of Justice finding the City in compliance?

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Prosper: We didn't address that nuance specifically in the contract, but that is something we can speak to the Rosenbaum team about and make an amendment, if necessary.

Osoinach: I would say, as usual, Mr. Handelman is -- he's very good and detailed. And actually I really appreciated him pointing that out, because it's true, technically it's supposed to say when the DOJ determines that we've been in substantial compliance for a year. So I think will probably make that change, and it's not a substantive change but it's a good one.

Hales: OK, so we can make that amendment -- I believe we should act on this contract today but have an understanding that we may make that amendment in a timely way.

Fritz: Can we vote to tell you to make that amendment?

Osoinach: The ordinance itself says you're authorizing the City to enter into a contract that's substantially similar to that one. So, I can accept that direction.

Hales: It might be the sense of the council we want you to make that direction because we think you got it right.

Osoinach: Yes.

Hales: OK. Those were my points about the contract that Mr. Handelman raised. The administrative assistant -- I almost laughed when your involvement was criticized, Deanna, because I know how much you wanted extra work. But it's our intention for you to provide the administrative support for the COAB until such time the administrative assistant is hired. Is that right?

Wesson-Mitchell: Yes, I'm actually hoping to enlist the assistance of some of our interns to make sure that we can get everything that they need going until we have the admin.

Hales: We're going to do contract administration out of our office until such time that there's a staff person?

Wesson-Mitchell: I think the question about the program manager or contract manager -- I will continue to be approving the travel authorization forms and reimbursement part. That's the extent of my involvement there.

Hales: Right, you have to do that as the contract manager.

Fish: Mayor, I appreciate this hearing has a very specific focus. You've given people wide latitude to bring up other issues, and they're important issues. I guess, Ellen, I would like a commitment that after the mediation you come back and brief Council individually as to the status of that proceeding, and next steps, just so we can be full partners in making the next decision.

Osoinach: Absolutely. I appreciate that direction and involvement.

Hales: And could you address the concern raised by someone earlier that there could be some agreement reached in mediation that is not acceptable to all the parties? The comment was that the Albina Ministerial Alliance and potentially other parties may not be in accord with whatever is agreed to.

Osoinach: When the Albina Ministerial Alliance first filed its motion to intervene in federal court, the City's position was we did not object to Judge Simon exercising his discretion to grant them fully party status. Judge Simon declined to do that and instead made them amicus rather than an intervener defendant. He did make the Portland Police Association an intervener defender. The consequence of that is that they do not have a right to appeal. And so, they are not parties to the appeal and the mediation that is resulting from the appeal. So, to the extent that they would object to an order -- that certainly wouldn't be our intent. But the intent of the mediation is for the three parties that are actual parties to the appeal to come up with processes and procedures since they are the ones that are subject to Judge Simon's order.

Fish: What's the informal way you intend to bring other interested parties like the AMA into the decision-making process?

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Osoinach: I think we would look to you all for your guidance as to how you would like to for that to happen.

Hales: Other questions, concerns, follow-up items? I think we captured the ones I had notes about. Good, thank you all very much. Unless there's further discussion, then we should take roll call on the first of these ordinances. Roll call on item 40 as amended.

Fritz: Is Justice De Muniz still here?

Fish: He left.

Hales: He was here for a while. We should take a roll call on Item 40 as amended.

Item 40 Roll.

Fritz: Well, there have been references to a number of police issues across the country, and I was struck by the difference between what we're doing here today and what we have been doing in this settlement agreement, and what I've seen on television with New York police officers turning their backs on their Commissioner and on their Mayor. Here, we have acknowledged that we have not met the expectations of our community and we want to do better and we want to keep people safe and that we are approaching this in a collaborative manner with a settlement agreement where now the three parties are committing to work together. And we are hiring an outside oversight compliance officer to be the entity that says whether or not the City is complying and has met its goals, whether the Police Bureau is meeting those goals.

And so, I want to make it very clear that the COCL and the COAB are the oversight for the City Council. They are going to be providing multiple opportunities for community input, and that's where the first line of community members who are satisfied or dissatisfied with what the Police Bureau is doing and has done -- that's where people need to go first. I hope people will not wait until September to go talk to Judge Simon before engaging in this whole process.

I'm very encouraged that we have over 50 applications for the Community Oversight Advisory Board already. I was thinking we would not get very many until the last day because I'm a procrastinator, I don't get things in until the deadline. So, I hope that we get double that. It's amazing that we have so many people in our community, so many great people who are willing to step up to do a highly visible and highly complex and very time-consuming task. The expectation is probably six to 10 hours a month at least for members of this advisory board. I appreciate that we're going to have a selection committee and the Human Rights Commission and the Commission on Disability who will be selecting 10 of the 15 community members. That is again a good process.

So, I'm hopeful and also worried. We do need to continue to work very, very hard, and I appreciate the engagement of folks who took time to come in today on a Wednesday afternoon to tell us your concerns, to point out the things that need to be done. And I appreciate the work of the Mayor's Office and of the City Attorney's Office, as well as the willingness of the Office of Neighborhood Involvement to be a part of this process. Aye.

Fish: Mayor, I appreciate the conversation we've had today. And on the issue before us, Commissioner Fritz and I tag-teamed a meeting with all the teams, the people auditioning for the COCL position. We both concluded that the Rosenbaum and Watson team was the strongest. I have a lot of confidence in Justice De Muniz as a member of this team.

And to those who are concerned with the independence of this body, I hope my nominee of Avel Gordly signals that there really is a sincere effort and desire on the part of this Council to appoint people of conscience with credibility in the community who we can count on to do what they think is right, and not to do the bidding of this Council. So, I appreciate the discussion and I appreciate the work of staff in addressing questions that came up and hammering out this contract. Aye.

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Novick: I really appreciate the Mayor's and Commissioner Fritz's work on this issue. I appreciate Commissioner Fish's inspired choice of Avel Gordly as a COAB representative. I appreciate the hard work of everybody in the community over the period of years that have brought us to this point. I appreciate the work of all the City staff that have working on this. And I'm really looking forward to the next year when the COCL and the COAB can start COCL-ing and COAB-ing up a storm. Aye.

Hales: Some of you that have been in my office know that I'm a neat desk guy. There are messy desk people and neat desk people, and they both find ways to function in the world, and I'm one of those people that function best when my desk is relatively clean. And there's occasionally a calendar sitting on it, and maybe my iPad. And there's one document never leaves my desk, even though most of that desk is glass surfaced, and that is the Department of Justice settlement. And it's in a white binder and it's all marked up, and there are post-it notes and tabs sticking out. And it's there not just for symbolic reasons, but because it's really important and it's really long and it's really detailed and it's only partially implemented. There's part of it we're doing well, there's part of it we that haven't done yet, and all of it needs to be monitored by the United States Department of Justice and reported to the judge annually as the agreement requires.

I'm very heartened about some of the progress that we've made in implementing this agreement. Because of course the Police Bureau started implementing this agreement before it was finalized -- before it was approved, and that was the right thing to do. And I see already the results of some of that progress in what happens every day and every night in the City. I get these daily situation reports from the Police Bureau. One of the first ones this year -- I believe January 4th -- was a report of one of our officers heroically ending a suicide attempt and getting a citizen to treatment who was in a mental health crisis. That's not unusual. It's probably unusual that it took four days for the first one to show up, because it happens almost every day. I'm very proud of that work, I'm proud of that officer, and that's what we have a right to expect under this agreement and just the expectation that our police officers are there to help people. And that is my expectation --

*****: [inaudible]

Hales: Please don't interrupt me --

*****: [indistinguishable] the hospital every day -- I hear them -- [indistinguishable]

Hales: Go, please.

*****: [indistinguishable]

Hales: So it's our job to help people, and I see it happening. It needs to happen more. Now, there are pieces of that agreement that we've made no progress as yet. We do not yet have a facility where our police officers can take people who are in mental health crisis other than an emergency room or a jail.

The Department of Justice agreement specifically calls out for the City and its partners -- the state of Oregon and Multnomah County and the private health care system -- to put that facility into operation. You will hear a lot from me and this Council about the need to get on with that and get that work done, because that's a critical piece of the system. We are not responding with the right vehicle and we're not taking people to the right facility, even if the officers are doing a better job of handling people in mental health crisis.

So, I'm fervent about this agreement. You will see the Police Bureau continue to over-comply with its requirements. Base compliance is not good enough, we're going to over comply because that's again what the community has a right to expect. This piece of having an independent Compliance Officer and Community Liaison with people who are eminently qualified nationally and eminently credible locally of doing this important work, independent of the direction and control of the Portland City Council is a very important

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part of this agreement. I'm very proud of the work that our City Attorney's Office and my staff have done to get this before the council in a timely way. I'm very happy to approve this contract. Aye.

Hales: Second item, please.

Item 41 Roll.

Fritz: I'm really proud to be working on this with our community. We have a chance to do better, and we must take it. Aye.

Fish: Aye. **Novick:** Aye. **Hales:** Aye.

Hales: Thank you all very much, and we're recessed until tomorrow at 2:00 p.m.

At 3:53 p.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

JANUARY 8, 2015 2:00 PM

Hales: Good afternoon, and welcome to the January 8th Council meeting. Would you please call the roll?

Fritz: Here. **Fish:** Here. **Novick:** Here. **Hales:** Here.

Hales: Let's first take up item number 42 and 43.

Item 42.

Item 43.

Hales: OK, Ms. Pellegrino and team.

Martha Pellegrino, Director, Office of Government Relations: Good afternoon, Mr. Mayor, Council members. For the record, Martha Pellegrino, Director of the Office of Government Relations. As the Mayor said, we are delighted to bring you the reports for the 2015 state and federal legislative agendas. I'm going to begin today with brief remarks about the development of those agendas and then turn first to the federal agenda. With me today Nils Tillstrom, senior associate of federal affairs in my office.

So you may recall just over a month ago on December 2nd, Council considered the drafts of these agendas at the second of two public work sessions. At that time, you each provided some additional guidance and changes that are now reflected in the reports in front of you. We also provided overviews of the political landscapes post-election at that time, so we will save you from that this time around. We're also very proud to report that we held a successful Advocacy 101 training session with the community on December 15th in partnership with ONI. Over 60 people attended and we received very positive feedback from our attendees.

Fish: What are some of the examples of people who came to that event?

Pellegrino: We had different groups, we had unions, we had community members who were unaffiliated, neighborhood associations, and a couple of great members of our legislative delegation who really helped provide some good contacts about effective advocacy.

Fish: And Amanda and I enjoyed attending.

Pellegrino: That's right. Thank you. So then looking ahead, we're now in the process of ramping up for both the federal and state legislative sessions. The 114th Congress convened two days ago in our nation's capital and the state legislature meets next Monday through Tuesday for what are called organizational days. At that time, new members will be sworn in. The governor will deliver his state of the state address, and the house and senate will begin to introduce bills. This will all occur in advance of the first official day of the legislative session, which is February 2nd.

So, turning first to the federal agenda, this report closely reflects the draft you reviewed in December, and I'll just briefly run through a few changes. First, you requested that the items supporting action on climate change, tax reform, and protected sick time be elevated to the top City priorities. You also ask that there be a section added on healthcare. That's on page 22. The policy items there are policy items that Council actually adopted in our last federal agenda, but we inadvertently omitted from the draft. Lastly, on

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page 26, you requested a new policy item on on-body cameras for police, given the president's recent funding announcement. So, this report lists nine top federal priorities, leading with transportation funding, education, and Portland Harbor along with others, and then organizes all the other federal policy positions and funding priorities by topic area. So, that's just a quick overview of the changes and we're happy to take any questions.

Hales: OK, questions for the team? Then we may be ready to move on to the state agenda, or do you want to adopt one and then take up the other?

Pellegrino: I think either way is fine.

Hales: OK. So why don't we take a roll call -- unless there's anyone here to testify on the federal agenda. I don't think there is.

Novick: Mr. Mayor, would you entertain a one-word amendment?

Hales: Sure, yeah. Which page?

Novick: On page five, climate change. It just occurred to me looking at this this morning, that saying that global climate change poses significant threats to the environment and public health struck me as something of an understatement. So I would propose replacing the word significant with the word grave.

Hales: OK, I think that's a friendly amendment. Anyone have any objection to that? We'll consider that a friendly amendment and make that change. I was going to bring down a photo that I neglected to bring from our office just if we wanted to make this, you know, a slightly less dignified document, we could include the photo on the cover, which is posted on the break room in our office. It's the photo of Speaker Boehner kissing former Speaker Pelosi and if you haven't seen that photo, it's pretty amusing. So if we really wanted to lighten up our federal report, we could put that on the cover.

Pellegrino: And perhaps we can bring that on our first lobbying trip to D.C.

Hales: We had a caption contest in our office for that photo, and the winner was Deanna Wesson-Mitchell who said the caption should be no means no.

Fish: We have a policy that deals with that, too, Mayor, and that's 2.02.

Hales: It's a clear violation.

Novick: Martha, it goes without saying that as you've crafted this, you and Vicky have had a chance to look through the federal agenda. And are you comfortable recommending that we adopt it today?

Pellegrino: Absolutely. These were priorities that we've been working on for several months. We have vetted them, and we're optimistic that even in this coming Congress, there are some of these things that we think Congress is prepared to do -- either Congress, or that can happen at the administrative level through the agencies. So we're excited to be working on it.

Fish: Thank you.

Hales: Further discussion? Anyone want to speak on the federal agenda? Let's take a roll call on that then.

Item 42 Roll.

Fritz: Good luck with all of this. I'm not sure that we're going to be expecting much other than playing defense in this Congress, but good luck with it. Aye.

Fish: Thanks for your good work. Aye.

Novick: Good luck indeed. Aye.

Hales: Thank you. Aye. OK. Now, let's turn to the state legislature.

Pellegrino: I would like to invite up Andy Smith, our state government relations manager; and Elizabeth Edwards, our senior associate of state affairs. So at this point, it may be worth considering -- I believe there is a substitute.

Hales: Yes, we have that, everybody have the substitute? Dated 1-7-15.

Fish: I have it. Do you want us to adopt the substitute?

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Hales: Let's do that, and then you can present it. Can I have a motion?

Fish: So moved.

Fritz: Second.

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

Roll on motion to accept substitute report.

Fritz: So, Martha is going to go through some of the changes. Aye.

Fish: Aye. **Novick:** Aye. **Hales:** Aye.

Hales: OK. So, let's talk about the contents of this, please.

Pellegrino: Great. So again, the contents of this agenda is substantially similar to the draft that you took up in December, but with just a few exceptions. So first, you've asked for an expanded focus on mental health. That is the top City priority for the state legislative agenda. This includes more concerted support for community mental health funding. It also generally references support for psychiatric emergency services.

Then on transportation on page two, we've made some formatting changes so that we really highlight some of these individual policy items in this particular priority. We've also added a desire to include local expanded authority on the studded tires item. Under affordable housing on page three, you requested that inclusionary zoning be elevated to a top City priority, and also included is support for the use of state bonds to fund affordable housing as proposed in the governor's recommended budget. Next, at Commissioner Saltzman's request, the children's district initiative has been removed. On pages 20 and 21, we added a new policy position regarding supporting investments in workforce programs. And lastly, on page 22, we added language to the education item to support investing increased lottery revenues in education. So, that is a quick summary of all of those changes, and happy to take questions.

Hales: That's a really good package in both cases. I mean, we've got a really solid agenda in both the federal and the state level. I'm very happy with where this lies now.

Fish: Martha, when you were shepherding me the other day in the Convention Center, I had a brief conversation with Senator Hass, and with respect to the film and video tax credit, he did mention his preference to find an offset. So, I would be interested to get your thoughts down the road as to what's in play as an offset. I got the impression there might be some low-hanging fruit, but I didn't fully understand the frame. So, I kind of regretted that it needed an offset since in the absence of this, we lose all the business. But I guess all the tax credits have to compete.

Pellegrino: And I think that's right, Commissioner. There's even a joint committee on tax credits, and they'll take a holistic look to make sure whichever tax credits that are authorized by this legislature pass muster and then make sure that there are ways to pay for those things. So, we expect that this particular program has been a very successful one and I think there's a very good chance of seeing that program grow.

Fish: In addition, Martha, you've been tracking the work of a joint committee that's looking at the whole area of elder abuse. And there may or may not be a recommendation to expand the categories of mandatory reporters. I guess that's not actually in our legislative agenda, but does that qualify as an area? Do you feel satisfied that that's an area of concern that's been expressed through your office that you can continue to monitor that?

Pellegrino: Absolutely. The legislative agenda really frames up the City's priorities as we work with our delegation, but there will be 5000 bills introduced in this coming session that impact how we work as a City, municipal functions but also impact people who live here. So, I fully expect our office to work with you all to engage on many of those other pieces of legislation and I see that as potentially being one of those things.

Fish: And Mayor, this issue of elder abuse intersects your portfolio with the Police Bureau that's doing the investigation, prosecution. Elders in Action has an interest -- it cuts across

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a number of portfolios, but the issue the legislature is looking at is to whether expand the scope of mandatory reporters to include certain licensed real estate professionals who may by virtue of their position be witness to alleged elder abuse. And so, that may or may not become an issue and I hope it's something the Council can weigh in on.

Hales: Back on the film and video tax credit, the governor didn't address that at all in his budget?

Pellegrino: It was not addressed in the governor's recommended.

Hales: OK.

Fish: But we did hear from Tim Williams that they fully expected a bump to be presented, it just didn't come through his budget.

Pellegrino: One thing we do know is in the past years, the film and video office have done a very good job in front of the legislature to talk about the return on investment that this industry has had, and there really is quite a bit of political support in the legislature for seeing that program and potentially even seeing it grow. The question is about how available resources do -- what available resources there are and which tax credits can be authorized.

Fish: It also bodes well for us that Senator Johnson has so many businesses located within her district that are central to the film and video industry and feel strongly about this, as well.

Hales: And you saw the level of interest in that gathering. There have been a lot of indications lately that we've kind of reached another level in terms of Oregon's visibility. The film Wild in particular has kind of gotten us into another league and just having acquired all this momentum that people have worked at for years that we suddenly got a little bit cheap at a time when the state probably has the resources to keep doing this.

Fish: And there's this -- one of the reasons why I think Martha has -- why some have heartburn about treating it like any other tax credit is let's use the example of New Mexico. A governor said I don't like this tax credit program, abolished it, and they lost the film industry. So, it's not like other tax credits where there's an argument that something would continue even without it. If you don't have the program, you don't compete with these other states for the dollars and unfortunately, that just means that these companies which otherwise have 20% higher exposure on their investment go elsewhere and they go to places like Vancouver, B.C. and Louisiana. But for we don't get the business, and I think that makes it different than some of the tax credits that get criticized because we're investing in something that might otherwise happen.

Hales: Yeah, alright. Other comments, edits, amendments?

Novick: Mayor, I apologize, but I have a couple of amendments to suggest on my item, so I should have caught them before. One is on studded tires, last line page two.

Hales: What page is that?

Novick: Page two. It says local authority to recoup costs from disproportionate wear will help keep roadways safer. Actually, I think that we would support legislation to either assess fees on studded tires or to give local governments authority to ban them. So, I was thinking of saying local authority to prevent or recoup costs.

Hales: OK.

Novick: Martha, does that give you any heartburn?

Pellegrino: It does not, except grammatically. [laughter] I think we might want to say local authority to recoup costs or prevent their use. I mean, I think we have to be a little bit more clear about what it is we're saying.

Novick: I was thinking prevent could mean prevent costs by banning the tires.

Pellegrino: Oh, OK.

Hales: Maybe the word avoid then.

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Novick: Avoid would be fine, too. To avoid or recoup.

Pellegrino: OK. More comfortable with that.

Novick: The other thing is the previous item -- this is more substantive -- orphan highways. It says jurisdictional transferring could help realign responsibility and authority over orphan highways, or if the process could be expensive, dedicated state funding to assist in the transfer of highways necessary to help transfer more orphan highways. It occurs to me that we want to express our continued support for our legislators who have gotten additional state resources for orphan highways, even if they don't get enough resources to facilitate transfer. So, I was thinking that maybe we should add a sentence, even if investments sufficient to facilitate jurisdictional transfer are out of reach, additional state investments should address the unique issues associated with these urban highways as appropriate.

Hales: OK. I'll take those two as a package of amendments. Is there a second?

Fritz: Second.

Hales: And we'll make sure you've got the verbiage.

Pellegrino: Perfect.

Hales: Any discussion of these amendments? Roll call.

Roll on Commissioner Novick's proposed amendments.

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

Hales: OK. Any others?

Novick: There's one more thing. I don't actually mean this as an amendment, I discussed it with Martha before, but just something I want to say on the record and see if my colleagues agree. Last year, there was a big push -- our last session there was a big push by the League of Cities to try to address some of the inequities in our property tax system. For example, to do reset on sale. I don't think that there's expected to be much of an effort this session.

However, Josh Harwood just the other day gave me a chart that put into stark relief the spectacular inequities we have, particularly in Portland. 90% of outer East Portland east of 122nd is in compression, which means that home-owners there are paying the maximum possible under Measure 5. In inner southeast and inner northeast, less than 2% of houses are in compression, which means that they are paying as a percentage of their real market value less than 90% of the people in outer east.

So, I think it's possible -- at least there might be some small efforts to address that. One possibility I've discussed with some legislators is to ask the voters to approve something saying that lease for local options and for bonds for new ones may be based on real market value rather than assessed value. I wanted to see if people were comfortable that saying if something along the property tax equity line seems likely to move in the legislature that we would encourage our team to weigh in.

Hales: I would certainly agree with that.

Fish: As long as it's agnostic as to the position but rather directed to follow it, I would be comfortable with that.

Pellegrino: Mm-hmm.

Hales: So we have that as an understanding if that issue starts to get some life, then that's where we are.

Pellegrino: And I expect there to be discussions about tax reform. We have a new chair in the finance and revenue committee, Senator Hass, who has been a champion of tax reform for many, many years. So, what we will do is we will monitor any and all discussions related to tax reform overall, and specifically property taxes, and we will keep each of you informed on that. If there's opportunities and it seems appropriate for the City to weigh in, we'll look for those opportunities.

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Hales: Good issue. Anything else on the state legislative package? Anyone here wants to speak on that item? If not we'll adopt the substitute as amended and the roll call.

Item 43 Roll.

Fritz: Aye. This is the actual overall vote?

Hales: Yes.

Fritz: I'm supposed to say some nice things then. [laughter]

Pellegrino: You don't have to.

Fish: Motion to reopen! [laughter]

Fritz: I do want to express my gratitude to Martha and the whole team. You do amazing work and we hear that from the legislatures when we go to lobby, I particularly appreciate your work with me on the earned sick leave and the transportation and the mental health priorities for the state legislature. And on this one, I can wish you good luck with great joy because we actually may have some good luck this time and I'm hopeful that we'll get some of the changes that we need. Aye.

Fish: I want to echo what Commissioner Fritz said, and it's really a pleasure, Martha, to work with you and your team, and thanks to everyone for their good work. It isn't just these days where we adopt an agenda, it's all the days in between when you help us navigate difficult waters. And it is true that every time we get -- on a regular basis, we get feedback from our partners saying what a great job you do, which makes all of us especially proud. Aye.

Novick: It is a pleasure and an honor to work with your team. Although I have to tell you that next time I go to Washington, D.C., I'm going to wait until 12 hours before to let you know because if I give you 48 hours, you'll set up seven meetings for me. Aye. [laughter]

Hales: Appreciate the good work. This is what Churchill called the end of the beginning. So now, the real work starts in terms of trying to turn these ideas into policy and looking forward to working as part of that team myself, including about 10 days from now when we're going to be in D.C. together. Looking forward to all that work, and thanks for setting us up well for it. Thank you. Aye. OK. Good work.

Pellegrino: If I may, Mr. Mayor, I just want to thank each of you for your leadership and your staffs and all of our legislative liaisons and underscore the importance of having you present in Salem in and Washington, D.C. And believe us when we say we will be calling on each of you to participate in this process, because it makes a huge difference to have you there, to have your leadership when we work with our intergovernmental partners. And I also want to echo and thank my team, as well. There are actually people who aren't in this room and we even have our newest staff member today, Carey Pfaffle. It is her first day in our office -- she's my new assistant -- but people upstairs, Amy Julkowski and Lesley Kelley and Hector Miramontes -- we do really work as a team in our office and we are delighted to work on behalf of the City of Portland. So, thank you.

Hales: Thanks very much. Thank you all. We have one more item on the calendar this afternoon.

Fish: We'll reconvene at 3:00, Mayor?

Hales: We have to wait until 3:00 don't we? Wait a minute, if we're dismissing --

Fish: There might be some --

Hales: Yeah, we probably better wait. Easy enough to come back in 36 minutes.

At 2:24 p.m., Council recessed.

At 3:01 p.m., Council reconvened.

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Hales: We'll call it 3:00 and return the Council to session. We were in session but we recessed because this is scheduled for time certain, and now it is that time. So, could you read the item please -- two items?

Item 44.

Item 45.

Hales: Commissioner Fritz, I believe you have a motion to make?

Fritz: I do, Mayor, thank you. I move that the council adopt an order that states the applicant has withdrawn the underlying application for a comprehensive plan map amendment and zone change in this case. As a result, the council lacks jurisdiction to address the substantive issues raised in response to the hearings officer's recommendation on the application or to approve or deny it. All Council proceedings on this application are terminated and it will receive no further consideration by the council. Council expressly takes no position on the arguments raised by the applicant, supporters, opponents, and others concerning the substantive merits of the application or the hearings officer's recommendation. And the effects of the applicant's withdrawal of the application and the council's action is that the site's comprehensive plan designation remains high-density multidwelling and the zoning remains RH.

Fish: Second.

Hales: Any more Council discussion to that discussion? And then, we don't normally take testimony on procedural motions but is there anyone who feels the need to speak on this item?

*****: [inaudible] we completely approve [inaudible] [laughter]

Hales: Alright. Thank you. Then if there's no further discussion or public testimony we'll take a roll call vote on the motion.

Roll on motion.

Fritz: We've attempted to go ahead and move this a little earlier because we finished with our other item and we thought well, it's a time certain, we shouldn't do it beforehand. I'm glad we did because here you are. The neighborhood provided a lot of really great testimony in this case, and I think that the applicant heard the testimony and weighed their options, and I certainly am very pleased with this outcome because I think the right designation is the RH and I appreciate all of your good work. Aye.

Fish: Aye.

Novick: Aye.

Hales: Thank you. Commissioner Fritz, and thank you all. I think there's a pretty consistent theme here and -- at least in terms of the last couple of years of work by the council on land use decisions -- and it's not been arbitrary and capricious before that, but that is if you want to change the plan, you want a variance or deviation from the plan that people work hard on in the legislative process, the burden of proof is on the person who wants the change. And it's a pretty high burden of proof.

And there have been a number of cases recently here in the council where we've consistently applied that principle that if you want to change the plan that people worked so hard on in the legislative process, you really have to get over a pretty high bar. And that means that everybody, whether it's neighbors or property owners who want to develop or developers, have a lot of certainty about what the plan provides. And likewise, if the plan says RH, you should expect that that will develop a high-density housing development, because that's what RH means. I believe -- as someone who has been involved in the land use process for some time -- that everybody is well-served by that very high level of certainty in a very infrequent instance of the council adopting ad hoc changes to this or that pieces of property around the city. And I think that's exactly what we're exhibiting in this case.

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So, I hope that this does improve people's confidence in the process and also reminds everybody to stay involved in the community planning side of the work, because we're working on our comprehensive plan and I know there are issues in Goose Hollow and around the city that will affect the future of the neighborhood and will affect the future outcome of cases like this. Please do stay involved, and then I look forward to the successful development of this property under the rules that apply to it. Thank you all very much. I vote aye.

Moore-Love: We need to note that item 45 is being referred back to the commissioner's office.

Hales: So item 45 is referred back and that concludes our business for this afternoon. We're recessed until 6:00 p.m. Thank you all.

At 3:06 p.m., Council recessed.

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

JANUARY 8, 2015 6:00 PM

Hales: Good evening, everyone. Welcome to the Portland City Council meeting. Karla, could you please call the roll?

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

Hales: Welcome, everybody. We're going to have some procedural items here of Karla reading the three ordinances, make some opening remarks, and then take up the business related ordinance number 46 first. Karla, would you please read all three?

Item 46.

Item 47.

Item 36.

Hales: Thank you. So, let me reset the context for this. It's been some weeks since the council worked on these issues, and of course, we've had 14 months of community conversations about transportation revenue. That is, of course, part of a much longer timetable. If you haven't read the audit -- which we received in the second month of my administration here on February of last year -- called Street Pavement Condition Shows Need for Better Stewardship, I would recommend going to the Auditor's website and doing that. All of my colleagues have seen this before but I brought copies just in case anyone needs a refresher. We've all seen it. Again, I would encourage you to take a look at that audit, because that was really the foundation of this work.

You can't see the details from here, but you may see the direction of that graph from repaving a little over 200 miles of city streets in 2001 and 2002. That had declined to 30 miles in 2011, 2012. Last year, we got that back up to 100 miles, which we're happy about. But we are very, very far behind -- hundreds of millions of dollars behind in street maintenance and street repair and safety improvements that our city needs. So, that's the context for this. If you haven't read that audit, I would encourage you to do that. We have a lot of work to do this evening, so I won't speak much longer for now but I'll call on Commissioner Novick for any opening remarks that he has.

Novick: Thank you, Mr. Mayor. So, as probably most of you know, the subject of discussion tonight will be somewhat different from what we thought it would be a week ago. What we were going to do tonight is have initial hearing on a new user fee proposal. And I hope we would have some discussion of that tonight, because it might be one of the things we send out for an advisory vote.

The new user fee was going to look like this. We know from national statistics that people who make more money tend to spend more money on gasoline. The people in the top 20% of income consume about four times as much gas on average as people in the bottom 20% of income. So, taking gasoline use as an indicator of road use, we thought we could have a user fee that varies by income to the extent the gasoline consumption tends to vary by income. So, the proposal is people in the lowest income quintile would pay \$3 a month. People in the second quintile would pay \$5 a month. People in the third quintile -- the middle quintile -- would pay \$7.45 a month. People in the fourth quintile would pay \$9 a month. People in the top 20% would pay \$12 a month. That's the proposal that Portland Tribune endorsed in this morning's paper.

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I have asked people to think about that proposal because what we're going to do for the May ballot is send out several different proposals. We will send out a progressive income tax, and I think that we'll send out something close to what Commissioner Fritz and I discussed recently. We will send out a version of the gas tax, which I hope will make people happy who've come here to campaign for a gas tax, and I think we will send out some form of user fee.

So, one of the things we asked people to address tonight is if there's going to be a user fee on the ballot, should it be something like what we proposed in May or something like we just described or something else? So, this whole evening is not going to be focused on this particular proposal, but I want you to think about the proposal. With that, I think that we can turn things over to Jamie.

Hales: Ms. Waltz, come on up and talk about the proposed amendments on nonresidential ordinance, please.

Jamie Waltz, Portland Bureau of Transportation: Jamie Waltz with Portland Bureau of Transportation. The majority of the amendments or all of the amendments for the nonresidential transportation fee are not substantive in nature. We basically were switching out the term tax for fee based on the substitute ordinance that we're going to be putting forward.

We also made clarifications. We added a whereas clause to clarify that the three elements or factors for the nonresidential transportation fee were based on number of employees, annual gross revenue earned within the City of Portland, and square footage. We also made a minor change to the eligible use of revenues just to emphasize that the number of projects that would be constructed are based on the available resources, depending on what the net revenue would be. Then for the actual table that appears in code that helps describe where somebody falls within the different fee categories -- we made some changes to the way that the numbers were shown in terms of square footage, gross revenue, employees -- just to make it easier for people to determine where they land within one of the five categories.

Hales: OK. Questions for Jamie? Thank you very much. Now, we're going to take action in a few minutes on adopting these amendments. Again, it's our intention to first address those amendments and then go on to the residential -- potential revenue measures for residential ratepayers later in the evening. Is there anyone here to speak specifically and only on these amendments to the nonresidential ordinance?

Saltzman: Mr. Mayor, it was my understanding there was going to be language that will also say that the nonresidential portion does not take effect if there is not a residential portion of a tax or user fee?

Hales: That's right. There's another way to do that, which is what I intend to do. At the conclusion of this hearing, I'm going to refer this back to Commissioner Novick's office.

Saltzman: OK.

Hales: We're going to adopt the amendments, make sure this piece of legislation is completed as far as Council is concerned, and then return it is to his office.

Saltzman: It won't take effect until or unless there's a residential portion of the user fee or tax.

Fritz: We wouldn't actually vote on it until --

Hales: Wouldn't vote on it, so certainly it wouldn't take effect.

Saltzman: OK.

Hales: Again, Mr. McCullough, come on up if you want to testify on the amendments to the nonresidential ordinance.

Robert McCullough: Madam Clerk, I gave you some materials for the Commissioners. Thank you. Mayor Hales, Commissioners, it's a pleasure to be with you tonight.

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Hales: Good evening.

McCullough: As before, I would like to apply for two additional minutes as a representative.

Hales: Put your name in the record, Robert. You're here on behalf of Southeast Uplift, so we'll certainly allow that.

McCullough: As you know, I'm new to testifying, I apologize. [laughter] Robert McCullough, President, Southeast Uplift. If anyone who doesn't have this material, raise your hand. Fine. Thank you. I'll ask your indulgence for the half minute, given --

Hales: Oh, did we start the clock? Yes. Sorry about that.

McCullough: I'm not worried about it. I have one preliminary issue, it's very quick. As you know, we have received materials from PBOT. That was a struggle, ended up in court. We had a settlement with City Attorney Thatcher that's been performed on. We see no reason for further litigation. We're hoping the City does not. We have sent such a letter. In fact, we brought our lawyer in case you all want to smile at him.

Hales: OK.

McCullough: Basically, transparency is part of what the neighborhood association process is about. We also paid some two thousand-plus dollars for three small spreadsheets. We have asked for that to be waived and returned. Our understanding is those were in existence, only a few columns were redacted. That's fine with us. That makes it easily the most expensive spreadsheets known to man. Again, all our dollars are used for community purposes, so money taken from us are money taken from the people.

To the issue. My comments tonight are operational. I'm wearing my green eye shade. I decided not to wear a green eye shade -- but they are specifically on the nonresidential portion and the implementation of the nonresidential portion. As you know, we've been through the proposed legislation in detail. It has a variety of operational issues. It will be difficult to collect. It has issues with overestimation, and also issues with equity.

On the equity issue, it's a simple one. The staff used a sample of businesses from the city to derive the share for each type of business. We focused on transportation, because of course, Portland is a transportation hub. That sample of businesses was 52. The 52 businesses were a scoping study, they were preliminary. They clearly were never checked. It came immediately to mind that the Paramount tattoo parlor does not do much trucking. We also believe that Volunteers of America doesn't do much air transport. We're fairly certain the Resale shop in Northeast Portland does not do much railroading.

In point of fact, the major transportation entities were not included, and erroneous entries were. This means that the weight of the taxes got misallocated and unfairly. Medical is too high, transportation too low.

Now, we're going to have some time now before we get there, and so, we would comment to Commissioner Novick that it's a good time to send your staff back. Let's certainly clear the poor tattoo parlor out of the transportation sector. I would also recommend we put Delta Airlines and the Union Pacific Railroad back into the transportation segment, even though I like Delta Airlines.

Then, to the serious operational issue. The revenue forecast as developed is 100,000 firms. Unfortunately, it's also full of errors. Among those is the largest single employer in the city, which is, of course, the All's Well That Ends Well colonic cleaning company. Three women who run it very fine -- I asked their permission to use their name I think in the interest that no publicity is bad publicity -- I find myself discussing colonic cleaning for the first time in my career of 35 years. I brought forward to you exhibit D. This is directly from your proposed legislation. You'll notice two red arrows. What's happened here is because the scoping study used the wrong employment data and we presume analytically the wrong revenue data. The column the firm was in was wrong. They're

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placed in column C, which is for a mid-size business. However, they only have three employees, they in fact a small office next to the very well-respected lawyer Cynthia Cumfer. It is probably not 40,000 square feet, as covered in the study. What this means operationally is that we will not be recovering \$20 million.

Moreover, we know that the problem is pervasive rather than simply an example. When you go through the study, we discovered that there are two million jobs in the scoping analysis. That's eight times the actual number of jobs in the city. This means that the vast majority of the columns, Commissioner Novick, will be wrong. And it means your revenues will be wrong. What it also means is you won't collect the money.

Let me close on one note. Each one of these entries -- thousands of incorrect entries will now have to be litigated and checked. So, if we look to the Ross Island cement company -- which we all know well, hundreds of trucks -- they only have seven employees. So, you'll have to pursue them to get their revenues up to the appropriate level. The good news is the ladies with the colonic cleansing are being cleaned out. The bad news is Ross Island cement apparently is scampering away with the goods. Thank you very much, Mayor and Commissioners.

Hales: Thank you. Appreciate you bringing this forward. Obviously, there will be time now and we'll call on you as a volunteer to work with Thomas Lannom, who's here from the Revenue bureau, and Commissioner Novick and staff from the Transportation Bureau to iron out any of these methodological questions before we take this back up.

Novick: Mr. McCullough, you'll be happy to know that all of us associated with the Transportation Bureau -- our first New Year's resolution was to spend more time with Robert McCullough. [laughter]

McCullough: I want you to know I have never had so much fun working my tail off over the holidays for no pay. Thank you very much. [laughter]

Fritz: Thank you for your diligence in looking into these things.

McCullough: You're welcome.

Hales: Anyone else who wants to speak on the amendments to the nonresidential ordinance? If there's not, and if there's no objection, then I'm going to return that ordinance -- I'm sorry, we have to adopt the amendments first. Let's adopt the amendments and then I'll refer it back. Roll call on adopting the amendments.

Moore-Love: I'm sorry, who moved and seconded?

Fritz: I move that we adopt the amendments.

Novick: Second.

Hales: I'll catch up to myself here procedurally, eventually. Any further discussion? Now, a roll call on adopting the amendments.

Roll on motion to accept amendments.

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

Hales: Thank you very much. I'll refer item number 46 back to Commissioner Novick's office. OK. Now, we'll start work on the residential question. Do we have amendments? So, Commissioner Novick has already explained the latest version of residential funding proposal. That is one potential measure that we will send for voter review in an advisory vote that we plan to conduct in the May ballot. Therefore, what we are doing tonight is asking people to come before the council and comment on that as one of those potential candidate measures and to recommend any other measure that you would like your fellow citizens to pass judgment on.

As Commissioner Novick said, some of the ideas that we have discussed over the last 14 months include a fee-based approach like this. We have also discussed an income tax based approach as he's described. A lot of people came to our public hearings and recommended that we consider a gasoline -- a city gas tax as opposed to the state and

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federal gas taxes which already exist -- that we should consider a City gas tax as one way to pay the bills. And there are other ideas as well. So, tonight's session is focused on the question of, what are you for and what would you like to have your fellow citizens pass judgment on? That is the only question before us tonight.

If you're concerned about how we spend the transportation dollars that we already have, I urge you to come to the budget session for the Portland Bureau of Transportation that will be held later this spring. That is not the subject of this evening's hearing. If you don't like one of the measures, I urge you to campaign against it and convince your fellow citizens to vote no when that option is presented to them.

The sole purpose of tonight's hearing is to hear what people are for and what they would like to have their fellow citizens look at and consider. One way or another, according to our Auditor, we should be spending about \$75 million a year more on street repair and improvements than we are today. One way or another, that's the bill that we have to pay. We hope that the Oregon legislature will increase the state gas tax this session and that some of that money -- as it always does -- will flow down to the City of Portland. That will solve part of that enormous problem. The rest of it is up to us.

The non-residential ordinance that has been put on the shelf for now will raise about \$20 million to \$23 million a year. It is the goal for the residential side of this equation to be roughly equal to that and to also raise \$20 million to \$23 million a year. So we're looking for ideas that would raise that much. The proposals you heard Commissioner Novick describe would be capable of raising that kind of revenue. So, we're interested in things that are practical, understandable, and explainable to our fellow citizens. They will go out in an advisory ballot -- which we haven't done in the city of Portland before but which is done actually quite often in other cities like Seattle. They seem to like that approach. We're going to try it. And we don't have to have every legal or technical issue completed to ask people what they think of an idea, but we have to be able to describe it.

For example, a gas tax. We have to be able to tell them that a gas tax for the City of Portland that would raise about \$23 million a year would be this many cents. And actually, I don't know that number yet, but we'll need to know that before we send it out to the voters. That a fee would have to be in the range of, say, \$3 to \$12 per household. We believe that that would raise about that amount of money. Or that an income tax at such and such a rate and such and such a graduation schedule would raise about that much money.

There are ideas that have been suggested to us which are understandable in their concept but are impractical in their effect. For example, a number of people have suggested we tax bicycles. You would have to charge thousands of dollars per bicycle in order to raise \$20 million a year. And you would also have to collect that, and I would say good luck with that proposition. So, we're looking for things that are doable and sufficient to the task, and that can be explained to our fellow citizens in a few sentences.

So, we have a few ideas and we're here to ask for more. Again, if you have concerns about how the City of Portland is spending its transportation dollars today, those concerns are legitimate and there will be a public forum for you to air them. It's called the budget hearing, and we do it every year. If you have objections to one or more of the ideas and think it's really a terrible thing, you will have the opportunity to go door to door or otherwise convince your fellow citizens it's a terrible idea. But what we're asking for tonight is what you're for and you would like to promote and suggest as a practical way to solve a community problem that we all own.

We own the streets. They are the biggest asset we have, and half of them are in poor or fair condition and they're declining. So, we have a big problem to solve and we're

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looking for ways to do that. With that -- Commissioner Novick, any other comments before we open the hearing?

Novick: Just two things about potential options I wanted to mention. I haven't heard many people call for a sales tax, but obviously, that's something other places have. We have good reasons to know it would be a highly unpopular proposal, but I'm interested if that is something that should be on the ballot anyway. And also, the property tax is something I haven't heard much about in the forums, but I know the Oregonian Editorial Board has been promoting it, so I'm curious to know if a property tax mechanism is something we should explore as well.

Hales: Thank you. Other Council comments?

Fritz: Mayor, just logistically, my understanding is you're planning a Tuesday the 20th evening hearing --

Hales: If Council is available that night --

Fritz: To actually have a hearing on a proposal. So, we're not planning to refine a proposal tonight. There'll be something identified that will be published that the council will then vote at that later hearing on whether or not to refer it.

Hales: That's right.

Fritz: So, there will be all the specifics of when -- you're planning to refer it to the May of '15 ballot.

Hales: Right. And it'll be that week, if Council is available, the night of the 20th. That was my preferred time, because I have to be at the U.S. Conference of Mayors and I would have to phone in on the 21st and 22nd. I would prefer the 20th for that reason.

Fritz: So, tonight is your opportunity to give us suggestions about what you would like to see if that proposal moves forward. The later hearing will be to decide whether or not to move forward on it.

Hales: OK. Questions or comments? With that, I think we have a signup sheet. How many people are signed up?

Moore-Love: We have 27.

Hales: We're going to ask you to try to keep your comments brief. Again, we're asking for a succinct proposal of what you would like to see on the ballot. So details are -- you don't have everything figured out, but we want to hear what your idea is.

McCullough: Robert McCullough, Southeast Uplift. I've spoken before, so I will be mercifully brief. Southeast Uplift requests that one option on the ballot be no.

Hales: That will be available on each of these items. The question is what item Southeast Uplift would like to see.

McCullough: And that we will work on and get to you. The answer to your question is each penny brings \$2 million to \$3 million if applied to the full set of fuels. Thank you very much. It's my anniversary. I'm going to leave you for a much more beautiful person.

Hales: Please do. Tell Karen we apologize for diverting you temporarily.

McCullough: I certainly will. Thank you very much, Mayor and Commissioners.

Fritz: Happy anniversary. To clarify therefore, the proposal is not to list a bunch of things and say pick one. The proposal is to refer a bunch of different questions which the answer will be yes or no.

McCullough: Thank you, Commissioner Fritz.

Fritz: Somebody could vote no on everything.

Hales: Right. Gary, good evening.

Gary Sargent: Good evening, Mr. Mayor, Commissioners. I'm Gary Sargent, and I run a business. It's my 40th year as president of our small business out in Southeast Portland. I also serve as vice president of the 82nd Avenue of Roses Business Association. In regards to these proposals -- I think that a key component in any of the proposals out there

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needs to encompass how do you bring in the people that are using our roads, that are leaving at night and going to Clackamas and going to Hillsboro and going out to Troutdale? How do you incorporate those people into it? I thought very hard about that and the only way to do that is through payroll. Some kind of payroll contribution -- if you will -- for lack of a better term. I'm ecstatic of the fact that you're willing to work with Robert in regards to some of these discrepancies. But I also read the streetcar on it. And as a business man -- I know we are going to discuss this -- but there's a lot of things that need put back in order financially to gain back the citizens' trust to pass anything through a vote. I just urge you to heed what the Auditor has said in regards to the streetcar. I have these highlighted here but I realize that you set some ground rules, Mr. Mayor --

Hales: I appreciate that. Payroll tax is an interesting idea. I'm not sure if we have legal authority but it's a good thing. We'll go check.

Sargent: If they work in Portland, they're driving to Portland, they're using Portland roads.

Hales: No, I understand, but there are some taxes where the legislature has preempted our authority to collect.

Fish: Mr. Sargent -- no relation to Sergeant Towing --

Sargent: No, don't go there. [laughter]

Fish: Gotta dispel that. Dan, sorry about your car.

Saltzman: Yeah -- [laughs]

Fish: So, is the model the TriMet model you're asking to us look at?

Sargent: Well, it has to incorporate how you can get people that are using the roads that live somewhere else. Look, you're asking the citizens of Portland to pay for the Sellwood Bridge. Most people who live in Clackamas are the ones using that. They turned down that \$19 per year registration fee. So, you have to think about how you can incorporate those people into the equation. And I think then you regain the trust. PBOT has serious issues -- in reading that audit -- financially when there's discrepancies in accounting to the point to where it also states by your Auditor that it violates state law, that's very concerning as a businessman to read that. Anyway, I appreciate your time.

Hales: I appreciate the suggestion. We will go investigate that and see whether we have the authority and what the rate would have to be to raise revenue. It is what TriMet primarily depends on. It doesn't mean only they could use it if legally possible. I think theirs is now six-tenths of 1% of payroll. That's the major revenue source for TriMet, which is a payroll tax which you and every other business pays. Good point. Thank you.

Sargent: Thank you.

Hales: Good evening.

Craig Rogers: Mayor, Commissioners, thank you for this opportunity to share with you what I'm for. So --

Fish: Gotta put your name in.

Rogers: Craig Rogers. Thank you. Spent a fair amount of time observing, participating in this moving forward. And I hope I never see the day where a policy is developed that is a tax that does not have a vote and oversight and a sunset, as this originally did. I think there was an incentive to make it as good as it could have been because it wasn't intended to be passed by the people but by City Council. So what I'm for -- and I hope I never see it again where that happens -- what I'm for is from this day forward we have policies, we have taxes that are voted by the people rather than Council and that there's a real oversight and the sunset. I think that's very important. Never has it ever occurred in the history of Portland where there was a tax passed other than by the people who are to be taxed.

And I want to say that I think the money needs be responsibly spent that is garnered here, in fact, more than just for transportation -- that I wouldn't want to be the person who tells a mother that's living on the 56 miles of unpaved street with no sidewalks that we

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can't put a street in front of your house because we just gave \$8 million to Mercedes Benz for a parking facility. I think we need to bump it up and think about big picture where this money is going and how it's collected, and I just want to thank you.

Hales: OK. Do you have a revenue mechanism you would like to see on the ballot?

Rogers: Thank you for asking, Charlie. Offhand, without looking at the details, I would say a gas tax.

Fritz: Mr. Rogers, you said there shouldn't be a tax without a vote of the people. This is an advisory vote, so once the council reviews the result of it, would you then expect whatever the proposal would be to go back to the ballot to be approved by the people?

Rogers: Yes, I would.

Hales: Thank you. Thanks to both of you. Next, please. I'm sorry -- there was a request for people with small children or people with disabilities to come and speak. I'm sorry, I forgot to do that out the outset. We often do that, especially when are especially evening hearings. So, anyone with a disability or who has kids here or kids you have to get home to come on up. Good evening.

Joe Walsh: My name is Joe Walsh, I represent individuals for justice. Most people that have been following this agree with you that we have to fix our streets. I live on 74th and Division, so it's very close to 82nd street. And anything east of 82nd street is in terrible shape. Everybody is in agreement with you on that. And we do not argue with the audit and we do not argue that we have to raise around \$50 million a year more to catch up, and it will take us a while to catch up. All that is not in debate.

Here's what's in debate. We don't trust you. We have not gotten an answer of what you did with the originally amount of money for transportation and who you held accountable for that. You keep saying you have no money. You say, well, OK, the gas tax -- we spend a lot of our time telling people not to drive and the gas tax dropped because people aren't driving. So, you need to step it up with the state and get the state to raise gas tax. Everybody is in agreement with that. So, we need you to lead the charge, and we need to support you doing that. I think that all the legislators and our representatives -- at least mine -- would not have a problem raising the taxes if we can fix our streets. The second problem you have is the vote of the people.

An advisory vote is toilet paper. That's what it is, it's useless unless you have to go to the bathroom. You have to tell the people, this is what we have, this is what we need, vote on it, and give us your OK. If you do this advisory thing and you left out six things -- first of all, people are going to look at the ballot and think that what they vote on is going to pass. That's what they're going to think. But that's not going to happen. It's going to come back to you guys. And unless you vote -- all 600,000 and two of you have made it very clear that you will not accept any program unless a vote of the people has happened.

And I know there's tremendous pressure on you. And the reason I was smiling when I come in is this is great drama for a political animal. Because I know there's terrible pressure on two Commissioners over here because one commissioner has already said she is out of it. I think you know who I'm talking about when I say she. [laughter]

Hales: Kinda narrows it down. Thanks, Joe.

Walsh: My last suggestion is on the list of things that you put down, whether it's a gas tax or property tax, put down, should the people vote on this. That will be number one.

Hales: Thanks, Joe. Next? Come on up. You're on first, Mr. Parker.

Terry Parker: Good evening. My name is Terry Parker, I live in Northeast Portland. I'm going to deviate from my written testimony to some degree. What we have here is a failure to communicate. Any additional taxation that links a street fee to an individual's gasoline usage is double dipping from the people that already pay while exempting the people that don't.

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Transit fares into not help pay for the heavy damage TriMet buses do to streets and funding bicycle infrastructure is for the most part siphoned off or poached from gas tax approach revenues. The bicyclists themselves act like kamikaze pilots, seemingly coming out of nowhere, weaving in and out of traffic interchangeably, using the sidewalk and the streets to evade traffic control devices. PBOT advisory and budget committees are stacked decks representing the alternative modes, stuffed with bicycle advocates and the manipulative “I want, I want, I want, you pay” approach to bicycle safety.

Instead of just representing the special interests, when are you going to end the discriminate social engineering and start representing the primary financial stakeholders, the people who by driving comprise 80% of the trips in Portland metro area and already pay transportation taxes thereby contributing to the economy? Promoting one less driver is promoting one less transportation taxpayer.

This is an equity issue, not a mode issue. Sharing the road must require sharing financial responsibility. I have said it before and I will say it again: bicycles are not royalty. If you are going to ask the public for an advisory vote, now is time to ask the public as a whole if adult bicyclists should pay user and or license and registration fees as part of a total funding package, not a stand-alone package. And I don't think any money should be spent on bicycle infrastructure until this takes place and until they start showing safety themselves as they ride today.

After any proposed advisory vote, any proposed street fee must still end up with an up or down vote by the people. If the answer is an income tax or an income-like tax it must have a 99.9% collection rate. The final outcome of any new funding method must also have a goal of financial self-sustainability for the alternative modes coupled with better balance of priorities. These priorities must include motor vehicle infrastructure, capacity, and parking improvements as opposed to road diets, a transparent prerequisite of motorist equity that includes a proportionate representation on PBOT communities and the premise that motorists pay taxes and fees are no longer used as an ATM to pay for alternative infrastructure. Thank you.

Hales: Thank you. Good evening.

Betty Solijaga: My name is Betty Solijaga. I have observed this whole process and read every piece of paper that's been published. I think this whole process has been a terrible shame and the residents of Portland have been totally disrespected in this. Throwing one new plan, one scheme here, one there, it's been a farce. And this advisory vote is adding more on to that. It's comical, and we don't deserve this. We deserve to have our streets in repair, and you had the money and you squandered it for years. Why do we have to come up with the money now? We've asked at various town halls and meetings, when is the City going to look at the City's budget? Where are you going to take money out of the City's budget and put it on these streets? There's a \$4 billion budget, is that correct, about?

Hales: If you count all the different budgets, but again we're here to ask what you're for tonight.

Solijaga: I'm for the City having some skin in the game. I'm for the City -- in fact, you just put out a press release today or yesterday that was telling the bureaus that they needed to think before they ask for new programs because they couldn't fund all of the new programs. Well, let's just put those programs on hold for a couple of years. The Barbur project does not need to be done right now. Any other light rail does not need to be done now. It's just your preference. So, why don't you just put some things on hold, let some streets get repaired, and put some money up for this? Why do the citizens have to pay for this again? My property taxes are in excess of \$8000. They go up every year now \$1500. Portland Public Schools will have a new bond measure coming up that will add another \$2

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to that per assessed value. So, I just think that the citizens deserve a good look in the budget of where you can take some money and put it towards this.

Hales: Thank you. As I mentioned, you'll have the opportunity to look at that budget extensively over the next several months while we open the books and prepare to adopt the budget for next year.

Solijaga: But you didn't say you would look at it.

Hales: Of course I will look at it, it's my job --

Solijaga: Well, but, you didn't say that.

Hales: Well, of course we will. We spend hours and hours on the budget in my office, believe me.

Solijaga: We haven't heard anything from you about what you think can be used, what you think can be reduced.

Hales: You'll see that always always in the budget. It's a big budget.

Fritz: Just as a clarification, the general fund is \$400 million -- about -- so when you talk about four billion, much of that is things like water and sewer and all those kinds of things -

Solijaga: Right, but we all know you all made exceptions -- or some of you did when you were voting for all of Randy's cockamamie things, that you made exceptions. You made exceptions and took money from anywhere and everywhere to buy things we didn't need.

Fritz: But the whole general fund is \$400 million. More than half goes to police and fire. So, that's where the bulk of the money goes to. But please participate, because we have an extensive budget process and we welcome more eyes looking for those hidden pots of money we haven't yet found.

Novick: Actually, hardly anyone ever comes to the budget hearings asking that we cut something. Usually, people are asking for more money for something. So, it would be an interesting change of pace to have anybody coming to the budget hearing saying to cut anything.

Solijaga: Well, why don't you all say no?

Hales: We often do. So, again, I want to give you that opportunity. And again, one thing I guess I hope you would remember is for the five of us who are here now, regardless of how the money was spent in the past, we don't get to revisit the past. We get to do it right now, and you get to tell us what right means. So, look at our budget, tell us what to cut, and tell us what you'd like to spend more on. And on this particular subject, tell us what you'd like your fellow citizens to look at over the next couple of weeks.

Solijaga: Thanks.

Hales: Thank you. Good evening.

Harry Sampson: Yes, this is important. People came down to this meeting. Before the meeting, we were told there was going to be a limitation what we could talk about. That's censorship. It's important that we know when you do the streets that you're not going to be wasting money having some people come out waiting to do their work. How do we know streets they are going to do? How do we know you're not going to make cuts in the City budget? You're saying bicycles wouldn't raise much money. That's true. That'd be safety too. If they had license plates on bicycles, there will be less bicycles stolen. Those fees would help on the streets.

You need to cut your budget. Nothing has been said about the budget. This is a meeting you're getting the people go to. As Novick said, that could mean not many people are going to. This is where we're coming to. I think it's 100% wrong when you don't believe in the United States. There's a choice of the people. How many people are here coming down saying we want it voted on, period? That's the freedom of the United States. The people's choice. All these people say voting on needs to be voted on and needs to be

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voted on. You can't elect -- name one official you could elect that's going to do everything the people want. That's why we're having the meetings and you're ignoring the people saying, we want it voted on. You listen to news.

Once when you were speaking, you said the street tax should be voted on. You didn't say it didn't count. It was -- count. The people are saying it needs to be voted on and it's about time you Commissioners know that's the price of freedom when you get enough people down here insisting that it be voted on, you shouldn't question us. Put it out for a vote. We live in the United States. Freedom. How much is spent overseas to fight for freedom? And you're taking it away from us.

In your regular meetings, do you get as many people coming as for the street tax? No. That shows they want it voted on. It's time you listen to us. I called up Fritz's office and others and say, why aren't you listening to the majority of the people that want it voted on? No response. It's a shame that you're doing that. That's taking away our freedom. For you to announce what we can talk on that was not said in the paper there was going to be a meeting on the street tax -- nothing that we have to limit what we talked on.

Hales: We're here about what you want to pay for and how you wanna pay for it.

Sampson: What we're saying is you need to take money out of other things like sweaters downtown, 114,000. Other neighborhood needs businesses. Sweaters donated. It wasn't advertised. Money down the drain.

Hales: OK, thank you very much.

Sampson: And you need to listen to the people now.

Hales: Thank you. Next, please. Good evening, Ms. Rowland. I think you're first.

Dorothy Rowland: Good evening, Mayor, President of the Council, Commissioners.

Hales: Just put your name into the record, please

Rowland: Thank you. My name is Dorothy Rowland. I live in Southeast Portland. I'm a homeowner and I'm retired. I'm glad you mentioned the audit at the beginning of this meeting, Mayor. I wasn't aware of the audit. It's helpful to know what it says about us being behind in street maintenance. It's really discouraging and scary. And like everybody in this room, I know about the problems with the streets just because I try to drive my car and there are lots of potholes, etc.

I want to just say positive things tonight because I know you all work really hard. And you just put yourselves on the line and you do that for the people of Portland. But I can't say just positive things tonight because I'm not comfortable with the way that the existing revenues are being prioritized for spending. I'm just not convinced that a new tax or a new fee needs to be levied on Portlanders in order to fix the streets. I think that our existing revenues can be budgeted better. Thank you very much.

Hales: Thank you. Again, I want to encourage you to take a look not only at the audit but at the budget when the proposed budget comes out. Take a look, give us your advice.

Rowland: Thank you.

Hales: Thank you. Good evening.

Kem Marks: Good evening. My name is Kem Marks. I live in Southeast Portland on 130th just off of Powell Boulevard. I came here tonight prepared to speak about the way that the funds would be used, so I'm speaking a bit off the cuff. But however, before I do that, I want to kind of contradict or at least address one of the previous statements by one of the earlier speakers. If I had \$1000 for every time that a car, a driver, almost hit me and almost killed me, your budget problem would be solved. So, it's not just a case of bike riders or pedestrians. There are people who drive who have just as many issues with their following the laws.

Now, as for the modality, thank you, Commissioner Novick, for making sure that safety projects have been a major part of this discussion. I came here again tonight to

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speak to that issue and I hope that it maintains its position as it's been proposed as a major part of whatever is ultimately developed as this proposal.

As for the type of way that we would draw revenue, I have expressed before and I'll express today I am in favor of a progressive income tax. Gas taxes and user fees and even property taxes are regressive taxes. People who can afford to pay for these services need to pay for these services. People who are on limited incomes, people who are working for 9.15 an hour cannot afford to be nicked and dimed with user fees or gas taxes. That is a significant portion of their budgets on a monthly basis. They cannot afford it. The people who can afford it should be paying for these services. Thank you.

Hales: Thanks very much. Good evening.

Nishant Bhajaria: Good evening, Mayor. Nishant Bhajaria, Portland, Oregon. My proposal in terms of what the ballot should look like would be an extra line that tells people if you support none of the options the City gives you, what would you have us cut? Because if the idea is we're tallying votes for what people want to use, if people don't support any of your options, ask then what would you cut in the existing budget. Because I don't buy the premise of your question that somehow we have to come up with new revenue. And I just did some homework before coming down here and I found out that the PBOT chief Leah Treat, her annual salary is more than 170K. I called up Chicago Mayor Emanuel's office. Their Transportation Commissioner makes \$169,500. Chicago has four times the population of Portland -- four times if not more. They have more mileage in terms of roads they cover, they have active transportation. It makes no sense to me that their Transportation Commissioner should make less than ours.

There's a position open right now on the City of Portland website for a communication specialist. At the high end, that job would pay 100 grand. That's two and a half times the national median. Why the City of Portland needs to hire another communications person that makes 100K is beyond me.

I know I've talked about this before, Mayor, but I don't think I can trust you with handling my tax dollars properly after that trip you took to the resort at Mt. Hood. You could have had that training in the city of Portland, that diversity training for white men. I'm not questioning the need for the training. This is a complicated society of ours. Things happen. You could have had that training in town. You could have had it in City Hall. You could have stayed in a hotel, you could have bought food from restaurants in town that would help the local economy. There was no need to go to a luxury resort. I guarantee you -- families wondering how they are going to make another tax payment to the City are wondering, why does the mayor need to go to a resort for training that could happen downtown?

When I look at your priorities I don't know how much of this new revenue would be used to fix our streets. It's more a question of if the past has not been perfect or has not been ideal, how is this new money going to be used?

The other issue that I have had is the explanation for why this cannot be sent to a vote has kept on changing. Now, when you actually put something to a vote against, it's nonbinding, which means people can say what they want to and you could come back and do something totally different. I don't understand how you can treat citizens that way. At some point, there needs to be a hard level of accountability. If people say this is not OK, it's not OK. If that means we live with bad streets, we live with bad streets. But what you're doing right now is asking people for more money and that means you never have to make choices about what to cut. Let's try cutting something. Let's cut funds from the streetcar. Let's see if people desire it. Let's cut funding from someplace else. Let's see what people say. Let's force that choice. Then let's make those choices. Asking for more revenue is a copout, in my opinion.

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Hales: Thank you. Again, want to encourage you to come to the budget hearings, look at the budget, tell us what to cut.

Bhajarria: I'll make sure there are other options as well, don't just depend upon me, let's ask the whole city.

Hales: All ideas are welcome. OK. Next three. Good evening. Go ahead, Ms. Sanderson.

Anne Sanderson: Good evening. It's about my fifth time here, I think I'm getting a little more here. My name is Anne Sanderson, I'm a small business owner, and I'm the head of the Stop Portland Street Fee.

Let me get this straight. Nine months ago, you do a telephone survey, you ask 800 people what they want to do to fund their streets, and you come up with what you decide is the least unpopular. That didn't work. So, we saw version after version after version and here we are fast forward, and now you want to poll the entire city to find out what the least unpopular thing is. It's no way to govern and it's no way to lead. It's no way to treat the people, either. We've been in this since the very beginning with you. We've tried to have our say, we've tried to help you. I sat on a work group all summer. Yet, we're still going back to ask in a new survey, and a very expensive one at that.

At one point, you said it was too expensive to fight a campaign and send it out to voters for an up and down vote, and yet it's OK to spend that money on a survey. It doesn't fly. So, you want to know what the options should be and I'm going to suggest you don't do anything you've already suggested. We've seen them, we've vetted them, the devil was in the details and we're done with them. If you have new suggestions, that's great. Apparently, you're polling us again to find out what you should suggest, but don't go with the ones you've tried. We've already seen them.

And I'm going to suggest that we want to see none of the above because when it comes down to this, it is one choice that would make sense for a lot of us. It's not that I'm anti-tax, as you once suggested, it's just that I'm anti-bad tax. And every time you have a suggestion, when we get down to the details, we find out it's not very good at all. So, until you come up with something that actually works -- I suspect we should vote none of the above.

Hales: So, you don't have a suggestion for something that would actually raise revenue? Because obviously none of the above wouldn't.

Sanderson: No, not to raise revenue. But all the things you suggested so far haven't flown in the details. I think I've been in there right in there with you, there's criteria that you could use to decide what works or not works. Now you're punting, and punting is not good from a leader.

Hales: Well, actually, for 14 years the City of Portland has done nothing on this subject. And now, we're looking for something, and we're asking you I --f you're willing -- to suggest revenue you would like to raise.

Sanderson: I spent my summer taking days off work sitting on a work group that -- I'm going to tell you something. When we come in here and you say we can only speak to this narrow focus of topic that we didn't prepare for, that was like the whole summer. You only want to hear what you want to hear. We're talking to you and we're giving you suggestions and I had a list of criteria at the beginning of the summer. I didn't bring it today because I've said it already. No one heard me then and you don't hear me now.

Hales: Well, please send them. We're looking for measures that might make a difference.

Sanderson: I know.

Hales: Thank you. Good evening.

Bob Clark: Bob Clark, Southeast Portland. I volunteer for the Taxpayer Association of Oregon. I would hope that this public advisory vote would ask the question, the ballot question would be, should City refer this such and such tax to voters for a vote or

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approval? And because of the gasoline tax by state law has to be referred to the people to be enacted.

Hales: Is that the mechanism you recommend -- is the gas tax?

Clark: I prefer the gasoline tax because there's an existing administrative function, organization in the state of Oregon that already takes care of this administrative task, I believe, reading the legislation.

Hales: We don't have a hard estimate yet, but it may be that in order to raise, say, \$20 million that a City-only gas tax might have to be about 20 cents a gallon. Would you support a tax at that level?

Clark: No. That's too much. You're asking maybe for too much. I would ask that you also consider using the general fund surplus you have projected for are this year for all the streets. That would get you \$19 million. That would be quite --

Hales: Some of that is one time. Right.

Novick: I think it's a little better than that. I think it's in the range of 13 cents depending in part on whether the county -- which we have an IGA with the county that says we have to give them 20% of what we raise --

Clark: Oh, wow.

Novick: We might convince them to waive that.

Clark: I think 10 cents I could support. Especially now that gasoline prices are coming down.

Hales: Right, it's coming down by about \$1 a gallon.

Clark: That should have actually helped you on the cost of asphalt I would think.

Hales: Yes, it will.

Clark: So, your target should have come down, but we haven't seen that.

Hales: It will help.

Clark: I also like the original proposal, the user fee. I was hoping for \$5 to \$6 range. And that would be attached to your water bill and that would be administratively easy again. Because the problem with the income tax is -- besides being invasive to the filers -- is that you're going to be spending a lot on administrative costs, like 15 new staff members I saw, and you're going to have a lot of collection failure, so you're targeting 25 million in growth but maybe going to get something a lot less.

Fish: Bob, can I ask you a question? You said your preference would be a \$5 or \$6 or whatever the ranger user fee --

Clark: That was my second to the gasoline.

Fish: Whatever -- I don't -- I'm just taking a concept. You then said throw it on the water bill. The water bill of course is the water-sewer bill.

Clark: Right.

Fish: Water is a third of the bill, stormwater sewer is two-thirds. I have this vague recollection that I've spent the last two years of my life in various fights -- with you included -- on keeping water-sewer separate from the general fund. If we put this on a bill, aren't we violating the very principle that you took up in fighting for a water district? The merging of general fund and ratepayer-funded enterprises?

Clark: We are, Mr. Commissioner Fish, but like we all know, making politics is like making sausage. I would say that we -- I can't anticipate the City coming back with this kind of --

Fish: No, I appreciate you asking --

Clark: I think it's a lot more cleaner.

Fish: There's plenty of reasons to use the platform for water-sewer. I have objected, because in my -- I have heard loud and clear from people like you --

Clark: Yes, but last May I actually did support that. You had asked whether I would support it. I thought it would -- it would raise the water bill but it was going to be like 5% to

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6% kind of thing. So I didn't -- given a preference of an income tax or a fee on my water bill -- and you say you're going to do it to us -- I had to pick my poison. That's what you're telling me to do.

Fish: I appreciate that. I'm just highlighting an irony in that proposal. Because we did fight over that question.

Hales: Appreciate that. Thank you. It may well be that if we have a list of options on the advisory ballot, we may have a flat rate fee and a gas tax.

Clark: Right. But I would encourage you to refer it, because like most people there, they don't have much trust. And in the January 2013 City audit report that preceded the February one said, where did the money go?

Hales: It raised very legitimate questions.

Clark: So, there's not a lot of trust, and you need to encourage people not to be so irritated by asking which one of these you would want referred.

Hales: Thank you. Good evening.

Rick Bartko: Good evening. My name's Rick Bartko from Southeast Portland. Mayor Hales, Commissioners. The trust word keeps coming up. I think that's paramount in any of the leadership decisions that you make. Just to start off, I had some materials -- I'm a little new to this so I should have been here the first go round with McCullough. And I had some materials that are pertinent to what Mr. McCullough discussed about the business fee.

Hales: OK. We can --

Bartko: I had my contact information on there if you want to ask questions.

Hales: OK, thank you.

Bartko: I just have a question. What's Multnomah County going to charge for a special election?

Hales: It depends how many things are on the ballot. It'll cost somewhere between \$100,000 and \$300,000 to do this.

Bartko: My recommendation -- I don't know if this is feasible -- but could you put a survey on a Portland City website and just advertise that?

Hales: That's another way to do it. What this will do, of course, is give every citizen of Portland a chance to tell us what they believe is right.

Bartko: Right.

Hales: Not everyone will return a ballot, of course, but everybody is given the opportunity in our state with mail ballots to express their opinion. So again, it's used in other states much more than it's been used here. I guess someone told me today that the City of Portland during the Goldschmidt administration -- which has been awhile -- did an advisory ballot at one point, but it's obviously not a common occurrence here.

Bartko: So, I guess that would be the question whether or not the City could do a mail out questionnaire or less expensive through Multnomah County. I don't know, just --

Hales: Well, there will be a May special election anyway, because the Portland school board seats and Portland Community College -- I believe -- seats up for election. But the incremental cost of additional parts of the ballot is charged to the governmental agency that's put the thing on the ballot, so we'll pay a portion of that cost based on our portion of the paperwork.

Bartko: OK.

Fish: Mayor, does that mean if we -- for example, if this was on a general election ballot in a presidential year, for example, with a lot of stuff on the ballot, does that necessarily mean our costs would be substantially lower?

Hales: Our proportionate costs would most likely be lower.

Fish: Because there are so many other items on the ballot.

Hales: Right.

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Bartko: OK. So, moving on, what I hear generally is the notion, the proposal that one thing is going to solve the problem. We need X, and we need to raise it through something. I have heard over the course of discussion over the past year parking fees, myself personally the gas tax makes sense at some level for the city. But to address the issue with people coming in, the commuters in the tri-county area -- maybe Metro getting involved in collecting some, assessing a tax. I like the idea of maybe some small increment on the payroll tax.

Fish: Can I ask you a question on that?

Bartko: Yes.

Fish: Let's say this is referred in the May ballot and let's say the results are inconclusive. The mayor has said this is advisory only. Is one of the options you'd want us to consider after that event perhaps some cocktail, if you will, some number --

Bartko: Absolutely.

******:** That together get to the goal the mayor has established?

Bartko: Yes, absolutely.

Fish: That's not -- I'm not sure that's something we would test, but that might be your advice to us -- to look at a package.

Bartko: I would hope that in the coming months, you put your very talented analysts to good use and take a look -- and it's down the road, I understand. There's a whole spectrum of things that are happening here. Marijuana tax, the rising tide lifting all the boats in property taxes -- and these are always obviously general fund and gas tax -- but this notion that gasoline taxes at the state level may be at the regional level, TriMet level, or at the City level. Give us an idea on what your budget -- the savings may be in resources, materials for doing the roads. Give us an idea how much of a shortfall there actually is based on some hard analysis. I think we really would appreciate that.

Hales: OK. We'll have that.

Bartko: Come up with a cocktail as Commissioner Fish suggested.

Hales: Thanks very much. Thank you all. Welcome.

John Cronan: Hi, John Cronan, Southwest Portland. Other people before me have expressed issues of trust, and to me, just haven't made the case. It's not that -- I haven't read all of this, I haven't gone to budget meetings. But we've gone in a short amount of time from your perspective to having roads that were more or less OK to a huge problem. And that hasn't been explained to me.

I'm willing to consider any of the tax alternatives. I'm sure this issue has not become as serious as it has from this Council, this has taken years to get to this point. And it may be uncomfortable to talk about prior Commissioners, but it's obvious that this has gone on for a long time. And until the case is made better and more specifically as to how we got here, I'm not trusting any more money to the City to fix it.

Fish: Mayor, when was the last year the gas tax was increased?

Hales: The federal gas tax was last increased in 1993. The state gas tax -- I believe was last increased in 2009. The City gets a portion of each of those. Actually, I'll give you a copy of this audit. It's one of the things you ought to read, but you'll see that what's happened over that time is that the City's overall transportation budget has gone up and down a bit. Mostly because of things that are funded as a one-time capital project. But the generally spending on maintenance and repaving -- you're right, it's been a long-term decline.

The council actually in 2009 made a decision that I disagreed with, which was to say we're not going to maintain residential streets anymore, and passed an ordinance resolution 36672 that said that. This Council has rescinded that ordinance, and has said we're responsible as a city for both residential street maintenance and arterial street

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maintenance, albeit we are not keeping up with that responsibility. So, I would encourage you, I'll give you my copy. I encourage you to not only read this but take a look at that long-term [inaudible] --

Fish: Let me ask Commissioner Novick this, because often in these discussions, there's a sense that somehow Portland is exceptional. We have roads, bridges, and infrastructure throughout the country that are collapsing. Commissioner Novick, is Portland unique?

Novick: No, Portland not unique. The United States as a whole spends 2.3% of gross domestic product on infrastructure. In Europe, the figure is 5%. In China, it's now 9%. And roads and bridges are deteriorating around the country. Los Angeles was about to send a measure to the ballot this fall to address their crumbling roads, concluded that they were unlikely to get the required -- I think they have a two-thirds percentage, so their roads will continue to crumble. Twenty-eight other Oregon cities have passed some sort of local fee mechanism to address the same problems.

One bit of Portland-specific history that I think is worth noting is that back in the '80s, the City used to devote a significant percentage of utility license fees to Transportation, and the council gradually concluded starting in the late '80s that they would divert that into the general fund that is used primarily for police, fire, parks and housing, which people aren't excited about cutting.

Hales: Yeah, in the past, the utility franchise fee was dedicated to Transportation. But after the passage of Measure 5, the then-City Council -- none of us -- but the then-City Council said we're going to try to hold police, fire, parks harmless or less harmed, and stopped dedicating that utility franchise revenue to Transportation. So, that's part of what started that long term slide. You can argue they made a great or a terrible decision, but that's why they did it, is the Measure 5. And Lynn Reed [spelling?] is here from The Oregonian. The Oregonian at the time -- he wasn't there then either -- argued that we should pass Measure 5 because that would lead to votary approval of a sales tax. How's that working out?

We haven't done much in terms of these big picture structural reforms, and that's why 28 other cities have passed some kind of local street utility fee in Oregon. And that's really where we started on this issue. We looked at Oregon City that had \$11.56 a month per household and said, well, that seems like rough justice to us. That's kind of where we started on this discussion.

Fish: Sir, I'm not advocating one side or another, but if the gas tax -- which is a primary source of revenue for roads -- if that hasn't changed in over a decade, and if with all the advances in fuel efficiency, we've seen people use less gas, then that as a revenue source has become less robust. The Commissioner-in-Charge of the bureau can say let's add money to parking revenues, we can find all kinds of things. Council can pass a hundred resolution ass to where we put a diminishing resource into what street. If we don't have the resources, we can't do the job.

And so fundamentally, there is a resource question. And we can have the argument about whether we go into the general fund and make substantial changes. Those are tough conversations, because most people want to have a certain amount of money allocated to public safety and parks and other things. So, you know, I'm not advocating one way or another, but part of the challenge we face is outside of our control. And there just aren't the money. And we can ascribe it to this or that policy decision. People can say it was a good idea or bad idea to pursue the streetcar. It really wouldn't change the fundamentals.

The fundamentals are the primary revenue source has not kept pace with inflation, and we don't have the resources, and we're in the same boat as a lot of other cities across

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the country. And so, we're now asking you for what ideas do you have? And there are no bad ideas, but we're asking you for what ideas you have.

Cronan: Not being an accountant that seems to be -- what strikes me mostly is we went from this not being discussed to it being a huge problem. It strikes me that gas fund revenues -- the price of gas obviously skyrocketed in that time, so revenues to you must have gone up to some degree.

Hales: Well actually, it has been discussed. Unfortunately, we haven't gotten anyway. I was Transportation Commissioner 2001 and argued that the legislature should increase the gas tax and it failed miserably, because they didn't then. We also attempted a local revenue measure in 2001 but were pushed back by the business community that threatened to refer it to the voters and kill it. And then, Commissioner Sam Adams in charge of Transportation in 2007 attempted a local measure, and he was also threatened by members of the business community that they would take this to the ballot and kill it. So, we've actually been having this discussion in the City of Portland for 14 years.

Now, you can blame us for having a long conversation with no results, but we have not been completely -- we as a City, as a community have not been totally unaware of this problem. I would say we have been unwilling to face it squarely, and that's what we're trying to do now.

Cronan: Then my suggestion in the spirit of being positive about this is -- I would say you can't sell this often enough. When I read articles about this, I don't see a half a dozen bullet points that I'm sure you could come up with that would attempt to sell me on this better than the shock at all of a sudden you need vast amounts of money. Does that make sense?

Hales: Sure.

Cronan: So, that's my suggestion.

Hales: Thanks very much. Good evening.

Teresa Keishi Soto: Hello. I am Teresa Keishi Soto. *Feliz año nuevo*, Happy New Year. I'm one of those people who in the past has been very disgruntled when I have heard that there have been improvements made in places other than where I live. I live in Southeast Portland. I live 200 feet from the corner of SE 125th and Powell Boulevard.

Basically, I have come tonight to ask that when a decision is made by the voters and there's a formula out there to get the funding for maintenance of streets and safety, I was basically here to say please, please make sure that safety is right there in front of you in neon lights. In order to get from where I live to Safeway walking west, it is very, very difficult because the cars that are turning have to stop if they are turning to another street, and the ones behind them will not wait. So, it is very frequent that all of us who walk there are threatened with death. There's also a lot of families there. You see moms pushing their strollers and holding on to strollers. Not too long ago, I think you know that someone was killed again right there on that corner. Basically, that's why I have come tonight.

Now that I have been listening, I want to say a big thank you to all of you for taking the time to have us here tonight. I know some of us came with a different agenda than the criteria you have put forth, Mayor Hales. I want to thank Commissioner Novick for being very brave and taking this on -- the whole transportation issue. I'm also talking about transportation as it relates to other needs that we have in Southeast Portland. I want to thank Commissioner Fritz, because she has been an advocate of those of us who ride the bus. I am with OPAL Bus Riders Unite and I'm also with the East Portland Action Plan.

I'm going to close by saying, keep on letting us know what's going on. I really appreciate having been invited to one of the meetings that Commissioner Novick had. I was representing several constituencies, I guess you could call it. And I really appreciate that. I'm very well aware of the fact that people do not trust City Hall. So anything you can

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do to bring back that trust will be greatly appreciated. And of course, I would like for you to always remember that Southeast Portland deserves the service the same as what the rest of the City gets. And I thank you very much.

Hales: Thank you, and thanks for your advocacy. I appreciate you pointing the safety issue out. As Police Commissioner, I unfortunately get reports of things that go terribly every night. In the last two years, we've killed twice as many of our fellow citizens with cars as we have with guns or knives. 35 traffic deaths in 2013, and I think roughly 40 in 2014, and quite a few on Powell. So, appreciate you raising that.

Soto: In 2013, I believe there were eight people in Southeast Portland killed out of 13. Eight deaths were in Southeast Portland. Thank you for acknowledging that.

Hales: It's terrible. Thank you. Good evening.

Jim Karlock: Good evening. My name is Jim Karlock, and it's been a long time since I have been down here but this is worth it. So, I'm going to save you a lot of money writing ballot initiatives. I'll write them for you.

Number one, shall we have a tax for streets, yes or no? Number two, shall we require those who do the most road damage pay in proportion to their damage? Of course, I'm referring to TriMet, which does the most damage; and large trucks. You notice not on this list is cars, bicycles, pedestrians, because they do virtually no damage to the roads. And as to funding -- measure number three, should Portland quit wasting street money on streetcars that are slower than walking and on light-rail that moves less people per dollar than cars, and reallocate that money to streets? Should Portland -- measure number four - - should Portland quit installing speed bumps that kill people by delaying emergency services, quit adding bubble curves that put pedestrians closer to fast-moving traffic, quit building bike lanes that remove road capacity, quit building bike boulevards that essentially steal streets for bikes, and take the money to apply to street repair? Should Portland quit wasting money on things like, oh, 100 pages of tree rules? It really takes a 100-page document to tell somebody that they shouldn't cut down a 100-year-old Elm tree? Give me a break.

Stop giving \$100 million in property tax money to crony developers via the Portland Development Commission. I looked it up this afternoon. There's \$107 million in property taxes that are actually collected in the PDC district that goes to the PDC that in essence pays for a bureaucracy and buying favors for rich developers to give you guys campaign donations to keep up I believe it's called the iron triangle if you look it up in Wikipedia. It's endemic in government. Measure number six, should we stop giving exemptions from paying property taxes to favorite developers? Should we stop selling land to favored developers at below market and give the money to repair the streets? Shall we shut down useless City agencies such as Sustainability, climate change, bio fuels, and the PDC, and apply this saved money to street repair? Of course, this requires that you actually run the City for the people instead of for some of your cronies. Thank you.

Hales: Thank you. Next three. Good evening.

Richard Donin: Good evening. I'm Richard Donin, I've been down here before. Actually, I've been here more than when I worked for Commissioner Lindbergh doing -- an energy consultant doing solar setback rules for the City -- which was a lot of fun, actually.

I'm here with something positive. I would like to see -- because I have a one-track mind, obviously, as you've heard from me before -- that there is a parking fee similar to but not exactly like the City of Chicago and lots of other cities. I recently spoke with a PBOT person last week about the parking sticker fee program I suggested, and I was amazed to hear all the incorrect assumptions being made, including one from the City Attorney's Office that it wouldn't work because it had to be affixed to vehicle registration, and it never did, actually. The proposal I sent out had nothing to do with vehicle registration.

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I love this city. I live here for a specific reason because it's the best city that I visited -- lots of them in the U.S. And I've known the City from working with Commissioners to be one that looks for making things work rather than finding excuses why they don't work. So, I haven't heard putting on the ballot as a positive measure a parking sticker fee. It's simple to maintain. The City already does have a small department in Transportation that issues these stickers for various parts of the city. The cost to do it would be very, very small. It could be done with existing folks.

Fish: So sir, I earlier asked Thomas Lannom that question. Because I had read a piece recently about requiring everyone that brings their car downtown to have a sticker. I think we probably have to put out a document that explains the advice that we've been given, but the answer that I got was that a sticker that you have to buy to put on your car to park is construed as like a vehicle registration fee. And the current law is that we are preempted from doing -- and Steve, you'll tell me if I'm wrong -- we're preempted from doing a vehicle registration fee.

Donin: I understand that.

Fish: Only the county can do it. So, there's a legal bind. It's an elegant solution in my mind, and I appreciate you putting it on the table, but we have been told we don't have the authority to do it. I think it would be useful if we put something in writing on the website to see whether people think that's bunk or makes sense.

Hales: Or even get a formal opinion from the state.

Fish: Or even get a formal opinion. The point is very well taken, I just want you to understand that we've been told that legally we can't do that, but let's take the time to explore that.

Donin: Yes, because I researched ORS statutes, and cities, municipalities, have the ability to impose parking fees as in when you park downtown or anywhere there's a meter they're you have to put the money in so you don't get a parking ticket because the ticket is way more than the 75 cents it costs to park, it would run on that exact same -- it would piggyback on the existing program that you already use to keep traffic moving. I understand from the business point of view, you want turnover out there.

Fish: Sir, you've taken the time to come and give us a thoughtful suggestion. Commissioner Novick, could we ask that we just get something in writing that explains whether we can or can't do that and why?

Novick: Absolutely.

Hales: He's right -- particularly because we already have regulated parking where there are meters, but we have the sticker program in different parts of the city like the Central Eastside where people who live or work in that district have to have a sticker. So, we kind of have crossed that line in one way. We may be told there's a difference between that and a general program. But you're right, we should ask the question straight up.

Donin: I would like to see that on the ballot. I figured roughly \$25 once a year -- about \$2 a month -- sticker fee. The sticker fee would also end up getting people who come in from Vancouver that want to park. And I'm not talking about downtown, because I talked with the county and they actually have meter readers out in various areas. Hawthorne Boulevard is patrolled. They also patrol Powell Boulevard -- several others. We're not just talking about central city, we're talking about the entire city in terms of where businesses are located, which is where people really want to go. I'm not talking about talk going into people's garages or their residential neighborhoods and saying you can't park in front of your house.

Fish: Let me again just say, thank you for framing the issue. I think it's -- it would be good for us to get something in writing and see whether you agree with it. Get the City Attorney to give us an opinion.

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Donin: And I would be happy to talk with the PBOT folks.

Fish: And talk with the county --

Hales: Good.

Fish: Let's not leave this up in the air. You've raised an idea. Let's make sure that we can or can't do it.

Hales: Mr. Sargent testified earlier -- I don't know if you heard him -- that the goal of getting nonresidents to contribute based on the fact that they use the streets too. It obviously is one of the few revenue mechanisms that gets that problem.

Donin: Thank you.

Hales: Thank you. Appreciate it. We will ask -- we will get the legal analysis of what is our window, what does it look like, do we have one at all.

Donin: And where the wiggle room is. [speaking simultaneously]

Novick: I do have to -- if the City Attorney says, well, it sounds crazy but it just might work, we wouldn't want to pass something and then have two years of litigation and find out that we lost. I would want to be pretty sure it's something we could do and the City Attorney has said so far that they're pretty sure it's something that we can't do.

Hales: Let's get a good, solid look at it. You're right, it's used in other cities, it's used here to an extent. Thank you. Good evening.

Hiram Asmuth: Hi, my name is Hiram Asmuth, I reside in Northeast Portland. The big issue with me -- it's a resounding theme you've heard, and it's trust. I have a difficult problem trusting you on two different levels. One is implementation and the other is intent of this fee.

The implementation side -- I mean, three minutes is not nearly enough. But just to give a very stark example, Mr. McCullough did in-depth research on the numbers provided him that he paid couple thousand dollars for, by the way, and he found thousands of businesses are mis-categorized or somehow mischarged. And so, there's major issues with that and that you would have a lot of legal challenges which would inevitably cost the City more money in legal fees. You would have a lot of funds not getting paid.

There's a \$500 charge that supposedly is the charge, so, I think that's another thing that would occasionally happen -- some businesses that shouldn't be paying would get the \$500 charge from the City that they may or may not pay, by the way, because they are mis-categorized. You're charging somebody \$240 then it seems almost like blackmail saying we're going to charge you 500 if you don't pay the 240 even though you're mis-categorized, and if you want to challenge the category you have to go through a legal process or some sort of forum that you're obviously going to have to spend a few thousand dollars to create. And that's just one of many implementation problems I see with this.

Fish: Can I ask you a question?

Asmuth: Yeah.

Fish: I get the trust part, but it doesn't help us get to a solution. And you're going to lose your time and I don't want you to miss a chance to tell us -- if we did a referral, what would you like to see?

Asmuth: I think the solution -- I'm more of the none of the above type, but I like the idea of a parking sticker. That's one of the very few ideas that I could possibly look at and support. But just in general, to be honest with you, you know, it's hard for us as citizens to like take time to really research these suggestions that you're bringing up. This is your job to research these and have them set in stone, and not have thousands of errors on a single document. And so, if you're going to refer these other options that have glaring holes that we've told you multiple times we don't like any of these. None of the above is perfectly a good summary.

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I want to get to intent real fast too, though. Charlie, I read something recently, I forgot what it was, but it was about 82nd is 213 highway. It's managed by ODOT, and apparently you're trying to take that from ODOT and put it in the City. I'm wondering -- so you keep saying that we need X amount of money and that we don't have enough, why are you asking for more responsibility and for more of a financial burden when in fact we don't have the funds right there to take care of what we can? Could you just answer that for us?

Hales: Sure, I'll be happy to explain that and then, again, I'll give you a little bit of a minute. If you were convinced that the money needed to be raised and if you were convinced that we needed to raise -- as the Auditor and the department have said -- somewhere north of \$75 million a year, let's say we're going to try for 50 hoping that the legislature does their job, where would you like that to come from? And maybe it's the sticker, but now and soon we need those ideas.

The reason that we've raised the issue of Powell Boulevard and 82nd and other state highways in the city is that there are all kinds of inefficiencies and problems created for neighborhoods by the fact that we've got these so-called orphan highways in the city. And the proposition that we want to advance with the state is we're not going to take it in its current condition but in the long run, that ought to be a city street. Looks like a duck, walks like a duck, people think of it as a neighborhood arterial. But first, ODOT, you need to put that thing in good condition and then deed it over to the City. That's already happened in some cases. Market Street downtown used to be a state highway.

Asmuth: Yeah.

Hales: Parts of Sandy Boulevard have been converted from state highway to city street. So, this is an ongoing discussion with ODOT. It's frankly been largely frozen because the state hasn't had the money to put Powell Boulevard in good repair. They need to spend about \$50 million on Powell alone. And we haven't had the money to maintain it.

Asmuth: Gotcha.

Hales: But on the assumption that we're going to have some more maintenance money, and they will have the money to put the roads in good condition, I believe we ought to continue that transition of having the state run the highway system -- I-5, I-84, I-205 -- and the City take care of the arterial streets, regardless of what label has been on them the last 100 years. That's the theory. Again, don't have to finish this --

Fish: By the way, Mayor, the same principle applies to larger question of who maintains the bridges.

Hales: Right.

Fish: And one thing I have learned as the person who does most of the laundry in my family and goes to the laundromat and does most of the grocery store shopping, goes to Fred Meyer is that the person who comes up to me because they recognize me or think that I'm in government very rarely cares which level of government I'm from. They have a concern. And it seems kind of odd that on streets you have to first get a lawyer to tell you whether it's federal, state, city, county, and then blah blah blah. And most people would like to know that someone is handling it.

So, it may be a good or bad idea but it's been taken up around one entity managing the bridges, some better coordination on the streets. The mayor is a pretty good negotiator. He's not going to take on a street with a liability. [laughs] So, I think you could give him credit for that whether it's a good idea to take it on or not. We couldn't do worse than ODOT on a couple of these roads. The mayor, I guess, thinks that if we had it in our fold with the resources that we could then bring them up to the safety standards that we're hearing from the community. But that's not -- I hope you don't see that as a trust or intent issue. That may be just a good government issue. And as long as the funding is there, I

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think we could probably persuade you we shouldn't have multiple players providing a basic service.

Hales: Well, not to go too far afield, but there's been a huge human cry raised from neighborhoods along those streets saying we want to have the ability to plan this street as a main street for our neighborhood, and the state highway department treats it like a state highway. And so, we've actually had a lot of pressure from citizens in those neighborhoods to do this. But I'm not going to until we have the road in good condition. I mean, that's not financially responsible.

Asmuth: Yeah, it would be cart before the horse. I've been here since '98. I bike around Portland and I drive around Portland all of the time because I do a lot of political door knocking and I know all these neighborhoods. And what I consistently see I see like inefficient things happening. There will be bumps on the street one year and then two years down no bumps. They took them out. Then bumps again like two years later. And it's confusing to me. And then, you'll be driving down the streets that are fine -- you don't see them needing paving and they will get paved.

East Portland meanwhile -- like this lady came up as an advocate -- East Portland is in disarray and has been for decades. It's kind of very lunar some areas in East Portland. And I think, why can't we prioritize, why can't we be more prudent with resources we have? And here's my take on it. If you guys can give us an exact number that isn't based on inconsistencies, that's not based on taking on roads that we don't have right now, if you can give us something more concrete, then maybe it would be a little bit easier to trust you on needing the money.

But it's really hard to trust you on that when there's so much inefficiency, and not just in this bureau but many others. And basically, you're just asking us for money. It's a dangerous precedent. It's a really dangerous precedent. If you're going to come to your citizens and say, you know, because the past City Councils over the past 14 years have overlooked some things, we're going to have you guys -- you guys as in us, the citizens -- take it on. The citizens, take on the burden. This is a government job. The government is supposed take on the government burdens and the government mistakes of the past. In order to establish that trust you have to establish the need. And also, like, you have to really entertain the ideas that people are more agreeing with. I think it's disingenuous to put these three options that you have been told by numerous people time and again these are all terrible options and we've basically line item explained to you point by point why they're bad options.

So, if you're gonna put some options on the ballot, at least make them legitimate and at least put them to a vote if in fact you have one or two or three of these coming through with any kind of favorable response. Because the voters at the very least -- we deserve to have our voice heard on how we're going to pay our fees when it's an extra one, and not just have three people decide for 900,000. Anyways, that's my take.

Hales: I appreciate that. And again, I want to encourage as others here that are interested in the question of, "can you trust us to spend your money" to look at the budget in the budget process. And by the way, Commissioner Novick didn't say no one came to budget hearings. He said few people came to budget hearings to urge cuts. We had 300 people in David Douglas auditorium at our budget hearing last fall. So, we have robust public participation process in the budget process, and I encourage you and anybody else that's interested in how we spend your money to participate in that.

Frankly, as the City's budgeter-in-chief -- because one of my responsibilities as Mayor is to propose the budget -- I take that very seriously. If you come to my office between January and April, you'll see a pile of budgets on our conference room table because there's a lot to it. That's not to try to wave you off and say you're not going to be

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able to read all that, I'm saying there's a lot to it. I'm very proud of the budgets this Council has approved in the two years I have been here. The first year, we cut \$21 million out of the general funds budget because we had to. And that was hard, and we did it, I think, well. Since then, we had a little extra revenue and we used most of it to pay off old debt.

So, I'm proud of the way we have spent money. I got in trouble with one of the local news media because I said, I dare anyone to find \$10 in my proposed budget that's misallocated that isn't following the law or good budget policy and I'll show up on their front porch with a TV camera and \$100. So, you know, that offer still stands because I take that responsibility seriously to propose a balanced and legal and proper budget. But that's my opinion of my budget. Your opinion of my proposed budget is also completely admissible, and when I put it on the table in about six weeks, I hope you look at it.

Asmuth: Absolutely, I'll do that.

Hales: Thank you.

Novick: Mr. Mayor, I actually found the email that the City Attorney sent to me about the idea of a vehicle sticker, and what he said is that we are prohibited from imposing vehicle registration fees, and ORS 801.410 defines registration as the recording of a vehicle as authorized for use within a jurisdiction. So, that was why he felt that if we said that any vehicle that is used in Portland has to get the sticker, he thinks that that would be considered a registration fee. I won't close the discussion, but I had it, so I thought I'd --

Hales: Let's look at it again --

Fish: We'll take a fresh look at it --

Hales: Because the question is we do this now in districts -- not citywide -- so, you know, let's think about it. Good evening.

Fritz: Excuse me -- before we move on -- we had over 100 people in our Parks budget meeting last night. It's not just Transportation that doesn't have enough money. We passed the parks bond, which I'm very grateful to the voters for providing \$68 million. That's 68 million out of 365 million that we need over the next 10 years for parks. We have citizens in every single bureau who dive into the budgets and try to help us find revenue and fund the services that the citizens of Portland want and need.

Hales: Thank you. Good evening.

Roger Hull: Good evening, Mr. Mayor, Commissioners. Thanks for the opportunity to talk to you. My name is Roger Hull, and I live in Northeast Portland. You put some fences around what I can talk about that I wasn't expecting, but fortunately, Commissioner Novick tore down the fence because he said he hasn't heard anything about property taxes, so I'm going to talk about that.

Hales: Go for it.

Hull: First off, I want to tell you about when I was young. When I was young, I used to read about old people being taxed out of their homes. And now, I'm old people and I'm feeling it, and I'm seeing it all around me. I brought -- my wife and I moved here -- she's that pretty lady in the Norwegian hat back there. Cute hat, isn't it?

Anyway, here's my tax for 10 years ago. My property tax was \$3025. Here's my tax last year and this year. Last year, it was 4300. I was reading in the paper where they would go up by 9%. The difference between 3000 and 43 is about 40% over 10 years. Not bad, I guess. My taxes this year, 5850. From 43 to 5850. That's 30% in one year. So, I read the piece of paper here, it says, you want to appeal? Sure you can. For two reasons. You don't agree with the value the house or you are protesting late filing. I paid the entire amount up early to get that little amount off. But then I called and it also says if you want to appeal, there's a \$30 filing fee. Everything costs. Cost, cost, cost. Where does the money come from? Ten years ago, I could get five beautiful apples for a dollar. Now, I can get one.

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So anyway, I called and the lady I spoke to -- I don't know who she was -- said when I told her mine went up 30% and it's supposed to be 9% on average, what happened? And she talked some fascinating stuff about compression and decompression. I was a navy diver. I know about decompression. [laughter] But her decompression I could not figure out for the life of me. Finally, I just said thank you very much, I've already sent my money, and I'll go bleed in the corner on my own. And that's where my wife and I are at. We're watching our neighbors in foreclosure across the street.

Fish: Sir, without giving us your address, what quadrant of the city do you live in?

Hull: Two blocks north of Glisan and one block east of 82nd. Corner house, beautiful house. Yellow house, white picket fence. Can't miss it. [laughter] So anyway. Now, to be fair with you, Mayor, what do I support? Well, I'm kind of not much of anything but if I have to support one, it's gas tax. But gas tax has to catch those people that live out there on the outside or right close to the border where they drive two blocks to the gas station and beat it. Am I out of time already?

Hales: We'll give you a little more, keep going.

Fish: By the way, that's one of the challenges, sir, with the gas tax. We had a lobbyist for the industry here at one hearing explaining that -- reminding us our jurisdiction only covers the City and if the price is not competitive with other parts of the region, then what we'll be doing is just encouraging people to drive farther to get a better price outside the city and it's one of the market dynamic problems.

Hull: I'm saying if they work in town and their paycheck is paid by somebody in town -- and I assume there's some way of knowing that -- then they should have some kind of fee. Somehow, they should contribute because they are wearing out the roads. And also the buses and the TriMet and the rail -- they need to somehow be assessed. Maybe the prices of tickets have to go up a little bit, whatever. But those people, they're riding the roads too, except railroads or buses on the streets. And then I'm really bothered by -- I know it's a bad thing to bring up -- but it's called PERS retirement. The arts tax -- we paid it, and then we found out that we don't owe that. They don't pay it. I'm a retiree who doesn't owe it either but I paid it anyhow. You can't pay it back once you pay it. I found that out.

Fish: Sir, I have good news for you.

Hales: There's a guy right there who can help you.

Fish: Mr. Lannom administers the program and he's going to give you that money back. [laughter] You are already \$35 --

Hull: I don't want it back -- [laughter]

Fish: And all the nice things you said about your bride -- you can take her out for a nice dinner for \$35 -- [laughter]

Hull: My point is that I enjoy the arts, what that provides, and so do the PERS retirees. Whatever you do, you can't use an income tax, because if you do, then they're fenced. They can't be fenced. I can't be fenced. Nobody who uses these facilities can be fenced and it's up to you, not me -- don't ask me how to do that, that's your job -- figure out how every person who benefits from whatever it is pays for whatever it is. Now, back to my original point. I agree with the people who said you have to bottoms up review. You've gotta do what's necessary. I bled when I read about the director of sewers going out of here with a quarter million dollars. I've fired a fair number of people in my life and I didn't give them anything. [laughter]

Hales: Thank you. Appreciate you coming in. I appreciate that. Yeah, and talk to Mr. Lanham. Because if you're a PERS retiree --

Hull: I don't want the money back. I want everybody to pay.

Hales: We appreciate that point. That is a problem with an income tax approach. Thank you.

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Hull: Thank you.

Fritz: And thank you for your donation for the arts tax. I know that a number of PERS employees also do pay on a voluntary basis. Thank you.

Hales: OK, next three people, please. Come on up. Good evening. Who'd like to go first?

Michael O'Callaghan: I do, sir. First of all, I want to congratulate you for this political process. My name is Michael O'Callaghan and I live in Southeast Portland. I appreciate that this political process has been very complex, but I appreciate that the people are being listened to and you're asking for ideas. First of all, I want to focus on authority -- air pollution authority.

This is my significant concern, although streets are a concern. I want apply the KISS principle: keep it simple, stupid. Gas tax is simple, I can support that. I'm gonna kill three birds with one stone, though. I want to clean up our air, I want to eliminate freeway rush hour traffic, and I want to maintain our streets. How are we going to do this? First of all, you define rush hour traffic as 7:15 to 8:30 a.m., 4:15 to 6:00 p.m. for all the cars are on the freeway. If you're in a vehicle on the freeway more than three times a month, you're assessed a clean air fee of approximately \$30 a month.

Now, 16% of the traffic on the road is trucks. Trucks loaded weigh 40 times as much as a car. That's why all your bridges are designed the way they are. That's basically why the roads need to be maintained. These trucks need to pay a fee of going in rush hour traffic, X amount, you guys can figure out what it is per thousand pounds. OK. Now, the revenue off of this. Half of it goes to street maintenance, and I want half to go to pollution-free, pollution reduction transportation systems, i.e., a free bus. So, people that don't want to use the freeways have a transportation system that moves them quickly and efficiently. Also, we would build safety corridors and what I call non-polluting transport roads.

Now, all these kids walking to school -- it's very unsafe walking to schools. As you pointed out, Mayor, a lot of people have been killed on the roads -- cars are very dangerous things. I personally, being a bicycle rider, don't like cars. They hurt me, they're dangerous, they pollute the air that I breathed that was clean. I didn't give them the right to pollute that air. I want my air cleaner and this would do that. And politically, it could be enlarged to all of metro. Thank you.

Hales: Thanks very much. Good evening.

Laura Jackson: Hi. My name is Laura Jackson, I live in Southeast Portland, roughly at 45th and Division. I will do what I was told to do, which is tell you guys what I think should be proposed. I support a gas tax. And I was not aware that we can't tag on to, for example, Multnomah County's registration fee. I would support a gas tax paralleled or coupled with a gas tax so primarily cars like Priuses or electric cars that don't pay a gas tax still put money into the system.

Fish: Could you hold that thought for a second? Because you just said we couldn't tag on to the Multnomah County. I'm not sure --

Jackson: I didn't say tag onto it -- do something like what Multnomah County did.

Fish: But that raises -- you're raising another interesting point, which is, could we by intergovernmental agreement do something with Multnomah County where they are in effect the party that generates the revenue and we have some agreement as to how it's expended?

Novick: Well, at the risk of something or other -- I think if Multnomah County wanted to raise the vehicle registration a lot more, they might have paid off all the Sellwood Bridge instead of asking to us pay it for 80 million of it.

Hales: But it's a question of can they do that. Fair enough.

Fish: You say we can't do it, but if someone else can and we have a relationship with them that may be --

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Jackson: In my fantasy world what like I would be willing to support in this sort of thing would be some sort of gas tax coupled with a registration fee for the vehicles that do not buy fuel. I feel like there are enough people that come in from Vancouver and other counties that would occasional would be buying gas there, plus people like me who do most of my driving -- my discretionary driving happens to be in Washington state visiting elderly parents. I buy a lot of my gas in Washington state just because that's where the miles are accruing in my car and that's where I am putting the mileage on the roads.

I don't mind this concept of the recommendation vote, but I think whatever has come up either out of that or -- I'm guessing it's going to be your tax cocktail, as you were talking about, some combination of this, that, and the other to make the money we need -- that has got to go to the voters.

Part of the issue of trust people have talked about -- again, one of my big issues with trust -- I was a transportation plan for about 25 years up in King County mostly. And we had a huge thing with pavement maintenance. And one of the big things pretty much every jurisdiction up there did was say, OK, we're going get our water bureau, our sewer, our electric, our gas. Everybody's going to be on the same page so we don't have Clinton Street or Lincoln Street where the street gets paid by the transportation department and two years later, sewer comes in and digs up a whole bunch of it. I walk on Lincoln and I run or bike on Clinton pretty much every day. And it's just appalling to me the great work done on there in the past four or five years for paving that's being torn up.

So, that's kind of what -- it's a quid pro quo. I'm willing to give you guys money to do this, but you've got to give me something back, and part of that is the trust that there's going to be coordination with the bureaus, coordination between private utilities so that this beautiful new Division pavement we've got doesn't have the gas company coming in in two weeks to dig it up for one of the new apartment buildings. Or if they do, that they have to bring it back -- not just their little trench, but the full pavement section to quality pavement. The final thing I wanna say is the way this thing is structured between the residential and nonresidential fees -- Mr. McCullough pointed it out really well -- a lot of these businesses are one man, sole proprietor home-based businesses. My husband's an engineering consultant. Charlie knows him.

Hales: Yep.

Jackson: We are looking at a fee of \$216 a year.

Hales: Not anymore, though.

Jackson: Well, that was the business fee that was lined up for our house, our business fee. That's twice what Stumptown coffee roasters was shown as. And we would pay an income tax fee on top of that. That's double taxation for one person, one income-based, out of his home who has virtually no transportation impact. I sent you guys all a letter today, I would encourage you to read it.

Hales: Let me ask you a follow-up question. Assuming -- let's set aside -- you're right, we've got make sure businesses are classified correctly and big ones pay a big amount and little ones pay a small amount. And that's the question Mr. McCullough has raised, which is, do we have that methodology right? Fair question. We've got to get it right, no argument there. But the general principle that we've been operating on is that business ought to pay about half the cost of this maintenance effort and residents ought to pay about half, as well. Do you think that's a rough justice?

Jackson: I think it's fair if you take home-based sole proprietorships out of the equation. When I look around my neighborhood, just our blackface -- and I know what people do. We have a retired accountant who does taxes for his friends who has a business license so that he can take tax deductions. We have an award-winning graphic novel writer who again is shown as a five-person recreational business. We have two retired nuns who live

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in a house owned by their church who were shown as a business. My husband is an engineering consultant who primarily works in Washington state. You know, we're residents and our businesses do not impact the transportation system any more than the average Joe homeowner. So, don't tax us twice.

Fish: I think that's a fair point, particularly because during the recession, we saw a lot of people who were displaced, got business licenses, became sole proprietors, started working out of their home.

Jackson: Which is what we did.

Fish: The other thing I want to comment -- I think you made Steve's night with something you said earlier. And since he's so modest, I'll brag on him. He and Director Treat have already started -- put into place a program that is very innovative, which would actually address a concern you raised earlier, which is to have government and private utilities and others have a single database of projects so that we don't dig up, pave, dig up, pave. In fact, because Commissioner Novick has Transportation and I have water-sewer-stormwater -- those are the three major utility bureaus -- if this works out, it's a big "if," it will precisely address the issue you have.

Jackson: To me that's the give. We give you money, but you've got to show us that you're actually spending it --

Fish: Right. But we have to get our friends in the private sector to agree to fully participate. We get it. And to Steve's credit and to Leah's credit, they have been leading the effort on that.

Novick: It was actually -- Leah saw that idea implemented in Chicago and right now, we're doing a review to see how these different entities can talk to each other and how we can set up a software system like that. I do want to say that on these home-based businesses that based on the amendments the other week, home-based businesses with less than \$50,000 in annual revenues are completely exempt.

Fritz: And I want you to know that I actually printed out your email and gave it to Commissioner Novick because I thought it was so helpful to me, somebody who hasn't been into the details of the businesses. The way you wrote it and your testimony tonight has been very helpful, thank you.

Fish: 50,000 is exempt, and we also have a business owner's compensation deduction of \$100 and we hope to get to it \$125. So, points well taken.

Hales: Yeah, thank you very much. Good evening.

Richard Essy: Mayor, Commissioners, my name's Richard Essy and I live out on East Burnside in the [indistinguishable] district. I'm a native, been around here for a little while. I've seen bad streets for a long time. Really, extremely -- you guys are dead-on saying this is really a complicated issue.

The damage to the streets I think have a lot to do with quality of workmanship, i.e., the sewer issue that came through a number of years ago. One contractor put in a little bit and that street is still perfect. That part of the street I live on is perfect. Down the rest of the strip where another contractor came in and did the patch, it's all falling apart, and it's pothole city. It's an issue. Is there a way of addressing quality control? In the future -- I mean, that's down the road, the quality control will pay off down the road.

I was motivated to come here because I was concerned about regressive taxes. An example is the arts tax. It's a flat fee. A person on minimum income feels it. It could be their pills for the month. The guy with the bucks, his accountant doesn't even mention it to him. He doesn't feel it at all. And then there are regressive taxes that are erratic, i.e., the sales tax.

So, it makes it really complicated, as you guys were saying. I think you need something that's stable. A tax on gas, that's also erratic. You've seen the number. As

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prices go up and down, the consumer uses less, and it is not a stable tax. A payroll tax -- that's got a problem because the guys will just move their corporate offices outside the city. The guys big enough to make it worth their while. We'll lose a lot of people that way. A sales tax makes no sense, because it's going to hurt the small businessman in town. A little gas station, he's working on cars. A property tax increase is painful, but I think that's the logical approach in terms of consistency. It's regular, it's something you can count on a regular basis. It's painful. I don't mind paying taxes if I get service.

Hales: Thank you, thank you very much. Thanks a lot, thank you all. Take the next group, please.

Moore-Love: I believe the last person is Yu Te.

Hales: OK. If anyone there's else that didn't sign up that wants to speak, come on up, please. Go ahead, Yu, please. Welcome.

Yu Te: Thank you, Mayor, thank you Commissioners. And Happy New Year.

Hales: Happy New Year to you.

Te: Thank you. My name is Yu Te. I'm an owner of MacPCX in Hollywood, we provide computer training support. I'm the newly-elected president of the Hollywood Boosters business association. By the way, Mayor, your office has contacted us for February for a luncheon, so thank you.

Hales: That's good, thank you.

Te: I'm also on the board of Venture Portland, which is being shepherded by Commissioner Fish. I think there's a strategy here for being the last person, I get to hear the different proposals that people have made and then that allows us to come up with even new ideas.

Before, I had thought of a few different ideas, but I think I'm going to just go to two ideas that I'd like to run by you. And this thing about the progressive income tax -- I think it would be the less impact on people with fixed income. And I think that's a major concern that we all have. And I think there's the concern if you do that, you're going to drive out business. I'm a business owner, I know, I understand that. And I don't have the support from my members to make this proposal. But I think that if this is coupled with a proposal, say, for Metro to take over -- or not metro, TriMet, or for a regional solution to the transportation problem. Because what I've heard also was that this is a tri-county problem, this is not just a Portland problem. Because we have people working out of our city, out of our county, and coming in and using the services. So, that's an important point. I think whatever solution it needs to capture and solve that problem. So having a regional tri-county solution -- then if you have income tax, it's not -- where are the businesses going to move to? If they move out of Portland, they're going to end up in, what, Washington? So, an alternative solution -- and it might be something that is in addition, as well as to look at a neighborhood by neighborhood or district by district or quadrant by quadrant solution.

And that's to let a more -- so maybe the solution would be to have a referendum or vote or a procedure for neighbors or neighborhoods or businesses to improve their own roads and have more control over it. So, there's a little bit of up front spending to make that happen and then the neighborhoods can decide for themselves, whether to tax themselves and to improve their roads. And I think the businesses that have terrible roads are gonna -- they could make a push to raise the revenue to improve their roads. I think for the neighborhoods that don't, and if the roads aren't improved, but they are seeing, OK, they have local traffic, I think that could be a win-win for all parts of the city.

I think I'd like to leave with maybe a general comment that I really liked that last comment from the gentleman about quality control. And is there a -- maybe it's time, for if there isn't, a quality control department that's cross-departments. And I think that going back, circling back to the neighborhood idea-- maybe if there's a look -- if there's more of a

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strategic look at not just solving the transportation problems to make it easier for cars to drive through, but to look at it more comprehensively. Like, how do you go beyond just encouraging people to ride TriMet or using their bicycles to get from point A to point B, but looking at more like, say, more specifically, how do you get people to travel, spend most of their time traveling within a two-mile zone? Not a 20-minute -- which is too -- if you use new technology, you could be like 60 miles with advanced nanotechnology. We could be able to commute from Portland to Seattle using the new-fangled tunnel that -- within 20 minutes. But if it's a local geographic base, how do you get people to spend 80% of their time in travel commute in a two-mile zone with a one-mile radius of where they live or work, maybe some of the transportation problem would be solved, as well. Couple that with the local-based initiative for them to improve their own streets.

Hales: Thank you, thanks very much. Good evening.

Matt Hayes: My name is Matt Hayes, I live in Southeast Portland. I just have a quick question to start because I'm a little confused. What's the criteria for deciding which option to choose after the vote? Is it whichever gets the most votes or is there something in place?

Hales: I think that's the basic idea, but obviously, we want to send things out that we have the authority to adopt that would raise enough revenue to make a difference, and that can be explained to the public. So those are my criteria, anyway.

Fish: Could you state your question again? It's getting late and I didn't --

Hayes: [laughs] So, what I was asking is, what's the criteria for deciding which option to choose after the vote? So, you send the vote out, it comes back with the percentages, how do you choose which one?

Fish: So, each of us could give you a different answer on this. If this goes forward, it is an advisory vote, which means each of us will give it the weight that we think is appropriate. And the harder question is, what happens if none of the options come in with majority support?

Hayes: The issue I was wondering about, because if there's no minimum threshold then -- you mentioned earlier if someone doesn't like any of these they can just vote no for all of them. But there's no minimum threshold. The option doesn't really mean anything.

Fish: That's why the mayor emphasized it would be an advisory vote.

Hayes: Yeah, exactly. That was just something I wanted to clarify before I made my suggestion. My suggestion would be to replace an existing residential tax or fee or a set of them with the street fee in a revenue-neutral manner. That would be my suggestion. Then a specific that doesn't really address the issue of what mechanism I would want for the street fund. So, I guess to make it simple, it would be based on road wear. And I'll refer that to the review process for how to come up with that. You've come up with a few ideas of how to do that and I'm trying to work through -- I'm not going sit up here and just criticize because I don't have anything better at the moment. But the next time there's a review process, I hope to have something.

Hales: Good, thank you. Good evening. I think you get the last word.

Paul Morrison [spelling?] My name is Paul Morrison [spelling?] I live at 16th and Ash in Southeast. Let me start on a point that was just brought up by a few of the last speakers, the subcontractors and the repair of the streets. In the Buckman neighborhood, the sewers were just redone, it's a patchwork. Some of the work was good, but mostly, they ruined the streets. They didn't fix them properly. And now, they're gone and we're stuck with the bill.

Fish: Sir, because that's a joint enterprise between the Bureau of Environmental Services and Portland Bureau of Transportation, after the hearing, would you give me some examples? Just the address of what you believe to be substandard, and I'll take a look at it.

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Morrison [spelling?]: I'd be happy to give you a tour of the neighborhood.

Fish: By the way, just 00 I don't want to bore you with my pity party for one. But there are neighborhoods would prefer we not do long stretches and tear up the road. So, we sometimes do section by section to accommodate neighbors and businesses, and it probably does create more inconsistencies than if we did them together. There's probably an argument for trying to do them all at once. There is a disruption factor and impact. I'm not here to be argumentative, but if there's substandard work I'd like to know about it. Because for the last year, I've had the honor of being in charge of BES. I'd like to take a look at this work.

Morrison: The other issue it is I have, a futuristic issue like a gas tax. I mean, the technology is changing. I mean, Toyota is about to come out with a hydrogen fuel prototype. They have over 6000 patents. They're willing to share them with other corporations free to develop the infrastructure. So, the fuel system is going to change rapidly here. Other issues like what damage are studded tires doing to our streets? Are they really necessary in a city such as Portland that gets little snow?

Hales: That's a question we actually have raised and in fact adopted our legislative program for the state legislature earlier today, and this City Council is unanimously of the opinion that we ought to have less use of studded tires and more local regulation of them. So, we're in your camp on that issue. Up to now, it's been a state issue and we've had no say over that. We're angling for or pushing for more local say about a common sense approach to studded tires in a place where it hardly ever is below freezing anymore. We should be using them very little, if at all here in Portland.

Morrison [spelling?]: That's kind of superfluous, really.

Hales: Yeah, it is. And they cause a huge amount of damage. Drive down any highway that hasn't been repaved in the last 10 years, and you're in trenches because of the studded tires.

Morrison [spelling?]: Has there been studies down on how much damage done actually occurs per year for the city of Portland?

Hales: I don't know if it's been done for the city itself, but it's certainly been done at the state level.

Novick: And I think that the figure I remember is about \$40 million a year statewide. I don't know what percentage of the state streets we have. I mean, based on our share of the population, it's probably at least \$5 million.

Morrison [spelling?]: That'll fix a lot of roads.

Fish: Sir, since you have the last word, is there anything else for the good of order you'd like to share with us?

Morrison [spelling?]: Let's move on from that. As far as discussing how we got here, we all know how we got here. It's superfluous to discuss it anymore, there's no free lunch. They have to be rebuilt, it's going to take money. It has to be done equitably and simply. I mean, a hodgepodge of different fees and taxes? I mean, let's keep this as simple as possible.

Hales: Good advice. Thank you, thanks very much. Thank you all for coming. We appreciate the excellent testimony we've got tonight.

Moore-Love: Sorry, we've got --

Hales: Oh, got one more? Come on up, Lightning, sorry. You get the last word.

Lightning: My name is Lightning, I'll represent Lightning Rethink Lab at this time. Commissioner Novick, this reminds me of a song by Billy Preston titled "will it go round in circles." And I like the song. My position on this is I like your user fee, I like the tiered plan, so I do approve of that. One of the issues I've had all along on this -- I think you're asking for too much money up front. You've been dropped a lot of the problems on your

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shoulders, we know that it's been 10-15 years, been a tremendous amount of neglect. There should have been certain people fired, and I hope they don't have any of their names on any buildings that were part of this in the past. What I'd like to see is a \$25 million cap on the overall number we're dealing with for the first three years. Then we do a sunset clause, then we reevaluate the whole situation at that time. One of my biggest concerns right now, and I hate to say this, is Mr. McCullough. I'd like to see him if at all possible be hired from the City as a consultant.

Novick: I don't think we can afford to pay his fees. [laughter]

Lightning: Well, there's reasons why you might want to ask him that and negotiate a reasonable amount to do that. And I won't go into that right now, but it would be very advantageous for the City to have him on your side as a consultant under an agreement. I would recommend that but that's up to you.

Hales: I'll interrupt to not take your time for this. I think Commissioner Novick is right, that we couldn't afford his fees. But I think Mr. McCullough is having so much fun being Southeast Uplift chairman that we'll probably get his advice for free. [laughter]

Lightning: If he is your consultant, then he is responsible for the numbers provided to the public and the litigation will be directed at him. [laughter] That's why you hired a consultant to do that. You're going to have a battle with him all the way through this. As you know, the gas prices have dropped, we all know that. I haven't heard a calculation on how much the City has saved on their fuel prices within operating in the city on their vehicles. There's got to be a savings calculated on that.

I've talked to Multnomah County on the vehicle registration fees. They're open to discussions on that. They pointed back and said, well, what does the City want to do? Now, that is up for discussion. I understand that has to be approved by the attorneys and see what direction you want to go on that.

Again, I would not move too much farther without having a good understanding where Mr. McCullough is on this. That's just my opinion, because I don't think we need to end up in a lot of litigation over this. As an attorney -- an ex-attorney that you are -- you know that's the direction it's going to go.

Novick: Lightning, on the litigation front, I just want to clarify, we will not bill any businesses based on the estimates that we made. We knew we were making estimates because we haven't in the past required businesses to submit all this information that would be the basis for the fee. If we adopt the fee, they will be required to submit the information and we will compute the fees based on the information.

Lightning: OK, that's fair enough. I'm just reading his report on what he stated on the litigation report, so that was a concern to me just as the public reviewing that. Other than that, I think, like I say, that's my position on it. And I think there's been so many changes and the last thing I wanted to see is a lot of confusion created. But we've gone in a circle. And I think there's got to be a time you understand there's got to be a number set and a cap set and work it out for three years, see if the gas tax can go through. If not, we can try to adjust at that time. But other than that, we're going in circles on this.

Novick: I appreciate the thought, Lightning. The reason we're concerned about asking for less money is that even with what we're asking for, we're not even stopping the bleeding because very month, another stretch of street falls into worse condition and cost more to repair.

Lightning: You have a calculation of a totally number of 60% toward paving and another 40% towards safety issues. I want to just make sure some of the safety issues are taken care of within the first three years. Then I want to see if there's any additional revenue that we can pull within that time frame and maybe the gas tax can go through, also. We're gambling on that gas tax. We'll see what happens. The county already did a small county

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gas tax for themselves and as you know, that was three cents if I'm correct. Can we get that pushed through at the city level? I don't know yet. But we haven't done it, we need to look at the past and learn from that and not count on it happening too soon. That's my opinion, thank you for your time.

Fritz: Just as a small correction, it's safety for 46% and paving and maintenance for 54%.

Lightning: I was using just a close estimate on my numbers. Thank you.

Hales: Thank you very much, thanks. Again, I want to thank everyone for coming tonight. What we're going to do is I'm going return this item to Commissioner Novick's office and then it's our intention the week of the 19th -- hopefully the evening of the 20th -- to have a Council hearing and action on a resolution or a set of resolutions that will refer the advisory ballot items to the voters.

What's on that list is obviously still under discussion among members of the council. And you can continue to write to us by email or call us and otherwise communicate with us and continue this process of making suggestions about what you'd like to see considered. We've certainly got a lot of helpful testimony and good ideas tonight.

I appreciate you all I'm returning the item to Commissioner Novick's office. We have one more item which I think also needs to be returned. I'm also returning items 46, 47, and 36 to Commissioner Novick's office. Thank you very much, thank you all. Travel safely to get home, and we're adjourned.

At 8:23 p.m., Council adjourned.