



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **29TH DAY OF JULY, 2015** AT 9:30 A.M.

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

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

Item Nos. 805 and 806 were pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

| COMMUNICATIONS | | Disposition: |
|-----------------------|--|-----------------------|
| 796 | Request of Robert Liberty to address Council regarding concerns about neighborhood change and redevelopment (Communication) | PLACED ON FILE |
| 797 | Request of Landon K. Crowell to address Council regarding housing project on Ankeny (Communication) | PLACED ON FILE |
| 798 | Request of Craig Rogers to address Council regarding safety on the streets (Communication) | PLACED ON FILE |
| 799 | Request of Michael D. Krupp to address Council regarding whose side are you on (Communication) | PLACED ON FILE |
| 800 | Request of Antonio Zamora to address Council regarding climate change and Shell's Arctic drilling project (Communication) | PLACED ON FILE |
| TIMES CERTAIN | | |
| 801 | TIME CERTAIN: 9:30 AM – Accept the Quarterly Technology Oversight Committee Report from the Chief Administrative Officer (Report introduced by Mayor Hales) 30 minutes requested Motion to accept the report: Moved by Saltzman and seconded by Fritz. (Y-4) | ACCEPTED |

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| <p>*802 TIME CERTAIN: 10:15 AM – Approve Innovation Funding for 12 micro-grant proposals for FY 2015-16 (Ordinance introduced by Mayor Hales) 30 minutes requested (Y-4)</p> | <p>187271</p> | |
| <p>S-*803 TIME CERTAIN: 10:45 AM – Revise Noise Regulations for pile driving (Ordinance introduced by Commissioner Fritz; Previous Agenda 755; amend Code Title 18.10.060) 20 minutes requested Motion to accept the substitute ordinance: Moved by Fritz and seconded by Saltzman. (Y-4) Motion to add emergency clause: Moved by Fritz and seconded by Saltzman. (Y-4)</p> | <p>SUBSTITUTE 187272 AS AMENDED</p> | |
| <p>CONSENT AGENDA – NO DISCUSSION</p> <p>Mayor Charlie Hales</p> | | |
| <p>804 Reappoint Christopher Abbruzzese to the Investment Advisory Committee for term to expire July 24, 2017 (Report) (Y-4)</p> | <p>CONFIRMED</p> | |
| <p>Office of Management and Finance</p> | | |
| <p>*805 Pay claim of Jimmy Duffey in the sum of \$45,000 involving Portland Police (Ordinance) (Y-4)</p> | <p>187273</p> | |
| <p>806 Authorize a Partial Compliance Agreement between the City on behalf of Portland Parks & Recreation and Laborers' Local 483, Laborers' International Union of North America that partially implements Arbitrator David Stiteler's Opinion and Award concerning the Bargaining Unit Work Grievance filed under the Recreation collective bargaining agreement (Ordinance) Motion to remove the emergency clause: Moved by Fritz and seconded by Hales. (Y-3; N-1 Saltzman)</p> | <p>PASSED TO SECOND READING AS AMENDED AUGUST 5, 2015 AT 9:30 AM</p> | |
| <p>Commissioner Dan Saltzman Position No. 3 Bureau of Development Services</p> | | |
| <p>*807 Authorize an Intergovernmental Agreement with the State of Oregon on behalf of Portland State University for the use of parking permits and access cards at the 4th Avenue Garage and provide for payment (Ordinance) (Y-4)</p> | <p>187269</p> | |
| <p>Commissioner Steve Novick Position No. 4 Bureau of Transportation</p> | | |
| <p>*808 Authorize a contract with the lowest responsible bidder for the SE Holgate & SE Ramona: 122nd to 136th Ave Sidewalks project (Ordinance) (Y-4)</p> | <p>187270</p> | |

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Commissioner Nick Fish

Position No. 2

Bureau of Environmental Services

809

Amend contract with Burlington Northern Santa Fe Railway in the amount of \$5,485 for cost increases for track removal and reconstruction, and provide for further amended amounts for Project No. E09017 (Ordinance; amend Contract)

**PASSED TO
SECOND READING
AUGUST 5, 2015
AT 9:30 AM**

REGULAR AGENDA

Mayor Charlie Hales

Office of Management and Finance

*810

Ratify a successor collective bargaining agreement between the City and Oregon AFSCME Council 75 Local 189-3 relating to the terms and conditions of employment of represented employees at the Portland Housing Bureau for 2015-2019 (Ordinance) 15 minutes requested

(Y-4)

Motion to reconsider Item 810: Moved by Novick and seconded by Fritz. (Y-4)

Motion to amend directive d to add "and other City funds as may be available": Moved by Saltzman and seconded by Novick. (Y-4)

(Y-4)

187277
AS AMENDED

Commissioner Dan Saltzman

Position No. 3

*811

Approve recommendations made by Children's Levy Allocation Committee for grant funding July 1, 2015 – June 30, 2017 (Ordinance) 15 minutes requested

(Y-4)

187274

Commissioner Steve Novick

Position No. 4

Bureau of Transportation

*812

Amend Intergovernmental Agreement with TriMet for the Eastside Streetcar Close the Loop Betterment Project and increase authorization by \$100,000 for safety improvements and settlement repair (Ordinance; amend Contract No. 30003242) 10 minutes requested

(Y-4)

187275

Commissioner Amanda Fritz

Position No. 1

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Portland Parks & Recreation

***813**

Amend contract with GreenWorks, PC to \$343,750 to complete design and construction documentation for Couch Park as part of the Parks Replacement Bond program (Ordinance; amend Contract No. 30004548) 10 minutes requested (Y-4)

187276

At 12:45 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **29TH DAY OF JUNE, 2015** AT 2:00 P.M.

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

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

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| <p>814 TIME CERTAIN: 2:00 PM – Adopt the Southeast Quadrant Plan as direction for updating the Central City Plan (Resolution introduced by Mayor Hales; Previous Agenda 753) 3 hours requested Motion to accept amendments dated July 27, 2015: Moved by Novick and seconded by Fritz. (Y-4) (Y-4)</p> | <p>Disposition:</p> <p>37147 AS AMENDED</p> |
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At 3:43 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.

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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.

JULY 29, 2015 9:30 AM

Hales: Good Morning everyone welcome to the July 29th meeting of the Portland City council, would you please call the roll Karla?

Saltzman: Here **Novick:** Here **fritz:** Here **Fish:** **Hales:** Here

Hales: The council agenda starts with communications items where citizens sign up and speak on a subject of their choosing. We'll do that first. Then we have a regular agenda. If you're here to speak on a regular agenda item, simply let our council clerk know. We typically give people three minutes to speak. If you're here to speak on a council calendar item, we ask that you let us know if you are a registered lobbyist representing an organization, because that's required by city code. We also ask that we observe the rules of decorum in this chamber. If you agree with someone, give them a thumbs-up or a wave of the hand. If you don't agree with them and want to indicate your displeasure, a polite hand gesture is fine. We ask you don't make vocal demonstrations against fellow speakers so everyone can be heard. First communications item, no. 796.

Item 796.

Moore: Request of Robert liberty to address council regarding concerns about neighborhood change and redevelopment.

Hales: Good morning.

Robert Liberty: Good morning.

Liberty: Mr. Mayor, commissioners, my name is Robert Liberty and I live at SE 35th and Tibet St. I was born in Portland and I've lived here for almost 50 years, For four decades thousands of Oregonians and Portlanders have been working to carry out our plans and policies to create a livable city, with choices and housing and transportation, green spaces and clean water, a city within a region stopping sprawl and saving forest lands and farmlands that make us the Eden of the west. After 40 years of work the vision of 1975 is becoming the reality of today. What many of us did not expect was that our values and aspirations would be national values and aspirations by the time our plans came to fruition. As a result our city and region would attract national interest. Oregon, queen bee that she is, is not ready for the swarm. Ready or not, the swarm has arrived. I welcome these newcomers because of the talents and enterprise they bring, the way they have embraced many of our values and the way they mitigate our Oregonian provincialism. The affordability of housing and income diversity and social integration that allows, yes, the market is now responding to high rents and high home prices with an unprecedented wave of construction. In time, the new homes and apartments will moderate the rents and soften the shrinking of the rental home market. Our experience shows that the market as currently shaped and structured cannot assure the broad supply of housing available to families of modest means and even middle incomes that we need. Of course we should do what we can to build new affordable housing. We can expect national and international contributions to this contribution or think tank. I would expect that neighborhood associations and neighborhood preservationists who have opposed some infill and redevelopment projects to participate in this effort because it might offer an alternative to forms of development they oppose when. Asked to do it as part of their responsibilities as

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Portlanders. Thank you for your effort to create a livable and lovable city for all of us. Please invite us to contribute to that sensible work.

Hales: If you wouldn't mind making a copy of that available to us, we'd love to have it. Thank you and appreciate all the years of thought you've put into these really important issues. Thank you. All right. Let's take the next person, please, 797.

Item 797.

Moore: Request of Landon k. Crowell to address council regarding housing project on Ankeny.

Hales: Good morning.

Landon crowell: Good morning. My name is Landon k. Crowell and I would like to address you about my housing project on north Ankeny. I have been self-employed in Portland for over 20 years. I would like to build a housing project that is 26 units. The idea is to have six flats, 16 townhouse units that are two and three bedrooms and four suites on the top. It has 2700 square feet of retail space involved in it, there is 3,000 square feet of ground floor green space to work with also. The plan is to have 40% minority, women and small business participation as the workforce. I currently own 5300 square feet of this property, 10,000 square feet, and I am requesting assistance from the city to purchase the other two parcels of land, which would be about \$1.5 million. Now, I have made application to Portland development commission or attempted to make application to the Portland development commission and Portland housing. Unfortunately, I was denied an application, the chance to make an application. My request is, what can the city do to help me with this project.

Hales: Well, I appreciate you calling this to our attention. You have the housing commissioner here and the commissioner with the direct liaison responsibility of pdc. You've gotten it in front of us, give us a chance to take a look and see what's possible.

Crowell: I should wait to hear back from you?

Hales: You will.

Crowell: Thank you very much.

Hales: Thank you.

Hales: Next one, please.

Item 798.

Moore-Love: Item 798, request of craig rogers to address council regarding safety on the streets.

Hales: Good morning.

Craig Rogers: Good morning. My name is Craig Rogers, my address is 110 southeast Yamhill Street, Portland, Oregon, 97216. The streets are as much about safety as they are about transportation. And the street fee is no small item. It involves a large sum of money and if you're -- you don't remember history you're bound to repeat it. So from the very beginning with the street fee, my opinion was that the cornerstone was Styrofoam because it had no vote, no oversight, no sunset. And as it went rolling along there were committees formed and at those committees I had a gentleman named dr. Eric freucht sitting next to me. If he said it once, he said it 10 times: They are just making the numbers up. A lot of people understood what was going on there. You know, voodoo doughnut came out with the pothole doughnut. Trimet, Halloween is scarier than the street tax. Let's not forget the naked bike ride. Well, southeast uplift requested the basis numbers for the amount of employees of businesses, which would be part of the formula. And they were -- southeast was refused that information. It went to court. A kabuki dance ensued. And finally when it came out of court it showed that the largest employer in the city of Portland was an outfit with 32,000 employees. Well, in my opinion the doctor was correct all along when he said they were just making the numbers up. In my opinion, to

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believe the numbers that come out of city hall, the reason why i'm sitting here before you today is that I want to see the chief deputy auditor is included in the once a week chief of staff meetings at city hall. Because when you're experienced, you've got a nose for these things. I worked 37 years at one company, and somebody could come on the first day and i'd tell them, if you see me doing something wrong, I want you to tell me. Now and again they would. Two heads are better than one and it would prevent making a mistake. And I think that's why we need the chief deputy auditor in these chief of staff meetings from this day forward. Because you want to do things correctly. You want to be transparent and accountable. We need to believe the numbers that come out of city hall. Thank you.

Hales: Thank you, thanks very much.

Hales: Item 799.

Item 799.

Moore-Love: Request of michael d. Krupp to address council regarding whose side are you on. He indicated he would not be coming.

Hales: Let's move on to 800.

Moore-Love: Request of Antonio Zamora to address council regarding shell arctic drilling project.

Antonio Zamora: I don't come here much, I don't have a lot of faith in these types of structures of society. I have been involved with the anti-arctic drilling project since May 16th. I was in Seattle, Portland, Oregon, is my home city. Now we have them in our backyard at the shipyard. Now the ship is not associated with shell directly but it's assisting an icebreaker ship. My really huge concern in my generation is that we don't have a generation to tell others after us. And we have these people, part of our home city, preparing a ship to destroy the arctic. Now, is climate change something to joke around about? I don't want to take that risk. It's going to be embarrassing to look at my generation because we have to look at the ones after us and say, this is what we have to give you. It is really disturbing, I am very scared. Back to where I was talking about what is happening down there. There's a lot of peaceful nonviolence happening and it's really beautiful. And we haven't had something like that so unique, and it's making history right now. We cannot allow that ship to leave, and according to some sources I hear that viggers shipyard is some of your biggest donors in these halls. They are in business with arctic shell and that's impacting climate change of the future. I don't know, i'm concerned, whose side are we really on? We only have 15 years to turn this climate change thing around. Is it realistic that we're doing enough? If we're really doing things professional about those Greenpeace activists, hanging with their lives on that bridge, I really recommend not to leave doing that job, about you to real professionals who know how you to work with climate and materials and stuff like that. Where are we with this world? Are we really doing something that matters? Our legacy will matter to generations after us. It's going to be me, i'm almost 30 years old. I don't know what else i'm going to have to do with my future, i'm going to have to do what I can in the streets and do what I have to do. I almost have no faith in the system anymore. Just asking what side you're on. Those people are doing good things out there, those Greenpeace activists and police are trying to take them down. This is their last fight to stop this. Excuse me, just one more thing: When the arctic is gone it is one violent future, 75% chance of major oil spill and no way to clean it according to coast guard command.

Hales: Thank you, thanks very much.

Zamora: For real, please.

Hales: Thanks very much.

Zamora: Stop those cops.

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Hales: Thank you. All right. I think we're ready to move into our consent calendar. We've had a number of people ask for things to be moved from the consent calendar to the regular calendar. The ones I have are no. 805, no. 806, right? Any others? So then let's take a vote please on the balance of the consent calendar.

Saltzman: Aye. **Novick:** Aye. **Fritz:** Aye. **Hales:** Aye. [gavel pounded]

Hales: Item 801.

Item 801.

Moore-Love: Accept the quarterly technology oversight committee report from the chief administrative officer.

Hales: Good morning and welcome.

Jen Clodius, Office of Management and Finance: Good morning mayor and commissioners I'm Jen Clodius a sr. management analyst with the office of management and finance. We're here to present information from the toc for the quarterly report from April through June 2015. As you know, the toc is made up of five community members, each appointed by one of you. The toc members are Ken Neubauer, Wilfred Pinfeld, Joshua Mitchell, Dyanna Garcia and Colleen Gadbois. Dyanna will present from April to June and we have some dashboards to show you where we are in the process.

Dyanna Garcia: Good morning. I think we have four projects to go over this morning. So the first is we're going to start with ITAP, this project develops paperless permits and case management process. Complete online access to permitting and case review services. Project deliverables include digitizing and online access of historical permits and property information, implementation and updated permits mobile online access for field staff and implementation of an automated queuing system. Toc continues to have concerns around this project, schedule and volume of the remaining work. I think that's been for the last several report-outs we've had similar concerns. The major accomplishments for this quarter are the project manager continues to deliver monthly reports to Sierra-Cedar, and continuing to rebase line the project. Upcoming milestones within the next quarter are we baselining the project, addressing development environment support and making adjustments for interfaces moved in and out of scope, addressing gaps resulting from phase 1 gap analysis, that's coming up. And then again our biggest risk or concern is just the project schedule and volume of remaining work with this project.

Jeff Baer, Director, Bureau of Technology: Good morning, Mayor Hales, members of the council, Jeff Baer director of technology services. Just wanted to provide a couple of updates since the report period ended in June. We have had some discussions with Paul Scarlet of Bds. Prior to taking on Bts and PSSRP, Jerry Schlessinger has a wealth of experience and background in very complex systems. He's been working in more of an advisory role with the project manager on the ITAP project, and has offered some insight and suggestions on how to keep moving forward in progress on that. It appears that things are moving forward, although I think as indicated incident report, all scope, schedule and budget are indicated as read and need some attention. I'm not expecting any substantial progress out of that area in the near future but I would be looking for what meaningful progress and activities are taking place over the next several months in looking for those small wins to look for that momentum that should be taken out of that red territory and moved into obviously yellow. But looking for those indicators that are upward that will eventually show a trend towards those -- and towards the more stable territory. I don't have any other additional comments. I've just recently taken on this role so I'm trying to get deeply involved and understand the complexities of the system.

Hales: Congratulations, I think this is your first council meeting since your appointment, congratulations.

Baer: That's right.

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Hales: Questions about the projects, do you want to take them one at a time or run through all four?

Hales: Any particular questions about this one?

Hales: Then let's proceed. Thank you.

Garcia: The next is procurement solicitation system for the bureau of revenue and financial services. The description was procurement services is outgrowing their current solicitation system which doesn't offer cost-effective solution or the functionality required for the city. Procurement is planning to replace and integrate three systems into one and add functionality that will allow electronic rfp positions, this project is actually complete. The upcoming milestones, they will give their 90-day report expect expected in august. Because it's complete we have no risks, concerns or comments. I did want to say this project was fairly straightforward and was green I think the entire way, as least as I was involved. That was a positive thing to see for us.

Baer: I don't have any additional comments to add on that.

Hales: Questions? Thanks.

Garcia: Okay. The next is the accounting system rewrite. The system is used to record and manage assessments and liens for the city as required by the city charter and Oregon state law. The application was written in an old programming language and is one of two remaining applications on the mainframe server scheduled to be decommissioned July 1st, 2015. The decision was made to rewrite it using a more modern language and transfer it into a windows environment. The status of this project is that the project is meeting expectations. Major accomplishments, they completed the development work for most of the go live requirements for all of their modules. They are working on report development. These are testing and regression testing, continue to be in progress. The production environment is right and parallel testing is he occurring for certain modules. Upcoming milestones for the next quarter to resolve any issues found in regression testing. Complete parallel testing, complete user training and update documents and complete cut-over. The toc has three main concerns about this project. The project extended schedule, extended into July. And for parallel implementation and production phases. But the mainframe, moving the mainframe decommission to July 31st. That was a concern that we had. And then security module included role--based access may not be fully implemented before go live but all other critical functions will be available. The project is currently meeting expectations.

Baer: And just some quick updates on the lien accounting. The application is substantially complete at this point in time. The reason for the delay, we've extended the project schedule out to the end of august to allow for more testing and validation of the new system. We want to make sure the cut-over is smooth and the auditor's office has gone through their substantial user acceptance testing. That's why it's going on into august.

Saltzman: The mainframe decommissioning is postponed?

Baer: Yes.

Saltzman: Until august?

Baer: That's correct.

Garcia: Okay. Any other questions?

Baer: Let's hope it lasts that long, right? Go ahead, please.

Garcia: The next is the pci and payment data website project. The city is required to meet the payment industries and data security standards as part of their merchant services contract as required by the card network. Visa, MasterCard, American Express, discovery, all those folks. The city does not meet the psidss3.0. The standards require us to mediate or adopt other means to process card payments to enable the city to be compliant by

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December 31st of this year. The major accomplishment for this quarter, the project chose to outsource the payment gateway to reduce support costs and meet pci requirements. They are right to implement the gateway, confirm payment mapping and executing the paperwork to on board the merchant i.d.s. Good progress there on the gateway. We have upcoming milestones to develop application integration with the parking meter vendors. Integrate test and migrate payment pages and sales groups to the order pages. Determine if the enterprise -- if enterprise from one stream mediation is viable. And integrate training into city learner. The current risk is the timeline is really short to get those pci implementations completed. There still needs to be confirmed -- a confirmed enterprise solution for the pci remediation.

Baer: And a few comments on some of the activities, we've got a team in BTS and others actively engaged in working on obtaining the pci compliance. A couple of things that occurred as of yesterday, the Portland fire and rescue recruit fee is now pci compliant and up and running, as the parkway donations are also done. We are also actively pursuing the parking meter, as well. I believe I heard this morning, we're going to be running the payments through parkion. Numerous activities are taking place and a lot of people are actively pursuing the compliance.

Garcia: Okay.

Hales: Questions?

Saltzman: It says budget to be determined? I thought we had some budget number, big number for this pci?

Hales: We had a budget number, i'm not sure if we had a project budget number.

Garcia: We don't have the project budget.

Hales: But we allocated a certain amount -- I don't remember the sum, either, or maybe you do. But you're still under what's been -- I think you are still under what the council has allocated to the project, right?

Baer: That's correct, yes.

Garcia: And it's my understanding, as well.

Hales: Questions overall from the council? Obviously there are a couple of these projects that have big question marks. In each of these quarterly reports council has paid close attention as has the toc itself. I think this process is doing a good job of highlighting where things are working well and where there are concerns and issues to monitor and make sure that we succeed in these big technology projects. Obviously the biggest of all is the itap project. Paul has been working with his team to get things done but we're still at some risk. Appreciate your highlighting that and making that clear to the council and the public. Any further questions and comments that we have here? I'll turn it over to anyone else that wants to speak. Paul, do you have anything you want to add on this. Director scarlett will have a chance to come up and talk about the project and we'll see if there's public testimony, as well.

Paul Scarlett, Director, Bureau of Development Services: Good morning. Good morning. Paul Scarlett, thanks for inviting me up to say a few words about the itap project. We acknowledge the project is in red and will remain in red for some time. We are intentionally focused on managing the project and deploying necessary resources to keep on pace and to even try to make up time. As Jeff indicated, someone from BTS has joined the team to assist Rebecca in managing the project and work with the vendors. Over the last several weeks and months we've spent a considerable amount of time working with the vendors to recalibrate the timeline as identified by toc members, we appreciate their help in their oversight duties, to look at the schedule and the volume of work. One of the areas that we feel could gain some momentum and some changes, looking at what can be delivered sooner than later. We've reviewed a number of scenarios recently, and two rise

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to the top. One would be can we provide some functionality soon. And one of the areas we feel could benefit the customers in the city would be to implement project docs, the electronic plan review and submittal. That would be a huge benefit. Currently we have 800 to a thousand people through the door each week at the permit center. We certainly -- that would be a reduction in the number of people needed to bring in big heavy plans to the permit center. Certainly there are costs associated with print and paper. This would be a huge benefit to our customers and some of the sort of examples we've received, big projects could save up to -- close to half a million. We've got some examples, what they have spent in printing costs alone. It wouldn't impact the other part of the project. That's one of the scenarios we're looking at. The other scenario that seems most feasible would be to continue on with the project, and part would be a rebase line using current practices and experiences to kind of project out what's a realistic implementation timeline. So the plan review stuff could come next year, 2016. The long-term plan to implement the full package is looking more like 2018. We still have to look at those timelines a little more closely, that's early preliminary indications, to see if we can find some efficiencies. Since joining commissioner Saltzman has certainly made it clear that Itap is top priority similar to what commissioner Fritz had done over the last couple of years, we really are working closely with the vendors and project consultants as part of the team, and part of the process in helping us to get there. So i'm excited and motivated with some of the late development, in terms of really honing in and finding new timelines and some new possibilities for early functionality employment that could benefit our customers and employees. Certainly there's more work to be done. I'll turn it over to rebecca the project manager to expand a little bit more. But that's where things are at from my end. We acknowledge that we're behind and do feel we can provide the council -- which is what we committed to last time -- with some more realistic timelines. Each time we come there's a new timeline, what is it. We've taken a good amount of time to really dive into which will this thing be delivered.

fritz: Thanks, Paul. I know that Rebecca's going to go into this. But I think it's worth reiterating that it's the vendor who is the sticky point in terms of recalibrating the project, that the bureau has been doing a lot of good work and has had a lot of oversight. We are dependent on the vendor doing their job, so I know that's something that you're aware of. I just want to make sure the public are.

Scarlett: Appreciate that. I will also acknowledge that dds and the interagency team members have been work we go closely. Everyone's committed to doing a great job in delivering this project and understand the significance of this transformational change that will come to the city whit delivered.

Rebecca Sponsel, Bureau of development Services: Good morning, mayor and commissioners. Upon our last visit we talked about the challenges in the project and the complexity that comes with the integrative processes and permitting that we have here at the city. That is also an issue in building the system. To deliver an elegant and easy way to use system for our customers take extraordinary measures to build the system, each component and step of the way. Our vendor has since March been fully aligned with us on this endeavor. We have a methodology followed very closely and carefully and it has led it to the intense scrutiny of the remaining work. And planning that out in a schedule that is achievable. We do believe that we can do this on or during late 2018, though there is intense effort now that will be working to identify areas where we can bring that in some. Out of concern to the increasing activity level in the service center and for all the people working behind the scenes to deliver these permit, we do believe that delivering plan review earlier is viable. We've figured out a way to do that, in a way that will not impact or current project team, which is also very important. We studied the complexity in all of the

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permitting practices, as well as what comes from implementing multiple modules from other vendors. We still believe the best course of action is to complete the entire system and roll it out to the city. The mechanism to deliver project docs plan review early would allow the city to get familiar with one of the technologies, and chief some benefits in the activities that the citizens need to do to submit those plans, as well as what it takes for all our plan reviews to study and recommend and decide on final resolutions for these plans. The options that we have studied have caused us to recommend a particular course of action, which is stay the course, deliver all the functionality but make sure we deliver some success initially. You will be hearing what our timeline is for that, upon our next visit. We are for sure we can do it in 2016, we think we can do it early but we would rather be very sure. We must continue our discussions with all our stakeholder groups. We are making recommendations to those groups, the decision is not final. We are taking council from commissioner Saltzman's office as well on the viability of these plan and achieving the objectives that the project is supposed to achieve. In the next several months we are finalizing the plan, we are in discussions with our vendors on what contractual issues need to be adjusted to align to this new timeline. We have financials to build and support that plan. We do also have the potential to adjust the some resources to that we can focus more time on delivery, which has the potential to bring the timeline in. But we for sure at this point need to say 2018 would be the date. For all functionality being completed. In the next month we are conducting a full stakeholder review and discussion about the merits of this plan. And we are entertaining much discussion and need to accommodate each bureau's needs in this area. An early rollout does involve all parties. The final solution involves all parties. And we need to meet their needs and their constraints. Thank you. And to my right is Clifford Smith, our independent quality assurance agent who has been participating in these detailed discussions. I'm wondering if you have any questions at this point.

Hales: Questions for Mr. Smith?

Saltzman: Yeah, I guess I'd like to ask you, Mr. Smith, you were a little more charitable in your color coding rating for the budget, the scope, stability and confidence, you gave it yellow as opposed to the technology oversight committee's red. Could you give us some of your thinking on that?

Clifford Smith: Certainly. Partially to give the project and the director and other stakeholders a key focus on the schedule, holding back on changing scope and budget to red, due largely to the fact that I didn't have immediate definitive indication that we would have budget problems and/or scope problems. In recent months and in the last toc report those are in fact red in my reports.

Saltzman: Oh, are they?

Smith: Yes.

Saltzman: Thank you.

Hales: Are there any other actions or strategies that you want to recommend, either to us or to the toc or to the bureau of information technology as your partner in this, that can raise your confidence level and therefore ours?

Scarlett: No, go ahead, we've discussed this.

Smith: I will say from the scope point of view, the project is proceeding assuming it's going to deliver all of scope still. So that's on the plus side. On the other side, the schedule discussions that the project manager Rebecca had alluded to proceeding, they are still a fair bit away from being finalized. The date itself, late 2018 is a very risky date. In spite of the fact of how far it is, and partially because of how far away it is. There are some metrics and some unknowns still facing the project that make it difficult to estimate with any real confidence. However, that planning process must continue and come up with

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a final schedule. When a final schedule is available, now that we've defined what we're going to do and how long it's going to take, we can expect there will be some additional budget requirements for this project. The city staff, as well as additional city staff that will be allocated will have to be funded and paid for. The vendor will ask for additional travel expenses and the vendor will, once the schedule is laid out, present the city with an amount they expect to be paid for the change in plan and the longer timeline. Finally, this project can expect to have to introduce an additional contingency, considering that the project is now due for another two years plus before complete will require contingency of account for unknowns that will be coming. So those are the finished planning and be prepared for additional budget requests.

Hales: Let me make sure I understand that. You believe the contractor, vendor will be asking for additional expenses, even though I think it's fair to characterize your report as saying that the most if not all of the delays are the responsibility of the vendor, not of the city?

Scarlett: That's -- it's a combination. Certainly we've identified the vendor as being responsible for a number of delays. They have also said we're responsible for some of the delays. We're working through those things. What I can share with you is that we had a pretty focused relook at this back in March. And since that time there has been I guess improved deliverables, operationally and in leadership. You're asking what can we share with you in terms of raising the confidence. What we have seen over the last several months is they have delivering more timely, they are actually achieving the target dates and accomplishing the functionalities laid out as part of what's called a resync plan. In this case, there's going to be some finger crossing but we are now focused on what can actually be delivered when and how. And we're seeing some really good results.

Fritz: And just to follow up, I know you're working with the city attorney's office and refiguring the contract because it is a fixed price contract, there will be some allocation as to the delays due to the vendor completely turning over for the first year, for example, versus some -- that may be partially due to city staff. As you've said, the scope hasn't changed. We told them up front, those who set up the contract, this was a very complex system. In fact, I think one of my main items is astonishment that our staff in the development bureaus managed to do things manually and make the system work so fast, and how complicated it is to try to complain a computer to do what our wonderful staff in development services and transportation, other bureaus, back in my first term, it's astonishing that we do so well. It's somewhat nice but computers find it more difficult to figure it all out than real people do.

Scarlett: Uh-huh.

Hales: Some comfort, I suppose.

Fritz: I will note, too, in terms of going to electronic plan submittal, I have discovered in my time in the city emails don't always show up. Sometimes like when I transmitted my memo transferring the commissioner in charge duties to commissioner Saltzman it had maybe 10 attachments to it and I attached some of the wrong things just by mistake. People make errors and in fact computer routing sometimes makes errors. I hope we will have some mechanism -- now you've got the paper and it's either there or it's not. I wanted to make sure there was feedback with yes, we received your application, it's got all of these documents you meant to send us, those kinds of things.

Scarlett: That's helpful, thank you.

Hales: Other questions or requests of Paul and his team. Okay, thank you very much.

Scarlett: You're welcome.

Hales: Anyone else who wants to speak in this item?

Moore: No one's signed up.

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Hales: Then I believe the motion is in order to dominate the report.

Saltzman: So moved.

Fritz: Second.

Hales: Other discussion? Roll call, please.

Saltzman: Once again, thanks to the technology oversight committee and welcome to Ms. Garcia for joining the committee and your first appearance before us. We feel it's important to have at least one member from the toc present at these meetings. Appreciate your making the time to do that. Certainly as Paul indicated and itap is certainly on the top of my agenda as commissioner in charge of bds. We will work through these issues and come up with some solutions that may be sticking to the course, but may also involve some changes. In fact, I have a retreat scheduled on Saturday, August 15th, with the key players on the team to discuss the future of the project. Thank you. Aye.

Novick: Thanks to toc and thanks to bds for their presentation. Aye.

Fritz: Thanks, Ms. Garcia, for being my representative and for your excellent first presentation. I hope to see you again soon. Thank you for the time the citizens put into this process and commissioner Saltzman for setting this up. There's been multiple -- four or five, back to commissioner Saltzman, five different commissioners in charge of this project. Glad to hear the director mention that we've reached a turning point back in March where we started getting things turned around with the new team we insisted on being brought on. I am looking forward to continuing to support the project, and I appreciate all the work of the technology oversight committee. Aye.

Hales: Well, I appreciate the discussion and the good oversight being provided by commissioners in charge of the bureau during the time this work's been going on. And Paul to, you and your team for endeavoring to make this -- to get this done well, timely and at a reasonable cost. Those are still the goals. And big, complicated information technology projects are fraught with peril whether in the public or private sector. I can speak to that from both points of view. Ours are done in the light of day and if there's a cost overrun or a delay it's a public issue. We have to be really clear about what's going on and why, and why changes happen and if there are additional costs, are they reasonable and are they fairly apportioned between the city that might have caused some cost increases or delays and a contractor, having again worked on the other side of that ledger. Sometimes contractor make mistakes and they shouldn't expect to us pay for them. That's why we do have to have the city attorney involved when there's a situation like this. We keep working with the vendor and try to make it succeed. In rare cases we have to start over because the vendor is unable to perform. Obviously no one wants to us get to that nightmare scenario in this case but sometimes it happens. This process is good. It's painful and uncomfortable to look at each of these projects in public and examine their status. I think the process is working. We're doing a good job of managing these projects and managing risk. There's a lot of risk here. That's why the rhythm of these presentations with council are very important. It's not an exercise, it's us exercising our responsibility to do oversight of every dollar the city spends, whether for an internal function or a project in the community like a new park or a paving project, where we also have a responsibility to come in on time and on budget every time that's possible. The pressure is still on, Paul, you know that, and so does Jeff and his team. We look forward to hearing your next report. We look forward to improvements in clarity and certainty coming out of this work. Because those are the goals. Thank you. Aye. [gavel pounded]

Hales: Okay. Let's move on to 802.

Item 802.

Moore: Approve innovation funding for 12 micro grant proposals for the school year 2015-16.

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Hales: Speaking of the public sector doing things a little different, we have director miller here and his team. I've got to relate a conversation. I was at a U.S. Conference of mayors meeting in my first month in office. And the mayor of Louisville, a guy name Greg Fisher who had like me an extensive private sector background before deciding to run for public office. I was asking him, how much time do you spend on this extracurricular stuff, how much time do you spend trying to learn from your colleagues and get new information? Being the sort of person that Greg is, he looked me in the face and said, how many are working for your city? About 5600. How many of them are charged with big picture thinking and research and development? I guess that would be me and a few others, you made your point, thank you. The point is that all of us ought to be thinking about research and development and new ideas and we ought to apportion some of our time and budget to fostering those new ideas. That's really what this project is about. This council decided to start doing this in a budget where we were cutting \$21 million out of city's general fund budget. We have continued it as better times have come back. I'm proud that we've done that, stuck with it and we've now encouraged bureaus to think about new ways of doing things and new ways to serve or citizens, new ideas and again taking a risk with a small amount of money that something might work out or it might not. But people won't be punished for trying new things and failing occasionally. We want them to succeed in most of the instances and they are and that's great. But we're deliberately trying to take Mayor Fisher's advice and have a little bit of effort at big picture thing and new ideas and research and development. I'm pleased at the progress and looking forward to the report.

Fred Miller, Director, Office of Management and Finance: Thank you very much. Fred miller, director, I'm here with Jane Braaten and Janet storm who have been doing lots of work about the program. I just wanted to kick it off and say you should feel good about this. It's designed to provide a culture of innovation. We're finding a tremendous amount of interest on the part of employees. You have 12 grants to approve and potential grant recipients, what I think is a very positive and upbeat time. This is our third year and we've provided something like \$1.7 million in grants and now more coming. It's in the budget for next time. There have been 144 ideas generated and in the last two times when the committee that makes the recommendation, we've had 40 to 50 grant submittals each time. Employees are really taking this seriously and come win a variety of ideas I think otherwise wouldn't be tapped. You'll get some sense of the enthusiasm for that as we go. This next year we plan to do two rounds because we want the process to go through so that recommendations are ready for the fall bump and the spring bump. There's one right now outstanding that will get the submittals by august 10. We've tried a couple of new things. Yesterday there was something called a citywide innovation event where people from different bureaus helped people with their ideas. 60 people showed up for that. Its three hours in the morning where they could drop in there's clearly lots of interest and its working. I think we'll continue in these next two sessions and you'll see the results. But we're really happy with the interaction and the help of our outside committee. I don't think I saw anyone here but we've got a selection panel that has been very helpful. This is a little bit of work to go through all of these and give feedback so. Anyway I give it a really good bill of health. I think the program is working and you'll hear more when you hear some presentations from successful submitters.

Jane Braaten, Office of management and Finance: Thank you. We are delighted to be back again with another group of proposers. Again, they put in some good thinking in their bureaus, they took a look at the criteria and they got an endorsement from the review panel. We hope to get your endorsement today. We do want to thank the mayor and council for this opportunity. We continue to hear from proposers that they didn't think their

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project could happen any other way without this funding. Interestingly enough we also hear from proposers who are not recommended for funding and they are thanking you, as well, but thanking you for the opportunity to bring ideas forward and get them seen by people in different parts of their organization. They are coming back and saying, even if something didn't get funded, the idea got some legs and we were able to get it done. That's that momentum that, culture of innovation in the city that Fred was really talking about when omf embraced the program. I'm just going to ask the proposers to wave.

Hales: Good morning, good work.

Braaten: We'll bring up a couple of them to share their good ideas with you. Just for background, this round was strictly micro grants. They were \$10,000 or less although they could go up to \$20,000. We received 43 proposals from 14 bureaus. We're getting a nice broad swath throughout our city partners. We shared these with bureau directors for a period of time so they could take a look, review them and provide input and also identify some cross-bureau partnerships. The review panel had a very tough job looking at these, as you can imagine. They used the criteria that these proposers need to do promote equity and opportunity, they need to do improve service, save time or money for either the city, partners or community members. They need to do improve city services and make things better. We invited all of our proposers in for a facilitated meeting with a panel where they could ask questions and receive feedback. Then we narrowed it to the 12 you see today. We did have our innovation fair yesterday and it had a couple of components. We had the fair with many bureaus participating, both providing resources and getting questions answered. We also had partners in h.r. Doing a specific creativity workshop. I believe one of the items has standing room in that. That may generate even more getting ready for our next couple of campaigns. Or even fit doesn't touch an innovation funding request it may generate good ideas in those proceeds. I'd like to introduce Janet storm from my division. She's served as the primary contact for the proposers and review panel. We will step away but be back for questions.

Hales: Thank you.

Janet Storm, Office of management and Finance: Good morning, my name is Janet storm, I'm a management analyst with the office of Management and finance and business operations. As Jane said, I coordinate the grant process for the innovation fund. I'll give you a little background on this particular process. On April 27th, omg business operations put out a call for micro grant ideas citywide. All city employees were notified the city was looking for proposals that promote equity and opportunity in our community. Improve customer service to the community and/or city customers. Save time or money it for city, its partners or community members. And improve city service he a generally make things better. Interested employees submitted their micro grant proposals. They were sent to all bureau directors for input from their own bureaus as well as to identify cross-bureau partnership opportunities. We forwarded 43 micro grant proposals submitted by 14 bureaus to the innovation review panel. The panel was asked to evaluate the proposals based on the ability to pass the following five filters. Do you think it's innovative? Is it original? Does it show strategic creativity? Number two, the sponsor bureau's operating budget, is the fund the most logical source for this particular proposal. Number three, can the project actually be carried out. Do you believe the proposed project can be achieved within the budget provided? Number four, are all of the key partners confirmed to be on board with this effort. And number five, are there benefits to the proposed project? Does it advance equity, save time or money, provide opportunity? Is there potential for greater benefits with broader applications? On June 9th the review panel met and through a facilitated discussion with proposers agreed on the foundations for the 12 proposals you see before you today. We invited five proposers to come up and share more with you

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about their proposals. I'd like to introduce you to captain Greg in necessary from Portland fire & rescue who will be speak being the solar water heater demonstration project.

Greg Ennis, Captain, Portland fire and Rescue: I'm Greg Ennis, I work for the Portland fire bureau in the logistics section. A while back in April we had a citizen approach fire station 13 about a solar project. We looked at his ideas and decided that we would like to look at incorporating a solar hot water heating system at station 13, which is in the Lloyd center district. The solar heating system works by increasing the temperature of the water flow that flows into the regular water heater, so it doesn't have to work as hard or use as much natural gas to create the hot water heat for showers, dishwashers and other things. It consists of a solar collector on the roof and a storage tank for the warm water. Station 13 uses approximately about 3100 dollars, around \$3,000 of natural gas each year. We estimated by looking at amounts of bills that we paid out, that approximately about \$1500 of this is every month, is strictly for the hot water here. I did that by looking at winter months versus summer months. Summer months mostly is going to be hot water heater. We are not using the furnaces to heat the fire stations. We had a contractor come out and take a look, give us a bid on the system there so we could get a little harder numbers. We thought it would be around \$12,000. Turns out their initial bid was around \$15,000. They told you they thought they could save to 50 to 75% of the use of the natural gas for the hot water heater through the solar system. I've presented you with handouts you can look at, how it's designed, and hopefully that gives you an idea of what it's going to look like. We think if we do get those kinds of figures, 50 to 75%, we could save approximately between \$750 to \$1125 every year in natural gas usage. And it would pay -- if those numbers are correct it would pay for itself in 13 months. If it's 75% savings and 20 months if it's 50% savings. The savings costs over 17 years, we're looking at 50% b \$13,800. If it's 75% we're looking at \$20,700. We could use that for other things, saving taxpayer moneys or replacing the system in that one. They estimated it would only last about 17 years. I'm happy to take any questions that you might have.

Hales: This is one of the a lot of projects, we're not only interested in having you try this but having the information come back to us about how well it worked. Obviously if we get those kinds of performance in terms of reduction of energy costs in a city with an aggressive climate action plan and a council that wants to makes those kinds of projects happen, it would be useful to us to see how many we want to replicate after you get the numbers back from actual gas bills as opposed to the ones you've estimated.

Ennis: We're very optimistic about it. We hope it works the way synchro-solar told us. It's a great project.

Saltzman: I notice you were originally looking at solar electric and decided after consultation that solar hot water made more sense. We have a fire station I think on southeast 52nd that does have solar electric.

Ennis: I'm not sure of that, I didn't know there was one already in existence right now.

Saltzman: I remember going out there to do a dedication years ago.

Ennis: I guarantee I'll find out now, though.

Saltzman: I was curious how that's going. Maybe you could send me an email.

Hales: It might be good to know. We have a climate action plan that says we're serious about this and the price of panels has fallen quite a bit. Solar hot water has been a guide idea, whether it's a community center or a fire station. But now that the cost of photo voltaic panels has fallen so much, there may be more places it's cost-effective to do that, fire stations and otherwise.

Ennis: Thank you.

Hales: Thank you very much.

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Storm: Next I'd like to introduce Margaret Evans from Portland parks and recreation who will talk with you about community center kiosks.

Margaret Evans, Portland Parks and Recreation: Good morning, mayor and commissioners. It's good to be here this morning. I want to thank you for allowing us the opportunity to talk about the innovation fund grant that we requested. We have been looking at our recruitment and outreach strategies for the last several years and how we can reach the community much more closely and offer resources for them. A big thank-you to actually one of our park rangers, Sam Sachs, the individual that brought forward of innovation grant, and seeing an opportunity to put the two together. To be able to take what he's seeing in the community and also partner it with our outreach efforts. The kiosk at the community center will allow community members to come in, have a tool, resource, a computer and information about city of Portland jobs and opportunities. In looking at the innovation fund and also looking at the project, we reviewed our various community centers and also the communities that we assessment we selected east Portland community center to be our pilot project. It has an ideal facility, if you've been out to it. The front area, we will have the ability to have a workstation. Also computer and a resource center. We will utilize our community shutdown as an opportunity to work on the buildout. The staff are ready to go once we have the buildout completed and the ability to install the equipment. One of the great things we've been able to do with this project is look as cross bureau partnerships. We partnered with the bureau of human resources to see how can we partner together in this project. And what they have agreed to is help us with marketing materials. Also we're going to have information there and they are going have staff available during normal working hours that people can call and ask how to maneuver our neogov system. It's sometimes a barrier for individuals. Part of this project is that they will provide staffing in the evenings and weekends when most people are looking for the opportunity for assistance. Maybe they are working during the day and they want to be able to sit with somebody in the evening and walk through it. So that's one of the great things about this is being able to partner with them. Like I said, timing of the project, we're taking advantage of the fall shut down, so we're looking at starting this in September. Our facilities maintenance team is already cueing it up as far as materials. We are also looking at marketing materials so we can reach out to community partners. One of the goals is not just providing the resource but how are we doing our outreach to increase our equity efforts. And reach the community, especially in east Portland where the community center serves a very diverse population. There's the project overall in general and then if you have any questions.

Saltzman: So this kiosk is all about applying for jobs the city has?

Evans: Correct, the kiosk will be a computer, directed immediately to our job information page. So it's not just Parks and Recreation jobs but, all the city of Portland positions. Also bureau of human resources, once they have their video available and how you to apply with the city will be able to have that continuously running. They can actually go online at the computer and set up their neogov account, be able to apply to jobs online, call for questions and ask for staff assistance.

Hales: Great.

Fritz: Making sure the vhr video is captioned. And how are we dealing with language translation.

Evans: And one of the reasons we selected east Portland community center with as to make sure it was accessible for all. Our first pilot project. The location provides accessibility for wheelchairs, also we're looking at sight and hearing impairment as well as language. So we've already started to translate some of our own materials like our career opportunity brochure into Spanish. And we want to have the language line available and

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have that. In addition to the technical piece of it, be able to have a resource guide their available. If nobody needs particular language we'll be able to connect them with the right person.

Hales: Thank you, thank you very much.

Storm: Now I'd like to ask Mike Reed from the Bureau of Environmental Services to come up, and he will speak about permit coordination for a better river.

Mike Reed, Bureau of Environmental Services: Good morning. My name is Mike Reed, I'm with the Bureau of Environmental Services. My proposal is titled permit coordination for a better river. This proposal seeks to partner with PSU's Center for Public Service, asking them to conduct an assessment of a proposed expansion of the city's streamlining process with federal and state agencies and the Bureau of Development Services. Our team is the entity that coordinates review of projects and has joint public projects such as the new Tillicum Bridge. Streamlining has been successful at reducing the amount of time and money spent during the permitting process but, is not currently available to private applicants. This innovation proposal seeks to create a coordinated permit review process for private applicants. The Bureau of Planning and Sustainability is looking for a copartner. The River Plan is an update of the 1987 Greenway Zoning Code and Plan. The coordinated permit review process will have the following desired outcomes: Development of a one-stop shop process for applicants to understand all the permitting needs for projects. Reduced time and money spent during the permitting process. And meet multiple objectives for protecting and enhancing the environment while supporting redevelopment along the river. It'll meet many priorities for the Innovation Fund. Permitting of private projects, support and foster investment in living wage jobs, which is an important part of the city's equity, controlled and comprehensive plan projects. Navigating the permit process while ensuring Fish and Wildlife partners are encouraged.

Hales: Thank you.

Hales: Thank you very much. Good work.

Reed: Thank you.

Storm: Next we'll hear from Lieutenant Mike Fort from the Portland Police Bureau who will speak about training for the Hispanic community.

Mike Fort, Portland Police Bureau: Thank you all for having me. I'm Mike Fort, I'm a lieutenant with the Police Bureau of Youth Services Division. I'm here to talk to you briefly about the great program I proposed to bring to the Hispanic community. The great program is a national program, the acronym stands for gang resistance and education and training. It has been created over many years. The program is evidence-based and not new. The innovative part is specifically engaging the Hispanic community which is what this proposal is about. We have the opportunity to present this program. It's a six-week two-hour a day, one day a week for six weeks program, to families in the Hispanic community. It is designed for the parents or guardians of children aged 10 to 14. The program is taught by police officers and a co-facilitator selected from the involved community, in this case the Latino community. Specifically the reason to engage this community specifically is that they are -- the Latino community grew by 64% over the last census in the state of Oregon. Currently 9.4% of the population in Portland. There seems to be a need to create and build a trusting relationship between police officers and the Hispanic community, specifically or particularly I guess, the immigrant Hispanic community that is often reluctant to report crimes, and/or report crimes against them. This is an opportunity for us, the police officers, to build that relationship. So they are more comfortable. The cost involved in this is primarily -- it costs about \$5,000 for each six-week session to put on. We reach about 32 or so people each session, or we hope to. The food is primarily the biggest call. We feed people, it's a gathering opportunity, an

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opportunity to communicate over food. I believe that will be successful. The other part of that is personnel costs. It costs us money that we adopt -- have budgeted to do this, for a police officer, and we have added an administrative sponsor for one person that also helps to put these on. A lot more details, I wanted to keep it very short but then I'll ask if you have questions I can address specifically for you, I'd be happy to.

Saltzman: How are you going to identify the teams that will be served?

Fort: The family we anticipate, we've reached out to, hacienda development, the Ortiz community center in Portland. Once we are ready to facilitate this, they will have a sign-up or they will post it in their community and select the families that come.

Hales: Great, excellent. This is one of several proposals from the police bureau, a couple of which have been approved that are really trying to do careful outreach and equity work. We appreciate the fact that's where a lot of the energy in the bureau is going and you're bringing this proposal is going.

Storm: Our final presenter today is Cameron Glasgow who will speak about mobile technology reporting of post-earthquake bridge inspections.

Hales: Good morning.

Cameron Glasgow, Portland Bureau of Transportation: Good morning. My name is Cameron Glasgow, I'm a Bridge engineer with the department of transportation. I'm here to present information for the post-earthquake bridge information response plan. In the early hours and days, the damage assessment and rapid reporting is critical for the city's operational and economic recovery. To that end PBOT maintains and periodically practices post-earthquake inspection plans for its bridges. Which I brought today in my inspection satchel. Unfortunately, the current plan relies heavily on hard copy route maps and handwritten notes radioed to the local dispatch center, and later conveyed to the city-wide 911 operation center for wider dissemination. It would bring the plan out of the paper age into the mobile technology era. This transformation could be accomplished by equipping the bridge inspectors with tablet for recording and transmitting damage information instantly to the city-wide 911 operation center. Immediately after the inspectors then put their observations into the tablet, the data would automatically populate maps on the city's GIS servers viewable on the city's network. Additionally the bridge closure maps could be made available to the media and citizens alike via the Portland maps website. Our transportation infrastructure over or around natural and built obstacles, bridge closure can form as pinch points and can result in long detours. Publishing bridge closure information as soon as possible may limit plans for those fielding calls for this information. Funding grants, equipping bridge inspectors with mobile technology, the speed will be significantly increased and will contribute to getting the city back on its feet after an earthquake.

Novick: This is very exciting.

Glasgow: I'm excited.

Hales: Good work, thank you very much.

Hales: Other questions?

Hales: Those are your four?

Storm: Those are our five. We're open to questions from you, and thank you very much, proposers, for coming in.

Hales: Questions about the whole package? Thank you very much. I'll see if anyone from the public wants to testify on this item?

Moore-Love: Yes, two people, lightning watchdog x and Sam Sachs.

Hales: Sam was here, I saw him. He's probably gone back to work. Lightning, good morning.

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Lightning: Good morning, my name is lightning with lightning watchdog x. I've really enjoyed the presentation of the speakers. I think some of your creative ideas are very innovative and I look forward to seeing the final results. But again, from my position, absolutely approve of any and all grants if not more funding to you in the future. What I liked about the speakers, as you noticed on this innovation grant process, everybody kind of had an excitement about what they were talking about. And innovation, creating something new, presenting it is very exciting. You could see that within the speakers that they really enjoy this process and what they are doing. We need to look at on the bigger picture throughout this city is that we have a tremendous amount of creativity happening in the transportation, all different areas if you look at uber, lyft" and some of the jobs we're seeing. We're seeing that in a city that we need to focus on that and make sure that the new companies coming in also understand that we want to protect the current jobs and add more. And benefit all the people in the city, all the people in the community. And innovation can do that, if we create ways of doing that. And again, looking at this project here, we're seeing that. You're creating ways to benefit the community, benefit people, benefit the city, benefit all. That's very important on innovation, it can be done. If we create it, think about it, then we pursue that. And that's what we're seeing with all these projects here. Again, I commend all the presenters and what we're seeing. Again, creativity is -- there are no limits on that. And creativity is giving people the freedom to do that. And again, I commend the mayor on this, that you're seeing the freedom to do this, and it's very beneficial, not only on the new projects but also on keeping things exciting. That's very important, to keep things exciting, move forward with new ideas. Keep the employees happy on what they are doing. And then I'd like to even see this expanded on a larger scale even into other cities, other states and even into Multnomah County. I'd love to see them begin this process. Metro, and to begin just circulating those idea. It's keeping the employees and that excitement within, which will definitely benefit this city thank you.

Hales: Thank you, thanks very much. Anyone else? Let's take a vote on the emergency ordinance to approve these grants so they can get to work.

Saltzman: Thank you for overseeing this process, it is very exciting to see a lot of the great ideas that will hopefully all pencil out. But even if they don't, that's part of what innovation is all about. Trial by error. So thank you, I hope they do succeed. Aye.

Novick: I really think this was an excellent idea, and thanks to everybody who worked on making tough choices between the various proposals. I think lightning is absolutely right, that we'll get some good ideas out of this, but also just having this program creates a sense of possibility and excitement I think is very important to the city as a whole. Thank you very much, and i'm excited to vote aye.

Fritz: I see three of 12 being from Portland parks and recreation yet again. Aye.

Hales: Thanks to the folks and bureaus who came up with great ideas and brought them forward and got them evaluated and many of them approved. You know, budgets are how we put our values into action. One of the values here was that we want to foster a climate where our employees can bring new ideas forward. You could hear here in the room, people feel they can do that and that's a really good thing. Another value here is that we value our employees. It's a climate in which we say, if you do have a good idea, you're not going to be slapped down, you're going to be encouraged. Bring it forward. Another is that we've got a mixture here, which I think is really interesting, of projects that make us a more efficient provider and also make us a more effective community partner. I want to commend the evaluation process forgetting that balance. We've got this PBOT project we just heard described in the police bureau as a prime processing camera that cuts it from 60 minutes to 8 minutes. That makes it more humane because citizens are not held up in

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uncertainty for that time. The mixture of doing a better job a service engine that delivers all these services to the city is a piece of this, but also that we're thinking about being a better partner, whether it's the project described or the other one, the police bureau, that provides driver safety manuals in English and Spanish so we have drivers better aware of their responsibilities and rights as they exercise that privilege of driving a car in our city. I think this is just a great package of projects. I really look forward to the next round and i'm really glad the enthusiasm across the city's workforce is growing for this. We have a chance to say yes, go give it a try. Thank you very much. Aye. [gavel pounded]

Hales: Good work. Okay. Let's move on to item 803.

Item 803.

Moore-Love: Revise noise regulations for pile driving.

Hales: Mr. Van Orden, come on up.

Fritz: We have as you will a substitute ordinance, I apologize for it not being in the record. Essentially i've requested that we spend more time processing all but two of the proposed code amendments that we heard testimony on several weeks ago. And council clerk has copies of the strike-through version if anybody is wanting to see those. What we're doing today is to adopt the -- proposing to adopt the mechanisms on pile driving, and then we willing setting up a task force and doing a quick but thorough work on the issues of how you appeal issues and some other noise issues. There's a concern in the community to maybe ban all construction noise at certain hours. What our proposal today does is to add to subsection f of the city code 1810060 of the noise code to, make pile driving have to comply with the table on decibel limits. And the practical effect is that pile driving will no longer be allowed on nights, weekends or holidays and it'll not be allowed between the hours of 6:00 p.m. And 8:00 a.m. On nights, weekends -- or on nights, weekends and holidays.

Fritz: With that.

Paul Van Orden, Office of Neighborhood Involvement: Morning, members of council, i'm the city's noise control officer. To add at more detail, the two main items we are adding to the noise code, the requirement that pile driving not start until 8:00 a.m., which still as we chatted about at our last hearing, facilitates the development industry pile driving companies to begin the setup process, which is not noisy. When they are ready to start driving piles at 8:00 a.m. On Monday through Fridays they would be able to start right at 8:00. Second item is starting to make modifications to our notification process, and in this case we're very clear that nailing notifications to all -- mailing notifications to all residents within 500 feet of a project that's going to have pile driving, at least 30 days before the project, just to help clarify our interpretation of that in the past in terms of mailed notifications on variances like Portland international racetrack for instance, in cases where we require mailing, it's a direct mailing to the residents. We can't always know in a neighborhood who those folks are. It might say occupant in apartment 6, apartment 7, but it would be a mailed notification not as we've chatted about, some kind of hand delivered notice. We would talk mail to each apartment and residential single families and homeowner and residents in the neighborhood where this is happening just as a clarification.

Hales: Maybe you, commissioner or Paul, explain that -- I understand the change in the substance you just went thine subsection f. But why the strikeouts or the removal in the findings?

Fritz: Because we're not going to be moving forward on the changes for the appeals to council or the reclassification of the ex-zone subject to the commercial zone regulations. It does need more work and we'll come back with those in September probably.

Hales: I get it, thank you. Any questions for Paul?

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Saltzman: I just want to make sure the pile driving time limits also apply on the weekends?

Van Orden: Yes.

Saltzman: Or they are forbidden on weekends.

Van Orden: We already do not allow pile driving on Sundays. You would now not be allowed to do it on a Saturday unless you can meet the baseline zone. No form of pile driving can meet the most loud descriptor in the noise codes, that's 75 decibels in an industrial area. Other than some really large pieces of property like the Portland of Portland, if you were doing pile driving in the center of the port of Portland you might be able to meet the standard, which would mean neighbors wouldn't have an issue with the pile driving. So it really limits in any residential type neighborhood pile driving on a Saturday as well as the existing Sunday.

Hales: Ok thanks. Any other questions for Paul? Ok thanks and standby.

Hales: So commissioner Fritz moves a substitute.

Fritz: Right

Hales: is there a second?

Saltzman: Second

Hales: So further discussion on accepting the substitute and then we will take testimony on that.

Hales: So Roll call on accepting the substitute.

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

Hales: Ok thanks Paul, I know there are some folks here to testify some may of signed up so do you have the signup sheet?

Moore-Love: I do not have a signup sheet

Hales: Ok so does anybody want to speak to the council on this item?

Hales: Come on up.

Hales: Oh we do have a signup sheet, alright we'll catch to ourselves here, hang on a minute.

Fritz: During interim I will say thank you very much to the community members as well as the city staff and the noise review board for their willingness to continue working on this. I am convinced that we can do even more to protect neighborhood liveability and i'm looking forward to having that ongoing discussion.

Hales: Thank you.

Moore-Love: We have seven people. The first three are --

Hales: Good morning. Go ahead.

Patrice Hanson: Good morning. So nice to see you all again. I'm Patrice Hanson. I live in the pearl. First of all I want to say in regard to the proposed changes about limitation of hours and notification of residents there's a distinction switched in our areas I didn't even know when they were putting piles in. It's just like everything else. It doesn't require anything special. It's really that impact hammer that needs control. The same conversation is taking place during the same time period in cities across the nation including Seattle, New York, south Brooklyn, St. Petersburg, Tampa, Tampa bay, Charleston and more. I'll be giving you a packet of information that has quotes from some of those cities. Basically, developers are switching to quieter methods like the auger drill in populated areas and regulations are being changed. I was going to read some of those quotes but since the conversation is basically what we have been discussing here and it's very similar, I don't think I need to do that. I also included in your packet some of the stories that we collected about how the impact hammer was affecting the lives of residents in the pearl when it was happening before the switch. What I have come to realize out of this is that the demand for switching to quieter, more humane, modern methods for

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inserting piles is in the words of Victor Hugo an idea whose time has come and this is going on across the nation. It's no accident it's happening here. Also that there's nothing more powerful than an idea whose time has come. So you know, Portland is such a progressive city, in the vanguard of so many things, this will be a very important, positive change to have a lot -- to just have that kind of concern for citizens and to use the modern methods that are so much quieter it gets louder because the sound echoes off buildings. You can't even tell where it's coming from as more buildings are developed. So thank you.

Hales: Thank you.

Fritz: Thank you for your leadership on this. By changing the sound limits in the quiet hours that does address the issue of impact hammering versus auguring. Auguring is quiet enough to meet the standards --

Hanson: Then it should be fine. Yes.

Fritz: You approve of what we're doing here?

Hanson: Yes, I just wanted to be clear that it wouldn't limit the auger drill or quieter methods. I just want that to be clear.

Hales: General construction noise would still have to meet the standards of the ordinance, right, so they are not accepted from the requirements but because of the technology as you described it's usually able to stay within that threshold. Okay. Thank you. Good morning.

Brooks Hickerson: Hi. I'm Brooks Hickerson. I live at 1255 northwest 9th avenue in the Pinnacle. The beat goes on. As the last three years, seven buildings have been built within three blocks of where I live. The first three used the impact pile driver and the last three used the auger, so apparently it does work. I counted over 800 impacts to driving in a single pile. My wife counted it. She's more patient than I am. Sometimes it required 200 different piles for a foundation. So that's more than 160,000 impacts over a period of six or seven weeks. All at about 110 decibels. The OSHA standard for maximum allowable noise over an eight-hour shift is 90 decibels and they have that for every five decibels over that. If you were working in an environment with 110 decibels the limit would be 30 minutes in an 8-hour shift this is because 110 decibels is actually ten times louder than 90 decibels. Dr. Charles Lieberman from the Harvard medical school studied pathways between the ear and the brain and has an article in the scientific American. He talks about hidden hearing loss. What he talks about is that how the inner ear converts the energy from the sound waves and sends it to the brain and said the gold standard for this test measures the loss of the damage to the cell damage, the cilia inside the ear, it doesn't measure the loss of nerve damage. We don't really have a good way of doing that currently. It says audio nerve damage not only is not measured it actually doesn't recover, so you can get in a noisy situation you can't understand speech. We have all experienced this at one time or another. We really need to -- we're dealing in an area where hearing loss does occur and it's not recoverable. Williams and Dane plans a construction project of a nine-story building and bought 5 station place property in Overton. They plan on using the impact pile driver. Just as they had with station place and Marriott construction. The beat does go on. So what are you to do? You have to decide what hearing loss is acceptable. I urge you to be very conservative. I approve of what you did here today. Thank you very much.

Hales: Thanks very much. Good morning.

Mary Helen Kinkaid: Good morning. For the record I'm Mary Helen Kinkaid. I think that's -- it's a good step, small step in the right direction. I was encouraged by commissioner Fritz's statement of setting up a task force because I have been pushing for that since I think February because it works for demolition, worked for deconstruction, why not take on one more contentious issue with a subcommittee? I don't know if this was the

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noise gods yesterday but my husband was at chuck's trophies on 12th where there's a huge construction project. They just remodeled a huge building and the woman, we have known them for years, they have been in business for 40 years. She was near hysterical. The noise has driven her nuts, she said she couldn't stand it. When he was there I guess they drove a pile. He said it felt like an earthquake and everything on the shelves rattled. She said things had been falling off the shelves. We had not heard about those. This is happening everywhere. He came home and said, can't the city do something about this? I said, where have you been? Have I not been ranting about this for a long time? Even he experienced a really bad event. So then she told him there's a woman there who didn't have a car, had moved there so she could use mass transit but she bought a van so she could drive to the park and sleep during the day because she worked at night so she could sleep on the streets and the neighbors reported her sleeping in her van and the police came but that was the only place she could sleep. That's just one person. I guess there were hundreds of stories because there's businesses all around there. They have been told they went over like good citizens, talked to the builder and were told this is going to go on for a year. There was no notification. Nobody told them what to expect. This is just -- this woman talking to my husband and him relaying it to me, but they reached out, the city, they said, I don't know who, I haven't researched it but we're told what they are doing is legal, there's nothing we can do. She thought it was criminal. That leads me to testimony I sent previously to you about the code is to protect the liveability of citizens. I think we're missing the boat on that. I'm going to say we're noncompliant because we're not protecting the citizens. I really want to emphasize the subcommittee be formed, that the notification be looked at. One question I have about this, how are the interests of persons if they can appeal to council one issue that has been before it how will they oh know because there's no notification process.

Fritz: I'm thinking we're going to change the whole variance process in fairly short order.

Kincaid: For instance if something coming up between now and -- since they only have ten days to appeal to get on the city council how are they going to know unless they go every day and look at the website? That's challenging.

Fritz: We'll have staff address that issue. Thank you for bringing that up.

Hales: Good point. Thank you all very much. Next group.

Stan Penkin: good morning. I'm Stan Penkin, I'm a resident of the pearl district. I am a board member and officer of the pearl district neighborhood association. I testified several weeks ago on the same topic and am testifying again on behalf of myself and as a board member of friendly streets, a nonprofit organization that advocates for quality of life and liveability issues across the city. As I testified previously, while I appreciate the current proposal to limit hours impact hammer pile driving is a recognition of the problem, I want to reiterate that more can and should be done. This barely scratches the surface. I do appreciate Commissioner Fritz's attempt to dig deeper into the issues and possibility of establishing a diverse task force to look into this. The harm of impact pile driving to the health and liveability of neighborhoods has been aptly described before me in countless articles in government documents. Far more acceptable alternative does not contribute noise not to mention vibration in excess of what one reasonably expects during the course of a construction project. At the last hearing on this topic, you heard extensive opposition testimony from Dewitt construction, a major contractor utilizes impact hammer drilling. While I tried to listen sympathetically as a former builder myself to their claims of extra costs, lost time and other woes, and I understand they are heavily invested in this method, I'm not convinced that their argument is persuasive. To my understanding, they have been utilizing this method for many years. Especially if they have not invested in and kept up with new technology. Quality of life of ordinary citizens should take precedence. I also

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find it ironic that the previous presentation talked a lot about innovation and there is innovation in the construction industry and the auger cast method is one of those innovative methods. Dewitt's claims of extra costs have not been quantified so we don't know what that means. Can we measure the cost of excessive and incessant noise to the health and well-being of our communities? Should that even be a comparison? There are geo technical reasons why the auger method may not always be viable. Why support the proposal before you today, now is the time to go farther and hope to develop a code that will prohibit impact hammer pile driving in residential areas and allow for exceptions only when it's appropriately certified that the conditions are not suitable for an alternative method. Thank you for your consideration.

Hales: Thank you. Good morning. [applause]

Judy Bradley: I'm Judy Bradley, 937 Glisan Street in the pearl. I'm relatively new to this discussion. I have never been to provide testimony before. But was persuaded to do so because about two years ago in San Francisco I lived through a long siege of pile driving that went on for months and months. Believe me, it is both psychologically and physically extraordinarily invasive. It's just dreadful. You can't get away from it. So I applaud what you're hoping to do by setting up a task force to look at alternate methods to pile driving. I looked where I live, i'm about 50 feet and a high rise building away from a new hotel will be going in later this year. There are two other major condominiums facing on that block. That's not to mention all the businesses below -- there's a dentist. An acupuncturist and wellness clinic. There are restaurants that have outdoor seating. All of these, the residents and businesses will be severely affected if they are subjected to months and months of this impact activity. You can't hear yourself talk if you're outside. When you're indoors, I said I personally experienced this, at an even greater distance from -- I think what i'm anticipating is going to happen in our building, which is probably not any farther than the length of this room here. Your windows and doors shut you can't think. It's that -- like a metronome, rhythmic pounding, pounding, pounding, you feel like you want to scream and get away from. I realize we're making strides with this ordinance correction. But I would urge however fast and however you can get to a discussion of the merits of going to the auger method.

Tom Foster: Tom Foster I live at 1255 NW 9th ave. It's been well known in politics that when you have a stand you have what's known as a talking points, and what I've noticed is even if you're talking point is not true, if you repeat it over and over and over and over again it becomes known as true. It's what I call the fox news effect. You're being told setting piles with an auger drill is way more expensive than pile drivers, but is that true? Right? If it is more expensive, how much is way more expensive? We were at the last testimony one of the commissioners asked Dewitt construction how much more expensive is it? He said significantly more expensive. Do you have numbers? No, it's significantly more expensive. I have real numbers about the impacts of pile drivers. I work as a realtor out of my house. For years one of the sources of me getting new business was to call canceled listings right after they expire. It's very, very competitive. If I call somebody at 9:00 i'm already too late. So I have to call regularly at 8:00. If we're having an impact pile drive session I can't talk to these people. I can close the windows with normal construction noise and continue my life. When that's going I have to take time out. So here's some real numbers. Average listing I get an average of two listings a month. At \$350,000, commission of 2.5%. I figure I lose about 50% of my business because the other agents beat me to it. So seven weeks for the Marriott, seven weeks for block 17. I figure I lost about 2.5 listings, \$21,875. Those are real numbers. I wish Dewitt would provide you with real numbers, okay? I'm just one person. He pointed out, hey, there's other people. How about the expense of taking to your vet for medication? How about Marriott losing \$319 a

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night? I would like to stay at that place: Point is, the proposal for -- before you today is limiting the number of listings I can get from 40 to 38. It's still inhumane. We need to set up the task force.

Hales: Thank you all. Thanks very much.

Moore-Love: Last two are Joel Burt and Mary sipe.

Hales: Come on up.

Mary Sipe: Good morning.

Hales: Good morning.

Sipe: Do you want to go first?

Sipe: Go ahead.

Joel Burt: Joel Burt with Dewitt construction. I have sat through this whole process almost from start to finish. I guess there might be a misconception that Dewitt is the bad guy. We're just contractor. That's all we do. We bid on the work. We don't design it, we don't have any skin in the game. If the price goes up, if hours are reduced or whatever we'll just raise our bid accordingly. So I just want to make that clear, that we don't do anything except bid on what's designed. Build it as designed. I think one of the key points here is that I have heard testimony several times where people refer to augercast versus pile driving. There are two different methods but what you need to consider is that there are certain times that auger cast will not work. Now, Scott mills of geo design who designed most of the downtown work here testified in noise review board on two occasions that auger cast simply will not work some places in the pearl due to the soil, and concerning block 17, he made a statement that he will never design auger cast in place of pile driving in certain soils. He alluded that block 17 was a good candidate for pile driving. I just want to make sure -- I urge you to consult with your own engineers on methods of construction. The noise review board wisely steered away from dictating what kind should be used, auger cast versus pile driving. I want to make sure you understand the difference. It's not just a matter of choice. As a contractor we have no say so. We just do what's designed. As far as the cost goes, Hoyt street property testified at a couple of noise review board meetings the cost from a developer's standpoint. I don't have the numbers but you can consult with Paul. I'm sure he's got those. It is significant. But again, as a contractor, we'll just raise our bid accordingly. I don't have those figures because it's dynamic. Changes. So that's basically all I want to do is set the record straight on a couple things.

Hales: Thanks very much. Good morning.

Mary Sipe: Good morning. I'm back. I'm Mary sipe. I would like to talk about something that the noise review board is not recommending. The noise review board is not recommending to require the auger cast method for placing piles because number one according to project engineers the auger cast is not appropriate for every site and the engineer should make the professional judgment as to whether and if it can bed you. Secondly, because the pearl district is being built on a landfill where unknown organic material has been deposited and the spoils brought up by the auger cast must be treated as hazardous waste, increasing both risk and cost of this method. I would agree the auger cast method may not be appropriate for every project and that decision should be made by the geo technical engineers, however, the engineers should be required to provide sound geological evidence that the auger cast cannot be used. The auger cast has proven a viable alternative in some extremely challenging conditions. It was used successfully on a 28 story and 38 story building in the pearl district, block 15 being one. At the march 11, 2015 noise review board meeting, as Mr. Burt has referred to, Scott mills, a geo technical engineer with geo design, the engineering company on block 15, stated, I quote, my duty is toward the safety of occupants of the building. I would not put continuous light augers

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under any high-rises again. Because he believes that he does say that he believes they are safe but he lost, I quote, a year off of his life just worrying about the installation. He said they are quiet and everybody was happy but i'm not happy with the extra tension that we had to put into making sure that the building was safe. Mr. Mills believes the continuous light augers are safe but because he lost a year out of his life worrying and experienced extra tension he wouldn't do them again? Should the neighboring residents have to suffer the negative effects of the impact hammer so that the geo technical engineer does not have to experience extra tension? The arguments we keep hearing against auger cast are it takes more time, it costs more money, it cannot be used safely because of the contaminated soil. They don't just place the auger cast in the ground, cross their fingers and hope that the foundation is safe. Geo design employs state of the art technology to test these piles. On their website geo design boasts about the abilities of their state of the art equipment to test for safety, save time and money, and reduce cost and mitigate the risks associated with contaminated soils. I provided some copies of the information from their website. I have them here. The technology to use the auger cast safely and cost effectively is available. This technology protects the safety and well-being of residents and construction workers and should be utilized when appropriate. We need to take the steps necessary to change the city of Portland's noise regulations and/or construction regulations to limit use of the impact hammer to those situations where sound geological evidence proves that other, quieter methods cannot be used safely. Thank you.

Hales: Thank you all very much. Anyone else want to speak on this item? If not, then nonemergency ordinance, so this will come back for second reading next week. Have I got that right? Hang on a minute. Let me see.

Fritz: Can we add an emergency so we can get this going faster?

Hales: Any objection?

Novick: I missed the previous hearing on this. Can I still vote today?

Hales: Yes, you can. You already have to be in general familiar with the issue before us. I don't think you have to have reviewed the entire record. Is that correct?

Novick: Yes.

Fritz: Besides it's a substitute ordinance.

Saltzman: Second

Hales: Roll call on adding the emergency clause. Commissioner Saltzman seconded it.

Saltzman: Aye. Novick: Aye. Fritz: Aye. Hales: Aye.

Hales: I'm in further discussion with Paul now that we have changed the ordinance.

Fritz: The question was notification before the task force gets done with how we are going to handle appeals and such.

Van Orden: Throughout the process there's been some confusion about notification, how it works in the noise office. The greater majority of the 600 plus variances we issue we don't get a complaint on. With three staff, the same we had in 1976, what we have to do is Kathy couch, our main person, and myself, look at the issues, use our professional judgment on which will be most problematic. The ones most problematic we create a notification mailing list, we give that to contractors and events and require them to go to the specific addresses. We don't always require mailing with that so sounds like we're heading to more descriptive mailing requirements. The other question was relative to notification that the website is not as helpful to people to find information so one suggestion we have made to management is that we find some funding for i.t. To help make the web page for noise variance information more searchable. Right now it's not very searchable but we have checked with the coalition offices and they have given us feedback. It is on the web. If someone were to send us an email we could point them right at it. The general public may not understandably be able to find that quickly.

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Fritz: The third thing is the noise office does have the authority with the noise review board to say no to variances or to require additional evidence that alternative methods won't work. Commissioner Saltzman, I'll be looking to partner with you and the staff of development services to use the geotechnical expertise to figure out can we come up with a prospect that requires proof that you can't use augers process perhaps? We'll do that in consultation not only with the task force but with the development review advisory committee. But in the meantime, obviously you have heard all of the concerns and evidence put in the record. So you'll be looking extra carefully at variance requests.

Van Orden: Most definitely.

Hales: Thank you. Other questions for Paul? Then let's take a vote on the emergency ordinance.

Saltzman: I appreciate the work of Commissioner Fritz and our noise control officer and our noise review board in crafting this ordinance. I believe it's very important to have some well-defined parameters that give people peace of mind and the opportunity to sleep between the hours of 6:00 p.m. And 8:00 a.m. I look forward to the additional discussion we may have on the future changes and I think this is definitely a step in the right direction and glad we're doing it as soon as possible. Aye.

Novick: I second commissioner Saltzman's comments on this is a pro sleep ordinance. There's more and more research that shows the centrality of sleep to human health if you people get enough sleep they are less likely to overeat, less likely to get into car accidents. Some research suggests there is fewer crime. I see this as a blow for sleep. I'm proud to vote aye.

Fritz: Thanks to everybody for your engagement on this. It's something I think that we can quickly given the work done over the past couple of years under mayor Hales that we're ready to move forward with our focused task force. I leave for England tomorrow. I'll be back in three weeks. I expect to have you thoroughly working hard at that point. Adam in my office will take the lead on this process. I do hope we'll be able to come back in September with -- maybe October by the time we go through the different review bodies, with additional changes. I appreciate the work of staff and volunteers as well as the construction industry. We really are all in this together. It needs to work for everybody. Aye.

Hales: Thank you, Commissioner Fritz, for your work on this. I also want to thank Chad Stover from my office and Paul as always, very valuable to us. David, you and other members of the board put in a lot of time on this. We occasionally I want to comment on the evolution of this discussion here at the council a little bit. We occasionally hear from people we heard from one earlier today on a different subject who say I'm worried that -- I can't really make a difference. I'm not sure showing up at city council will really change anything, we hear that worry about government. This is one more indication. I hope that folks from the neighborhood that brought this forward feel the same where this issue has evolved in our understanding and in our forward motion on changing things because people in the community came forward with a problem, said here's an issue, will you pay attention and do something about it. I'm proud of us for being able to respond that way. Things do change. We have to react to those changes and respond, try to shape the growth of the city as it occurs because of course there was a point not long ago I remember that point at which no one really lived in the Pearl District. The first two projects were built perhaps with impact pile driving and no one to be bothered. But we have asked people to live in the urban environment. We have asked them to live close to one another and in proximity and in community in a different way than was true in the past, and thousands of people have taken us up on that idea. Said yes, thank you, we would like to live in the urban environment. We look like to live in a dense urban neighborhood where

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there was no such place before. That's not just true of the pearl district. It's true on the south waterfront, true in the rose quarter when we make a neighborhood out of what's an empty corner of the central city today. And it will be true in other places as well. We have to figure this out. We ask people to buy into the urban equation, we have to make that a good decision for them over time. This is one of those cases where we have to make good on that. So again I just want to thank people for being willing to engage, being willing to bring a problem forward having both staff and citizen experts who bear down on it, give the council good advice. Obviously there's more to do here and we'll have to keep evolving. It has been my experience in dealing with issues of regulation of construction that if we are clear about what our expectations are, if we write good rules and they are practicable in the marketplace, the construction and development community here will respond. That has been the case with good design. That's been the case with green buildings. It's been the case with a lot of things. This is one more instance where I do believe the private sector will be capable of doing the right thing but it's up to us to articulate exactly what that looks like or in this case sounds like. Thank you all for good work so far. I do as well as my colleagues look forward to more. Aye. Thank you all.

Hales: okay, let's move on to the regular agenda. Pulled items first. We had a couple items pulled from the consent calendar. One is 805.

Item 805.

Hales: Come on up. Who asked for this to be pulled?

Moore-Love: Mr. Lightning.

Hales: Is he still here? So if he's not unless there are any council questions, I think we should -- sorry to bring you here without cause, go ahead, and take action.

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

Hales: Aye. Thank you.

Item 806.

Hales: Commissioner -- do you have any opening comments?

Fritz: I'm very pleased this ordinance has come to council and I appreciate the partnership with labor 483. [audio not understandable]

Hales: Good morning.

Anna Kanwit, Director, Bureau of Human Resources: Good morning. Anna Kanwit, bureau community resources direct you, here before you with an ordinance where the title is probably longer than the presentation. But the ordinance before you asks you to approve partial limitation of arbitrary awards. This concerns grievance that was filed by labor as local 43 regarding use of casual/seasonal employees to perform bargaining at work. Recreation contract covers recreation leaders, coordinators, the description of the work is very broad but also states that seasonal recreation support persons are seasonal employees are limited to 1200 hours a year and will normally not be upgraded to the classifications covered by the contract except on an incidental basis. That was the crux of the dispute. The arbitrator ruled that the city violated the agreement by assigning bargaining to these rec support persons and ordered the city to cease and desist however there was zero clarification of what that meant in the award and the union and the city have been in negotiations since the award in May to come to an agreement about what it means and how the city will comply. So as you know this is just a first step. Stage one. We will be negotiating with the union over the next several months regarding phase 2. This first phase, which is the agreement that is attached to the ordinance, provides one-time funding for 86 limited term positions, limited term because there's no ongoing funding, just for the fiscal year. It's 37 customer service representative 2 positions, 22 assistant school managers, 24 preschool, three regular positions to work on summer camps. We're asking you to approve the funding for this one-time positions and to maintain which will

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help the bureau maintain programs through this fiscal year. Under the agreement the city will stop using casual employees to do the work performed by the csa, preschool teachers and assistant managers. You have a range of the cost of the phase 1 of this agreement. It's approximately \$1.6 million to 2.3 million until we actually do the conversions it's difficult to have a more exact costing of what that will be. This is as you know an issue brewing for some time. The city has continued to provide an excellent recreation program throughout years of budget cuts, and we anticipate moving forward that they will probably to achieve full compliance the arbitration award we'll probably have to make cuts in the program to continue it in an affordable way. With that, I have Heidi brown, white house the union attorney who was instrumental in negotiating the settlement as well as Jogn utto, who is here, also with the other member of our bargaining team. I want to thank them both. This was immensely complicated in large part due to lack of clarity of the arbitration award. That did not assist either the union or the city. With that I don't know if you have any questions for either john or Heidi.

Hales: Questions for other members of our bargaining team at this point?

Saltzman: For my understanding our complying with the award -- we could have chosen alternative courses of compliance. We could have chosen to appeal that award?

Kanwit: No. Arbitration award is really in essence uh unappeasable. The only way is if the arbitrator goes outside his authority or issues an award contrary to public policy, few and far between. This award did neither. It was certainly within his jurisdiction to decide whether the work was bargaining work or not. The award is not outside public policy. The issue is a poorly written award because the arbitrator didn't tell the parties what that meant. There was evidence about positions, bargaining work, non-bargaining work. He certainly could have provided more guidance but for whatever reason chose not to. We really cannot appeal this.

Saltzman: You worked with local 483 in good faith to take an award that wasn't very clear and sort of provide some clarity. A proposal for dealing with this? Is that correct?

Kanwit: Yes.

Fritz: We could have had the option of going back to the arbitrator to ask for more clarity. We decided it would be more constructive to work with the union. The other option was just to stop doing the work over all but this ruling came in just before the budget was announced and just before the summer season and we knew it wasn't fair. That's one of the reasons the union came to us and said, don't cease and desist as the arbitrator directed right away because we're very aware that would mean a lot of people being laid off.

Hales: Other questions? Come on up. Good morning.

Erica Askin: Good morning.

Fritz: I will just say how very grateful I am to 483 for working constructively with us and getting to the phasing of implementation. We start work on phase 2 tomorrow. Thank you for being here today.

Askin: Thank you, Commissioner Fritz. Thank you, council. I want to introduce tom Collett, working with us on recreation as a government liaison. I didn't want to feel lonely up here. I thought I was going to be up here with Anna so I brought him up. I'm very happy to be here today. With approval of this agreement the city is taking a big step forward. This is a fair agreement that not only assures the city is complying with an arbitrator's ruling it improves the lives of the front line staff that make our community centers great places for families in Portland to learn and play. After we got the arbitration ruling as Commissioner Fritz said both sides, city management and the union, with the assistance of attorney Heidi brown, made a good faith effort to comply. This wouldn't have been done without Commissioner Fritz and your leadership. So thank you especially to

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you. Even though he's not here I want to acknowledge commissioner Fish, who tried to address this issue five years ago as I was first hired as an internal organizer with local 483. I remember commissioner Fish collaborated with my boss, business manager Richard beetle, to initiate a process that would address the use of what has been accurately -- inaccurately called casual work in the city of Portland. Addressing the wages, rights and benefits of city workers has been a long road. We have had good intentions and wanted to solve problems but we didn't get there on a joint process for a long time. After coming up against many roadblocks, local 43 filed this grievance in 2013. At the end of bargaining we decided to take it to arbitration. We're not done yet. As has been said also this is a partial agreement that covers a portion of the work that's being done by so-called casual employees. We're going to continue down this road finally with all parties working together. It's a necessary one. We'll be doing it through the next several months. Taking this step today means the city stands on the side of fairness, giving workers a voice in their workplace, basic job protections and job security. For the so-called casual workers many of them have worked year after year and today they are ending a long journey through job insecurity. Their commitment to their community is finally mirrored by the city. So now we're working together to begin the reversal of more than a ten-year trend where union work was being given to misclassified staff. The city then was balancing the budget on the backs of low wage workers while undercutting living wage jobs for union workers. All so the city of Portland will benefit from the recognition of these workers as protected under our union contract. That's because recreation staff don't just serve our community they live in it. This will bring up more city workers from low wage work who often rely on food stamps and social assistance programs to work that allows them to finally afford housing, transportation and food in a city that's growing more and more expensive. When talking to the staff in the recreation centers we're consistently seeing two issues that's impacting their delivery of services. The first is the difficulty that recreation has keeping long term employees. And the second is the heavy workloads that existing staff face from year to year as they see more people have to leave their jobs because of not having health care or not being able to afford living here in Portland. Building community takes time. Employees at our community centers become experts by being in the community for years. This institutional knowledge will increase because of this decision. You can just look at Dishman community center as an example of this institutional knowledge. The preschool teacher there has worked for the city for 24 years and started the preschool program about 20 years ago. She ensured early learning for the kids through play including French, Japanese, Spanish, sign language, tennis, cooking, art projects and lots of field trips. The teacher there is a part of an historic institution at dishman that we know and love. At the time we filed this grievance this teacher had not even had a cost of living increase in her whole 20 years as preschool program coordinator. Now she's going to have an opportunity to have a fair wage and covered with benefits for the first time in her career. She has also seen other hard working people at the community centers forced to give up the jobs they truly love because they needed benefits and better wages. So this is a very good thing that we're doing today, to approve this partial compliance agreement is also a step forward for people who take kids to camp and classes at our centers, the sun schools and the pools. They will receive a better, longer term service from employees not overloaded who are getting better wages, benefits and protections. They will be more stellar employees valued as part of the recreation program. I'm looking forward to phase 2 and i'm looking forward to taking an objective look at the remaining positions doing union work. We're committed to a fair and honest process based on facts and takes into account the input from management and the union. We want this this to be a comprehensive

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agreement that offers opportunity and fairness to more recreation workers and we also want to be able to sleep better at night because of this. So thank you.

Hales: Thank you. Questions?

Tom Collett: I second everything she said.

Saltzman: I guess do you believe that successful labor negotiations require an underlying code of ethical behavior and respect amongst the parties negotiating?

Askin: Definitely.

Saltzman: So a few years ago, a while back, local 483, the other unions in the city were all assessed found guilty of committing an unfair labor practice, assessed monetary penalties of which all unions have paid except 483. Your penalty was \$80,000. Are you planning to pay that?

Askin: We never had an unfair labor practice charge against us. I believe that's a separate issue and I would be happy to talk with you about that next week.

Saltzman: It's not separate to me. It's an underlying sign to me of disrespect and unethical behavior. I don't think you have any intention of paying it. Talk is cheap. I think as a matter of fairness, this will govern my vote on this issue because I don't draw separation between ethical behavior and respect of parties. And when we lose, we pay, and other unions have paid what they owed us too but you are thumbing your nose at us frankly.

Collett: Commissioner --

Saltzman: You can tell me right now you're going to pay the 80,000 and i'll vote for this. If you're not i'm going to vote against this.

Collett: With all due respect I think there's a disagreement about the facts here. I think that we do believe we have been put forward ethical behavior. We would be happy to talk to you about it but we're not sure this is the correct venue.

Saltzman: I'll listen to the talk. I'm interested in what I believe is a sign of mutual respect that is not being shown here. We can argue until the sun goes down about the facts. In fact that's why a code of underlying ethical behavior is required of labor relations process. Oftentimes there's never an agreement on the facts. That's why we go to arbitrators. We go to the courts. I believe this has been subject to proper fact finding and penalty has been assessed and you're not paying what other unions have paid.

askin: I do want to make a correction. We have not gone in front of the employment relations board. We have not had an unfair labor practice charged against us. We had a motion to dismiss that we filed in a court case against the city management, H.R., who filed a complaint against us in court. So we have not found any of those charges to be substantiated and neither has the court nor the employment relations board. I look forward to talking with you and to getting past our disagreements, getting past both of our wins and losses. We have suffered a lot of losses as well. I look forward to getting past that to finally get something done for the recreation staff who work in the centers, which is a separate bargaining unit. I don't think we should be using the disagreement that we have had in bargaining from 2009 to 2010 before I was even hired at labor at local 483 to prevent us getting something done for these recreation staff today.

Saltzman: What about the fact the other bargaining units have paid?

Askin: The other unions?

Saltzman: Yes.

Askin: I can't speak to their position on that.

Kanwit: Commissioner Saltzman would you like me to add some context? It might be helpful.

Saltzman: Okay.

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Kanwit: So this is a matter that started in 2009 and the city did not bill our unions for union paid union leave. We have a contractual agreement with our unions when unions take union leave we will be reimbursed. We discovered the error and back-billed the unions. Needless to say none of them were happy about the fact that were getting bills, some of them very large, but every single union with the exception of labor has paid their full bill and received the services. We had an unfair lab practice charge around bargaining and there was an issue around paid leave from 2010 forward. That was settled, local 483 has paid monthly the amount they owed from 2010 forward, however we have an \$80,000 outstanding debt that 483 incurred prior to 2010. We attempted to go to collections, as expected the determination was the board had exclusive jurisdiction. That's the reason there has not been another finding. We were well past the statute of limitations because we were making every effort to work with the unions understanding there was some large amounts to pay. At the 483 disputed the amount although advised us they didn't really have good records. We would have certainly taken a lesser amount but that offer was never made in the context of just settling this. The only settlement offer we got actually combined this agreement with paying that. We recognize 100 plus positions into the bargaining unit and they would pay \$40,000 starting in 2016. So. [speaking simultaneously] I think it was part of what was in the arbitration as part of the evidence that was provided around positions doing bargaining unit work. I think that was the list from one of the experts the union provided. So this issue has actually was tied together by local 483. Was not part of this agreement today.

Fritz: But there is an agreement for payment in 2016?

Kanwit: No, the 80,000 is an outstanding debt and no movement by 483 to pay any of it. That was part of the settlement that 483 offered to pay 40,000 -- before we got the decision. Post arbitration. [speaking simultaneously]

Saltzman: My apologies for mischaracterizing it as being part of an unfair labor practice. The fact is there's an \$80,000 balance owed to us. The other unions have paid and you haven't paid.

Askin: I do believe this is a separate subject and we did make an offer of settlement and the city didn't accept it.

Hales: Further questions or discussion on this question? Make sure it's been aired. Anything else you want to add?

Askin: No, thank you.

Hales: Anyone else that wants to speak on this item?

Hales: Come on up.

Robert Wheaton: Sorry, commissioner Saltzman, I do not --

Hales: Put your name in the record.

Wheaton: I'm Robert Wheaton, president of dcq. I'm also with afscme 75. Yes, we agreed to pay the \$250,000 of lost time. We walked by a valid legal defense in order to pay that. We did so in order foster a more cooperative relationship with the city of Portland. At this point I must tell you I think that was a mistake. I have yet to see the city of Portland walk by a specious legal defend to fight a claim embraced by one of these unions let alone a valid one. I don't blame 43 for not paying that 80,000 because frankly they don't have a legal ground to. Just like the city of Portland doesn't pay out lost time or do pay outback pay if the employee doesn't file a grievance within 30 days required. These things happen on a regular basis and their positions are taken by human resources September department under and your city attorney. I find it very disheartening to hear you holding this against them when it was just a matter of a valid procedural legal defense that they raised. If the city had a problem with this money that was due they should have raised it in a timely manner. That's all I have to say. As far as respect goes, yes, there

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was an allegation of disrespect. It was filed across the table. Frankly it was included in the ground rules. I agreed to that initially. I will never do so again because I'm not going to litigate over hurt feelings. I felt disrespected several times during the process of that negotiations. We did not file a charge over disrespect. Unfortunately the city did. We were able to reach a settlement and frankly I thought that issue was behind us. I'm appalled to see it raised here today. Thank you.

Hales: Thank you. Thanks very much.

Fritz: I have a question of clarification, please.

Hales: Come on up, Anna.

Fritz: You said something about the statute of limitations.

Kanwit: Well, there's a 180-day filing period for an unfair labor practice charge. We were well beyond that with the amount we're talking about because it predated the 2010 bargaining which was part of the settlement we all entered into. Does that answer your question?

Fritz: Is it still on the books? What I'm understanding is it's a dispute of about whether it's owed or not.

Kanwit: I don't think it's a dispute about whether it's owed. I think there is a dispute about how much is owed. I think there is certainly no issue that union paid union leave was taken and the unions were not billed for that timely. Now, the amount I think is in dispute. In fact union leave was taken is not in dispute. But it is on our books, though I don't know the process for removing the unpaid debt. You can talk about that, perhaps. I don't really know.

Fritz: Thank you.

Hales: Thank you. Any other questions?

Fritz: I have a question about commissioner Saltzman. What do you want to do about this?

Saltzman: I believe it's important to foster ethical behavior. I don't believe local 43 has acted ethically and I intend to vote no as protest.

Fritz: In that case I move to remove the emergency clause.

Hales: Is there a second? I'll second that. Further discussion on removing the emergency clause? Roll call on removing the emergency clause, please.

Saltzman: No. **Novick:** Aye. **Fritz:** Aye.

Hales: Aye. I'll talk more about the subs tan -- substance in a minute there are a lot of good reasons to move forward on this. The emergency clause has been removed. I want to thank you for being here. Go ahead, stand down, and let us finish our work here. Then this we have removed the emergency clause so this will be back on second reading next week. We can just set a date for that.

Fritz: It can get voted on with three people. I'm not here next week. Unfortunately I won't be able to vote on an ordinance I am so proud of.

Moore-Love: Mayor Hales will be gone. [speaking simultaneously]

Fritz: It has to have three --

Hales: Everything has to have three votes to pass but I'm here next week.

Moore-Love: I'm understanding you may be here in the morning of the 5th.

Hales: That's correct.

Fritz: Can I make my speech now?

Hales: Yes.

Fritz: I'm sad that we have had this diversion because this is a wonderful step forward for the people of Portland as well as the people of Portland parks and recreation. As Miss Askin noted commissioner Fish started this work more than five years ago. We have heard multiple times particularly in the \$15 an hour discussion that commissioner Saltzman

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load that we need to pay our city workers fairly and that we need to get folks off of food stamps and public assistance when they have worked more than 20 years without even a cost of living wage that's appalling. I'm very proud that under my tenure you're the bureau of -- tenure we have established more than 100 new union positions in that bureau. When this passes next week we will have more than 100 new -- I will have overseen more than 100 new union positions in Portland parks and recreation. As an ongoing member. [audio not understandable] that threatens my heart and shows why unions are important because people have not been fairly paid. The notation of folks being casual workers, they are not casual workers. They are absolutely integral of how we do our business in Portland parks and recreation. Although this could have been a bad thing coming out of the arbitrator's decision, the union and h.r., the city attorney's office, our office worked together to come to agreement on the first step and then there will be a next step. I'm really, really grateful for that for everybody's participation. Starting with commissioner Fish, local 483, Erica Askin, everyone who worked well, the phenomenal parks team that did yeoman's work in compiling information in a very, very short time frame. Eileen Argentina, Terri Davis, David Brenner, josh green, Jeff Schaffer, Heidi brown, john eto, Anna Kanwit and ken cale who has been integral in our labor negotiations and has been my labor liaison since january 1 of 2009. So this agreement does have a hefty price tag and it doesn't even achieve complete compliance so there will be a phase 2 which will start tomorrow. This is the right thing to do. Funds will be one time and we will be making a request for next year to get ongoing dollars in the budget cycle. I really appreciate, mayor, your partnership on this and your recognition that we need to pay city workers fairly and do well by our workers as much as by other workers in the city. We're even now convening the \$15 an hour discussion that the council agreed my office would lead. After this there's going to be, thousands of parks employees who don't yet make city employees don't make \$15 an hour and we need to address that issue. Although this work is difficult paying our parks employees a reasonable wage is one of my top priorities. As parks commissioner and as a human being. I am thrilled to be taking this action that you will take in my absence next week. Thank you for your partnership in that.

Hales: Thank you. We'll take a vote next week.

Novick: I can wait until next week. I very much appreciate everything Commissioner Fritz just said. I was about to say something impolitic. Well, actually i'll say it. Every once in a while we're forced to do the right thing.

Hales: I want to thank you for your work on this. All the folks at the parks bureau that you mentioned. Also thanks to my chief of staff josh Alpert, who has worked hard on this issue as well. I want to commend local 483 for the approach that you've taken with us because we are required by an arbitrator to do this. This could have been a much more difficult implementation than what we're faced with today which is a case of the city and its workers represented by a labor organization doing the right thing in a responsible way. Yes, it costs money. That's a budget burden that we need to accommodate as we develop future budgets. That we'll need to accommodate this year our budget director and his staff have obviously figured out how to make this work and we appreciate that as well. But it's the right thing to do and we're doing it in a constructive way. I just want to commend that work. Other issues obviously have to be resolved and should be and I hope and expect that that will happen. But this is really good work. We are also asking a lot of our parks employees. I want to commend that as well. Some of the forecasts Erica mentioned are working really hard right now because this council has asked the parks bureau to do more for our kids in this community. There are 1900, maybe 2,000 teenagers availing themselves of free recreation at the dishman and several hundred in east Portland. Our workers are rolling up their sleeves and working hard to accommodate more youth who

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need to be engaged in positive activities this summer. So we have to have the spirit of partnership with our workers and that has to be reciprocal in both directions and I believe it is. Thank you. Look forward to having this back on council calendar the second reading next Wednesday morning.

Hales: okay, let's try to power through the remainder of the agenda, which I think we can do. Then take a break before our 2:00 session. Let's move on to 810.

Item 810.

Hales: Welcome back. If commissioner Saltzman?

Saltzman: I don't have any further remarks.

Kanwit: Good afternoon, mayor, commissioners, Anna Kanwit, director of human resources. I have with me Cheyenne Scott, the lead negotiator for the agreement that's before you who did an excellent job. This was also her first contract she's negotiated for us. Pleased with the results. Leslie good love from the housing bureau who provided a lot of support through this whole process. We reached a tentative agreement on the successor agreement June 3, 2015, which we're really pleased about. Because we reached that tentative agreement before the contract expired, the agreement does provide for the cost of living increase to be retroactive to July 1. The beginning of our successor agreement. This will be a four-year agreement from July 1, 2015, to June 30, 2019. In addition to the 2.1% cola increase retroactive to July 1 employees will receive a cola increase each year are with a floor of 4%, a maximum of 5%, similar to our other contracts. The agreement sets the stage for focusing on wellness in terms of an incentive and our health benefits plan which we think is really important. As you know, we began the negotiations with a city core plan as we have with a 95-5% premium split with employees picking up 5%. In our discussions with council around our goals for health care, we needed to make a move. It's important to make that move to encourage behaviors, healthy behaviors by employees to continue to decrease the rate of increase. It's not that the cost of health care will continue to increase but lower that trend can be for the city obviously the better it is for our bureaus and for our employees. But besides the monetary value I think is the more important human value, the incentive plan, the component of it is that an employee needs regular visits with their treating physician and we know from past experience that's usually important. So many potentially even fatal conditions such as colon cancer have been caught early from employees having these visits, having the tests that they need. Literally this can save lives. What we negotiated with housing was this incentive plan if an employee does not comply the premium share will increase to 10% of the employee and the city still paying 90%. We didn't have an interest in a great deal of difference because in essence our goal is that every employee will remain in the 95/5 plan and we won't have employees falling out of that. The other issue that we have put to the side but are going to be working on once this contract is ratified over the next -- not sure how long it will take. Probably six months, is looking at foreign language and what we need to do around incenting people who work here who are fluent in more than English looking at what we should be doing when we ask employees, this has happened in the housing bureau, to stop performing their regular job duties and assist in interpretation. Because that's a city-wide issue what we agreed to with afscome is that we set up that work group to look at it city-wide. We have a number of bureaus interested in fluency and foreign languages and how we utilize the staff that we have. That's a work group that will be set up soon but over the next six months to a year if it takes that long to come back with recommendation it is that then would be bargained individual units. I think that is it. The one other thing I should mention because housing was the first bargaining to agree to the incentive plan, the premium split, we also agreed with them much as with coppea, the first union to come to an agreement a few years ago agreeing to 50% cola when we were still

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in the recession we agreed if housing if we were to negotiate a more beneficial arrangement we would come back to them with. That they are not at risk of in terms of being out in front and having other unions have a deal that's more beneficial to employees. I think it's very fair successor agreement. Really pleased that it was done before the contract expired. Thank you.

Fritz: Well done on that one. What's the status of the incentive program, the elements of it?

Kanwit: On the foreign language?

Fritz: Health care.

Kanwit: Well, we will -- what we put into the contract is that we will be starting July 1, 2018, so we have a somewhat unique situation because we do negotiate premiums in our collective bargaining agreement but we have as you know a highly functioning labor management benefits committee that works on plan design. So the plan design has been discussed with the Imbc, but eventually they will make the recommendations. We're looking at again starting now 2018 start looking at that's when we want to implement the plan but the design we're looking at is the regular visits to the treatment provider.

Fritz: Want to make that clear because those of us who have had spouses of state system know the nightmare of their online classes and such don't work very well. The proposal that has not been finalized would council approve it later?

Kanwit: Yes. One of the things they had looked at is they don't have a lot of interest to date in the health assessment type questions or monitoring employees' activities employees are engaging in. We have discouraged that in part because it's an administrative burden on my benefits team. We know from feedback employees are not interested in us sticking our nose into their business so to speak about that. One of the things that did come out the commissioner novick attended is that health assessment questionnaire that's used for some of the wellness incentive plans may be useful tool for an employee or dependent to fill out and take to their doctor as a scrip to talk to their physician about their health issues, what's going on, what things they are trying to do. Most of us have a lot of trouble remembering the questions we want to ask when we go.

Fritz: Essentially the elements of what we needed to get the incentive compliance will be finalized before 2018.

Kanwit: Yes.

Fritz: It has not been yet.

Kanwit: No, it has not been yet.

Hales: Other questions?

Kanwit: I should mention rob Wheaton is going to speak on this issue as well.

Hales: All right. Other questions for our bargaining team? Then let's hear from the local. Come on up.

Kanwit: Want me to stay so you're not alone?

Wheaton: No, I don't have that issue. [laughter] I'm rob Wheaton with afsome 189. I would like to say we approach this negotiation us prioritizing three values. One was diversity, the second was equity, and the third was fostering a cooperative relationship. I wish I could say we were successful on those front. I don't think that we were. Regarding diversity, we did push for language premium and although we have formed a committee we don't think that's a necessary step. We think that this is nothing innovative. If this was 22 years ago and the city of Portland was not one of the only employers who does not pay a language differential that would be something but its 2015. There's plenty of other policies that we can cut and paste and implement. We don't need to spend a year with that process. As far as values go equity. We were attempting to add what is called a declassification series to a number of the classifications that are represented at the

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Portland housing bureau. The declassification series is like Cheyenne Scott, your chief negotiator, is part of. Just recently they hired an employee into that series with absolutely no experience. This is a good thing. This is a good thing. It allows you to recruit from a diverse work force, develop skills from within the position, promote and advance from within the employer's right. We like this program. We would like this duplicated in other bureaus such as the housing bureau. As you may know human resources is one of the most diverse throughout the city. Its programs like that make it so. Irony with the declass series is that many of the classifications we're asking to have declass series dig nations were previously declass series. They lost it when this chose to exercise their collective bargaining rights. So if you're a program coordinator you are part of a declass series unless you work at the housing bureau and are represented by a union in which case you're not which we find kind of heartbreaking. Finally we're disappointed with our inability to foster more cooperative relationship. Our proposal with the wellness plan is something that we absolutely and we agreed at afscme. We pushed for it around the state. We were hoping we could use the success from king county, one of the models of wellness plan to help implement something that works for all employees here. Not only were we rejected in this idea, we didn't have our concerns even addressed in the proposals. Concerns such as this incentive. The incentive is a doubling of health care premiums if the employees don't see a position. The rand corporation did a study. 2% of employers opt to have a penalty only approach such as the city is using. According to the journal of health policy and wellness it suggests the prudent employer uses a carrot and stick approach because it has actually improved results in having people actually see their physician and having followed through with good medical practices afterwards. So we're pretty disappointed with it. We accepted this agreement because pressure to have it done before we expired so we could have a fully retroactive cola, the fact that it's only 17 employees, and its economically what we needed. We just it would have protect reflected what we thought were the shared values with the city of Portland. We would urge you to ratify this agreement and we reluctantly accept it.

Hales: Other questions for Anna?

Kanwit: Thank you, mayor. I do want to point out a couple things. One is the vote on this contract from the employees was unanimous. All 17 voted for it. Second, the housing bureau is one of our more diverse bureaus so we're proud of the fact that around 36% people of color in that bureau, which is excellent. While we certainly do share those values, it's not a case where the bureau has not made strides and it's something to be proud of. The last point around king county is that is a plan that shifts cost to the sickest members who participate in the healthcare. That has not been the city's value. Something we have talked to council about and I think we have agreement that people who need medical care should not bear the full cost of that. That is exactly one of the things that king county plan does. If you don't have to use the services there's a premium share but out of pocket costs really hit the sickest members of that population, one of the many reasons we have not looked at that very favorably. Thank you.

Hales: Thank you. Any further questions for staff? Then this is an emergency ordinance. Let's take a vote, please.

Saltzman: Well, I want to thank bureau of human resources, Cheyenne Scott, Leslie good love, Anna Kanwit, afscme 189 for coming to this agreement. Ms. Scott, congratulations having unanimous support for your first agreement you negotiated. This is a good, fair agreement. I think that's evidenced by the unanimous ratification of it. Aye.

Novick: I will vote for this agreement but I do have some concerns about it. I agree wholeheartedly with the idea of shifting to a model where we provide incent I was for engaging in healthy behaviors but as Mr. Wheaton said I would rather move to that model

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in a context where we're offering carrots and sticks rather than just sticks. I have some concern about adopting this model first in the context of a very small unit. I'm glad there's a me too clause but if it's more favorable terms for city employees this unit can buy into them but still wish that we had broader discussion with all of our employees against this model before taking this move. I also have to say I actually have a different recollection of the meeting that Ms. Kanwit referred to where we talked about adopting in addition to visit your doctor rules the possibility of having an employee's health self-assessment plus perhaps a commitment to engage in certain healthy behaviors other than just going to your doctor such as the state has and king county has. I thought there was some receptiveness to considering that option. I wouldn't want council to think that we dismissed them of a somewhat different model. I wholeheartedly agree we should move to a model where we have incentives for engaging in healthy behaviors. I think that we should have a discussion in the future about what that model should be. This is one model but there are others. I do think that the next time we do this we should have some sort of combination of carrots and sticks. I will note afscme at least had a contract with the state and I believe mayor de Blasio has negotiated an agreement with new York city employees where they set health care cost targets and if the employees and the city together or the government together are able to beat those targets then some of the savings are shared with employees in terms of increased salaries. I think that's a very interesting model to explore. Aye.

Fritz: Thank you to the team for negotiating this agreement. Commissioner, we have an incentive program, the wellness program. We have had lots of carrots and opportunities for city employees to be assisted in engaging in more healthy behaviors including the program at the height of the recession to do blood tests and blood pressure monitoring and those good things along with counseling at various opportunities in various places around the city. I think it's probably at this point in time especially will in light of the affordable care act not wanting to get dinged for having a Cadillac policy we have had the carrots appeared I think it might be worth having a stick or two. Of course we will all get to discuss what's in that program, which is why I asked that question. I'm looking forward to a very robust discussion of that. Thank you. It's partly due to your leadership that you have been firm there needs to be a consequence if contracts are not done on time. I appreciate your doing that in the last set of rounds. It's showing fruit now. Aye.

Hales: Thank you. Aye.

Hales: let's try to get our last three items done then talk a break. Item 811.

Item 811.

Hales: Commissioner Saltzman.

Saltzman: Thank you, mayor. I'm pleased to bring before you for your approval of additional funding for the children's services provided through the Portland children's levy. Due to increased property tax revenue the five-person allocation committee has made funding decisions to allocate an additional 8.1 million in funding to organizations providing proven programs over the next two years. These allocations include allocation of the -- [audio not understandable] funds for child abuse prevention and intervention programs, programs that help foster kids succeed and additional funding for after school programming and hunger relief. Here to give a quick power point overview is our assistant director of Portland children's levy, Meg McElroy.

Meg McElroy: Thanks for having me. I want to make sure you all have access to exhibit c as it lists the specific grant allocations. If not I have extra copies.

Hales: Exhibit c?

McElroy: Yes.

Hales: Got it.

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McElroy: As Commissioner Saltzman noted this is before you to approve the allocation committee's decisions made over the course of this spring. Our allocation committee is a five member public board that is required as part of the ballot that approves the children's levy. It consist of commissioner Saltzman and chair Kaufory of Multnomah County, Julie young who is a city appointed representative, Serena studamyer Wesley who is a citizen appointed by the county and mitch who is a representative of the Portland business alliance. Just a little bit of background about the levy it was created in 2002 and renewed in 2008 and again in 2013 overwhelmingly each time. It's a five year levy and 95% of the revenues that it collects are grants to competitively to services in our community for children. It is audited annually and the levy has three main goals that's were adopted by the allocation committee. To prepare children for school, support children's success outside of school and reduce racial disparate and outcomes in our community. Last spring you all approved the allocation committee's funding decision that was based on a year-long process of competitive grant applications informed by community input and you approved those grants in our program areas of early childhood, child abuse prevention and intervention, foster care, hunger relief and after-school mentoring. The allocation was 32.8 million dollars over three years for fiscal year 14-15 through fiscal year 16-17, and those grants are renewable for two more years through the end of the current levy. As commissioner Saltzman said, it indicated we had an additional \$8.1 million between fiscal year 14-15 and 16-17 to allocate. Over the course of the spring the allocation committee was asked by staff to -- they asked staff to look at what was done in prior levy periods with unanticipated additional revenues. We provided that context. And so some of the things we did in the past were the same types of things they decided to do again. I'll get into those in a minute. They asked to us revisit the 2014 applications and look at a handful of criteria around whether to consider increasing grants that had been made in 2014, or funding applications that hadn't received funding in that time. So those are kind of the major categories of funding that was decided upon for the \$8.1 million. There are colas provided to current grantees for the fiscal year 15, 16 and 17. There was expanded Oregon head start pre-k for the next two years. There is a child care affordability initiative for low-income families that we had previously funded, but it was reduced from funding when revenues from the levy decreased during the economic downturn a few years ago. There was increased specific funding for increasing some of our current grants, those are listed on the exhibit c I asked you to have available for your reference. There were some allocations made to grants that were -- excuse me, appear indications submitted to the funding process but not funded at that time. There was some set-aside for some work for all of our grants to receive technical assistance support and training around quality improvement they currently provide, as well as some services for work with our assist system partners and the many systems we interact with, with the type of services that we fund. At the end of this decision-making process that the allocation committees conducted, so including the new \$8.1 million, there's -- the following breakdown is how the total amounts of money from the levy refusal indicated. 30% to early childhood, 19% to child hood abuse and prevention. 17% to our foster care area, 9% to mentoring programs, 8% to hunger relief. 36% to services that serve families that reside or attend school east of 82nd avenue. Less than 1%, .6 to our training professional development and quality improvement efforts with our grantees and a quarter of a percent in supporting system partners. And these are the -- these are some of the logos of the organizations that we support. So any questions?

Hales: Questions for Megan. Great report, thank you very much.

McElroy: Welcome.

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Hales: I don't believe there's anyone here to speak on this item, but I want to check on that to make sure. Then if not, we'll take a vote, please. Roll call vote.

Saltzman: Thanks for sticking around and appreciate the support of the voters for the Portland children's levy and this opportunity to invest an additional 8 million in critically needed services for young people in our city. Aye.

Novick: It's a shame to have such a small crowd for this item. But thank you very much, commissioner Saltzman, thanks to the voters, thanks for your good work. Aye.

Fritz: When you're getting your property tax bills in November, these are the kind of services those shock increases are funding. I'm particularly glad to see the allocation for cost-of-living adjustments for the grantees. Now that you've moved to doing multiyear grants I suggest you build those in that there will be cost-of-living adjustments.

McElroy: We had done that for years in the past until the economic downturn forced us to reduce so much of our funding to the grants.

Fritz: You will return to that practice? That's an anticipated function, to continue moving in that direction.

Fritz: During the recession there wasn't much cause for that. But I think whatever city workers get, our contracted workers should get. It is definitely considering the same principle of fairness to people who do really great work. That's the other part of this ordinance, it reminds us about these great folks in the community doing wonderful things for children. Aye.

Hales: Thank you for the thoughtful allocation of these new resources. They are pretty consistent with the approach that you and the children's levy team have taken, and I also want to appreciate your constant diligence about making sure that the huge preponderance of these dollars go out into actual services, and we keep the cost of administration and overhead and even the training and professional development expenses very carefully under control so that the huge preponderance of the resources the voters have approved are going to the purposes the voters intended them to go for. I think that quality of administration deserves to be called out, as well as the thoughtfulness of allocation and making sure that we really are making a difference. The more we look at issues that we're addressing in the city, the need to get upstream, whether it's mental health and the impact on the police bureau or nutrition and the impact on kids' propensity to succeed in school or otherwise in life, and everything else the children's levy does, this is really working smarter on the taxpayers' behalf. We have earned the confidence of the people that vote for the levy again and again. But you have to keep doing that every day. I'm certainly satisfied that's what this represents. Thank you. Aye. [gavel pounded]

Hales: Okay. Good work. Let's deal with 807 -- sorry, 812.

Item 812.

Moore-Love: Amend intergovernmental agreement and increase authorization by \$100,000 for safety improvements and settlement repair.

Novick: Colleagues, in December 2012 the city entered into an agreement with trimet to complete the streetcar loop for the central city. During the course of the work PBOT has identified additional safety enhancements we think are necessary but the cost of which is not incorporated in the original iga. What we're asking for here is state capitol increase the authorization within the iga by \$100,000. PBOT with pay to this work in the 15-16 budget. PBOT will pay for this --

Kyle Chisek, Portland Bureau of Transportation: This is for some repair work that's underneath the structure that connects to the omsi street station and the additional guardrail. Basically we're asking for authority under the iga to pay trimet when they invoice us. The existing work on the omsi street station, the reason we had that larger amount \$100,000 in there was because we were worried that the storm line that drains the bridge

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actually was damaged by some settlement. We've been able to get in there since then and have been able to scope the sewer line, storm sewer line. It doesn't appear to be damaged. We think we'll spend significantly less than that full amount. But we won't know completely until we're in there.

Hales: Any other questions? Anyone want to speak on this item? Then let's take a vote, please.

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

Hales: As it happens we got the latest economic impact report from Portland streetcar that shows that \$4.5 billion in market value has been created along the streetcar line since 1998. An extraordinary return on investment, and the money that we're now investing in closing the loop is going to pay off just as handsomely. Looking forward to that. Aye.
[gavel pounded]

Hales: Let's do the next item.

Item 813.

Moore-Love: Amend contract with green works pc to \$343,750 to complete design and construction documentation for couch park as part of the park replacement bond program.

Hales: Commissioner Fritz.

Fritz: Thank you, mayor. This was passed by voters last year, thank you very much. Couch park playground was one of the signature projects that we highlight for the bond. It's definitely a very well-used playground. The complete design and construction documents for park projects, green works pc is next in line for a design contract but it needs to be amended for the amount of contract. The park's bond manager will provide more details about the ordinance.

Mary Anne Cassin, Portland Parks and Recreation: Thank you, mayor hales, members of the council, my name is Mary Ann Cassin, I am the park replacement bond manager. With me is with the friends of couch park playground. The ordinance is crafted out of a desire to be responsive to the community's request for expediency. Even before the equipment was removed in May of 2014, we were aware of how traumatic it would be to have the neighborhood lose their play equipment. Candlelight vigils and children's notes on the fence made it clear to us this was a much gloved community amenity despite its dangerous condition. Couch Park became a poster child for why a park bond was necessary. Being able to replace the expeditiously will show that their trust in us is well placed. It'll save near four months for the rfp process, which contributes to nearly a year saved overall, because we will be able to construct in the summer months. That translates to approximately \$60,000 in cost escalation savings. The consultant team has been working with us to refine the scope and they have assembled an exemplary group including five of the eight subs with mwsb credentials. Thank you.

Hales: Add anything to that?

Lauren Nathe: Sure. I'm here to speak in support and to be in support of this -- for the parks to move forward as expeditiously and thoughtfully as possible. So thank you.

Hales: Thank you. Thanks for your advocacy. Questions? Anyone else who wants to speak on this item? Doesn't look like it, let's take a vote, please.

Saltzman: Aye.

Novick: Those pesky voters creating all of this additional work. Aye.

Fritz: Aye.

Hales: Well, this is a great case of community advocacy and the city responding. So I just celebrate as i've heard from a lot of kids that care about Couch Park as we all have. It's nice we can deliver for them. Mary Anne, it would make your long title longer, park replacement bond project manager, even longer. But based on my experience with you

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we should re-designate you as the irreplaceable park bond replacement manager. Nice to have you back in this capacity.

Cassin: Thank you.

Hales: Aye. [gavel pounded] we're recessed until 2:00 p.m. [gavel pounded]

At 12:45 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.

JULY 29, 2015 2:00 PM

Hales: good afternoon. Welcome to the afternoon session of the Portland city council for July 29. Please call the roll. [roll call taken]

Hales: This is a continuation of the SE quadrant plan part of an effort that a lot of you have been involved in for some time. In fact part of a larger effort to update our comprehensive plan completed over the next year. As I said last time we gathered on this it's a big deal, an exciting time for the central east side and the central city because of the growth and change we have under way in our city. The whole purpose is to try to manage change to get the change that we want and keep the things that we want to keep. Those are frankly a struggle in our city. Certainly a difficult set of problems in the central east side but we think that the southeast quadrant plan team have done a good job and that the blueprint for change that we have in front of us is a good one. There's still more work to do and more people to hear from today. We heard from a diverse group of people at the July 8 hearing. I think one. Things that was impressive to me about this process is the high level of agreement we reached even on issues like transportation on the central east side, where we have had sharp divisions of opinion in the past. Again we don't think that everything has reached 100% unanimity. But there's a lot of agreement. I thank everyone involved and commend our team from the bureau of planning and sustainability for creating that kind of environment where people have been able to come together to work out issues. We have some responses to some of the things that we heard in previous hearing in the form of amendments so we'll be taking those up in a few minutes. We're going to give people a chance to speak who were signed up last time. Did not get a chance to do so. As well as others who may be here today. With that, I think i'll call on sally Edmunds and the team from the bureau to start us off and I know Patrick quinton and folks from pdc are here queued up as well.

Moore-Love: Excuse me, I haven't read the title yet. Item 814.

Item 814.

Hales: Thank you. Now we're legally able to ask you to speak.

Sally Edmunds, Bureau of Planning and Sustainability: Okay. Good afternoon. I'm sally Edmunds. I manage the Central City River and environmental teams at the bureau of planning and sustainability. Before we get started I wanted to point out the southeast quadrant plan is part of a larger effort to update the central city 2035 plan. Once this is complete our next step is to put together the policies and the code and everything to go with it. There will be a number of opportunities for the public to be involved. We plan open houses in November and December with a first draft of that package. So today we would like to begin by presenting additional information regarding the basis for expanding the employment opportunity sub areas on the central east side. Analysis conducted by bps and as a means to create space for an employment increase projected in this district. So I would like to turn it over to director Patrick Quinton.

Patrick Quinton, Portland Development Commission: Thank you. Good afternoon, mayor hales, commissioners. I'm happy to be here to provide context on what we're seeing in the local economy and how that relates to the proposal before you. Before I do

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that, I want to take the opportunity with the mike to really express my gratitude for the great work of bps staff on the southeast quad work, budget plan work. They have been working on this for many, many years. What we're talking about today is incredibly thoughtful proposal that I think effectively balances the interests of stakeholders and they got to this point through very extensive review and analysis of data on the local economy, on what's going on in the district, as well as broad outreach to many stakeholders over many years. We have been partnering with bps on this work as one set of eyes and ears on what's going on in the economy and we do think this is responsive to what we're seeing across a variety of sectors I think we all know why there's so much interest in this topic. It's because despite many constraints essentially it's an incredible success. Home to roughly 17,000 jobs, one of the densest job districts in the state and this density has evolved over the years or grown because it's home to so many sectors. If it was just a single sector district you wouldn't see this concentration of jobs, this kind of firm growth. It truly has not been one sector dominating this district. It's been kind of the interplay of the sectors that has made its work that's made the district work. But what a point now and this is one of the things of our work, unless we figure out a way to provide incentives for new commercial-industrial space to be developed I think job growth will plateau and pretty much across all sectors. And the reason is that we're really at the limit of what private investors are going to invest in in terms of projects. They need to see a return if they take on whole building renovation, take on new construction, and we do have under-developed parcels, not just buildings, as we get closer to the light-rail alignment, that offer an opportunity to create new industrial space for the district, but there needs to be incentives for investments to occur. The current overlay doesn't serve that purpose. And we don't need to get into economics 101 too deeply but with a constrained supply it's highly unlikely rents are going to go down and quite likely given what we see in terms of land that rents will continue to go up under the framework. We're in a position where change is needed to meet demand. Once again, that's demand across all sectors, not just office space, whatever. But what's nice about this is that we truly do ask the planning staff how many places around the city can you make changes to the zoning and have a pretty clear path to development of new space across once again a range of sectors and job creation like we have on the central east side. Tyler is going to walk through the projections in a second. Obviously none of this is guaranteed but there's reasonable assumptions that these changes can add over the next 20 years about 12 million square feet of space including about 25% of that new industrial space and about 9,000 jobs. That's over 50% increase in the job base of this district. I think we would all choose that outcome if we could magically wave our wand and say how that job growth occurs, the kind of job growth obviously is what we're talking about today. We can all agree this is an opportunity we should be taking advantage of. It's not about choosing one industry over another. All industries suffer if we don't figure out a way how to attract new development into the district. We can benefit a range of industries if we make these kinds of changes because incent new industrial development as well as other types of development. I just want to end on just two things. First I don't want to give the impression that we just say let the market work and it will take care of itself. We shared with you in advance of the laugh hearing a table of all the assistance we provide to businesses on the central east side. There's about 25 businesses over the last eight or nine years that includes direct financial assistance as well as access to programs like Oregon manufacturing extension partnership which provides technical assistance to manufacturing firms. The enterprise zone is available to companies in this district. When you look at the companies that we have worked with, it's once again across a range of sectors that classify as traditional industrial, craft manufacturing, nonmanufacturing. There's a range of companies that we work with. We

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are committed to continuing to do that as long as we have the money and tools available, and I know that there are two amendments proposed that we're supportive of to take a look at what else can be done to support small manufacturing, craft manufacturing in the district as well as city-wide and we do think that should be a priority to make sure we continue to think about how we make Portland home for manufacturing and particularly small manufacturing. Which leads me to the last point, which is we need to be having this conversation about the entire city. It's essentially a sign of success and there's a lot more we can get out of it, but we're not going to meet the demand for space for jobs to be created on the central east side and it's all sectors. This can't be the end of the conversation. This is the closest industrial neighborhood to downtown. It's obviously in high demand and we should do our best to maximize job density across all sectors but we really do need to be thinking how we get that growth to occur in east Portland and north Portland and other places and i'm not just talking about small manufacturing firms. Talking about design firms, creative firms. We need to be expanding the conversation about what the city is doing to help the firms we're talking about on the central east side. Eventually no matter what we do we won't have enough space and we need to make sure we're thinking about how the next place where companies go is ready. So we're hopeful that this is going to move through because I do think it will mean a lot to the broader business community but we also want to continue the conversation about how we make all of Portland home for small companies, small manufacturers. Thank you.

Hales: Before you transition to Tyler, let me bear down on that issue. As you make your presentation, Tyler, reflect on this and talk about it some more, Patrick, when he concludes. We have heard strong interest not only in growth on the central east side but also in retention. Ken caulk is here. A lot of the existing manufacturers remain concerned about the continuing viability of manufacturing in the district. We heard that from Kelly Roy and the Portland made group as well. As you give us this economic analysis to look at both scenarios with and without the overlay. What are our prospects for both growth and retention in each scenario? I think everyone involved wants both, right? Debbi is here. The east side industrial council, we both want to retain employers particularly makers and manufacturers that are there now, that's a struggle because costs are rising, so what do these strategy choices in front of us portend in our ability to do that? We're trying to see around that corner together here about which of these approaches will best both facilitate growth that you've talked about and rightly is a concern of the comp plan and therefore this piece of the comp plan but we care about retention. So whatever prospects and what are the tradeoffs if any if we adopt the recommendation in front of us of expanding the eso over the entire industrial part of the district?

Quinton: Do you want in to tackle that now -- [speaking simultaneously] yes, when we say job growth, it's easier to retain a job than to grow a job. So when we say growth it's assuming that we maintain our base. That's not a pure -- like we maintain every job because there's always different things that impact company success. So absolutely the goal is to maintain companies there. I think this is -- this is common sense approach because we will provide more opportunities for companies to expand in the district and provide more opportunities for companies that want to locate in districts to locate so they are not all competing for the same limited supply of space. I think there's a retention aspect to this as well. But the other piece is there's I think the common -- everyone jumps to the cost as being the primary reason companies locate elsewhere, but I also think what's driving companies that expand into other industrial areas in the city is that they can't find the space they need, so companies that are successful need to go from five to 10 to 20,000 square feet it's not an easy task to find 20,000 feet of industrial space on the central east side. That's not because it's been gobbled up it's because there's no incentive

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for anyone to develop that space. It really is a constrained market. So companies are able to find bigger spaces in places like the North West industrial area and other places. If you go there it's got bigger lots, bigger buildings. So what we're seeing, companies are finding bigger spaces elsewhere in the city. From where I sit, that's not necessarily a bad thing. My last point is if they go from the central east side and up in the northwest industrial area I think we should be somewhat indifferent to that as long as they are still prospering, they can still attract the employees they need. But if they really want to expand in place or in the same neighborhood then we need to figure out how to grow the supply of space. All the while being attentive to what is happening with lease rates in the district and so I share everybody's concern in that we should not just step away and watch the market take over. If we do see the space is becoming increasingly unaffordable even as supply increases we need to step in and take action from either land use perspective or incentives, programs designed to make it more affordable. That's what I would say now. But we're operating somewhat in an artificial environment so the conversation is conceptual. It's just this -- it's just this bubble. Zoning bubble where we don't really know how much supply can be created if we allow for more development of mixed use industrial space. So I think partially we want to see what we can do to attract that new supply. So I think we're going to learn some stuff along the way as well.

Hales: Thank you.

Tyler Bump, Bureau of Planning and Sustainability: I'm going to address residential growth issues. Throughout the southeast quadrant plan we have heard a lot of issues related to small business retention and we do have some proposals that have addressed those issues. Big framework here, the central east side when we think about employment districts in the context of the comprehensive plan update specifically the employment -- economic opportunities analysis is the central east side falls into the central city aggregate geography. It's an industrial district that functions more as an incubator and mixed employment district. As Patrick mentioned some of the larger industrial users in Columbia east or some of our airport and harbor district or Portland harbor waterfront have different needs. So in the central city geography this red line is really the job growth that we're at the 9,000 jobs we're anticipated on the central east side, a small share, about 20% of the overall job growth but a very important part because it's mixed employment district for the central city. The central east side has performed extremely well throughout previous business cycle from 2000 to 2008 as well as growing jobs during the recession this was one of the only districts in the city that grew jobs during the recession and it continues to have significant job growth in a post-recession recovery. From 2000 to 2008 the average annual growth rate was 3.7% compared to .1% across all industries. A lot of growth has occurred in the industrial office tenant type market. The industrial market transportation distribution what we consider the traditional industrial users has remained relatively flat. There's been a little job growth, more firm creation, a lot of people, businesses doing more with less space, creating more products with less employees so more firm creation but compared to other industrial districts it's performing really well where we have seen decreases in manufacturing employment over the last ten years or so. We'll go into existing supply and the 2035 demand relative to what the proposed zone changes and eos overlay would accomplish. This is the demand -- supply and demand by building type. The 2035 demand is this grayish bar. The existing supply is the blue. The orange is the capacity increases that we would see as a result of the southeast quadrant plan.

Hales: That's the total theoretical --

Bump: Yes. That's looking at all of our vacant lots, sites that are likely to redevelop. The majority of this big orange bar you see of capacity increases for office is really along some of the more -- larger parts of the central east side. Omsi has a lot of vacant surface

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parking lots. A lot of parking lots around the new station areas. But what we see here specifically for industrial is that given the existing zoning pattern and what we see as demand for industrial uses we won't be able to satisfy that demand if we leave the zoning as it is today. The proposal in the southeast quadrant plan does a few things specific to address the industrial issues. One, it's reducing retail allowances in the current ig1 zone which frees up some theoretical capacity for industrial uses in that building envelope. We're reducing traditional office allowance as well. New development on vacant lots will have some industrial component to them. We're likely to see some sort of industrial, office, mixed use development. We see some of that occurring now. Some of the projects that beam has. There's the Pittman building with a lot of food manufacturers on the ground floor with offices above. The New York is a multi-story industrial building. As we transition and further intensify uses of land around the central city we'll see that multi-story office mixed employment development. On the retention side throughout the southeast quadrant proposal we heard a few things, one specifically from small manufacturers is that industrial businesses are sometimes dirty and smelly and noisy. One of the things we have done with the southeast quadrant plan is to put in an industrial disclosure statement for the office employees in the district. If an office moves in upstairs from an industrial user there's an expectation that that activity will continue to occur. A lot of what we heard from small manufacturers who moved to the central east side was there were some conflicting use issues around noise and smell with some of the residential populations that moved into the northwest so we are trying to get ahead of that and retain those businesses and the ability for them to function in the district through that. One of the other things is really the focus on freight strategy, separation of uses between freight and active transportation and the alignment in the transportation approach and the southeast quadrant plan to continue to move trucks through the district, have deliveries and make it a safe district for everybody to utilize. From retention perspective those are two big things that we heard and are responding to.

Saltzman: Do the disclosure waivers apply to residences that may be adjacent to the central east side.

Troy Doss, Bureau of planning and sustainability: If they are in the district, yes. Not users outside the district. I think most if not all of the industrial properties are already buffered from residential areas that are to the east, but if it's new residential development within the station area or along main street corridors they would be subject to this disclosure statement.

Saltzman: So like Killian specific they have some residential right.

Doss: That would be the type of project that would be subject to it.

Bump: We go into the red levels. We heard about increasing lease rates and what's been happening functionally. These are a lot of crazy colored lines. The blue is office rates, the orange industrial, the green is flex space and the purple is retail. Pretty much all rates across building types have been steadily increasing over the last ten years or so, significant price increases for the office market in the last two years. We see that across the board putting more pressure on the supply of both industrial and office space in the district. The industrial lease rates are up to about \$10 a square foot which is fairly close to where they were. They got up to eight, \$9 a square foot on average just prior to the recession. Our economy continues to improve and the recovery that these lease rates are starting to tick up past where they were in the previous boom cycle. So this chart goes a little bit more into those lease rates relative to vacancy rates potentially site industrial vacancy rate is 1.5%. That's an extremely low rate and increasing prices are responding. There's more people that want to be in the district, more industrial users that want to be there, more industrial office users that want to be there so the southeast quadrant proposal

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in allowing flexibility of industrial and office we're hoping will have some impact to reduce cost to some of the users so with that I think --

Hales: Let me get you to pause there. I realize the central east side there's not very many places, other cities experienced with adding capacity for your market something like this, any lessons to be learned from san Francisco, Brooklyn, any of the other hot markets where conversions of tech and traditional manufacturing are all in a relatively confined space?

Bump: There are some things happening in different cities. I think we're being a little more conservative about what sort of uses we're allowing in this district. Other cities have allowed residential uses by right and industrial districts which have dramatically transformed the landscape. The prices and really speculation around land purchases that drive rents up. I know in cities that are more similar in a real estate economic perspective, Denver has done some interesting things. They have tried to address some of the price issues with an industrial mixed use zone in their form based code. They have succeeded in some areas, not in others but they are starting to see some of this eos type development that we're talking about and some of it is in the traditional industrial district, some of it mixed use office corridor adjacent to downtown. It seems to be working well in delivering a product in the market specific to Denver is something we can be hopeful for here.

Hales: Thank you. Troy?

Doss: Well, we did make some changes to the amendment table from the last one and specifically to address these topics. If you'd like I could walk you through the changes.

Hales: Please. Walk us through the proposed amendments. Then we'll need a motion after you're done with that for additional amendments.

Doss: You should receive a table and it would have a date 7:27, 2015 on the top on page 2 we are -- the first change to the amendments from the last hearing we're pulling amendment 2 which was dealing with maker economy. However, that one is being replaced by two additional amendments which i'll cover in a second. The next change is on page 3, there was amendment 4, which was dealing with removing a master plan requirement for the Clinton station area. We're going to keep the action as is, pull that amendment entirely. Master plan process would still be in play there. Then on page 6 you'll find amendment 10 and 11 are really replacing that amendment 2. The first is looking at industrial space affordability and the action calls for us to circuit a best practices study to understand how cities are addressing the needs of manufacturers with a focus on but not limited to the ability to obtain affordable space, economic growth of the sector and local economy, synergies with other industrial sectors and the role of government assistance. Implementers would be Portland development commission and bps. That would be an ongoing study. We would start that sooner. We amended this yesterday. We did change this. The day would be to amend it with the plan 2016. We would be moving that up, doing this immediately. The second amendment is looking at really best practices strategies, research and then developing that into junior strategies. Taking what we learned from the first amendment, putting it into practice with the second amendment. We would try to develop strategies as soon as we require more but we want to keep developing our approaches. New techniques come along. The last amendment, amendment 12, is just a modification to an action that's already in the plan. Publicly accessible open space. The language was crafted with commissioner Fish's office and really what it's looking at is broadening what we mean by publicly accessible open space. It could be looking for opportunities to create open space on public as well as privately own land. 2 broadens the timeline for doing so and also includes a list of implementers that are city-wide in terms of city government and also the private sector. Those are the only changes we have.

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Hales: Questions for -- should we take a motion to put those under consideration for council and take testimony on those as well? Is there a motion to accept these amendments for discussion?

Novick: So moved.

Fritz: Second.

Hales: Further discussion? Roll call. **Saltzman:** Aye.

Novick: Aye. **Fritz:** Aye.

Hales: Aye. Thank you. Thank you all. We'll take testimony and have you all. Let's go to the sign-up sheet from folks who signed up before first.

Doug Klotz: I'm Doug Klotz. I represent the committee on stakeholder advisory committee. You have a letter from them. The industrial advisory committee supports a majority of the plan. We could not come to consensus on the issue of housing at omsi so we'll leave that aside. There's a lot of things we do support. We're concerned about the central east side continuing to serve its role as providing jobs that are close in and accessible by biking, walking, transit, while still acknowledging that there's a lot of pressure for people who want to live close in too. We feel the plan is working toward balancing this. We're still out on the omsi station issue. We support the Clinton triangle. We support the changes that would add signals at various locations to optimize freight movement but also benefit pedestrians, salmon at King Grand and 7th and crossings at 11th and 12th at salmon and Harrison. We support the green loop, especially the two bridges over I-84 around 7th and south end over from Martin Luther King across Division Street and Pacific tracks down to the omsi station. Parallel to the streetcar bridge. The ground floor character regulations are new and we support those especially since they have been modified to ensure that pedestrian-friendly building front are allowed along all city walkway designated streets in the district. The last thing we urge the planning planting of street trees to find the most shade that will still fit within the parameters of big industrial districts and truck traffic to decrease the heat island effect that is certainly pervasive there now. It generally supports the plan. We feel it was a good process. There was a lot of diverse opinions there and staff did a pretty good job of balancing that all out. Some difficult issues.

Hales: Thank for your involvement as well. Good afternoon.

Ryan Hashagan: Good afternoon. I'm Ryan Hashagan. We operate a small manufacturing wasn't. We love the location and ease of freight access. We have ship and receive freight from all the major carriers, and all of our staff also bike to work, walk to work or take transit. By biking and taking transit they free up space for freight delivery and for freight shipments. One of the biggest drawbacks of this location in the central east side is the lack of safe all ages active transportation routes through the district for our staff. I feel that active transportation and freight are not in conflict in our neighborhood. Freight drivers we work with are courteous, approaches all operators. The conflict and delay is typically from single occupancy vehicle conjecture, parking and lack of traffic management. We support the green loop and other active transportation improvements so our staff can walk, bike and transit to our neighborhood and free up space for freight delivery and pickup. It's great for our business because of the central location. We appreciate the diversity of nearby businesses that allow us to make work trips on foot or by bike. We would like to see more active transportation infrastructure to make it safer. We specifically look also at the last-minute amendments like number four and continue to support vision zero and prioritize active transportation investment in the neighborhood while balancing the needs of freight. Ask you to look at amendment 7 not to classify northeast Davis as a major truck street. That street is where our business is located and it's classified as a city bike way in the 2030 master plan, a crucial east, west route, one of the on safe routes

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through the district east-west. That's the only signalized crossings of mlk and grand. I would like to mention about mixed use industrial space. I used to run our business in Vancouver, b.c., and there they have a similar area that became the Olympic village. It was the false creek industrial area. They created industrial condos and live-work spaces where you have retail on the ground floor but then a variety of industrial condos up above. These were much more affordable as a business owner, business operator than any other business location. The nice thing about that example is that they made an emphasis on different size footprints. Lots of time we hear 5,000, 20,000 square feet industrial spaces but you want that start-up, entrepreneurial maker space I would encourage you to look at smaller footprints and formalize that in coat, 500 to 5,000 square foot in spaces.

Hales: Thank you. Welcome. Good afternoon.

Tom Rocca: Good afternoon. Thank you, mayor, Tom Rocca from seven hills properties. We have been developing here approximately the last 10, 12 years, have a few projects going on inner east side as well as northern California, San Francisco. I have heard this argument previously in San Francisco our company is based south of market. We have seen significant changes there over the last 28 years we have been there. First I want to thank staff for doing a wonderful job on the presentation. It's been really interesting and really good to see the work that's gone in. And the product that's come out. I think they are to be commended for their work. We basically agree with everything but we really support the extended eos. I think it's good for the district. I think any time you limit supply, we saw that in the early '90s in San Francisco, some other intrinsic factors south of market not similar to the east side but it did drive up prices. I have never seen it work where industry didn't pick how the mixes went in a mixed use district, which is what we're trying to do. I think by codifying areas as solely i.g., not eos over the whole thing, people outside of the industry will be picking the mixes and that usually doesn't work too well. Personal experience in that but I think it's something that's worth considering. We would support the eos extension over the i.g. Fully. Thank you.

Hales: Questions? Thank you all very much.

Hales: Good afternoon.

Dana Krawczuck: Good afternoon, Mr. Mayor, councilors, Dana Krawczuck. I'm here on behalf of two different people. First eco-trust llc, they submitted testimony and Sam beebe is here if you have questions. They have an innovative manufacturing project called road on salmon and they are in favor of the eos. Secondly, i'm here on behalf of Haithem Toulan, who you will hear from next. He is going to describe his vision for his outstanding property at 306 southeast Ivan in the southern portion of the omsi station area. You'll hear his vision for an iconic project that is employment driven, engages the water, multi-modal. We're here to talk about -- what i'm here to talk about the testimony that was previously submitted and you have images because really it's worth a thousand words. It's an amazing piece of property. It's threes acres, currently undeveloped so no displacement issues. 300 lineal feet of water front, terrific beach opportunity, where the greenway trail goes. This is really like I said an iconic development opportunity one that shouldn't be missed. We were initially concerned that the recommended plan was undoing in terms of opportunities on this site, that it was a one-size fit all approach that didn't recognize the opportunities in a three-acre undeveloped site. We worked closely with bps staff, council staff, mayor staff, and have come to understand there's more work to be done. In that next phase of more work to be done we understand that bps staff is going to remain -- maintain some flexibility in terms of intensity and types of uses that are appropriate on unique sites like this and that's something we support. We request your affirmative direction to allow for that with bps staff. Patrick said we need incentive for development to occur, particularly on a complicated, contaminated site like this. Through this more refined code drafting

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process we'll have with plenty of public review that's the time to evaluate what's appropriate for this site.

Hales: Thank you. Well come.

Haithem Toulan: Thank you, mayor and commissioners. I'm Haithem toulan. I believe we have the opportunity to create a building that supports Portland's people, Portland's economy, Portland's environment. Today i'm here to ask for continued planning. The problem is there's an undeveloped parcel on the east bank of the Willamette. Three acres, 300 lineal feet, 45,000 square feet of dsl water lease are the numbers that describe this site. Amazing city, river and west hills views will let you see when you're on the bank itself. Without continued planning those numbers and views will be under-used. The site poses some challenges, some environmental cleanup is needed, also extensive soil work to build solid base. With continued planning those challenges can easily be overcome. We have options to build a public beach, a public boat launch and affordable maker space. So when we say yes to continued planning it opens up opportunity for us to have those options. We'll also continue the greenway path connecting to the spring water corridor and engaging the river. Mayor hales, city commissioners, as I know there are concerns historically the site has not had a residential use or concern of bringing in big box retailers versus local makers. The concern that a building will create more vehicle traffic. That's why we should say yes to continued planning so we can work together to combat these concerns, to progress the city of Portland for generations to come. Let's work together to make sure to use this space to avoid big box retail to support local makers. Let's explore ways to limit vehicle traffic, promote public transportation. Saying yes to continued planning is an answer to leaving a legacy. Supporting local businesses and growing Portland. I want to be the developer that works with you on this when you say yes to continued planning. I'll dedicate my time to find the best use for this site. I'll start planning with feedback from early assistance meetings, setting up the master plan review process that come to a collective agreement. This is more than a building to me. It's an opportunity for me to give back to the city that I have always called home. In the years to come the planning we're doing today will open up the property to amazing views of the city, to Portlanders enjoying public beaches and green spaces, allows local business owners to create their products in the central city and attract businesses from outside Portland to generate new revenue in Multnomah county. Saying yes to continued planning is more important than ever. Portland is one of the fastest growing cities in America. Families and businesses are moving here at a rapid rate. The timing and location of this property fits in perfectly with the Tillicum crossing connection, the river being its cleanest and growing demand for commercial, residential, retail and maker space in our city. Thank you.

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

Rinderd Schutten: Good afternoon. I'm Rinderd Schutten. I own a small business. We design and manufacture accessories for iPhone, i-pad and apple watch. Right now I operate out of the basement of my home, so i'm one of those Portland made makers here in Portland that help to actually put Portland on the map as a leading community for artist natural manufacturing. Our business is to produce a high quality small batch product. A lot of them can be seen at a made in pdx store. If you have not been there, go there and buy something. Good stuff there. As many of my fellow makers in Portland my business is growing. I expect to have to move into new space early next year, which is great. I would love to move to a location in the central east side, many reasons for this. First many of my suppliers are there. Many my friends and design services are there and obviously very good food and very good beer. [laughter] moreover, it's close to where I live right now and where our prospective employees live where we can all bike to work. Traffic is bad

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enough and we do not need more traffic to the commute that some of them I don't but some of them experience every day. So I would urge you, Portland city council, mayor hales, I voted for all of you, by the way -- [laughter] to ensure that affordable space for Portland makers not only remains available but also to actively promote and support new development. Sounds very interesting you telling me here, new -- sorry, where was I? I think we have the opportunity to show how urban manufacturing can really work, create jobs and create opportunities for anyone that wants to build a business by manufacturing actually physical products. Which in fact truly is the backbone of our industrial endeavors. So maybe in a few years if we do it right the central east side industrial district will be the example for the rest of America on how to create a vibrant multi-use district where design, fabrication, manufacturing seamlessly working together. I saw amendments 10 and 11. I think those are great amendments and great additions to the plan. Thank you.

Hales: Thanks. Thank you all. Others?

Moore-Love: I have dave otte, and ray hannah ansury. Unless bill steitz or jackie winkler are here that's all I show on the previous signup.

Hales: Okay. Welcome. Good afternoon.

Dave Otte: Thank you. I'm Dave otte. I represent host architecture at 110 southeast 8th on the central east side. You have our written testimony but I thought today I would give you a specific example of small business retention from a different perspective, that of the industrial office user rather than the so-called makers. Host has grown up in the cid for over 20 years. Southeast 8th at our location in 1992 there were three employees in the building. In 2010 we had 11. Today in 2015 we're about to hire our 40th employee. Needless to say we're outgrowing our space and we need to move. We did a staff survey of all our employees. The overwhelming desire was for us to stay in the central east side industrial district. We have roots in our district and we feel ownership of its success. We have been looking around. We will probably need to leave the central east side without the eos expansion. We feel we too are makers. We helped make our city and we feel great pride in that so we urge you to let us stay in the district that we love. Thank you.

Hales: Thank you.

Raihana Ansary: Good afternoon, mayor hales, commissioners, Raihana Ansary I'm here to support the southeast quadrant plan on behalf of the Portland business alliance. First, we would like to applaud staff for preserving the industrial sanctuary and expanding the employment sub area to keep pace we have merging trends and broaden middle income job opportunities to include light industrial and maker space. We believe that special attention should be made to maintaining the role of the central east side as a designated freight district while balancing and improving access for other modes. We recognize the green loop is conceptual at this point. We recommend analysis in identifying potential bike-ped alignments that will not compromise freight operations. We would like to thank city staff for working with the Portland freight committee and the central east side industrial council to modify plan language and maintain southbound freeway access from the Morrison bridge for freight trips originating from the central east side. We look forward to enhanced synergy between downtown and the central east side. Each offers distinct employment opportunities but together serve as an economic hub for the Portland metro region. So thank you.

Hales: Thank you.

Saltzman: I had a question for mr. Otte. You're currently in -- ott. You're currently in i.g.1?

Otte: Yes.

Saltzman: By extending the over lay it will allow you to stay there and expand?

Otte: That's correct.

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Hales: Thank you both. Let's move to the signup sheet for today.

Moore-Love: For the amendments only testimony.

Hales: Come on up, please.

Micah Meskel: My comments are specific to the a -- are not specific to the amendments, it's to the whole plan.

Meskal: I'm Micah Meskel. I work for the Audubon society of Portland. We have submitted electronic comments and i'm testifying in addition to that. Audubon is deeply concerned about the proposals being considered in the southeast quadrant plan that would up zone existing industrial lands to other uses or expand allowances of nonindustrial use on industrial lands. Specifically this includes zoning lands around omsi and application of ohm employment opportunities overlay and central employment zone on existing industrial lands. We want to make it clear that we can see merit in many of these proposals when viewed in isolation though when considered within the context of other city quadrant processes and alleged industrial land deficit that is writ large within those processes in addition to the comp plan, these policies within the quadrant or southeast quadrant seem to conflict with that. As proposed it could lead to be significant reduction in industrial acres in the coming years and could set the stage for full scale conversion of the district over a more extended time period due to the potential tipping point effect as we get more and more commercial and residential and retail, mixed use areas could raise rents which then would raise higher property values and lead to major shifts. The plan as we see it could perpetuate recent trends of industrial land conversions without meaningful consideration of supply. This happened at south waterfront, cascade station in addition to the pearl district and terminal one. Additionally, added flexibility of use and up zoning appears fundamentally at odds with certain policies of the draft comprehensive plan including no net loss of industrial lands, strict restriction of nonindustrial uses of industrial lands on the shifting of administrative functions and nonindustrial uses of industrial lands. In addition to limiting potentially conflicting uses surrounding industrial lands. We fear that in five years when the city at the direction of the comprehensive plan reassesses whether industrial land needs are being met and then further propose strategies to address these deficits it will regret decisions made in the southeast quadrant plan. The proposals in the central city plan would appear to almost guarantee the fact that the city will find itself in an even deeper deficit situation even if all the measures outlined in the comprehensive plan including remediation are achieved. If that's the case history shows the burden to address the deficit will fall on natural resource plans and open spaces as well as pressure to limit or roll back environmental regulations on industrial lands. The alleged existing industrial land deficit has in recent years already resulted in efforts to restrict new environmental regulations as well as proposals to convert places to industrial use such as golf courses. This presents reality that will lead to logical decisions in the future as the city attempts to remediate its deficits.

Hales: Thank you.

Fritz: Let me address that. My understanding based on the memo introduced today on the industrial demand and capacity is this changing zoning actually triples the amount of industrial land available in the central east side actually helps with the issues that Audubon is concern about.

Meskel: We understand that but we're also concerned about the tipping point which I pointed out earlier could increase rent and incentivize other uses of lands within the same area. Which could further lead to --

Fritz: Those other uses are not allowed.

Meskel: What was that?

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Fritz: This very limited housing and it has to have a conditional use and omsi has had that conditional use process available to them for a long time. So I think we'll all agree we want it to be the pearl that will be an industrial sanctuary. I'm not quite understanding -- I understood the concern but then when I heard it's been addressed by this -- maybe Debbi and others could comment on this, but -- make sure you give him this memo that was handed out.

Meskel: I grabbed a copy. Thank you.

Hales: Thank you. Good afternoon. Welcome.

Marcelino Alvarez: This afternoon. -- good afternoon. Mayor, commissioners, thank you. I would also like to thank Marcelino Alvarez chief executive officer of a company on the central east side. First I what want to thank members of the stakeholder aid advisory committee for the work and effort put into this document. It did a magnificent job in balancing the history as well as looking toward the opportunities that lie in front of us. When you look at the district and the history of industry and how it's grown over time you look at the opportunities that have been fostered by the development of businesses such as ours we're at a unique point. I think for us this is a really great opportunity to maintain that history but also build foundation for the next generation of companies to grow in the district. Our own history is linked with the central east side. We have gone from a company that designs and builds products for larger companies from out sigh of the state of Oregon to one that has been able to incorporate startups, residents, free-lancers and see their growth path both from a collaboration standpoint as well as from a cooperation standpoint. As we look ahead, kind of the idea of makers in our community, Portland is uniquely poised to connect old industry and new industry in ways that we don't see anywhere else in the world particularly when you look at Portland's rich history from a technology standpoint and chip maker and manufacturing. You look at the emergence of makers looking to prototype and build things with their hands and bring them to market and scale them there's an amazing opportunity to connect things that are property typed to things that have polish and are delivered to house of people. The balancing of handcrafted products with those that are manufactured. If we look at the corridor from sandy across the river into ohsu, other districts over to Hillsboro to a friend's who makes a lot of chips there's amazing opportunity for small companies to take their concept from a couple desks to potentially owning a building a few years down the line. For us as a company we're in favor of policies that expand the u.s. With an eye towards balancing the needs, maker, designers and entrepreneurs while maintaining a balance, connection and collaboration between the industrial elements that made this district possible along with the eco-system between old styles of manufacturing and new styles that will set us forward 10, 20, 30 years down the line.

Hales: Thank you. Good afternoon. Welcome.

Debbie Kitchin: Thank you. Mayor and commissioners, for the opportunity to speak about the amendments today. I'm Debbie kitchen, president of central east side industrial council here to support amendments 10 and 11. As you know from our previous comments one of our key issues is the affordability of industrial space for the manufacturers and industry that are in the central east side. So I feel these measures will help with that, at least give us better knowledge, perhaps develop some new tools that we can use, so i'm testifying in support of these and would like to have those included. These amendments included. I am concerned a little bit about the discussion earlier about continued planning that bps apparently has offered because I don't know if that's open just to one developer or if it's open to anyone in the district. I think I would like to see some direction from city council about that issue because I think we need to know what the

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parameters are as we go forward into the more detailed analysis in the coming year. But thank you for the opportunity to speak today.

Hales: Thank you.

Moore-Love: Two more people.

Hales: Good afternoon. Go ahead.

Emma Pelett: Good afternoon. Thank you for the opportunity to come and talk to you today. I'm Emma Pelett, part of city liquidators. My family has been stakeholders in the central east side industrial district since 1977. We have over 14 parcels in the neighborhood and we call it our home. I have spent a lot more time in that district than any other place in the city of Portland and it means a lot to me. Today I'm here speaking in favor of UD-6, which is about creating publicly accessible but privately owned parks. The central east side industrial district is one of the most park-deficient districts in the city. There's not a lot of places for people who work in the district to go outside and enjoy anything other than the east bank esplanade and spring water corridor at the end. On a day like today when the heat is really hot there's no relief from. That we hardly have any tree coverage and very few parks to go and enjoy, so although the change does change the language I don't believe it changes the spirit of UD-6 so I'm still in favor of that but I would like to ask for continued support from Mr. Nick Fish, who is not here, and that they help us navigate the waters of putting a publicly accessible park on a piece of our property that has a beneficial easement on it.

Hales: Thank you. Well come.

Jim Howell: Thank you, mayor. Commissioners. I'm Jim Howell. Thanks for letting me testify on something that's not on the amendment. I would like to talk about something that has not been discussed at all in this whole process. It's missing link. This is a 20-year plan and there's going to be a definite need for a light-rail connection between the rose quarter and the Tillamook Bridge on the east side. There is not the capacity on the steel bridge for light-rail of the future. In fact it's pretty well clogged up today. That should be a consideration in this planning. I know this is the city of Portland plan on a metro or -- not a metro or trimet plan. I'm afraid those agencies are somewhat challenged when it comes to long range envisioning but this is going to be needed. There's a huge problem with I-5 now. It's clogged up every night. It's going to be clogged up for all day long 20 years from now if we don't have an alternative to that. This would definitely help that by extending the light-rail system that could eventually go from Vancouver to this corridor. It would also allow the Tillamook crossing to be used in case of emergency now there's the steel bridge breaks down you're stuck with buses. So that's what I think should have been in here. I wish that you could convince PBOT to be serious about light-rail. I would be glad to answer any questions.

Hales: You're serious about light-rail. Good point, Jim. Thank you very much. Thank you both. In others that are signed up or who are here and want to speak and didn't sign up? Okay. Come on up, please.

Ken Clock: Yeah, I --

Hales: Put your name in the record.

Clock: Ken Clock, Clock Associates in southeast. Mayor, council men, woman, there is a letter that was put in by a group of businesses which I'm sure you have and I thought I would provide perhaps a little more explanation behind the letter. What the reasoning was. Give you a little background on the group in general. Southeast industrial businesses are pretty quiet bunch. They largely keep their nose to the grindstone and they pay their bills and pay their employees, they are good citizens, they keep their property and their buildings up. Keep the street trash picked up. They report crime and they are very independent bunch and they don't ask the city for much. Basically the freedom to do

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business in an efficient manner all they are asking for here is existing business to be afforded the protection of a doctor's oath, first do no harm. With the current disconnect between the plan verbiage and the plan detail the overriding concern of the group is that without a renewed commitment by city council to protect existing industrial business and their requirements from harm, there would seem to be little reason to expect in the next plan phase enough substantive changes to the plan would be allowed to provide that protection. So that's the main concern. It seems that, this is just my take, this is not the group, seem that government often focuses on with it might get rather than what it already has. If this industrial community loses its critical mass or efficiency and disperses elsewhere the city could never put together an industrial community like it again. We have grown up together. We interact. We complement each other. This industrial community complements the city itself. I know several businesses that manufacture or supply various components or provide services for departments of the city for the city of Portland you can't get more sustainable or efficient than that. We're a stones throw away. Thank you.

Hales: If you don't mind let me ask you to elaborate a little bit more. We appreciate the letter and you and I have had a conversation or two. It's the length of time that a lot of the businesses have been operating so you went to the trouble of compiling that, so thank you. What's the harm or what are the harms that you're most concerned about?

Clock: I think, you know, as I say here, the freedom to have efficient movement throughout the system.

Hales: Freight movement in particular?

Clock: And intercompany movement, between business we do business with anyone in that whole group, they do interactive business with a lot of other businesses in there. Whether it's for pipe or for parts or for bearings, a lot of interaction within the district too. So it's not good enough just to think about freight coming in off of the freeway and or going back to the freeway. There's a lot of interaction in there. I guess the things that we see that are a bit of an issue there are as I have spelled out new bike lanes, there are existing bike lanes that bisect the district and we're not talking about those, we're talking about new lanes that would further bisect it and bog traffic. Quite frankly I think it would make the district in general a less safe place because there would be more places where people would be looking out for bikes. When you're talking about areas, this is not downtown Portland. You're talking about areas here where I don't know what size trucks Franz runs. They are really big. Ones that would come into our area you could easily see a truck that's 53 foot semi bed, so a 75 foot truck. That's backing into businesses and pulling out of businesses that are in that district. So I mean it's definitely -- a more dangerous place than an area that's primarily small delivery vehicles and cars. So I see that as an issue. I see something undefined and the group does too, of course. As the green loop it's an undefined area and that I guess lends a bit of instability in the sense that if you don't know what that contains it's pretty hard to feel like you can invest more in your business. Does that make sense?

Hales: Yes. So I appreciate the point about large over the road trucks that you just mentioned but I assume most of those intercompany local deliveries run smaller trucks. I assume that's the case.

Clock: Relatively. But you have to appreciate that a lot of things will come in on 40-foot flatbed. That would shorten that rig by 13 feet or something. Still talking about a 60 foot vehicle over all that would be delivering steel, that sort of thing. It's long, long pieces of steel. It's going to be an over the road vehicle delivering to local business in that area. And/or picking up for plating operation or something like that. Probably a 40 foot over the road vehicle picking up for that. Try to put as much on there as they can before they go back to the plant.

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Hales: Your testimony raises also this list as obviously there's a supply chain thing going on here. You supply Franz bakery yourself and other businesses are flying you. I think we learned how the central east side works from just the list of who you had on this letter. So I appreciate that. I guess we want to make sure we'll get staff to respond to, there's a transportation component of this plan work for those kinds of -- that kind of truck circulation is really another way to state your question. I want the answer to be yes.

Clock: I can't answer that because I don't know that for sure. I want them to look me in the face and say that because --

Hales: You and I may have our opinion but they are the professionals. I want to hear them say they believe that would be the case because I think that's the goal.

Clock: I would dearly love for somebody that had that size vehicle like, say, Franz, for example, somebody to actually drive that. Franz is running triples. I know they do.

Hales: Sort of the ultimate test of whether they can get a truck into this district or not. They come in off the freeway, they take -- [audio not understandable] that's right. That's right. We know that it's possible in an industrial district with a small street grid and a lot of other things going on to still get big trucks in, but the devil is in the details.

saltzman: It is. Is it your preference that the existing industrially zoned property remain as it is and not have employment opportunity sub area overlay?

Clock: I think, you know, there's a couple of components. One would be the so-called disclaimer. Is that right?

Saltzman: Yes.

Clock: I think that needs to be a lot stronger than what it is right now. As I understand it would be something that would be read to the people that would be occupying that but I think it would need to be a lot stronger, something that city council would probably take a position on, something that's actually on the books meaning if you moved into this area, you've signed something, you know that's fact. If you have a complaint about smell, a complaint about noise, whatever the case might be, that it's just not going to be heard. [speaking simultaneously] it will never get to us so you won't have somebody here show up five years from now that has an office there and it's being disrupted by noise or whatever the case is, then you have 60 people show up at this meeting and say, hey, we can't put up with this, it would be more like you're not on the agenda because you chose to be here in this area and -- stronger than something that somebody has just read and said yes, I understand that. The city is not going to hear that complaint.

Hales: Okay. Other questions?

Fritz: That's my understanding of the intent of the --

Clock: Yeah. I agree. I think that's the intent. I'm not sure it goes as far as the city won't hear this complaint. You know? You've signed up for --

Fritz: As elected officials people get their three minutes to say whatever they want but there wouldn't be any follow-up action and I think probably staff -- this is a preliminary approval. There's going to be some refinements. I agree I think we share your concern that in the future it would be nice for me to have a theme where it's very clear that this was an adopted position of the council and you knew it when you came in here.

Clock: Right. Long after perhaps you've gone on to something else -- [audio not understandable] whoever sits in your place would thank you for that.

Fritz: Have it clear so it doesn't matter who is sitting in this place.

Hales: Very sound point. Regardless of how long commissioner Fritz chooses to endure in this role one of the things the city has been pretty good at in these kinds of planning efforts is even though people in these chairs have changed we have been pretty consistent about some of the policies. One is the industrial sanctuary itself. There's the line down Vaughn Street in the northwest industrial sanctuary has held despite entreaties, lobbying

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and other political machinations over the years. That's not just one or two or three opinions that's been the opinions of more than a dozen member of the city council over a very long time period. Same with the central east side industrial sanctuary. It does matter that it be durable and we take your point about that. We'll look carefully at that language.

Fritz: As a community advocate when the first eos spot zoning the trial and we had exactly the same conversation concerned about whether it would bleed over and change the nature of the district. For my part it seems to me that experiment has been successful, that it's allowed different kinds of industrial activities to come into the district. I absolutely share your concern we not get at that tipping point.

Hales: The other point you raised, that is I know there's some nervousness by some of the traditional manufacturers, you may be included, about the bike access piece of the planning effort here but we have also heard today from manufacturers in the district who have a very large preponderance of their work force arriving by bicycle and they are freeing up road capacity and parking spaces for industrial operations by the fact that that's how the employees for example at spool town get to work. So we have an interest I think as an industrial district in making it a bike friendly environment but it also has to be a freight friendly environment. That's the challenge that the whole team of the citizens committee and the staff have been trying to accomplish in this effort.

Novick: Mr. Mayor, we think that's possible. I think that just looking at the plan itself, a major focus of the transportation discussion was that just a quote from the plan a lack of fully defined routes identified by bike supported infrastructure and signage dispersing on multiple routes increases conflict with freight activities so the improved signalization other measures taken are designed to -- reduce that kind of conflict.

Clock: Right. And I appreciate that that's probably particularly true for trucks off of the freeway.

Hales: Your point is more local stimulation going on.

Clock: There's a lot of enter southeast if you will interaction between companies that won't necessarily fall into that pattern.

Hales: We appreciate you raising these issues and hopefully we get to the level of clarity you're looking for. Thank you. Anyone else? Come on up, please.

Sam Beebe: Sam Beebe. We have co-trust. Last time I sat here I testified legalizing skateboarding.

Hales: I remember that hearing. You and our chief administrative officer's son.

Beebe: Just wanted to say thank you to dana for expressing our support of the eos overlay. Thank you for the mayor's office and commissioners' times coming out on salmon and their support. Troy doss and the bureau's support. We've also had the support of the central eastside industrial council the pdc. We support adoption of the plan.

Hales: I assume it's necessary for you the plan to work on your side?

Beebe: Yes. Very helpful. Beeline is a specific example of freight and bicycle.

Hales: I was thinking about that. Some of the local deliveries ought to be feasible that way. Thank you. Can we have staff come back up to see if there are any further questions? There may not be but we can check in with them. I guess I have a couple of questions. The points that Mr. Clock made about the disclaim other and local truck circulation. We don't necessarily know the answers now but I want to get your sense about how those are going to get further -- those issues will be developed further in the next phase of the planning process.

Doss: The disclosure statement will be coming back for the entire central city 2035 plan. We will be all moving into that phase of development where we will be bringing you a document I believe it's targeted for next July. That will have all of the policy for the entire central city and each sub district as well as zoning improvements. You'll have a chance to

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look at things like the disclosure statement, like the finals on language for the eos, all of that will be embodied in that. I think getting it from the points raised in terms I think it gets to what's the legislative intent behind the disclosure statement. We can make a very strong statement in that as well as the statement itself that people will be seeing on the street. The legislative intent could allow staff going forward as well as all future councils to look back and say this is what we were trying to achieve with this.

saltzman: Just an example of a multi-tenant office building, each lessee would sign the statement-

Doss: The developer -- say you have a vacant parcel that gets developed as a small project. The developer would have to record a disclosure statement. It would be acknowledging that I and all my future tenants, successors and interests will be informed that this is an industrial district. There's going to be truck traffic. There's noise and fumes. There's all the charm of being here and as long as these businesses are operating within legally established boundaries the city won't take action on that. We can't stop people from complaining and we are not going to stop fielding complaints but we will be looking at it with the, well, if you don't like the fact that they are loading trucks in the street, they are allowed to do that. We're not going to be taking action on that. It's worth noting that we do not have a problem with that currently. We have had extensive conversations with the bureau of development services, and I was relieved to find out in the last ten years they fielded no complaints. With regard to the truck-bike movement, I might want to have grant come up to answer that from pbot so I don't stumble on it.

Grant Morehead, Portland Bureau of Transportation: Grant morehead, bureau of transportation. Commissioner novick stated it eloquently our intent is to provide additional predictability for all modes particularly the truck--- potential truck-bike conflict. As you look at the improvements we have proposed they really focus on frankly low-hanging fruit in the infrastructure realm. The routes that are pretty predictable and established east of the central east side tend to break down so as you're riding a bike if your destination is in the district or downtown often there are not really good ways to get to bridges or major destinations. Some of the signalization and traffic control improvements that we're proposing will help enhance that. I also want to state that we don't have all the answers at this point to everything. There is one of our action items, t13, is to conduct a load use analysis and recommend policy changes on truck loading and access on a local scale. That project is funded, it's getting under way. We had our kickoff meeting this Monday. So we will be rolling that into the pbot's larger parking strategy, implementation adoption of that is on a similar time frame to central city 2035. As you can imagine there's a lot of overlap there. We'll be looking at those issues closely over the next year or so.

Doss: One reminder we had freight interests as well as bike interests represented on our stakeholder advisory committee. We had a bit of a hat trick. We had the bicycle advisory committee, freight advisory committee and pedestrian advisory committee all endorse this plan.

Saltzman: Concern over truck traffic on northeast Davis.

Doss: It was changing the designation to a major truck street. I'll let grant follow up on this. What I would argue is, yes, it's one of the last streets that allows for that conductivity for cyclists as well as for vehicles. But it's also a significant freight route for people like franz bakery and others utilizing that. It's not a heavily used route. I think there's enough lane capacity to accommodate both. Just because it would be a major truck street does not mean it would not also serve as a bike way. In fact there are a number of bike ways in the district throughout the city that have a freight designation on them.

Saltzman: Thank you.

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Hales: Then hopefully amendment 12 captures the issue brought up about we're trying to make sure that we have the bureaus working together to explore opportunities to create publicly accessible open space and recreational opportunities on public and private land throughout the central east side. It includes but is not limited to the parcel that she's talking about, right?

Doss: Exactly.

Hales: Hope and expectation that we'll try to make some of these ideas work because as she pointed out there's not really any open space public or private other than the esplanade in the district.

Doss: There's not. One thing I want to applaud Emma and Walt. We would often come up with a notion, boy, could you make publicly accessible open space on private land? That's a hope but you don't see too many people come forward and say, I want to do that, so we thank them for that.

Hales: There's nonprofit groups like the trust for public land that may be able to assist in that. Other questions or clarifications needed before we act on the amended resolution?

Fritz: On the record I want to clarify my understanding of your memo is correct that we're increasing the amount of industrial land by making the eos overlay.

Doss: Yes. And it would bring Tyler back for that.

Fritz: I don't need any more than that.

Doss: We are.

Fritz: Thank you.

Hales: Let the record know there was a head nod there. Anything else before we act? Question for staff there. Get that addressed. Then I believe we need a roll call on the resolution as amended.

Saltzman: Well, this is great. There seems to be a lot of consensus. I realize there are still concerns of some of the long term manufacturers there, but I do think that there's a determination on our part to make this work, to preserve those types of jobs and employers that have really made the central east side and given it its character but also to recognize the changes that are under way and that there are compatible uses and I think they are maybe appropriately constrained under this southeast quadrant plan that we're about to adopt. I think we all very much care about maintaining that job base but we also recognize there's a lot of other compatible employer uses and I think with limitations on retail uses it seems I think troy just referred to seems to be maybe more than a hat trick but when you have the freight and bicyclists and pedestrians on the same page that's good. I think we have a substantial number, central east side industrial council substantial number of people seem very pleased with this effort so I want to commend bureau planning, staff, pbc, bureau of transportation, everybody else. Tremendous public involvement. It's really been an outstanding product. I'm very pleased to see all the pretty much consensus around this plan as being a good visionary product. Thanks to all. Pleased to vote aye.

Novick: First of all as an aside commissioner Fritz it's good to hear you were going to be here 30 years. I would like to see Cathedral Park in 2045 in June. Could you set that aside? [laughter] I second what commissioner Saltzman said. It's been remarkable over the past couple of months to see what looked like was going to be pretty contentious debate turn into as commissioner Saltzman said a fair level of consensus. Not total consensus among everybody but remarkable consensus. I'm really grateful to troy and Tyler and all the building staff, Debbie kitchin, everybody in the cic, folks at omsi who were able to come to an accommodation with other people, affected parties. Like to thank especially grant morehead and art pierce, the pbob folks who worked on this. I think this is

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a remarkable resolution, of course the work continues, but it seems to be one of these instances where often criticized Portland process works and it's worth celebrating. Aye.

Fritz: Thanks to my staff and all of the staff who worked on this, especially bureau of planning staff who briefed me on multiple occasions. Also the neighborhood association and central east side industrial council both of whom have been part of my education over decades here in Portland. First with the neighborhood associations then with the planning commission, central east side industrial council made it your business to make sure I knew what you do and why and how. That's been enormously helpful. I want to help continue we make sure with the plans and that they don't sit on the shelf, that they get implemented appropriately and we can always come back and look again if it turns out that it's not moving as we expect that it would. That's another great thing about planning, we don't just do it and hope for the best. We look again and keep revising it. I do agree with the concern that we are done with this phase and we need to not be doing multiple changes until we have the whole comprehensive plan done then we might consider them. Still it's -- I also particularly appreciate keeping the master plan process for both ohs and omsi, and the Clinton triangle. That again will have the appropriate public process as we move forward on those particularly difficult areas. Aye.

Hales: Well, again, I want to thank everybody for the good work that's been done here both the huge amount of hours that have been put in by community volunteers whether formally from an organization like hand or the industrial council or other organizations that have paid attention to this effort or just individuals. Many of you here that have worked so hard on this. It's a great example of grass roots planning that we believe this that usually ends up with a good product, sometimes with this level of agreement but not very often. That's pretty remarkable. Troy, you and Tyler and sally from the bureau worked so hard on this, job well done. Or this part of the job well done. There's obviously more do. But you deserve at least a day off or something after all this. [laughter] I was quizzing Tyler earlier about looking at best practices from other places but as we all know, there's really no place like this. There are other sort of analogous situations in other cities but here we are with this very compact core of the city that now is one of the most livable and walkable and best transit served urban environments in the country with people choosing to move here in great numbers today, tomorrow and next week, and as far as we can see, and real manufacturing still happening in walking distance from, say, city hall, big law firms and great restaurants. I don't know very many other places like that. I have spent most of my life thinking about or working on the growth and development of cities, not just this one. I don't know of any other place like this. There are pockets like in Denver, Miami, used to be in Brooklyn and queens but I think they are pretty much gone, replaced by 40-story condo towers in my daughter's neighborhood where she will soon be priced out. This is a really unusual situation. And so therefore there's a lot to keep in a pressurized environment. We're going to really work together and try to accomplish that because we want these long term employers to stay there. I hope you know that's a serious commitment. Seeing -- in franz bread's case smelling the good effect of those jobs and having those businesses be here and remain available that's pretty important for us as a city. We're going to try to make that work just as we have in those other industrial districts. Again, some of us have a little history on some of these issues. I remember a couple big fights, particularly one about a Costco proposed in the northwest industrial sanctuary where we have tried to make judgment calls about what is it going to keep the makers as we call them making things and we're going to keep trying to do that and I hope keep succeeding. This is pretty special. Secondly, we're trying to improvement of supply space and opportunity as a way to make this work. Much as we are actually also in-housing. We have huge competition for housing in this city and there's an excellent article this week that

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my staff circulated about all of the mistakes they made in San Francisco about how they tried to stop change and they ended up pricing everybody, most everybody out of the housing market. They didn't think much about the supply side, a phrase that has earned some discredit at the national level in politics but here we are actually trying to make a supply side element of the solution work. I have been persuaded although with repeated effort on their part by these professionals sitting in front of us that that is the right and prudent thing to do here, to have a supply side element of this strategy so that we create more space and therefore maybe a little less competition for what's there now. I hope that we can make that work. Because I'm pretty sure that trying to freeze the central east side is not going to be available solution just like the efforts in San Francisco to freeze the housing market didn't work out for anyone except a few people there. So I'm cautiously optimistic that this is the right set of strategies. Details about which street works which way still need to be worked out. The point about disclosures and other communication that we had with current and future occupants andres dance and property owners and investors and tenants very important. Again, I was teasing troy about taking a day off and having a lot more work to do because there is a lot more work to do. I want to return to Patrick's statement. We do sometimes tend to get pretty mesmerized in this room and in this process but we had to think about maker space all over the city in places where people are not making things now. Think about 82nd avenue where we're making deals on used cars but not much else. Maybe we can have higher and better uses other places that are still close to the heart of things in Portland and where again not everybody has to find a cool old building in the central east side to start their business. Patrick is right about that and I think we in pbc, as well as others we have to think about the whole city while we complete this plan. This is a very important piece. Obviously I'm very excited about it. Great work. I want to commend Jackie dingfelder on my staff, folks from all the people that have worked hard together to get us this far. One more very important building block in place. Job well done. Thank you all. Aye. Thank you. We're adjourned. No, we're not. Sorry. We got one thing we have to return to but not this. I was getting excited, remembering that we have to go back to item 810.
Item 810.

Hales: We'll see if our staff is in the room yet and whether I surprised them. There she is. Okay. Thank you.

Fritz: Why don't we just do this next week?

Hales: I don't know. Okay, why don't you, Shianne, explain where we are here. I think we need the explanation first then we can take the motion, right?

Shianne Scott, Bureau of Human Resources: Okay. After this came to my attention after council voted to ratify the contract this morning that the language in the ordinance needed to be changed to reflect the fact that the cost increases that would be associated with the contract will be coming from not only the general fund but other city funds as may be available. We're moving to amend the ordinance to reflect that.

Saltzman: Make that motion.

Hales: Is there a second?

Novick: Second.

Hales: Now --

Fritz: Don't we have to move --

Hales: We have to first move to reconsider then take the motion. Is there a motion to reconsider?

Novick: So moved.

Fritz: Second.

Hales: Roll call.

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

Hales: Aye. Now there's a motion and second to move the amendment. Further discussion? Roll call on the amendment.

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

Hales: Aye. Is there anyone that wants to speak on the amended ordinance? Then we'll take roll call vote on the amended ordinance.

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

Fritz: There may be something on next week's vote on the other union ordinance because since it won't go into effect for 30 days that will pose challenges for people getting paid, so the staff are trying to figure out what to do about that and i'm sure you'll do that in my absence. Aye.

Hales: Yes, they are and we will. Thank you, aye. Now we're adjourned. Thank you.

At 3:43 p.m. Council Adjourned.