

**Minutes of the Board of Commissioners  
Multnomah Building, Board Room 100  
501 SE Hawthorne Blvd., Portland, Oregon  
Thursday, January 7, 2016**

**REGULAR MEETING**

Chair Deborah Kafoury called the meeting to order at 9:38 a.m. with Vice-Chair Loretta Smith and Commissioners Judy Shiprack and Diane McKeel present. Commissioner Jules Bailey was excused.

Also attending were Jenny Madkour, County Attorney, and Marina Baker, Assistant Board Clerk.

**CONSENT AGENDA**

- C.1 BUDGET MODIFICATION DCHS-13-16 Reclassify an Office Assistant 2 and Incumbent to an Office Assistant Senior in DCHS DD Division
- C.2 BUDGET MODIFICATION DCM-10-16 Reclassifying 2 Finance Specialist 2 positions to Finance Specialist Senior in DCM F&RM/Accounts Payable
- C.3 BUDGET MODIFICATION DCA-13-16 Reclassification of a Development Analyst to an IT Business Consultant Senior for the Department of County Assets
- C.4 BUDGET MODIFICATION DCA-15-16: Reclassify a Development Analyst Senior to an IT Business Consultant Senior in the Department of County Assets
- C.5 BUDGET MODIFICATION DCA-16-16: Reclass HR Analyst 1 to HR Analyst Senior in the Department of County Assets
- C.6 BUDGET MODIFICATION DCA-17-16: Reclassification of a Systems Administrator to a Network Administrator Senior
- C.7 NOTICE OF INTENT for Multnomah County Health Department to Submit a Grant for up to \$20,000 from the State of Oregon MIECHV Program
- C.8 NOTICE OF INTENT: to Apply for Office of Violence Against Women OVW, Justice for Families, Supervised Visitation and Exchange Grant

Chair Kafoury: GOOD MORNING, EVERYONE, WELCOME TO MULTNOMAH COUNTY, BOARD OF COMMISSIONER MEETING ON THURSDAY, JANUARY 7. MAY I HAVE A MOTION ON THE CONSENT CALENDAR? COMMISSIONER SMITH MOVES, COMMISSIONER SHIPRACK SECONDS APPROVAL OF THE CONSENT CALENDAR. ALL IN FAVOR, VOTE AYE. [UNANIMOUS AYES] THE CONSENT CALENDAR IS APPROVED.

## **PUBLIC COMMENT**

Opportunity for Public Comment on non-agenda matters. Testimony limited to three minutes per person. This is a time for the Board to hear public testimony, not for Board deliberation. Fill out a speaker form available at the back of the board room and give it to the Board Clerk. Unless otherwise recognized by the presiding officer, testimony is taken in the order the forms are submitted.

Board Clerk: MADAM CHAIR WE HAVE FOUR PEOPLE SIGNED UP, PLEASE COME FORWARD. [READS NAMES]

Mr. Phillips: I AM PAUL PHILLIPS, AND I SPOKE HERE DECEMBER 17 OF LAST YEAR. JUST BEFORE THE MEETING, I WAS HAVING A CONVERSATION WITH MR. LIGHTNING. JOE WALSH, AS YOU KNOW, IF YOU REMEMBER WHO HE IS, HE TOLD ME RIGHT HERE IN THIS ROOM THAT HE'S A POLITICAL ACTIVIST, AND THAT WAS A YEAR AGO. I TOLD THAT TO MR. LIGHTNING, AND I SAID WHAT ARE YOU, AND HE SPOKE UP IMMEDIATELY. THIS WAS IN LIKE MARCH OF LAST YEAR, AND HE SAID WELL, I AM A POLITICAL WATCHDOG, AND WELL, I WAS EXPECTING EITHER JOE OR MR. LIGHTNING TO ASK ME WHAT I WAS. FINALLY, DECEMBER 17, MR. LIGHTNING, HE SAID WHAT ARE YOU? ARE YOU A POLITICAL ACTIVIST OR A WATCHDOG? AND I TOLD HIM WELL, NO, I WOULD BE AWFUL TERRIBLE IF I WAS EITHER ONE OF THOSE. AND I SAID, WELL, I AM INJURED AND PISSED OFF. AND I SAID, IS THAT PLAIN AND CLEAR ENOUGH? AND HE WAS LAUGHING, AND HE SAID YEAH. BEING WITH SEVEN DOG ATTACKS OF MY SERVICE ANIMAL, BY THE SAME DOG, YOU MUST THINK THAT I AM ACCIDENT PRONE. EVERY ONE OF THEM WAS AN ACCIDENT, ACCORDING TO YOU, AND THE DOCTORS AT OHSU HAD WROTE THAT, AND THE MEDICAL REPORTS, THAT IT WAS AN ACCIDENT. I HAVE SAID THAT YOU CAN'T CALL SEVEN DOG ATTACKS BY THE SAME DOG AN ACCIDENT. IT'S AN "ASSIDENT". I WILL GIVE UP MY TIME.

Mr. Lightning: GOOD MORNING. MY NAME IS LIGHTNING. I REPRESENT LIGHTNING WATCHDOG, PDX. IN PORTLAND, AS YOU KNOW, THEY ARE TRYING TO PUSH THROUGH A STREET FEE AT THIS TIME. THE CITY CLUB CAME OUT WITH THE REPORT. I THINK THE REPORT IS NOT COMPLETE. I THINK THAT A LOT OF THE DATA IN THERE, I QUESTION. ONE OF THE ISSUES THAT I HAD IS THEY WANT TO GO WITH A GAS TAX, TEN CENT, LOCAL. I DON'T REALLY HAVE AN ISSUE WITH THAT, BUT THEN, FROM THAT POINT ON, THEY WANT TO START TRYING TO GET MORE REVENUE FROM THE VEHICLE REGISTRATION AND OTHER OPTIONS. I THINK WHAT THEY ARE DOING IS THEY ARE PUTTING TOO MANY THINGS OUT ON THE TABLE, AND THE CITY CLUB, I THINK, IS THROWING OUT SOME REALLY BIG NUMBERS, JUST ONE OF THEIR FINDINGS HERE, PORTLAND NEEDS AT LEAST 50 MILLION PER YEAR TO KEEP STREETS FROM FAILING INTO FURTHER DISREPAIR, AT LEAST ANOTHER 75 MILLION TO REPAIR THE STREETS. AND AT LEAST 80 MILLION PER YEAR TO REPAIR AND CONSTRUCT SAFETY PROJECTS. THEIR NUMBERS ARE SAYING 205 MILLION PER YEAR. I QUESTION THOSE NUMBERS. I THINK CITY CLUB NEEDS TO REALLY SHOW SOME MORE DATA ON THIS, SO THE PUBLIC HAS A CLEAR UNDERSTANDING, WHEN YOU ARE SAYING

WE NEED TO COME UP WITH 200 MILLION PER YEAR, I WANT TO SEE SOME SERIOUS DATA TO BACK THAT UP.

Mr. Lightning: NOW, ANOTHER THING THAT I THOUGHT WAS INCOMPLETE ON THIS STUDY IS THAT I WANT TO SEE WHERE GOOGLE AND UBER AND LYFT ARE GOING TO FIT INTO THIS EQUATION. WE HAVE DEFERRED SO MUCH MAINTENANCE, AND WE ARE SO FAR BEHIND ON THE STREETS, THAT WE NEED TO BRING IN SOME PRIVATE PARTIES TO STEP UP AND PUT SOME FUNDING ON THE TABLE. I WOULD LIKE TO SEE GOOGLE AND UBER STEP IN AND TRY TO GET SOME EXCLUSIVE RIGHTS WITHIN THE CENTRAL CITY OF PORTLAND FOR THEIR DRIVERLESS CARS, AND I WOULD LIKE TO SEE IF THEY WILL PUT MONEY UP ON THE TABLE TO UNDERSTAND THAT WE NEED A TREMENDOUS AMOUNT OF MONEY AT THIS TIME TO TAKE CARE OF THE DEFERRED MAINTENANCE ON THESE STREETS, AND BY THIS REPORT, I DON'T THINK THAT THE GAS TAX WILL PASS ON THIS.

I DON'T THINK THAT ANY OF THE RECOMMENDATIONS WILL PASS. WE NEED TO LOOK AT OTHER OPTIONS AT THIS TIME. NOW, REFERRING ANOTHER ISSUE ON WAPATO. I THINK WAPATO IS STILL A GREAT OPTION FOR A SHELTER. I THINK THAT THE RESISTANCE TRULY FROM MULTNOMAH COUNTY IS IF YOU MAKE A SALE, YOU WILL BE ABLE TO GO TO THE STATE. THEY WILL MATCH YOUR MONEY ON THAT TO GO TOWARDS THE MULTNOMAH COUNTY COURTHOUSE. IF THAT IS THE CASE, JUST SAY IT. SAY IT THAT YOU WANT TO SELL IT. YOU WANT TO HAVE THAT MONEY MATCHED. YOU WANT TO APPLY IT TO THE NEW MULTNOMAH COUNTY COURTHOUSE, SO A LOT OF PEOPLE HAVE A CLEAR UNDERSTANDING. IF NOT, WE ARE IN THE STATE OF EMERGENCY OF HOUSING. THAT BUILDING IS PERFECT FOR A SHELTER. THERE IS NO REASON WHY IT SHOULD NOT GO THROUGH AND BE USED AS A SHELTER. THANK YOU.

Mr. Fitts: GOOD MORNING. I AM KEVIN FITTS, A VOLUNTEER WITH THE OREGON MENTAL HEALTH CONSUMER ASSOCIATION. I MADE A HANDOUT FOR THE COMMISSIONERS TO BRIEFLY LOOK AT. MY AGENDA HERE IS I AM A MEMBER OF A BUNCH OF DIFFERENT POLICY ADVISORY COMMITTEES FOR PEOPLE WITH LIVED EXPERIENCE OF MENTAL HEALTH AND ADDICTIONS. ONE OF THE THOSE ADVISORY COMMITTEES EXISTS THROUGH STATE STATUTE, AND THAT'S THE MULTNOMAH COUNTY MENTAL HEALTH AND ADDICTIONS ADVISORY COUNCIL. I AM HERE TO, BASICALLY, MY GOAL IS TO SUGGEST TO YOU THAT YOU RECOMMEND TO JOANNA FULLER AND DAVIS HIDALGO THAT YOU SEND YOUR DISABLED CONSUMERS AND ADVOCATES ON THAT COMMITTEE TO THE STATEWIDE PEER CONVENTION HAPPENING MARCH 14-16. THAT'S AT THE VERY BACK PART OF THE PAGE. I JUST WANTED TO SAY TWO OR THREE FACTS, SOME THINGS ABOUT OREGON RIGHT NOW, 22% OF MULTNOMAH COUNTY RESIDENTS IN 2015 ARE ON FOOD STAMPS. 1.1 MILLION OREGONIANS ARE ON MEDICAID. 600,000 PEOPLE IN PORTLAND ARE ON MEDICARE.

Mr. Fitts: IN 2014, THE CCOS THAT MANAGE AND OVERSEE AND PROVIDE SERVICES FOR THE OREGON HEALTH PLAN MADE 180 MILLION IN PROFIT. ONE IN FIVE OREGONIANS LIVING, LIVE WITH SOME SORT OF MENTAL HEALTH CHALLENGE OR DISORDER. THAT'S CONSEQUENTIAL STUFF, AND WE BELIEVE THAT THIS SYSTEM IS BEST INFORMED BY PEERS, PEOPLE, RECOVERING ADDICTS AND PEOPLE WHO HAVE A LIVED EXPERIENCE OF MENTAL HEALTH DISORDERS TO INFORM POLICY AND DECISIONS. THE BEST OPPORTUNITY FOR THAT, TO NETWORK WITH EACH OTHER, AND UNDERSTAND BEST PRACTICES ACROSS THE STATE AND IS TO ATTEND THE STATEWIDE MENTAL HEALTH PEER'S CONVENTION, WHICH IS MARCH 14-16 IN SEASIDE.

SO, I WANT TO MAKE A FORMAL REQUEST TO YOU FOLKS TO PASS THAT ON TO DAVID HIDALGO AND JOANNE FULLER THAT THEY SUPPORT THE DISABLED CONSUMERS AND ADVOCATES THAT LIVE OBJECT, PEOPLE ON THE SOCIAL SECURITY AND SOCIAL SECURITY DISABILITY, LIVE ON AN AVERAGE INCOME TO 8,000 TO 9,000 A YEAR. SO, 350, 400 LODGING AND REGISTRATION COSTS IS WAY BEYOND THEIR ABILITY TO AFFORD SUCH A I THINK THIS. SO, I WANT TO JUST MAKE THAT RECOMMENDATION TO YOU, AND THERE IS OTHER THINGS ABOUT HOW PEER HELPS RECOVERY AND OUTCOMES AND STUFF IN THIS HANDOUT, BUT IN THE INTEREST 6 TIME, I WILL WRAP UP MY COMMENTS. NICE TO PRESENT IN FRONT OF YOU. I'VE BEEN ON BEV AND JOHN KITZHABER'S REFORM COMMITTEES, ETC., SO THANK YOU FOR YOUR TIME.

Mr. Davis: I AM HERE TODAY TO TALK ABOUT THE HOMELESS SWEEPS, AND MY NAME IS DAVID KIF DAVIS, AND I AM HERE TO REPRESENT THE FIFA SWEEPS AND MULTNOMAH COUNTY COP WATCH. THERE IS, ACTUALLY, A SWEEP GOING ON TODAY RIGHT DOWN BY BUD CLARK WHERE THEY WERE ISSUING CITATIONS TO HOMELESS PEOPLE, SO I DON'T SEE HOW, UNDER THE HOMELESS STATE OF EMERGENCY, THAT PEOPLE ARE STILL GETTING CITATIONS AND GETTING IN TROUBLE FOR CAMPING. AND THERE IS A LOT OF DIFFERENT ISSUES GOING ON IN THIS CITY. YOU HAVE CLEAN AND SAFE PACIFIC PATROL, POSITIVE ACTION, CLEANING, AND ALL THESE OTHER DIFFERENT GROUPS THAT SEEM TO BE UNDER CONTRACT THAT ARE CONTINUING THESE ONGOING SWEEPS OF HOMELESS PEOPLE. IT SEEMS LIKE YOU HAVE CONTRACTS WITH THESE GROUPS THAT, ACTUALLY, ARE CONFLICTING WITH THE HOMELESS STATE OF EMERGENCY. SO, I DON'T KNOW HOW YOU GUYS ARE GOING TO FIX THIS AND ALTER THE CONTRACTS OR CANCEL THE CONTRACTS, SO THESE AGENCIES ARE NOT SWEEPING THE HOMELESS PEOPLE BECAUSE SUPPOSEDLY, THIS ACTIVITY IS NOT EVEN SUPPOSED TO BE HAPPENING. THERE IS A LOT OF DIFFERENT ISSUES, TOO, IN THIS COUNTY.

Mr. Davis: YOU HAVE THE POLICE DEALING WITH THE HOMELESS FOR THE MOST PART. THEY ARE, I MEAN, A TREMENDOUS AMOUNT OF POLICE RESOURCES ARE EXPENDED ON HOMELESS PEOPLE. AND YOU MIGHT WANT TO CONSIDER SETTING UP A SEPARATE TYPE OF TEAM THAT IS NON-POLICE INVOLVED TO GO

AND TALK TO THE HOMELESS PEOPLE. AND IF YOU ARE GOING TO CONTINUE TO USE THE POLICE TO DO THESE HOMELESS SWEEPS AND STUFF, YOU MIGHT WANT TO CONSIDER HAVING A SERVICE PROVIDER AND HOMELESS OUTREACH AGENCIES RIDE ALONG WITH THE POLICE. THAT'S ONE THING THAT THEY DO IN A LOT OF OTHER CITIES, AND IT WORKS. IT PROVIDES SERVICES. THEY ARE CALLED HOT TEAMS. YOU COULD LOOK IT UP ONLINE. THEY RIDE ALONG WITH POLICE AND OTHER AGENCIES, AND ODOT CONTINUES TO RAID HOMELESS CAMPS, TOO, AND I THINK THAT YOU GUYS NEED TO, ACTUALLY, HAVE SERVICE PROVIDERS, RIDE ALONG WITH ODOT, AND THE INMATE WORKER CREWS. ANY OF THESE, ANY OF THESE AGENCIES THAT ARE CONTINUING TO DO SWEEPS, THERE NEEDS TO BE OUTREACH PEOPLE THAT WORK WITH THEM. AND THERE IS A LOT OF DIFFERENT BARRIERS TO HOMELESSNESS IN THIS COMMUNITY, WHICH IS LIKE ALL THESE VARIOUS SERVICE AGENCIES, THEY ARE KIND OF WORKING AGAINST EACH OTHER. ONE THING, THIS IS VERY IMPORTANT, OK.

Chair Kafoury: WE HAVE A FULL AGENDA TODAY, SIR, SO IF YOU COULD WRAP IT UP, PLEASE.

Mr. Davis: CAN YOU GIVE ME 30 SECONDS BECAUSE I COULD HAVE FINISHED UP IN THE TIME WE TALKED, TO BANTER BACK AND FORTH. BASICALLY, THERE IS A LOT OF THESE SERVICE AGENCIES, AND THEY WORK AGAINST EACH OTHER, LIKE JOIN, THEY ARE GOOD FOR CERTAIN THINGS, LIKE HOMELESS PEOPLE, WITH JOBS, IF YOU HAVE MENTAL HEALTH ISSUES, AND YOU GO TO JOIN, YOU MIGHT WAIT A YEAR OR TWO TO GET INTO HOUSING, WHERE IF JOIN, WOULD JUST TELL YOU, GO TO CASCADIA, YOU MIGHT BE IN HOUSING IN TWO WEEKS, AND I HAVE SEEN THIS WITH MY OWN EYES HAPPEN WHERE JOIN IS NOT TELLING PEOPLE, SO BASICALLY, THESE VARIOUS AGENCIES, THEY ARE COMPETING WITH HOMELESS PEOPLE AS A RESOURCE, AND USING THEM AS A RESOURCE.

Chair Kafoury: THANK YOU.

Mr. Davis: THERE NEEDS TO BE A POLICING AGENCY OR SOME KIND OF COMMUNITY AGENCY THAT, ACTUALLY, KIND OF GOES AND MAKES SURE THAT THESE GUYS ARE NOT JUST USING HOMELESS PEOPLE AS A RESOURCE, AND THEY ARE, ACTUALLY, TRYING TO GET THEM INTO HOUSING.

Chair Kafoury: THANK YOU FOR YOUR COMMENTS THIS MORNING.

## **REGULAR AGENDA**

### **R.1 ORDINANCE Amending County Land Use Code to Adopt Portland's Accessory Structures Zoning Code Update and Declaring an Emergency. Presenter: Adam Barber, LUP & Phil Nameny, Project Manager & City Planner, City of Portland.**

Chair Kafoury: COMMISSIONER SHIPRACK MOVES, COMMISSIONER SMITH SECONDS APPROVAL OF THE FIRST READING AND ADOPTION.

Mr. Barber: GOOD MORNING, CHAIR KAFOURY AND COMMISSIONERS. I AM ADAM BARBER. I AM WITH THE LAND USE PLANNING TEAM, AND I HAVE WITH ME HERE THIS MORNING, PHIL NAMENY, A PROJECT MANAGER, AND ALSO A PLANNER WITH THE CITY OF PORTLAND. WE ARE HERE TO REQUEST ADOPTION INTO COUNTY CODE OF SOME RECENT AMENDMENTS THAT THE CITY OF PORTLAND HAS MADE TO THE CITY OF PORTLAND'S ACCESSORY STRUCTURE CODES, AND THE MAIN PURPOSE OF THIS PROJECT WAS TO CONSOLIDATE, SIMPLIFY AND STREAMLINE THE CITY OF PORTLAND'S REGULATIONS DEALING WITH MOSTLY RESIDENTIAL DETACHED ACCESSORY STRUCTURES, AND WE'RE TALKING ABOUT STRUCTURES LIKE GARAGES, STORAGE SHEDS, ACCESSORY DWELLING UNITS, DECKS, AND SIMILAR STRUCTURES, AND THIS PROJECT, WHICH PHIL WILL TALK ABOUT, IT REALLY SIGNALS A MORE FLEXIBLE MOVE TOWARDS REGULATIONS THAT ARE TRIGGERED BY THE SIZE OF THE ACCESSORY STRUCTURE, AND MORE SO THAN HOW THAT BUILDING IS USED, RECOGNIZING THAT SOME OF THESE ACCESSORY STRUCTURES CAN BE USED FOR MULTIPLE THINGS, AT ONE TIME, AND THOSE USES CAN CHANGE OVER TIME, AS WELL. BUT I WILL TURN IT OVER TO PHIL TO TALK ABOUT THE DETAILS OF THE PROJECT.

Mr. Nameny: THANKS, ADAM. GOOD MORNING, COMMISSIONERS. JUST TO FOLLOW UP ON HIS COMMENT, ONE OF THE THINGS THAT WE REALIZED IS OFTENTIMES OUR SETBACK, HEIGHT, AND DESIGN REGULATIONS FOR ACCESSORY, DETACHED ACCESSORY STRUCTURES DEPENDED ON WHETHER THAT STRUCTURE WAS BEING USED TO PARK A CAR OR TO STORE TOOLS OR WAS USED TO ALLOW SOMEBODY TO LIVE IN IT, AND SO, IT WAS OFTEN DIFFICULT IF PEOPLE WANTED TO BUILD A HYBRID STRUCTURE, THEY WOULD HAVE ELEMENTS OF ALL THREE OF THOSE ITEMS, OR IF THE STRUCTURES HAD CHANGED, SOMETIMES A GARAGE, ONCE IT GETS CONVERTED AND EXPANDED TO ANOTHER BUILDING, AND OFTENTIMES, WHERE A GARAGE WAS ALLOWED IN THE SETBACK, ANOTHER TYPE OF ACCESSORY STRUCTURE WASN'T EVEN IF IT'S A SIMILAR SIZE. SO THE MAIN THRUST OF THE PROJECT WAS TO LOOK AT ESPECIALLY COVERED ACCESSORY STRUCTURES AND APPLY A SIMILAR SET OF REGULATIONS THAT LOOK AT THE SIZE AND THE HEIGHT OF IT. AND NOT SO MUCH ON WHETHER THAT STRUCTURE IS BEING USED FOR PARKING A CAR OR OTHER USES.

Mr. Neman: SO, IN MANY OF OUR ZONES, WHERE WE ALLOW A GARAGE TO BE PUT IN A SIDE AND REAR SETBACK, WE AMENDED THE REGULATIONS SO A SIMILAR SIZED ACCESSORY STRUCTURE COULD ALSO BE PUT IN THE SETBACK, AND THOSE COULD BE TOOL SHEDS, WORKSHOPS, AND HOME OFFICES, AND THINGS LIKE THAT, IF THEY ARE SMALLER SIZES. WE ALSO CREATED THE UNIFORM HEIGHT LIMIT, MOST OF OUR ACCESSORIES HAVE THE SAME HEIGHT LIMIT AS THE MAIN HOUSE. AS IN ADU, IF IT WAS DETACHED AT A LOWER HEIGHT LIMIT, WE KIND OF SPLIT THE BABY ON THAT AND CREATED A 20-FOOT HEIGHT LIMIT, AND SINGLE DWELLING ZONES FOR ALL DETACHED ACCESSORY STRUCTURES. AND THE THIRD MAIN POINT THAT I WANTED TO MAKE WAS FOR TWO-STORY ACCESSORY STRUCTURES, WE TOOK WHAT WE CURRENTLY APPLIED TO OUR ADUS, THAT ADDRESS MAKING THE STRUCTURE APPEAR SIMILAR TO THE HOUSE, AND USE SIMILAR MATERIALS. WE APPLIED THOSE TO THE TWO-STORY ACCESSORY STRUCTURES, SO IF A STRUCTURE IS BETWEEN 15 AND 20 FEET TALL, WHICH IS 20 FEET IS THE NEW HEIGHT LIMIT, THEY WOULD HAVE TO MEET THE ADDITIONAL DESIGN STANDARDS. SO THE FIRST OF THOSE THREE PROBABLY DON'T HAVE A LOT OF APPLICATION IN THE COUNTY.

THE ZONES WHERE WE ALLOWED GARAGES TO BE IN THE SETBACK AND OTHER ACCESSORY STRUCTURES ARE THE MORE URBANIZED RESIDENTIAL ZONES, R7, 5, 2.5, 97% OF THE COUNTY POCKETS THAT WE OVERSEE ARE MORE RURAL RESIDENTIAL ZONING, R10, 20, AND RESIDENTIAL FARM AND FORESTRY SO THAT THE SETBACK PIECE WOULDN'T APPLY. BUT, THE HEIGHT LIMIT PIECE WOULD APPLY IN THE COUNTY POCKETS, THE NEW LOWERED 20-FOOT HEIGHT LIMIT, AND THE DESIGN STANDARDS WOULD APPLY. SO, THOSE ARE KIND OF THE MAIN POINTS WITH THAT, AND WE ALSO MADE A FEW CHANGES TO OUR REGULATIONS FOR ARBORS AND PARALLEL US AS AND ALSO MECHANICAL EQUIPMENT. I WILL PASS IT ON BACK TO ADAM.

Mr. Barber: AND AS IS TYPICAL WITH THESE PORTLAND CODE AMENDMENTS ADOPTING INTO COUNTY CODE, WE ARE REQUESTING ADOPTION BY EMERGENCY, AND THAT IS BECAUSE THE IGA THAT WE HAVE WITH THE CITY OF PORTLAND REQUIRES THAT THE COUNTY BOARD ADOPT THESE CHANGES BY EMERGENCY, SO THEY TAKE EFFECT ON THE SAME DATE, UNLESS ADOPTED BY EMERGENCY, AND THE CITY HAS ACTED ON THIS, AND BELIEVE THE CHANGES WERE EFFECTIVE IS A FEW DAYS AGO SO WE ARE BRINGING THIS AS AN EMERGENCY, AS IS A TYPICAL PROCESS. THAT'S WHAT WE HAVE FOR THE PRESENTATION. WE'RE HAPPY TO ANSWER ANY QUESTIONS.

Chair Kafoury: QUESTIONS, COMMISSIONER MCKEEL?

Commissioner McKeel: THANK YOU. SO, WHAT'S THE PUBLIC PROCESS AROUND THESE ZONING CHANGES?

Mr. Neman: WELL, WE FOLLOWED WHAT WE USUALLY FOLLOW, WITH ZONING CODE CHANGES FOR LEGISLATIVE PROCESS. WE ATTENDED THE DISTRICT

COALITION MEETINGS. THE NEIGHBORHOOD DISTRICT COALITIONS. WE HELD AN OPEN HOUSE, AND WE ALSO WENT OUT TO THE BUSINESS ASSOCIATION, OREGON REMODELER'S ASSOCIATION AND THINGS LIKE THAT, THAT WORK ON THESE STRUCTURES. WE HAVE HAD A STAKEHOLDER GROUP THAT HELPED US TO DEVELOP THESE, THAT INCLUDED BOTH NEIGHBORHOOD REPRESENTATIVES AND ARCHITECTS. WE ALSO WERE INVITED TO AN INFILL DESIGN FORUM, I BELIEVE IT WAS, BACK IN JUNE OF LAST YEAR THAT THE NORTHEAST NEIGHBORHOODS HAD SPONSORED, THAT INCLUDED A WHOLE BUNCH OF EXHIBITERS AND THINGS, AND WE WERE ONE OF THE FOLKS THERE THAT PRESENTED AND HAD A TABLE.

Commissioner McKeel: WHAT'S THE FEEDBACK THAT YOU GOT FROM THE PUBLIC?

Mr. Neman: GENERALLY, THE FEEDBACK WAS POSITIVE. THERE IS A REAL INTEREST IN BUILDING ADUS, ESPECIALLY, OF COURSE, AND THAT'S GROWN SIGNIFICANTLY. BUT, GENERALLY, THERE WAS SOME CONCERN ABOUT THE SETBACK PIECE BUT WHEN THE IDEA WAS THAT THE STRUCTURE WOULD BE STILL, ESSENTIALLY, THE SAME SIZE AS A TWO-CAR GARAGE, THERE WAS LESS OF A CONCERN.

Chair Kafoury: ANY OTHER QUESTIONS?

Vice-Chair Smith: MADAM CHAIR, I HAVE A COMMENT AND A COUPLE OF QUESTIONS. THANK YOU, ADAM. HAPPY NEW YEAR. THIS IS THE FIRST TIME I HAVE SEEN YOU SINCE THE NEW YEAR. I WANT TO SAY, I AM IN SUPPORT OF THE COUNTY ADOPTING THE CITY OF PORTLAND'S BUILDING STANDARDS FOR ADUS. AND I THINK THAT WE ALL SUPPORT THE COUNTY FURTHERING OUR EFFORTS TO INCREASE HOUSING. BUT, THERE ARE A COUPLE THINGS THAT I AM CONCERNED ABOUT. CAN YOU HELP ME OUT WITH THIS? WHY IS THE CREATION OF ADUS CONSIDERED REZONING? FROM THE CITY?

Mr. Neman: WELL, AND I'VE BEEN IN CONTACT WITH THE COUNTY'S ASSESSMENT OFFICE, FROM A CITY PERSPECTIVE, WE GENERALLY DEFER TO THE COUNTY BECAUSE THEY ARE THE ONES WHO ARE APPLYING THOSE STATE REGULATIONS. I THINK THE CRUX OF THE MATTER RESTS ON THE FACT THAT THE COUNTY IS ASSESSING A NEW BUILDING, A NEW STRUCTURE. AND WHAT THEY ARE LOOKING AT WHEN MEASURE 50 PASSED IN 1996, WE --

Chair Kafoury: I DON'T WANT TO INTERRUPT YOU, THIS IS NOT YOUR AREA OF EXPERTISE, WE DO HAVE OUR OWN COUNTY TAX FOLKS HERE, SORRY TO CALL YOU OUT. RANDY KNOWS A TINY BIT ABOUT MEASURE 5 AND TAXES.

Vice-Chair Smith: THANK YOU. RANDY, THE QUESTION IS, THE INTERPRETATION THAT AN INDIVIDUAL PROPERTY HAS BEEN REZONED HAS CAUSED MANY PROPERTY OWNERS TO HAVE THEIR PROPERTY TAXES REASSESSED,

SOMETIMES IT WAS DOUBLE AND TRIPLE. I WOULD LIKE TO UNDERSTAND HOW THE CITY AND THE COUNTY ARE WORKING TOGETHER SO THAT WE'RE NOT PUTTING A BURDEN ON THE PROPERTY OWNER, BUT WE'RE TRYING TO INCREASE THE DENSITY AND THE PORTLAND CITY LIMITS, AND INCREASE AFFORDABLE HOUSING.

Mr. Walruff: CHAIR KAFOURY, MEMBERS OF THE BOARD, RANDY WALRUFF, YOUR COUNTY ASSESSOR. FIRST I WANT TO ACKNOWLEDGE THAT PHIL HAS BEEN A GREAT PARTNER WITH US AS WE GO THROUGH THIS, AND THE DOCUMENT HE PUT TOGETHER TO IMPROVE THE CITY'S CODE AND THE UNDERSTANDING HAS BEEN VERY HELPFUL. AS TO YOUR QUESTION SPECIFICALLY, WE DID HE EVER TO THE OREGON DEPARTMENT OF REVENUE AND STATE LAW, AS MOST EVERYONE KNOWS, MEASURE 50 PASSED IN 19 THE 7, WHICH SAID EVERYONE'S ASSESSED VALUE BASED ON THE USE OF THE PROPERTY IN 1995, THE CONSTITUTION IS VAGUE, AND IT SAYS, IF THE PROPERTY IS REZONED, AND USED CONSISTENTLY WITH THAT REZONING, THEN THERE IS A TRIGGER TO HAVE THE MAXIMUM ASSESSED VALUE RECALCULATED. THERE IS A NUMEROUS VERSIONS OF WHETHER YOU DO A FULL OR PARTIAL RECALCULATION. THAT CONSTITUTION WAS IMPLEMENTED BY THE LEGISLATURE, IN 1997, THROUGH IMPLEMENTING THE LEGISLATION IN THE ORS, SPECIFICALLY, I BELIEVE, 308156.

FROM THAT, THE DEPARTMENT OF REVENUE WROTE RULES, AND IN THOSE RULES, THEY STATE THAT IT'S NOT ONLY THE ZONING CODE, BUT IF THE UNDERLYING USE OF THE PROPERTY CHANGES, AND IN THE EXAMPLE, SPECIFICALLY, AT HAND, WE'RE TALKING ABOUT A PROPERTY, I THINK YOU ARE REFERRING, IF YOU USED TO ONLY BE ABLE TO HAVE ONE STRUCTURE, LIVING UNIT, AND YOU CAN NOW HAVE TWO LIVING UNIT STRUCTURES, WHICH MEANS YOU CAN HAVE TWO, SOMEWHAT, IT'S NOT THE SAME, BUT AS AN EXAMPLE, A DUPLEX. YOU HAVE TWO PROPERTIES, SO WHETHER THEY ARE ATTACHED OR DETACHED, WE WORK WITH PHIL'S OFFICE TO DETERMINE WHAT WAS ALLOWED IN 1995, SO IT'S NOT A BLANKET STATEMENT IN THE CITY THAT ALL OF THEM ARE REMAPPED, AND HE WAS NOT A BLANKET SITUATION WHERE THE TAXES WILL GO UP.

IT'S POSSIBLE THAT YOU COULD BENEFIT FROM THE REMAP. THIS IS AN EVOLVING PIECE OF LAW RIGHT NOW, THE DEPARTMENT OF REVENUE HAS JUST ISSUED A FIVE-PIECE POSITION PAPER ON IT. THEY ARE GOING TO START HAVING ADMINISTRATIVE HEARINGS ON IT. THEY PROVIDED SPECIFIC DIRECTIONS TO MULTNOMAH COUNTY, AND I HAVE SHARED THAT WITH THE REST OF THE STATE NOW. SO, I HOPE THIS IS NOT VAGUE FOR YOU, BUT IT IS SOMEWHAT VAGUE TO THE POINT THAT IT IS A FACT-BASED SITUATIONAL ON A PROPERTY BY PROPERTY BASIS RIGHT NOW. SO, THAT IS WHY WE'RE IN THE SITUATION THAT WE'RE IN.

Vice-Chair Smith: SO RANDY, I AM TRYING TO GET CLARIFICATION, IF THE

CREATION OF AN ADU IS INTERPRETED AS AN IMPROVEMENT, WOULD A GARDEN SHED OR A FENCE ALSO MEET THAT STANDARD WHICH POTENTIALLY IS IMPACTING THE PROPERTY TAXES?

Mr. Walruff: NO. AND I WILL SAY WHAT WE LOOK TO BACK IS, DID YOU INCREASE THE FINANCIAL VIABILITY, THE RETURN ON THE INVESTMENT TO THE PROPERTY? THE PROPERTY GENERALLY HAS NO HIGHER VALUE, IF YOU CAN DO A DIFFERENT KIND OF A GARAGE OR AN ACCESSORY STRUCTURE BUT WITH ADUS, WHERE THEY CAN BE RENTED OUT, AND THEY INCREASE THE FINANCIAL RETURN TO THE UNDERLYING PIECE OF PROPERTY.

Vice-Chair Smith: THE LAST THING, AND THIS MAY BE THE CITY OF PORTLAND, AS I WAS GOING THROUGH THIS, THE NEW RULES THAT WE'RE VOTING ON TODAY, WILL ONLY ALLOW 75% OF THE HEIGHT OR THE MASS OF THE FIRST HOUSE, OR 800 SQUARE FEET. THAT'S THE CHANGE THAT'S GOING TO HAPPEN WITH THIS?

Mr. Nameny: THAT, ACTUALLY, IS CURRENTLY THE RULES, SO THE RULE CHANGE IN, AND THE PROJECT WAS NOT NECESSARILY FOCUSED ON ADUS BUT ON ALL TYPES.

Vice-Chair Smith: THEY CHANGED THE LANGUAGE.

Mr. Nameny: YEAH. THE 75%, PRIOR TO JANUARY 1, IT WAS THE CODE FOR ADUS, I THINK THAT THE BIG CHANGE IN 1995 WAS THAT WE DID NOT ALLOW SOMEBODY TO BUILD A DETACHED ADU. THEY HAD TO BE A BASEMENT CONVERSION OR SOMETHING ALONG THOSE LINES. SO, AND THAT'S WHY THERE'S BEEN SEVERAL CONVERSATIONS WITH US BECAUSE IT STARTS BECOMING A PROPERTY BY PROPERTY KIND OF ASSESSMENT. BUT, THE REGULATIONS, WE CURRENTLY ALLOW ADUS, DETACHED, OR ATTACHED, OR INTERNAL, 75% OF THE LIVING AREA OF THE HOUSE, IS THE MAXIMUM SIZE OF THE ADU OR 800 SQUARE FEET. SO THE MAIN DIFFERENCE THAT THIS ALLOWS IS THAT IT ALLOWS A SMALLER STRUCTURE THAT MEETS THESE DIMENSIONAL AND HEIGHT REQUIREMENTS TO POSSIBLY BE IN THE SETBACK, IN CERTAIN ZONES. THE R5, R2.5 ZONES.

Vice-Chair Smith: SO WOULD YOU SAY THE NEW POLICY AROUND HAVING ADUS PUT ON PROPERTIES THAT ARE DEEMED C OR EXD NOW AS OPPOSED TO JUST THE R PROPERTIES, THAT'S GOING TO BE ABLE TO LET US IMPROVE THE NUMBER OF AFFORDABLE HOUSING IN THE PORTLAND AREA? IS THAT THE NEW CHANGE WITH THE NEW REGULATIONS?

Mr. Nameny: ALLOWING AN ADU TO BE ASSOCIATED WITH THE HOUSE, IN A C ZONE, THE MAIN REASON FOR THAT HAD A LOT TO DO WITH THE SYSTEM DEVELOPMENT CHARGES. THAT IS ANOTHER ONGOING CONVERSATION. IN A COMMERCIAL ZONE, WE DON'T, ACTUALLY, REGULATE HOW MANY DWELLING

UNITS CAN BE IN THE PROPERTY. SO, IF SOMEBODY HAD A HOUSE IN A COMMERCIAL ZONE, AND THEY WANTED TO BUILD A SECOND BUILDING, FOR A SECOND UNIT, IT ALREADY WAS ALLOWED, BUT, IT COULDN'T BE CALLED AN ADU AND GOT CHARGED THE SYSTEM DEVELOPMENT CHARGES. WE THOUGHT IF SOMEBODY WANTS TO FOLLOW THOSE ACCESSORY DWELLING UNIT PROVISIONS AND MAKE SOMETHING SMALLER THAN THE HOUSE AND SO ON, THEY WOULD HAVE THAT OPPORTUNITY.

Vice-Chair Smith: I WAS LOOKING AT THAT, AND I WAS LIKE, THIS IS GREAT. THIS IS A GREAT OPPORTUNITY FOR PROPERTIES THAT ARE ZONED C AND EXD BECAUSE MANY OF THOSE PROPERTIES ARE IN DISTRICT 2 IN PORTLAND PROPER, AND I THINK IT HAS THE POTENTIAL TO BE ABLE TO IMPROVE THE NUMBER OF ADDITIONAL HOUSING WITHIN THE CITY OF PORTLAND, SO I THOUGHT IT WAS GREAT. SO, THANK YOU FOR ALL OF THE WORK THAT YOU HAVE DONE ON THIS. THIS IS A HUGE ISSUE, AND I DO KNOW THAT ADUS ARE REALLY BECOMING MORE AND MORE POPULAR, WHEN I LOOKED AT THE NUMBERS OF ADUS, APPLICATIONS, THERE WERE OVER 100, AND THE MAJORITY OF THOSE WERE IN DISTRICT 2, SO WE ARE DOING OUR DUE DILIGENCE IN TERMS OF TRYING TO MEET THE NEED OF THE COMMUNITY. THANK YOU. THANK YOU FOR ALL YOU DO.

Chair Kafoury: ANY OTHER QUESTIONS?

Commissioner McKeel: I HAD ONE MORE QUESTION. FOR MY CLARIFICATION, IT SOUNDS TO ME LIKE THE CODE CHANGES ARE MAKING MORE CONSISTENCY AMONG THE BUILDING OF WHATEVER USE IT IS BEING USED FOR? AM I CORRECT IN THAT?

Mr. Nameny: THEY ARE MORE CONSISTENT BASED UPON THE TYPICAL KIND OF ZONING, ELEMENTS THAT YOU USUALLY DO HEIGHT AND BULK. WE DON'T NECESSARILY SAY, IF YOU BUILD A HOUSE, WE DON'T NECESSARILY SAY, THE LIVING ROOM CAN BE ON THE SECOND FLOOR, BUT THE KITCHEN HAS TO BE ON THE FIRST FLOOR, BUT THAT WAS KIND OF HOW WE WERE LOOKING AT THESE THINGS, AND WHAT WAS HAPPENING IS, IF SOMEBODY WAS CONVERTING SOME OTHER KIND OF ACCESSORY STRUCTURE TO AN ADU, THEY WERE HAVING TO ASK FOR AN ADJUSTMENT, EVEN THOUGH THE PHYSICAL ELEMENT OF THE STRUCTURE WAS NOT CHANGING AT ALL. JUST BECAUSE YOU SUDDENLY APPLIED A NEW SET OF REGULATIONS TO AN EXISTING BUILDING, THAT WAS ALLOWED IN THE CURRENT FORM, BUT NOT IN THE PROPOSED FORM.

Commissioner McKeel: THANK YOU FOR LOOKING AT THIS. IT DOES NOT SOUND LIKE IT WAS EASY WORK, BUT THANK YOU.

Commissioner Shiprack: IS THERE ANYTHING IN THE ZONING CHANGE WE'RE

LOOKING AT, THAT REQUIRES ANY OF THESE ADDITIONAL UNITS TO BE AFFORDABLE?

Mr. Nameny: NO, ACTUALLY, OUR ZONING CODE DOES NOT CREATE YOU KNOW, AND WE DON'T HAVE THE ABILITY TO ACTUALLY DO INCLUSIONARY ZONING. SO IT'S NOT SOMETHING THAT WE CAN REALLY PUT INTO THE CODE. THERE IS SOME OTHER PROJECTS THAT WE'RE WORKING ON WITH OUR MIXED USE PROJECT WHERE WE'RE POTENTIALLY GIVING BONUSES FOR THE FLOOR AND SO ON, IF THE UNITS ARE AFFORDABLE. WE ARE NOT ALLOWED TO FORCE SOMEBODY TO MAKE IT AFFORDABLE. THE EXPERIENCE WITH ADUS HAVE BEEN THAT OFTENTIMES, THEY ARE RENTED AT A LOWER THAN MARKET RATE, SOMETIMES THEY ARE JUST PROVIDED FOR FAMILY MEMBERS AND THINGS LIKE THAT, SO THEY ARE NOT ALWAYS PUT ON THE MARKET. THEY ARE OFTENTIMES, WITH AN ADU, THEY ARE USED FOR CHILDREN THAT COME BACK AFTER COLLEGE, STILL LOOKING FOR JOBS, OR PEOPLE AGING, THINGS LIKE THAT.

Chair Kafoury: DO YOU HAVE ANY DATA ON THAT? I HAVE HEARD THE SAME STATEMENT ANECDOTALLY, THEY ARE RENTED AT LOWER THAN MARKET VALUE. SO WE HAVE DATA ON HOW EACH ADU IS?

Mr. Nameny: THE MOST RECENT DATA, IT WAS SOMETHING THAT A COUPLE MEMBERS FROM THE CITY PARTICIPATED IN, BUT IT WAS A REPORT FROM DEQ THAT CAME OUT, I THINK, UP THROUGH 2011 DATA. BUT, THERE IS A REPORT THAT IS AVAILABLE, AND WHAT THEY DID WAS THEY SURVEYED PEOPLE WHO CONSTRUCTED ADUS AND ASKED THEM WHAT IS YOUR RENT RANGE, AND DO YOU RENT THEM TO CERTAIN FOLKS? THINGS LIKE THAT.

Chair Kafoury: OK. THANK YOU. ANY OTHER QUESTIONS OR COMMENTS?

Board Clerk: MADAM CHAIR, WE HAVE ONE PUBLIC TESTIMONY. [READS NAME]

Chair Kafoury: THANK YOU.

Mr. Lightning: MY NAME IS LIGHTNING, AND I REPRESENT LIGHTNING WATCHDOG, PDX. ONE OF THE CONCERNS THAT I HAD ON THE ADUS IS THAT THE CITY OF PORTLAND, THEY WANTED TO ALLOW THEM TO BE BUILT RIGHT UP TO THE PROPERTY LINE, AND I, OF COURSE, WANTED THAT SETBACK TO BE AT THE FIVE FOOT REQUIREMENT. I WANT TO MAKE IT CLEAR THAT NEEDS TO BE AT FIVE FEET FROM THE PROPERTY LINE. THE REASON IS, IF YOU ALLOW TWO, ADUS, ONE PROPERTY TO DO ONE AND THE OTHER, AND YOU HAVE THEM RIGHT UP AGAINST THE PROPERTY LINE, ITSELF, TO ME, THAT IS A DEFINITE PUBLIC SAFETY ISSUE. WHEN YOU ARE LOOKING AT THE FIRE DEPARTMENT, BEING ABLE TO HAVE ACCESS BETWEEN THESE BUILDINGS. IT ALSO IS A PUBLIC SAFETY ISSUE, ALSO, TO HAVE VARIOUS DIFFERENT TYPES OF

EQUIPMENT FROM AIR-CONDITIONERS, AND OTHER THINGS, LOCATED ALONG, ALONGSIDE THIS ADU.

Mr. Lightning: SO, IF YOU BRING THOSE UP CLOSE, THAT, TO ME, IS A PUBLIC SAFETY ISSUE, AND SHOULD NOT HAPPEN. ANOTHER ISSUE, THE ADUS, IS THAT I DON'T WANT TO SEE THE PRIMARY RESIDENTS REAPPRAISED. I THINK THAT THAT'S WHAT WE'RE HEARING TODAY, IS ALMOST SELECTIVE ENFORCEMENT ON WHO YOU WILL INCREASE THEIR PROPERTY VALUES. I AM GOING TO BE WATCHING THIS VERY CLOSE. AGAIN, ONE OF THE BIGGEST THINGS WE NEED TO LOOK AT IS, OF COURSE, WE HAVE AIRBNB, THAT IS BECOMING POPULAR, AND A LOT OF PEOPLE WANT TO TAKE ADVANTAGE OF THAT SERVICE. IS IT, ACTUALLY, BENEFICIAL TO HAVE MORE ADUS TOWARDS AFFORDABLE HOUSING? I THINK THAT IT IS. I THINK THAT AIRBNB IS A GREAT COMPANY AND WILL CONTINUE TO DO GREAT THINGS IN THIS MARKETPLACE, BUT WE ALSO HAVE TO UNDERSTAND THAT A LOT OF PEOPLE BUILDING THE NEW ADUS WILL BE BENEFITING FROM THAT SERVICE, AND WE NEED TO STILL CREATE MORE AFFORDABLE HOUSING THROUGHOUT PORTLAND AND MISCONDUCTED. THANK YOU.

Chair Kafoury: THANK YOU. IS THAT ALL THE PUBLIC COMMENT?

Board Clerk: YES, MADAM CHAIR.

Chair Kafoury: THANK YOU. ALL THOSE IN FAVOR, VOTE AYE. THE ORDINANCE IS ADOPTED BY EMERGENCY.

**R.2 Limited On-Premises OLCC Sales LICENSE for The Beer Porches LLC, 17100 NW Sauvie Island Road, Multnomah County, Portland, Oregon 97231. Presenters: Francis Cop – Program Supervisor, Multnomah County Sheriff's Office.**

Chair Kafoury: COMMISSIONER SHIPRACK MOVES, COMMISSIONER SMITH SECONDS APPROVAL OF R.2. GOOD MORNING.

Mr. Cop: I AM FRANCIS COP, WITH THE MULTNOMAH COUNTY SHERIFF'S OFFICE. WE ARE IN RECEIPT OF AN OLCC LICENSE REQUEST FOR THE BEER PORCHES, LLC. THE OWNER IS SUZANNE MOODHE. SHE HAS, IN THE PAST, BEEN GRANTED MULTIPLE TEMPORARY OLCC PERMITS FOR THIS LOCATION, AND SHE IS APPLYING FOR A PERSONAL, ONSITE, LIMITED OLCC SALES LICENSE. THE LOCATION THAT SHE IS REQUESTING IS 17100 NW SAUVIE ISLAND ROAD, PORTLAND, OREGON. THE SHERIFF'S OFFICE HAS DONE A BACKGROUND CHECK ON SUZANNE MOODHE, HER COMPANY, AND THE LOCATION THAT SHE IS REQUESTING, AND WE HAVE NO OBJECTION SAYS.

Chair Kafoury: DO WE HAVE ANY QUESTIONS OR COMMENTS FROM THE BOARD?

ALL RIGHT. ALL THOSE IN FAVOR, VOTE AYE. [UNANIMOUS AYES] THE AGREEMENT IS APPROVED. THANK YOU.

**R.3 BUDGET MODIFICATION DCJ-11-16 Appropriates \$144,775 to the Federal/State Fund for the Family Sentencing Alternative Pilot Program. Presenters: Scott Taylor, Director, DCJ & Michelle Aguilar, ASD District Manager.**

Chair Kafoury: COMMISSIONER SHIPRACK MOVES, COMMISSIONER MCKEEL SECONDS APPROVAL OF R.3.

Mr. Taylor: GOOD MORNING, COMMISSIONERS. SCOTT TAYLOR, DIRECTOR OF COMMUNITY JUSTICE, AND JOINING ME IS MICHELLE AGUILAR, OUR NEWEST DCHS ADULT SERVICES DISTRICT MANAGER. AND WE GAVE MICHELLE THE OPPORTUNITY TO IMPLEMENT THE NEW PROGRAM. WE RECEIVED WITH THE STATE THAT WE'RE GOING TO TALK TO YOU ABOUT, AND SINCE THIS IS THE FIRST OPPORTUNITY TO VISIT WITH YOU, I THOUGHT THAT I WOULD ACCOMPANY HER UP HERE. WE WORKED DURING THE LEGISLATURE. IF YOU WILL REMEMBER, REPRESENTATIVE WILLIAMSON CARRIED THIS BILL PRIMARILY, AND THIS IS A BILL THAT WAS DESIGNED AFTER A WASHINGTON MODEL THAT, ABOUT FOUR COUNTIES WERE SELECTED AS PILOTS, AND THE INITIATIVE HERE IS TO TAKE PARENTS, WHO MAY BE BOUND FOR PRISON, AND PROVIDE THEM, INSTEAD, INTENSIVE SUPERVISION, PARENTAL PROGRAMMING, AND ALCOHOL OR DRUG TREATMENT, HOUSING, AND TRY TO TURN THAT TRAJECTORY, PARTICULARLY WHEN WE DID THE MATH, AROUND THE INCARCERATION 69 ADULTS, AND THEN THE FOSTER CARE OF THE CHILDREN, SO THIS IS A DESIGN TO CHANGE THAT TRAJECTORY. KEEP THE FAMILY TOGETHER. TEACH PARENTING SKILLS. CHANGE THAT. AND WE'LL BE PARTNERING WITH THE DEPARTMENT OF HUMAN SERVICES, AND MICHELLE HAS ALL THE DETAILS.

Ms. Aguilar: GOOD MORNING. THIS IS GOING TO HELP TO PROVIDE AN ADDITIONAL P.O., AND THEY WILL BE FOCUSING, AS SCOTT WAS SAYING, ON PARENTS WHO ARE INVOLVED WITH THE JUSTICE REINVESTMENT WHO HAVE CHILDREN, ZERO TO 18. THE SERVICES THAT THEY ARE GOING TO PROVIDE WILL BE MENTAL HEALTH SERVICES. THERE'S GOING TO BE YOUTH MENTORS FOR THE CHILDREN WHO ARE AGES 7-14. THEY WANT TO PROVIDE IN-HOME CARE FOR SERVICES FOR CHILDREN WHO ARE ZERO TO SIX YEARS OF AGE. THERE WILL ALSO BE ADDITIONAL GROUP SUPPORT FOR THE PARENTS, AND CONTINUED PARENTING SKILLS AND COACHING FOR THEM, AS WELL.

Mr. Taylor: THIS WAS FUNDED ON AN 18-MONTH, AND THAT'S WHY THIS, THIS PARTICULAR ALLOCATION IS FOR THE REMAINDER OF THIS YEAR. AND THE NEXT WILL BE A FULL PUNDIT CYCLE.

Commissioner Shiprack: MAYBE I JUST HAD A LAPSE. DID YOU SAY HOW MANY

PEOPLE ARE GOING TO BE IMPACTED BY THIS PROGRAM? HOW MANY PEOPLE ARE IS SERVED BY THE PROGRAM? WHAT ARE YOUR NUMBERS LOOK LIKE?

Mr. Taylor: WHEN WE DESIGNED THIS PROGRAM, PART OF WHAT WE WERE TALKING ABOUT WAS THE COMPLIMENTARY NATURE OF THIS TO OUR JUSTICE REINVESTMENT THAT WE'RE ALREADY WORKING WITH, SO THE SPECIFIC NUMBER, WE USED AN INITIAL CALCULATION OF ABOUT 30 TO 40 A YEAR. I THINK THAT THE INITIAL PUSH ON THIS IS AROUND WOMEN. AND THAT HAS TO DO WITH THE WOMEN'S PRISON AND THE OVERPOPULATION. BUT, IT'S OPEN TO BOTH MEN AND WOMEN, AND WE THINK AS TIME GOES ON, THE NUMBER OF MEN WHO HAVE CUSTODY, JUST THE MEN IN THE SYSTEM, SO I THINK THE NUMBER WILL CONTINUE TO RISE, BUT WE STARTED WITH A SMALLER NUMBER, IT WAS A CALCULATION DONE BY THE CRIMINAL JUSTICE COMMISSION, AND OUR PROBLEM IS TRYING TO MAKE SURE THAT WE HAD SOME ACCURATE DATA ON THE NUMBER OF PEOPLE THAT CAME IN, THAT HAD CUSTODY THAT DID NOT HAVE DHS, OTHER ISSUES OF ABUSE AND NEGLECT ON THE RECORDS, AND TRYING TO SORT THAT DURING THE LEGISLATIVE SESSION BECAME DIFFICULT FOR US TO IDENTIFY, SO WE ORIGINALLY BUILT IT AROUND THE 30 TO 60.

Commissioner Shiprack: I THOUGHT IT WAS AN EASY QUESTION. [LAUGHTER] I WAS TRYING TO LOB A SOFTBALL FOR YOU TO HIT OUT OF THE PARK BECAUSE I THINK THAT THIS IS A REALLY EXCITING PROGRAM. I AM REALLY DELIGHTED THAT WE ARE TAKING THE LEADERSHIP ROLE IN IT. MICHELLE, I AM REALLY PLEASED YOU ARE HERE. WE PROBABLY WOULDN'T HAVE BEEN MEAN TO YOU IF YOU WOULD HAVE COME BY YOURSELF. ACTUALLY, MORE LIKELY, SINCE YOU BROUGHT YOUR BOSS. I KNOW THAT IT IS A CULTURAL STEREOTYPE, BUT THE IMAGE THAT I HAVE BASED ON CHILDREN OF INCARCERATED PARENTS, IS THAT WHEN A MAN GOES TO PRISON, IT CREATES A SINGLE MOM FAMILY. WHEN A MOM, WHEN A WOMAN GOES TO PRISON, IT CREATES A CLIENT FOR FOSTER CARE. AND THAT IS WHAT WE'RE INTERVENING WITH HERE, AND I THINK THAT IT'S REALLY POSITIVE WHETHER IT IS ONE OR 100, AND DOES THE STATUTE REFER TO PRIMARY CARETAKER? WHAT IS THE INVOLVEMENT WITH CHILDREN, OR IS IT CUSTODIAL PARENT?

Mr. Taylor: CUSTODIAL PARENT. YOU HAVE TO DEMONSTRATE THAT YOU HAVE CUSTODY.

Vice-Chair Smith: MADAM CHAIR, I HAVE A QUESTION AND COMMENT. WE LOOKED AT THE WASHINGTON MODEL. WHAT WAS THEIR SUCCESS RATE?

Mr. Taylor: I AM SORRY, I DON'T RECALL THAT IMMEDIATELY, AND WE'LL GO ONLINE AND LOOK. IT'S IN THEIR DATA.

Vice-Chair Smith: I THINK IT WOULD, GOOD FOR US TO FOLLOW IT.

Mr. Taylor: AND THAT'S WHY THE REPRESENTATIVE WILLIAMSON, AND THE

NUMBER JUST SLIPPED OUT OF MY BRAIN, BUT IT WAS A SIGNIFICANT NUMBER, AND THE COST SAVINGS FROM THE REDUCTION IN WASHINGTON OF THE FOSTER CARE COMBINED WITH THIS WAS CLEARLY, THIS WAS A MUCH BETTER OPTION, AND THE SUCCESS RATE WAS HIGH ENOUGH THAT IT MATCHED THE EVIDENCE-BASED PRACTICES WE COULD LOOK UP ON THEIR WASHINGTON STATE INSTITUTE OF PUBLIC POLICY WEBSITE, USES US AS AN EVIDENCE-BASED PROGRAM. THE DIFFERENCE IN THE OREGON MODEL IS THE WASHINGTON MODEL ALSO LETS WOMEN COME OUT OF PRISON EARLY TO THIS PROGRAM. THE OREGON MODEL DID NOT ADD THAT PIECE ON TO THE INITIATIVE, SO THIS IS STRICTLY FRONT AND LOAD AS OPPOSED TO ALSO THE WORK THAT WE DO WITH THE PARENTS COMING OUT AND THE WORK THAT'S GOING ON, AND, IN THE PRISONS, SO WE'RE HOPEFUL DOWN THE ROAD WE'LL GET MORE AGGRESSIVE ABOUT THAT.

Vice-Chair Smith: YOU KNOW ME TOO WELL, I WAS GOING TO ASK YOU, IS THIS AN EVIDENCE-BASED PRACTICE, AND YOU KNOW EXACTLY WHAT I'M GOING TO ASK. THANK YOU, BUT I AM TRYING TO FIGURE THIS OUT, SO IS THIS EXISTING DOLLARS FROM 3194 THAT YOU ARE MOVING INTO THIS PROGRAM OR MONEY THAT WE GOT FROM THE STATE?

Mr. Taylor: THIS IS MONEY WE GOT FROM THE STATE, A SEPARATE LINE. WE DECIDED SINCE WE ARE DOING A LOT OF ANALYSIS, AND THESE ARE WOMEN THAT WOULD GO TO PRISON AND MEN THAT WOULD GO TO PRISON, IT FIT A LOT OF THE SUPERVISION AND PROGRAMMING THAT WE HAD, AND WE WILL HAVE A SPECIALIZED UNIT. WE PUT THIS IN YOU ARE A FAMILY SERVICES UNIT TO DO A LOT OF THE MONITORING AT HOME, THE LOGGING THEY HAVE TO DO ON READING AND OTHER SUCH THINGS, SO IT WILL BE A SPECIALIZED UNIT, BUT THE INITIAL SORTING, REPORT WRITING, JUDICIAL PROCESS WILL GO THROUGH THE JUSTICE REINVESTMENT PROGRAM.

Vice-Chair Smith: I LIKE THIS BECAUSE A LOT OF TIMES OUR BOYS AND MEN DON'T GET A LOT OF THE SERVICES THAT HELP OUT WOMEN, OR THEY DON'T SEEK THOSE OUT. THEY DON'T THINK THAT THERE IS ANYTHING OUT THERE FOR THEM TO HELP THEM GROW THEIR FAMILIES, SO I THINK THAT THIS IS EXCELLENT, AND THANK YOU FOR THINKING OF US. WE TALKED A BIT ABOUT SOME THINGS TO DO, BUT THIS IS EXCELLENT. THANK YOU.

Mr. Taylor: IF YOU HAVE AN OPPORTUNITY, PLEASE THANK REPRESENTATIVE WILLIAMSON. SHE REALLY CHAMPIONED THIS.

Commissioner McKeel: THANK YOU FOR THIS PRESENTATION, AND WELCOME, MICHELLE. YOU WOULD HAVE BEEN FINE. YOU SAW HOW EXCITED WE WERE. THIS IS STARTING NOW AND GOING FORWARD FOR 18 MONTHS, IS THAT CORRECT?

Ms. Aguilar: YES.

Commissioner McKeel: AND I JUST THINK THAT THIS IS A GREAT MODEL. I THINK THAT THE WRAP-AROUND SERVICES, I MEAN, I HAVE SEEN, ACTUALLY, HOW THAT WORKS SO WELL FOR EVERYONE, FOR FAMILIES AND EVERYONE INVOLVED, AND SO I'M REALLY LOOKING FORWARD TO SEEING THE DATA THAT WE GET FROM THIS PROJECT, SO THANK YOU.

Chair Kafoury: THANK YOU. ALL RIGHT, ALL THOSE IN FAVOR, VOTE AYE. [UNANIMOUS AYES] THE BUDGET MODIFICATION IS APPROVED.

**R.4 Authorizing SETTLEMENT of *James Moore v. Multnomah County, et al*, Multnomah County Circuit Court Case No 15CV00785. Presenter: Andy Jones, Asst. County Attorney.**

Chair Kafoury: COMMISSIONER SHIPRACK MOVES, COMMISSIONER SMITH SECONDS APPROVAL OF R.4.

Mr. Jones: GOOD MORNING, MADAM CHAIR AND COMMISSIONERS. I AM ANDY JONES, AN ASSISTANT COUNTY ATTORNEY. I AM HERE SEEKING AUTHORITY TO SETTLE THE CIVIL LAW CASE OF JAMES MOORE VERSUS MULTNOMAH COUNTY ET AL TO REFRESH YOUR RECOLLECTION; THIS IS A MOTOR VEHICLE ACCIDENT CASE INVOLVING ALLEGATIONS OF PERSONAL INJURY WE DISCUSSED AT EXECUTIVE SESSION IN NOVEMBER. I AM HAPPY TO ANSWER ANY QUESTIONS YOU MIGHT HAVE TODAY, BUT I AM SEEKING FORMAL APPROVAL TO SETTLE THE CASE FOR 38,000.

Chair Kafoury: ANY QUESTIONS OR COMMENTS FROM THE BOARD? ALL THOSE IN FAVOR, VOTE AYE. [UNANIMOUS AYES] THE SETTLEMENT IS APPROVED.

**R.5 Authorizing SETTLEMENT of *County of Multnomah v. Mortgage Electronic Registration Systems, Inc., et al*, Multnomah County Circuit Court Case No. 12-12-16328. Presenter: Jenny M. Madkour, County Attorney.**

Chair Kafoury: COMMISSIONER SHIPRACK MOVES, COMMISSIONER SMITH SECONDS APPROVAL OF R.5.

Ms. Madkour: GOOD MORNING, CHAIR AND COMMISSIONERS. WE ARE HERE TODAY TO SEEK THE BOARD'S APPROVAL ON A SETTLEMENT IN THE CASE AS OUTLINED BY MARINA. WE HAVE A POWERPOINT HERE TODAY, AND WE'RE GOING TO BE GOING THROUGH THAT. THAT'S JUST TO HELP AID THE DISCUSSION, AND WE HOPE THIS IS A DISCUSSION. WE'RE HERE TO ANSWER ANY QUESTIONS YOU HAVE AND TO PROVIDE CLARITY AROUND THE LITIGATION AND WHY WE WERE INVOLVED. SO, AS AN OVERVIEW, WE'RE GOING TO START WITH THE INTRODUCTIONS. WE'RE GOING TO EXPLAIN WHAT MERS IS, AND WE'LL GIVE YOU A BACKGROUND OF THE LITIGATION, AND WE'LL GIVE YOU A BACKGROUND OF THE RESOLUTION. EXPLAIN WHY IT MATTERS, AND

WE'LL TAKE QUESTIONS, AND AS I SAID, QUESTIONS ANY TIME. TO START WITH I AM JENNY M. MADKOUR, YOUR COUNTY ATTORNEY. I AM GOING TO HAVE THE MEMBERS OF THE PANEL INTRODUCE THEMSELVES.

Mr. Kahl: I AM NICK KAHL, AN ASSOCIATE WITH D'AMORE LAW GROUP.

Mr. D'Amore: AND CHAIR, MEMBERS OF THE COMMISSION, TOM D'AMORE, WITH D'AMORE LAW GROUP.

Ms. Kandra: AND I AM LINDSAY KANDRA, ASSISTANT COUNTY ATTORNEY, AND RESIDENT POWERPOINT EXPERT. [LAUGHTER]

Ms. Madkour: SO THESE CASES, LARGE CASES TAKE A WHOLE TEAM OF PEOPLE. THE PEOPLE UP HERE WERE JUST PART OF IT. AS IN-HOUSE COUNSEL FOR MULTNOMAH COUNTY, WE PROVIDE THE COUNSEL AND ADVICE TO THE DEPARTMENT, TO THE DIVISION OF ASSESSMENT AND TAXATION AND TO THE ASSESSOR'S OFFICE. LINDSAY, IS OUR IN-HOUSE COUNSEL WHO PROVIDES THAT EXPERTISE. IN ADDITION, WE HIRED OUTSIDE COUNSEL OR COUNSEL AFFILIATED WITH US IN THIS CASE, AND THIS IS THE D'AMORE LAW GROUP, BOTH NICK AND TOM ARE MEMBERS OF THAT GROUP, AND ALSO, WE HAD PRO HOC VICE COUNSEL, WHICH IS A NATIONAL COUNSEL WHO HAD EXPERIENCE IN THESE AREAS, AND THAT'S WIGGINS CHILD PANTAZIS FISHER AND GOLDFARB.

CRAIG LOWELL WAS OUR MAIN CONTACT, AND A FABULOUS PERSON TO WORK WITH, AS WELL AS CRUMPTON LAW, BRENT AND MADELEINE CRUMPTON WERE INVOLVED. SO, BUT THAT'S NOT ALL. IN ORDER TO GET THESE CASES GOING, WE HAVE TO HAVE THE PEOPLE ON THE GROUND, OUR EXPERTS, AND THOSE ARE THE PEOPLE FROM THE ASSESSOR'S OFFICE. RANDY WALRUFF AND HIS TEAM WERE INSTRUMENTAL IN PULLING TOGETHER THE INFORMATION, WHICH WAS NECESSARY TO PROVIDE THE EVIDENCE TO BRING THESE CLAIMS FORWARD. SO, THE WAY WE'RE GOING TO DO THE PRESENTATION IS BOUNCE BACK AND FORTH. WE'RE GOING TO START SORT OF AT THE BEGINNING EXPLAINING WHAT MERS IS, AND TO DO THAT I WILL PASS IT OVER TO TOM.

Mr. D'Amore: THANK YOU. I WANT TO REITERATE WHAT WAS SAID THAT THE COUNTY EMPLOYEES WERE WONDERFUL TO WORK WITH. WE COULD HAVE NEVER BROUGHT A CASE LIKE THIS, UNLESS WE HAD COMPLETE COOPERATION, AND WE TOOK A LOT OF HOURS AWAY FROM THEIR NORMAL JOBS TO DO SOMETHING UNUSUAL, SO, I WANT TO THANK THEM. SO, WHAT IS THIS LAWSUIT OR WHAT WAS THIS LAWSUIT ABOUT? THIS WAS THE COUNTY SUING MERS AND A CONSORTIUM OF VIRTUALLY EVERY BIG BANK AND A LOT OF SMALL BANKS IN THIS COUNTRY. MERS WAS CREATED BY THE BANKS AS A REPOSITORY BACK IN 1997. SO, INSTEAD OF WHAT WE NORMALLY HEAR, WE HAVE GOT TO BREAK UP THE BANKS, THESE BANKS, ACTUALLY, ALL GOT TOGETHER TO WORK TOGETHER TO CREATE A SYSTEM WHERE THEY WOULD

BE ABLE TO ATTEMPT TO GET AROUND FILING WITH THE COUNTIES, AND THIS WAS A NATION-WIDE PLAN BY THEM TO GET AROUND FILING WITH THE COUNTIES.

Mr. D'Amore: AND IN ADDITION TO LOST FILING FEES, THAT THE COUNTY SUFFERED, THE COUNTY RECORD WAS ALSO CONTAMINATED BECAUSE NO LONGER WERE THE BENEFICIARIES OF THE DEEDS OF TRUSTS BEING LISTED SO THAT PEOPLE WOULD, ACTUALLY, KNOW WHO THE BENEFICIARY OF THE DEED OF TRUST WAS OR WHO THE BANK WAS. MERS WAS, INSTEAD, LISTED. THE REASON THAT THE BANKS WANTED TO DO THIS WAS THAT THEY WANTED TO QUICKLY TURN OVER THESE MORTGAGES, MAKE MONEY ON THESE MORTGAGES, AND QUICKLY INTERCHANGE THEM BETWEEN THE BANKS. NORMALLY, WHEN YOU, WHEN THE MORTGAGES ARE TURNED OVER, YOU HAVE TO GO TO THE COUNTY RECORDER'S OFFICE, IF YOU WANT TO PRESERVE YOUR SECURITY INTEREST, AND THEY BELIEVE THAT BY CREATING THIS SYSTEM, THEY COULD BYPASS THE COUNTY RECORDER'S OFFICE. UNFORTUNATELY, IN MANY STATES, IN MANY COUNTIES ACROSS THE COUNTRY, THEY WERE SUCCESSFUL, AND THE COUNTIES COULDN'T STOP THEM. LUCKILY, WE HAD GOOD LAW IN THE STATE OF OREGON, OR AT LEAST WE BELIEVED THAT THERE WAS GOOD LAW IN THE STATE OF OREGON, TO PREVENT THEM FROM DOING THIS, BUT ALSO, FOR RECAPTURE FUNDS THAT WERE LOST, BUT ALSO, TO BEGIN THE PROCESS OF CLEANING UP AND CORRECTING THE COUNTY RECORD.

INDEXING IS IMPORTANT BECAUSE THAT LISTS WHO THE PARTIES ARE TO THESE TRANSACTIONS, THAT ARE LISTING THE PROPERTY WITH THE COUNTY. WHAT WAS NOT BEING DONE, IS THAT MERS, EVERY TIME A TRANSIT CENTER WAS MADE, WAS LISTED INSTEAD OF THESE BANKS. IT MADE FOR AN INCOMPLETE RECORD. IT MADE IT SOMETIMES IMPOSSIBLE FOR THE OWNER OF A HOME TO TELL WHO, ACTUALLY, WAS THE BANK THAT THEY WERE DEALING WITH BECAUSE THEY HAD BEEN TRANSFERRED BACK AND FORTH. AND OF COURSE, WHEN THE TRANSIT CENTERS ARE MADE, RECORDING FEES WERE NOT PAID. THE LITIGATION, SO, WHY DID WE ACT? WE BELIEVED THAT WHAT THE BANKS WERE DOING WAS WRONG. THAT THEY WERE HARMING MULTNOMAH COUNTY AND HARMING THE RESIDENTS OF MULTNOMAH COUNTY.

WE BELIEVED THAT THEY WERE CORRUPTING THE RECORD. BUT, WE WERE FACED WITH MANY CASES FILED ACROSS THE COUNTRY WHERE THE COUNTIES WERE LOSING THESE CASES. SO, WE TOOK ON THE CASE WITH SUBSTANTIAL RISK THAT THE JUDGES EVEN HERE IN MULTNOMAH COUNTY WERE GOING TO FOLLOW A LOT OF THE RULINGS THAT HAVE BEEN HAD. THAT DID NOT HAPPEN IN THE BEGINNING. A LOT OF THESE CASES ACROSS THE COUNTRY WERE DISMISSED RIGHT AT THE BEGINNING BY MOTIONS TO DISMISS. THE COURTS HERE RECOGNIZED THAT WE HAD TWO VERY GOOD CASES, RECENT CASES, THAT SAID, MERS COULDN'T BE A BENEFICIARY, YOU

NEEDED TO LIST THE BANK. BUT, THE PROBLEM WAS, THESE CASES CAME DOWN IN 2012, 2013, AND SO THERE WAS A BIG QUESTION, AND WE WERE CONCERNED THAT THE JUDGES MIGHT FEEL LIKE WELL, EVERYTHING, ALL OF THE BAD RECORDINGS, BEFORE 2012 AND 2013 WERE OK BECAUSE THERE WAS NO REAL LAW AT THAT POINT IN TIME. THAT WAS A SIGNIFICANT RISK GOING FORWARD.

Ms. Madkour: LET'S BUMP BACK A SECOND ABOUT THE RISKS. AT MULTNOMAH COUNTY, WE HAVE IN-HOUSE COUNSEL WITH EXPERTISE IN ANY ENOUGH AREAS, CONSTITUTIONAL LAW, CIVIL TORTS, FINANCE, BUDGET LAW. MATTERS ASSOCIATED WITH COUNTY CONCERN. BUT, WE'RE NOT SUBJECT MATTER EXPERTS ON BANKING OR ON THESE VERY LARGE ISSUES WHICH ARE NEW AND INNOVATIVE AREAS OF LAW. SO, ONE OF THE RISKS ASSOCIATED WAS, ACTUALLY, HAVING THE RESOURCES TO STAND UP ONE SMALL COUNTY IN OREGON, AGAINST THESE BIG BANKS, ALTHOUGH THAT WAS A RISK, WE WERE ABLE TO MEET THAT CHALLENGE BECAUSE WE HAD OUTSIDE COUNSEL COME FORWARD AND AFFILIATE WITH US, AND ONE OF THE WAYS THAT THEY DO THAT IS BY HAVING A CONTINGENT AGREEMENT, WHICH BASICALLY, SAYS THAT WE'LL COME IN, WE'LL FRONT THE COST, AND WE'LL TAKE THE RISK, THE FINANCIAL RISK OF NOT WINNING, AND IF WE DON'T GET ANYWHERE ON THIS, MULTNOMAH COUNTY DOESN'T PAY ANYTHING. BUT, IF WE DO GET SOMEWHERE ON THIS AND GET ANY SORT OF SETTLEMENT, THEN THEY GET A PORTION OF THAT SETTLEMENT.

AND THIS IS A FEE ARRANGEMENT WHICH WE WOULD ROUTINELY CITY IN A PLAINTIFF SORT OF CASE, WHERE IF A PERSON, LET'S SAY, IS IN AN AUTO ACCIDENT AND DON'T HAVE THE RESOURCES OR THE ABILITY TO FRONT THE MONEY, TO PAY A LAWYER BY THE HOUR, LAWYERS LIKE THE D'AMORE LAW GROUP AND OTHERS MAY COME FORWARD AND SAY, "YOU HAVE GOT A GOOD CASE, AND WE'RE GOING TO ACCEPT SOME OF THAT RISK TO HELP YOU MOVE FORWARD IN THE LITIGATION." AS WE LOOKED AT THE RISKS AND CHALLENGES, THIS LITIGATION REALLY BECAME AVAILABLE BECAUSE OF THE NATIONAL LAW FIRM AND OUR LOCAL COUNSEL, WHO HELPED US WITH THE EXPERTISE, AND THEN MAINTAINING SOME OF THAT RISK ON THEIR OWN.

AND SO, I GET TO TALK ABOUT PART OF THE FUN PART, WHICH IS, WHAT HAPPENED? SO WE RESOLVED THIS CASE, AND WE RESOLVED THIS CASE IN A SIGNIFICANT WAY. AS YOU CAN SEE ON THE SCREEN, THE TOTAL AMOUNT PAID THROUGH THIS LITIGATION WAS \$9,573,500. AFTER ALL OF THE COSTS AND FEES, THESE ARE ATTORNEY'S FEES AND THESE ARE THE COSTS ASSOCIATED WITH SUING SOME OF THE BIGGEST BANKS IN THE NATION, FLYING TO AND FROM EXHAUSTIVE DEPOSITIONS, AND MOTIONS, PRACTICE GALORE AND CHANGES IN VENUE, AND EVERY TRICK IN THE BOOK TO BRING UP THE COST WAS DONE, BUT WE FACED IT HEAD ON, AND APPRECIATIVE OF THE OUTSIDE COUNSEL, AND IN ALL THINGS CONSIDERED, KEEPING THOSE COSTS LOW.

MULTNOMAH COUNTY'S GENERAL FUND WILL RECEIVE \$6,121,642.29, LADIES AND GENTLEMEN.

Chair Kafoury: VERY IMPORTANT, 29 CENTS. IS THERE THAT'S A BIG NUMBER FOR ME TO SAY. WE'LL TALK MORE ABOUT WHAT THIS FINANCIAL SETTLEMENT MEANS, AND THEN ALMOST MORE IMPORTANTLY, WHAT THE PUBLIC POLICY CHANGES ARE. BUT, IT IS UNPRECEDENTED FOR MULTNOMAH COUNTY, MUCH LESS ANY OTHER OF THE SISTER JURISDICTIONS, TO HAVE THIS FINANCIAL SETTLEMENT. I KNOW WHAT'S REALLY IMPORTANT TO THIS BOARD OF COUNTY COMMISSIONERS IS THE PUBLIC POLICY, SO I WILL TURN IT BACK OVER TO TOM TO TALK ABOUT SOME OF THOSE CHANGES AND WHAT IT MEANS TO US.

Mr. D'Amore: SO WE REALLY HAD THREE GOALS IN THE LITIGATION. ONE WAS TO RECOVER FEES THAT HADN'T BEEN PAID. THE OTHER WAS TO GET MERS AND THE BANKS TO CHANGE THEIR PRACTICES, AND THIRDLY, WE WANTED TO MAKE THE POINT, BECAUSE WE HAD TO, THAT OREGON LAW IS DIFFERENT THAN ALL THOSE OTHER JURISDICTIONS WHERE YOU, THE COURTS DIDN'T FIND THE WAY THAT WE WOULD HAVE LIKED THEM TO. SO WE SUCCEEDED ON THOSE GOALS. JENNY MENTIONED 6.1 MILLION IS COMING TO THE COUNTY. WE DID CHANGE THE MERS BUSINESS PRACTICES PART OF THIS SETTLEMENT. THE COUNTIES NO LONGER REQUIRED TO INDEX MERS, DOCUMENTS, THEY WILL NOT APPEAR IN THE INDEXES OF MULTNOMAH COUNTY. SO, THAT HELPS FOLKS UNDERSTAND WHO IS THE BANK OUT THERE, WHO ARE THEY DEALING WITH ON THE OTHER SIDE. AND SO THIS IS GOING TO HELP MAKE SURE THAT THE PUBLIC RECORD ACCURATELY REFLECTS WHO THE HOLDERS OF THESE MORTGAGES ARE. NEXT SLIDE.

Ms. Madkour: ALONG WITH SOME OF THE SETTLEMENTS COME SOME RESTRICTIONS. AND TODAY, AT THIS PUBLIC MEETING, THIS IS OUR OPPORTUNITY TO HAVE A FULL AND OPEN DISCUSSION ABOUT WHAT TRANSPIRED, ABOUT THE SETTLEMENT, ABOUT THE AMOUNT OF THE SETTLEMENT. HOWEVER, OUTSIDE OF THE PUBLIC MEETINGS, WE HAVE SOME LIMITATIONS THAT WE'RE PLACED WITH IN THE SETTLEMENT AGREEMENTS. AS YOU SEE IN THE MULTIPLE POINTS THERE, IF WE ARE OUTSIDE OF A PUBLIC MEETING, WHEN WE ARE REVERING TO THE SETTLEMENT, ITSELF, WE CAN SAY THAT THE MATTER HAS BEEN SETTLED INFORMALLY, AND THAT WE ARE, "PLEASED WITH THE TERMS OF THE SETTLEMENT." THIS WAS A NEGOTIATED TERM, AND IT WAS ONE THAT ALTHOUGH WE WERE HESITANT TO ENTER INTO IT, IT WAS NECESSARY TO RESOLVE THE CASE. YOU CAN SEE FROM A POLICY AND POLITICAL PERSPECTIVE, THAT IT IS LIMITING FOR YOU ELECTED OFFICIALS AND FOR MULTNOMAH COUNTY TO DISCUSS THE SETTLEMENT BUT HOW CAN WE INFORM THE PUBLIC? THIS IS IMPORTANT, WHAT CAN WE DO?

Ms. Madkour: SO FIRST, PUBLIC RECORDS LAW. ALL OF THESE SETTLEMENT AGREEMENTS ARE PUBLIC RECORDS. AND UNDER OREGON PUBLIC RECORDS LAW IT IS A FULL DISCLOSURE LAW, SO IF SOMEBODY ASKS FOR THESE

RECORDS AND SOME OF THESE ORGANIZATIONS HAVE, THEY WILL BE PRODUCED UNDER THE LAW, AND THOSE SETTLEMENT AGREEMENTS IN WRITTEN FORM PROVIDE THE MONETARY AND NON-MONETARY TERMS OF THE SETTLEMENTS. WHAT ELSE CAN WE DO? WE CAN DISCUSS THESE SETTLEMENTS DURING PUBLIC MEETINGS, LIKE WE'RE DOING TODAY. I THINK VERY IMPORTANTLY, WE CAN DISCUSS THE LITIGATION IN GENERAL. WE CAN TALK ABOUT THE IMPORTANCE OF THE LITIGATION AND HOW IT'S CHANGED PRACTICES. WE CAN TALK ABOUT THE PRIOR PRACTICES OF MERS, AND WE CAN TALK ABOUT MULTNOMAH COUNTY'S POLICY OF NOT INDEXING MERS GOING FORWARD. SO, THERE ARE RESTRICTIONS, BUT THERE IS ALSO A LOT OF LEEWAY. SO, I HIGHLIGHT THIS BECAUSE IT'S IMPORTANT THAT WE FOLLOW THE TERMS OF THE SETTLEMENT AGREEMENT, BUT I ALSO WANT YOU TO BE AWARE OF HOW THE PUBLIC CAN BE INFORMED MOVING FORWARD.

Mr. D'Amore: JUST TO REITERATE, IN MULTNOMAH COUNTY, WITH THIS CASE AND WITH THIS SETTLEMENT, WE HAVE SET A NATIONAL PRECEDENT, AND THAT'S IMPORTANT. WE HAVE CHANGED THE BUSINESS PRACTICE OF THESE BANKS IN MULTNOMAH COUNTY, BANK OF AMERICA IS ONE THAT IS NOW FILING MUCH DIFFERENTLY. AND MOST IMPORTANTLY, THE RECORD IS GOING TO BE CORRECTED SO THAT WE DO HAVE A CLEARER PICTURE OF WHO, ACTUALLY, HOLDS MORTGAGES. IT'S NOT SOME UNKNOWN ENTITY. THEY WILL HAVE TO, IF THEY WANT TO BE INDEXED, THEY HAVE TO LIST WHO THE BENEFICIARY TRULY IS.

Chair Kafoury: I HAVE A QUESTION, SINCE IT SOUNDS LIKE A LARGE PART OF OUR SUCCESS IN OREGON WAS HERE IN MULTNOMAH COUNTY, WAS DUE TO OUR LAWS ON THE BOOKS AND THE SOMEWHAT RECENT RULINGS FROM JUDGES. WILL OTHER COMMUNITIES BE ABLE TO USE OUR SUCCESS HERE TO BE SUCCESSFUL IN THEIR COMMUNITIES, OR WILL THEY HAVE TO CHANGE THEIR STATE STATUTES IN ORDER TO DO SO?

Mr. D'Amore: WE BELIEVE THAT SOME COUNTIES WILL BE ABLE TO USE KIND OF WHAT WE HAVE DONE HERE IN MULTNOMAH COUNTY, BUT IT'S GOING TO BE ON A COUNTY BY COUNTY BASIS, AND I SUSPECT THAT THE FOLKS ON THE OTHER SIDE ARE NOT GOING TO JUST ROLL OVER.

Ms. Madkour: ANOTHER HOPE, CHAIR AND COMMISSIONERS, IS THAT THIS FINANCIAL SETTLEMENT, AND THIS CHANGE OF POLICIES SIGNIFICANT. AND FROM A PUBLIC POLICY STANDPOINT, IT IS A HOPE, ALTHOUGH MAYBE A POLLYANNA HOPE, THAT THESE COMPANIES WILL, ON THEIR OWN, BEGIN TO CHANGE THE PRACTICES AND STOP HAVING MERS BE THE INDEXING PARTY. AND I THINK THAT THERE IS MENTION THAT HAS HAPPENED IN SOME CASES, BUT IT'S A CASE BY CASE SITUATION, SO WE CAN HOPE FROM A POLITICAL PERSPECTIVE, AND THAT MEMBERS OF THE PUBLIC CAN DEMAND THIS SAME PRACTICE IN THEIR OWN COMMUNITIES.

Vice-Chair Smith: WE'RE IN A PUBLIC MEETING, IF WE HAVE NEWSPAPERS AND REPORTERS HERE AND THEY REPORT ON WHAT THEY HEAR IN THIS FORUM, THEY CAN PUT IT IN A STORY, AND IF OTHER COUNTIES WITHIN OREGON DECIDE TO DO THAT WE'RE NOT BREAKING ANY OF THE PUBLIC RECORDS RULES, ARE WE?

Ms. Madkour: NO, COMMISSIONER. THE SETTLEMENT AGREEMENT SPECIFICALLY SAYS THAT WE CAN DISCUSS THIS IN PUBLIC MEETINGS, AND THIS IS OUR WHOLE PUBLIC MEETINGS LAW IS TO ALLOW TRANSPARENCY WITHIN GOVERNMENT, SO THIS CAN BE REPORTED ON. EVERYTHING THAT WE SAY, MAYBE QUOTED IN THE NEWSPAPERS OR OTHER PUBLICATIONS, AND THAT'S PART OF THE PROCESS IN THE STATE OF OREGON.

Vice-Chair Smith: AND I KNOW COMMISSIONER MCKEEL HAD A CONCERN ABOUT IF THIS IS REPORTED ON, WE HAVE COLLEAGUES AROUND THE STATE, AND AROUND THE NATION, AND I AM SURE THAT WE'RE GOING TO GET A CALL. SO IF ONE OF THOSE FOLKS CALL US AND SAY, "DID YOU ALL GET A \$9 MILLION SETTLEMENT FROM MERS?" WHAT DO WE SAY?

Ms. Madkour: SAY THE QUOTED LANGUAGE, AND WE WILL SAY THAT THE MATTER HAS BEEN SETTLED INFORMALLY AND WE'RE PLEASED WITH THE TERMS OF THE SETTLEMENT. IF SOMEONE MAKES A PUBLIC RECORDS' REQUEST FOR THE ACTUAL SETTLEMENT DOCUMENTS, WE'LL PROVIDE THOSE.

Vice-Chair Smith: CAN WE SAY YOU SHOULD MAKE A PUBLIC RECORDS' REQUEST?

Ms. Madkour: YOU CAN INVITE THEM TO USE THE PUBLIC RECORDS' LAW IN ANY MANNER THAT THEY SEE FIT.

Vice-Chair Smith: GREAT, THANK YOU.

Commissioner Shiprack: NO ONE SHOULD START PULLING ON THE STRING, I THINK. WELL, LET ME PULL ON IT A LITTLE BIT. IF SOMEONE CALLS ME, AND SAYS WELL, I LISTENED TO YOUR PUBLIC MEETING BECAUSE IT'S AVAILABLE FOR ME. IT'S TELEVISED AND RECORDED. I OBTAINED IT, AND I SAW ONE OF THE THREE FEATURES OF THE SETTLEMENT IS THAT IT IS A LEGAL PRECEDENT. I CAN SAY, YES, I AM PLEASED WITH THE TERMS OF THE SETTLEMENT. AND SO, SINCE IT'S A PRECEDENT, WE WANT OUR COURTS TO BE ABLE TO USE IT BECAUSE I WENT TO LAW SCHOOL AND I UNDERSTAND THAT THAT'S WHAT A PRECEDENT IS. IT USED TO BE A TERM OF ART. WELL, THE MATTER HAS BEEN SETTLED INFORMALLY. SO, AT SOME POINT DURING THERE DISCUSSION, I WOULD INTENTIONALLY DEVIATE FROM THE ALLOWABLE SCRIPT, AND SAY, "I SUGGEST YOU MAKE A PUBLIC RECORDS REQUEST."

Ms. Madkour: WHEN YOU PULL ON THE STRING, IT BECOMES DIFFICULT. THESE SORT OF ATTEMPTS BY PARTIES TO STOP CONVERSATION IN PUBLIC DISCOURSE ABOUT IMPORTANT LAWSUITS IS TROUBLING. THE QUOTED LANGUAGE MAY REQUIRE YOU TO BE INVOLVED IN SOME STUNTED CONVERSATIONS, WHICH ARE NOT NATURAL, RIGHT? BUT WE CANNOT TALK ABOUT THE SETTLEMENT OR THE AMOUNT OF THE SETTLEMENT, RIGHT, BUT WE CAN SAY THAT IT IS SETTLED. WE CAN TALK ABOUT THE LITIGATION IN GENERAL. WE CAN TALK ABOUT THE IMPORTANCE OF THE COUNTY'S CURRENT PRACTICES, AND WE CAN TALK ABOUT HOW WE DID NOT APPROVE OF THE PRIOR PRACTICES BY MERS. SO, WE CAN BE INVOLVED IN CONVERSATION.

I DO NOTE THAT I FIND THE ASK OF MERS AND THE MEMBERS BANKS TO STOP PUBLIC DISCOURSE DISTASTEFUL. I THINK IT IS NOT SOMETHING THAT IS IN ANYTHING THAT WE WOULD DO AS A MATTER OF COURSE, BUT IN THIS LITIGATION, AND IN THIS CONTEXT, IN ORDER TO GET THAT PUBLIC POLICY CHANGED, WE FELT IT WAS NECESSARY TO PUT SOME PARAMETERS AROUND IT. THIS PUBLIC MEETING, THIS MEETING TODAY IS ONE OPPORTUNITY WHERE WE CAN SAY ALL THE THINGS THAT WE WANT TO SAY, SO THAT'S PART OF THE DISCOURSE AND CONVERSATION. AND ALTHOUGH IT'S NOT PERFECT, I THINK THAT IT DOES PROVIDE MEMBERS OF THE PUBLIC SOME VERY IMPORTANT INFORMATION.

Commissioner Shiprack: MADAM CHAIR, IF I COULD CONTINUE PULLING ON THIS STRING, AS THE CHAIR JUST COMMENTED, THERE IS SOME STATUTORY LANGUAGE THAT EXISTS IN OREGON THAT MAKES US UNIQUE FROM THE OTHER STATES, WHERE THESE ACTIONS HAVE, ALSO, BEEN, AND YOUR LAW FIRM HAS PURSUED THEM IN OTHER STATES. OR THE NATIONAL EXPERT LAW FIRM HAS PURSUED THEM IN OTHER STATES. SO, WHAT STATUTORY LANGUAGE EXACTLY, AND CAN YOU CITE THAT FOR OUR PUBLIC RECORD HERE TODAY? SO THAT ANYONE WHO WANTED TO LOCATE THE OREGON STATUTORY LANGUAGE COULD DO THAT EASILY.

Ms. Madkour: TOM, MAYBE WE CAN JUST GIVE THE NAMES OF THE CASES, THE TWO RELEVANT CASES?

Mr. Kahl: NICK KAHL. THE CASES ARE BRANDRUP AND THE OTHER IS NIDAY, SUPREME COURT CASES, AND THE OTHER PLACE TO LOOK IS INTO IS THE STATUTES REFERRED TO AS THE OREGON TRUST DEED ACT.

Commissioner Shiprack: SO THAT'S HELPFUL BECAUSE I WOULD THINK THAT SINCE THERE OVER 3,000 COUNTIES IN THE COUNTRY, AND SINCE MERS HAS A MUCH MORE NETWORKED COMMUNICATION SYSTEM, EVEN THAN THE COUNTIES, ALTHOUGH OUR NETWORK IS GETTING BETTER. THAT IS BEING ABLE TO CONFER WITH OUR NETWORK IN ORDER TO PROTECT PEOPLE FROM THIS KIND OF FORECLOSURE ACTIVITY, AND FROM THE KIND OF RIPPING OFF

OF COUNTIES, OVER RECORDING FEES, THAT MIGHT BE HELPFUL. AND I TRUST THAT THERE IS STILL SOME OPPORTUNITY FOR OTHER COUNTIES TO PURSUE THIS KIND OF LITIGATION. I AM GETTING A HEAD NOD.

Ms. Madkour: I BELIEVE THAT THERE IS, AND FOR PEOPLE INTERESTED IN LEARNING MORE ABOUT THE LEGAL ARGUMENTS, THESE CASES WERE BRIEFED EXTENSIVELY BEFORE THE STATE AND FEDERAL COURTS, AND THOSE ARE ALSO PUBLIC RECORDS, SO A LOT OF THE WORK HAS BEEN DONE.

Commissioner Shiprack: THAT'S GREAT, AND IN ORDER TO LOCATE THOSE BRIEFS?

Ms. Madkour: THEY ARE ON THE ONLINE SYSTEMS OR ANYBODY CAN CONTACT THE COUNTY ATTORNEY'S OFFICE, AND ASK FOR COPIES OF THOSE BRIEFS UNDER PUBLIC RECORDS' LAW, AND WE WOULD BE HAPPY TO PROVIDE THEM.

Commissioner Shiprack: DID WE TAKE DEPOSITIONS? DID OUR COUNSEL CREATE A RECORD, AND IS THAT RECORD AVAILABLE?

Ms. Madkour: SO THERE WERE EXTENSIVE DEPOSITIONS TAKEN IN THIS STATE AND THROUGHOUT THE COUNTRY THAT WE EITHER TOOK OR PARTICIPATED IN. THOSE TRANSCRIPTS ARE SOMEWHAT LIMITED BECAUSE IT'S A WORK PRODUCT OF THE COURT REPORTER, IN SOME INSTANCES, BUT IF PEOPLE ARE INTERESTED IN LEARNING MORE ABOUT THOSE DEPOSITIONS, THEY CAN CERTAINLY CONTACT THE COUNTY ATTORNEY'S OFFICE, AND WE CAN DISCUSS ANY OF THOSE REQUESTS.

Mr. D'Amore: THERE ARE PORTIONS OF THOSE DEPOSITIONS THAT ARE UNDER PROTECTIVE ORDER, SO PORTIONS OF THEM, WE WOULD NOT NECESSARILY BE ABLE TO DISSEMINATE TO THE PUBLIC.

Commissioner Shiprack: THANK YOU, MADAM CHAIR. THAT PROTECTIVE ORDER IS ALSO PART OF THIS SETTLEMENT OF THIS CASE?

Mr. D'Amore: NO, IT WAS A SEPARATE PROTECTIVE ORDER.

Ms. Madkour: WHEN WE'RE ENGAGED IN LITIGATION, THE PARTIES WILL OFTEN HAVE PROTECTIVE ORDERS SO THAT THERE CAN BE, BASICALLY, A FULL AND FRANK DISCUSSION IN THE DEPOSITIONS, AND THAT INFORMATION ISN'T IMPROPERLY RELEASED, SO THOSE PROTECTIVE ORDERS ARE LINED OUT. AND THAT'S VERY COMMON IN ALL LITIGATION. SO, IF REQUESTS ARE MADE FOR INFORMATION, WHICH IS SUBJECT TO THE PROTECTIVE ORDER, OF COURSE, IT COULD NOT BE RELEASED.

Mr. D'Amore: AND THAT INCLUDES SOME MULTNOMAH COUNTY INFORMATION, TOO.

Mr. Kahl: AND THAT'S SOMETHING IMPORTANT TO NOTE, IS THAT PROTECTIVE ORDER WAS THERE TO PROTECT PRIVATE CONFIDENTIAL INFORMATION CONTAINED IN MULTNOMAH COUNTY'S PUBLIC RECORD, THAT WAS PRODUCED TO THE DEFENDANTS IN THIS CASE. AND SO, WITH THE UNDERSTANDING THAT THOSE RECORDS, VOLUMINOUS RECORDS WITH LOTS OF PERSONAL INFORMATION OF RESIDENTS OF MULTNOMAH COUNTY, WOULD BE PROTECTED FROM THE PUBLIC DISCLOSURE BY THE DEFENDANTS IN THIS CASE, SO THE PROTECTIVE ORDER WAS THERE BOTH WAYS TO PROTECT VERY PRIVATE INFORMATION FROM BEING MADE PUBLIC.

Chair Kafoury: THANK YOU. DO YOU HAVE QUESTIONS OR COMMENTS?

Commissioner McKeel: THANK YOU. I AM GOING TO PULL ON COMMISSIONER SHIPRACK'S STRING JUST A BIT MORE BECAUSE THOSE WERE MY CONCERNS FROM THE VERY BEGINNING, WHAT IT IS THAT WE CAN SAY AND CAN'T SAY. WE DO, AS COMMISSIONERS, HAVE RELATIONSHIPS WITH OUR SISTER COUNTIES HERE IN OREGON AND AROUND THE COUNTRY. WE ARE GOING TO A NATIONAL ASSOCIATION OF COUNTIES' CONFERENCE NEXT MONTH, AND I AM SURE THAT WE'RE GOING TO BE ASKED ABOUT THIS. SO, I APPRECIATE IT, AND SOME OF THEM WE KNOW WELL AND INTERACT WITH ON A REGULAR BASIS, I FEEL LIKE SAYING, IT HAS BEEN SETTLED AND WE'RE HAPPY. THAT'S NOT GOING TO BE A SATISFYING ANSWER FOR THEM. I APPRECIATE THAT YOU ARE GIVING US SOME TOOLS WE CAN POINT THEM IN A DIRECTION TO LOOK AT WHAT THIS CASE WAS ABOUT. LIKE I SAY, I JUST FEEL LIKE THAT'S AN ANSWER THAT THEY ARE GOING TO GO WHAT? SO, I APPRECIATE THAT, AND IF THERE IS MORE, THAT WE CAN POINT PEOPLE TO LOOK, I APPRECIATE KNOWING THAT. I THINK THAT WE WOULD APPRECIATE KNOWING THAT.

Ms. Madkour: THANK YOU, COMMISSIONER, AND WE'LL CONTINUE TO CONSIDER THAT AND BE IN TOUCH WITH THAT.

Commissioner McKeel: THANK YOU VERY MUCH. BUT, I DO WANT TO SAY, I WANT TO SAY THANK YOU. I KNOW A LOT OF WORK HAS GONE INTO THIS CASE BY ALL OF YOU, AND MANY, MANY PEOPLE, AND HAVING BEEN SUCCESSFUL FOR THE PEOPLE OF MULTNOMAH COUNTY, IS HUGE. THE FINANCIAL IS IMPORTANT, BUT I THINK THAT IN THE SETTLEMENT, WE REALLY SECURED A FIX TO A BROKEN SYSTEM, AND FOR ME, THAT POLICY PIECE IS VERY IMPORTANT, AND THIS CHANGE WILL PROTECT THE HOMEOWNERS IN THE COMMUNITY, AND BE A TRANSPARENT SYSTEM FOR EVERYONE, SO I WANT TO THANK THE LEGAL TEAM AND THANKS TO DART, AND THANKS TO ANYONE WHO TOUCHED THIS. THANK YOU VERY MUCH.

Vice-Chair Smith: MADAM CHAIR, THANK YOU. I JUST WANT TO SAY, IF I HAD A HAT ON, I WOULD TIP MY HAT TO ALL OF YOU. JENNY MADKOUR AND THE LEGAL TEAM, RANDY, AND HIS TEAM, AND THE COUNTY ASSESSOR'S OFFICE, THE

PRIVATE LAWYERS, NICK, EVERYBODY WHO CONTRIBUTED TO THIS, THIS IS REALLY, REALLY HUGE. AND SO I AM GLAD THAT YOU ARE HERE TO KIND OF TEMPER US DOWN, MISS JENNY, BECAUSE IF WE LOOKED AT HISTORY, NO ONE HAS WON ON THIS ISSUE WITH MERS. THAT'S WHY IT'S A PRECEDENT. SO, THIS IS HUGE. SO FOR US TO HAVE, TO NOT TELL OUR FRIENDS, ACROSS THE COUNTRY, WE'RE GOING TO HAVE TO HAVE A DAY OF CALMING OURSELVES DOWN WITH GREEN TEA OR SOMETHING, BUT THIS IS HUGE. NOT ONLY IS THIS A GREAT WIN FOR MULTNOMAH COUNTY. IT REPRESENTS, TO ME, A REPUDIATION OF AT LEAST ONE OF THE TACTICS EMPLOYED BY THE MORTGAGE INDUSTRY.

DURING A 20-YEAR PERIOD, THAT RESULTED IN THE TAKEDOWN OF A GLOBAL ECONOMY, THE SYSTEM THAT WAS DEvised BY THE BANKS, BY CREATING MERS, ESSENTIALLY, WHAT IT DID, ENABLED THE MORTGAGE INDUSTRY TO SELL A FEW HUNDRED MORTGAGES, BUNDLE THEM UP, AND SELL THEM, TAKING THEIR PROFITS, WITHIN WEEKS OR MONTHS OF THE ORIGINAL MORTGAGE. WITHOUT FOLKS KNOWING WHO HAD THEIR MORTGAGE OR WHO SHOULD THEY PAY, AND I WILL TELL YOU, I HAD MANY SENIORS COME TO ME AND SAY, I AM NOT PAYING THAT BILL BECAUSE I WENT TO THE COUNTY ASSESSORS, AND THEY SAID THAT THIS IS NOT WHO OWNS MY LOAN. BEING OLD SCHOOL THEY WANT TO MAKE SURE THAT THEY GET THEIR PAYMENT TO THE RIGHT PERSON. AND SO, THEN WE GET INTO FORECLOSURE ISSUES AND PEOPLE TRYING TO FIGURE OUT WHO, ACTUALLY, OWNS A PIECE OF PROPERTY. I KNOW THAT THIS HAS CHANGED OVER THE PAST TWO YEARS, BUT THIS IS SO, SO HUGE. I CAN'T EVEN TELL YOU HOW HUGE IT IS.

I KNOW THAT YOU KNOW, SOME OF THOSE SENIORS, FOR INDIVIDUAL HOMEOWNERS, THE NET EFFECT OF TRADING MORTGAGES LIKE PLAYING CARDS WAS HIGHLY MUDDLED IN THIS WHOLE THING. IT MAY NOT HELP THE PAST HOMEOWNERS FROM FORECLOSURES BUT WILL GIVE THE TRANSPARENCY THAT CONSTITUENTS IN THIS COUNTY OF 800,000 FOLKS, THEY WILL HAVE THE ABILITY TO HAVE TRANSPARENCY, AND IN THE BIGGER SCHEME OF THINGS, THIS PROBABLY DOESN'T AMOUNT TO WHAT WE COULD HAVE GOTTEN BUT LET ME TELL YOU, ALL THE FOLKS BEFORE US, THEY GOT ZERO. SO, I AM HAPPY THAT YOU ALL WENT THAT EXTRA MILE. I AM HAPPY THAT WE WERE ABLE TO MAKE THIS, AS COMMISSIONER SHIPRACK SAID, A PRECEDENT-SETTING CASE. I HOPE FOLKS ARE WATCHING. IF I WAS IN CLACKAMAS COUNTY OR WASHINGTON COUNTY COMMISSIONER, I WOULD BE TALKING TO YOU ALL. I KNOW THAT WE CANNOT TALK ABOUT IT, BUT I WANT TO SAY, THANK YOU FOR ALL THE HARD WORK OVER THE PAST THREE YEARS. THIS IS HUGE. THANK YOU.

Commissioner Shiprack: I PROMISED I WOULD BE BRIEF BUT I WANT TO TALK ABOUT THE REASON THAT I HAVE BEEN SO CHURLISH ABOUT NOT SAYING THANK YOU, YES, IT'S \$6 MILLION TO MULTNOMAH COUNTY, AND YOU THINK THAT WE WOULD, JUST SMILING AND VOTE ON IT AND GO ON WITH OUR DAY.

BUT, AS COMMISSIONER SMITH POINTED OUT, THERE IS BIG HISTORY HERE. IT IS A REALLY BIG HISTORY, AND IT MAKES IT UNDERSTANDABLE TO ME WHY THE DEFENDANTS IN THIS CASE WOULD WANT TO BE VERY SURE THAT THERE WAS NOT A LOT OF TALK GOING ON ABOUT WHAT THIS REPRESENTS, AND THIS BEING AN OPPORTUNITY TO TALK ABOUT THIS, FIRST, I WANT TO SAY THAT I FIND THAT GAG ORDERS ARE REALLY DISTASTEFUL, BUT THAT'S JUST THE LEAST OF THE DISTASTEFUL BEHAVIOR THAT UNDERLIES WHAT WE'RE TALKING ABOUT HERE.

PEOPLE LOST THEIR JOBS, PEOPLE LOST THEIR HEALTH CARE. AND PEOPLE LOST THEIR HOMES BECAUSE OF THIS, AND I AM NOT SURE THAT OUR PRECEDENT, WHICH WE'RE KIND OF TRYING TO SEAL UNDER THE BUSHEL BASKET HERE, IS GOING TO SPREAD OUT AS FAR AS I WISH THAT IT WOULD. BUT I ALSO UNDERSTAND WHY BANKS DON'T REALLY WANT TO TALK ABOUT THIS, BECAUSE THIS IS REALLY SHAMEFUL. BECAUSE IT, ACTUALLY, IS THE RESULT OF SOMETHING THAT HAPPENED BACK IN THE DAY WHEN I WAS IN THE LEGISLATURE, WHICH WAS VERY IMPORTANT TO BANKS IN THOSE DAYS, TO BE GIVEN PERMISSION, TO JOIN INTO THE INVESTMENT MARKET. AND TO BE ABLE TO BUNDLE AND SELL ON THE MARKET, AND SPECULATE AND MAKE RISKY INVESTMENTS.

SO, I DO UNDERSTAND WHY THE DEFENDANTS IN THIS CASE DON'T REALLY WANT TO OPEN THAT UP FOR A BIG DISCUSSION. THEY JUST KIND OF WANT EVERYBODY TO FORGET ABOUT IT, AND BE HAPPY WITH OUR SETTLEMENT, AND MOVE ON. BUT, I REALLY FEEL THAT IT'S IMPORTANT TO REMEMBER THIS. IT'S IMPORTANT TO TALK ABOUT IT. BY THE WAY, THE BUILDING THAT WE OCCUPY NOW USED TO BE THE BEN FRANKLIN SAVINGS AND LOAN. AND JUST COMING OFF THE HOLIDAY SEASON, I HAVE TO SAY THAT I LOVED *IT'S A WONDERFUL LIFE*. BUT WE DON'T LIVE IN THAT WORLD ANY LONGER. AND I THINK THAT THE INVITATION TO CONSUMERS TO GET IN OVER THEIR HEADS IS STILL BEING PREFERRED, AND I WOULD LIKE TO THINK, I WOULD LIKE TO BE OPTIMISTIC, AS YOU SAID, JENNY, AND FEEL THAT THERE IS GOING TO BE A REAL CHANGE OF THE BEHAVIOR, BUT I THINK IF WE DON'T HAVE PERMISSION TO TALK ABOUT WHAT THE CONSEQUENCES OF BAD BEHAVIOR ARE, THERE IS A LESS CHANCE OF HAVING A CHANGE IN THE BEHAVIOR.

Commissioner Shiprack: IF WE CAN'T TALK ABOUT WHAT UNDERLIES THIS SETTLEMENT, I THINK THAT WE, ALSO, ARE HAMPERED. SO, AT EVERY PUBLIC MEETING OPPORTUNITY THAT I HAVE, I THINK THAT I WILL TAKE AN OPPORTUNITY TO DISCUSS WHAT IS STILL RIPPLING THROUGH THE LIVES OF THE PEOPLE THAT I REPRESENT, WHO, BY THE WAY, BECAUSE WE ELECTED ME TO REPRESENT THEM, ARE ALSO GAGGED BY THIS SETTLEMENT.

Vice-Chair Smith: THIS IS HUGE. I WOULD LIKE IT TO BE MORE. I WILL TAKE \$6 MILLION AS OPPOSED TO A ZERO ANY DAY. BUT I DON'T THINK ANYBODY IS GOING TO BE SHEDDING ANY TEARS FOR THE BANKING INDUSTRY,

PARTICULARLY SINCE THEY HAVE LOTS OF OUR PEOPLE'S MONEY IN THEIR COFFERS. SO, THIS IS A GOOD THING.

Mr. D'Amore: CAN I ADD ONE THING? OUTSIDE OF THIS CONTEXT, I AM A STRONG PROPONENT AGAINST CONFIDENTIAL SETTLEMENT. UNFORTUNATELY, IT IS THE REALITY OF OUR PRACTICE. I WOULD LOVE TO SEE SOME LEGISLATION THAT OUTLAWED CONFIDENTIAL SETTLEMENTS FROM BIG BANK CASES TO THE SMALLEST OF PERSONAL INJURY CASES. IT DOESN'T HELP OUR LEGAL SYSTEM TO KEEP THESE CONFIDENTIAL.

Chair Kafoury: THANK YOU FOR THAT. AND I WANT TO THANK YOU COMMISSIONER SHIPRACK FOR REMINDING US OF THE DARK UNDERBELLY OF THIS SITUATION. I THINK WE ARE ALL HAPPY WITH THE OUTCOME FOR THE MOST PART AND WE WANT TO CELEBRATE, BUT IT IS IMPORTANT TO REMEMBER WHY WE'RE HERE AND HOW WE GOT HERE AND SOME OF THE IMPLICATIONS. SINCE YOU DID SUCH A FINE JOB OF THAT, I'M GOING TO DO THE RAH-RAH AND BE FRANK AND SAY THAT THREE YEARS AGO WHEN WE FIRST LOOKED AT TAKING THIS ON, I WASN'T QUITE AS OPTIMISTIC THAT WE WOULD BE SUCCESSFUL. IN FACT, I THOUGHT THE DAVID AND GOLIATH ACT THAT WE WERE TAKING ON WAS PROBABLY NOT GOING TO BE SUCCESSFUL. TAKING ON PEOPLE THAT HAVE SUCCESSFULLY MADE MILLIONS AND MILLIONS OF DOLLARS OFF OF PEOPLE WHO WE REPRESENT AND WHO HAVE LOST THEIR HOMES AND ETC., IT SEEMED SOMEWHAT OF A PIE IN THE SKY.

I CANNOT THANK YOU ALL ENOUGH FOR THE HARD WORK, FOR THE YEARS AND YEARS AND YEARS AND I WOULD LIKE TO SEE SOMEONE'S PUBLIC RECORDS REQUEST, THE AMOUNT OF INFORMATION THAT THEY WOULD RECEIVE FROM THE YEARS AND YEARS AND YEARS THAT YOU GUYS HAVE PUT INTO THIS WORK. OUR OUTSIDE COUNSEL, OUR OWN INTERNAL LEGAL TEAM AND OUR TAX ASSESSOR'S OFFICE. AS PEOPLE TALKED ABOUT THE DOLLAR FIGURE IS GOOD. I THINK WHILE IT IS NOT MULTIMILLIONS, TENS AND HUNDREDS OF MILLIONS, IT IS STILL ENOUGH TO MAKE A BIG BANG, AND THOSE FOLKS WHO ARE PAYING IT, WHILE IT'S CHUM CHANGE IN SOME WAYS FOR THEM IT STILL MAKES A HUGE MARK AND IT IS ENOUGH THAT PEOPLE ARE GOING TO BE ASKING AND WHETHER WE PERSONALLY CANNOT TALK ABOUT IT, THEY KNOW WHERE TO GET THE INFORMATION. SO, THIS IS GOING TO HAVE HUGE NATIONAL IMPLICATIONS, AND, SO, THEREFORE, I'M EXCITED ABOUT THAT AS WELL.

Chair Kafoury: I AM EXCITED ABOUT THE ABILITY FOR THE COUNTY TO RECOVER SOME OF THE FEES THAT WE HAVE LOST. \$6 MILLION ARE DOLLARS THAT WE USE, THOSE RECORDING FEES ARE DOLLARS THAT WE USE FOR OUR MISSION WHICH IS TO TAKE CARE OF KIDS THAT ARE SICK, TO SHELTER FAMILIES AND TO COME TO THE AID OF PEOPLE WHO ARE IN CRISIS. I HOPE THAT AS WE TALK IN THE FUTURE ABOUT WHAT WE'RE GOING TO BE USING THESE DOLLARS FOR THAT WE REMEMBER WHERE THEY CAME FROM AND WHERE THEY WOULD

HAVE GONE, AND WE USE THESE DOLLARS TO HELP WITH THE VERY REAL AND VERY PERSONAL AFFORDABLE HOUSING CRISIS IN MULTNOMAH COUNTY. OUR BOARD HAS DISCUSSED THIS IN LENGTH. WE HAVE TALKED ABOUT THE PRIORITY THAT WE HAVE OF HOUSING PEOPLE WHO HAVE NO PLACE TO LIVE AND THOSE WHO ARE LIVING ON THE EDGE, AND I CAN THINK OF NO BETTER OUTCOME THAN TO PUT THESE DOLLARS INTO A FUND THAT WILL HELP THOSE FOLKS IN OUR COMMUNITY. ANY OTHER QUESTIONS OR COMMENTS FROM THE BOARD? ALL IN FAVOR VOTE AYE? [UNANIMOUS AYES] THE SETTLEMENT IS APPROVED. [APPLAUSE]

### **BOARD COMMENT**

BC.1 Opportunity as time allows, for the Commissioners to provide comment on non-agenda items.

Chair Kafoury: THANK YOU. AND NOW WE HAVE COME TO THE POINT IN OUR AGENDA WHERE WE CAN PROVIDE COMMENTS ON ANY NON-AGENDA ITEMS. COMMISSIONER MCKEEL.

Commissioner McKeel: YES, ACTUALLY I DO. SENATOR WYDEN IS HOLDING A TOWN HALL THIS AFTERNOON IN CORBETT AT THE CORBETT HIGH SCHOOL. ONE WHERE HE INVOLVES THE STUDENTS AS WELL AS THE ADULTS THAT ATTEND. SO, THAT'S STILL HAPPENING. I THINK SCHOOL IS BACK ON TODAY. WE ARE LOOKING FORWARD TO THAT.

Chair Kafoury: THANK YOU.

Commissioner Shiprack: SHIPRACK: MADAM CHAIR, I WOULD LIKE TO SAY A COUPLE OF WORDS TO HONOR AND SAY GOODBYE TO OUR FRIEND RON PAUL. I WAS JUST REALLY STUNNED BY THE NEWS OF HIS DEATH. HE WAS A STRONG, STRONG ADVOCATE FOR THE REDEVELOPMENT OF THE BRIDGEHEAD ON THE WEST SIDE OF THE MORRISON BRIDGE, AS REALLY A MEMORIAL TO JAMES BEARD, IT ACTUALLY WILL BE A MEMORIAL TO RON PAUL, I THINK, AT THIS POINT. HE WAS A REALLY WORLD-RENOWNED CHEF. HE WAS THE FIRST OREGON CHEF TO COOK AT THE JAMES BEARD HOUSE IN NEW YORK'S GREENWICH VILLAGE. A PASSIONATE LEADER. DEDICATED TO HIS VISION OF FOOD AS ART. HE WAS A TREMENDOUS FRIEND OF THIS COMMUNITY AND WE'RE GOING TO MISS HIM. SO, I APPRECIATE THE OPPORTUNITY TO JUST REMEMBER RON PAUL.

Chair Kafoury: THANK YOU.

Vice-Chair Smith: MADAM CHAIR. QUESTION? DID WE MOVE THE SWEARING IN FOR VICE-CHAIR TODAY?

Chair Kafoury: NO, I DON'T KNOW THAT THERE IS A FORMAL PROCESS NEEDED.

Vice-Chair Smith: I KNOW IT WAS ON THE AGENDA THAT I WAS TO BE SWORN IN AS VICE-CHAIR, OR NOT SURE. IS THAT PART OF THE CONSENT?

Ms. Madkour: I THINK WHAT WE NORMALLY DO THE CEREMONIAL PASSING OF THE GAVEL AND ACKNOWLEDGMENT. WE ARE STILL IN OUR PUBLIC SESSION AND WE CAN DO THAT NOW. AS OF JANUARY 1ST, THAT TITLE DOES TRANSFER. THE DUTIES FOR VICE CHAIR PASS AS OF JANUARY 1ST TO COMMISSIONER SMITH.

Vice-Chair Smith: THANK YOU, JENNY, AND THANK YOU, MADAM CHAIR.

Chair Kafoury: THANK YOU COMMISSIONER SMITH FOR TAKING ON THIS VERY IMPORTANT DUTIES AND I WANT TO THANK YOU VERY MUCH, COMMISSIONER SHIPRACK, FOR YOUR COMMENTS ON RON PAUL. I KNOW THAT MANY OF US HAVE KNOWN HIM FOR MANY, MANY YEARS, AND STILL REMEMBER VERY FONDLY HIS RESTAURANT THAT I COULD WALK TO FROM MY HOUSE ON 15TH AND BROADWAY. WHERE WE ENJOYED SOME DELICIOUS MEALS BACK IN THE DAYS WHEN IT WAS HARD TO FIND DELICIOUS MEALS IN PORTLAND. YOU COULD ALWAYS FIND THEM AT RON PAUL'S RESTAURANT, AND THOSE COOKIES. I ALWAYS ATE THOSE COOKIES. THANK YOU. WE WERE ALL SHOCKED AND STUNNED AND I THINK THAT WE WILL DEFINITELY BE MISSED.

**ADJOURNMENT – 11:09 a.m.**

Chair Kafoury: SEEING NO FURTHER BUSINESS, WE ARE ADJOURNED.

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Submitted by:

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