



Good evening and thank you for coming tonight.

Much of the success that I'm going to outline tonight is due in great part to our city manager Ann Ober. Her enthusiasm, leadership and humor have this city functioning at an unprecedented level. I personally want to thank Ann for her friendship and her commitment to our city.

After a year-long process with extensive community outreach, the City Council adopted the Milwaukie Community Vision and Action Plan. I believe this powerful, community created document will help guide the city for the next two decades. The transformation the citizens envisioned will create an extraordinary place to live. If you haven't had a chance to read it, I strongly suggest you do.

From that Vision, the Council adopted three lofty goals to prioritize:

The First Goal is to Improve Housing Affordability.

This is an issue that is facing not only our whole region, it is facing most of the country. Over several decades, housing prices have climbed much faster than the income of the average person. Over the last three years in Milwaukie prices in the rental market have gone up as much as 50 percent, and 43 percent of all renters in the city spend more than 30 percent of their income on housing. Nearly a quarter of all renters spend more than half their income on housing.

Roughly 400 kids in the North Clackamas School District are homeless. Thousands more live in desperate poverty, in homes where regular meals are unlikely, and the best nutrition they get each day is at school.

Let me tell you about a phone call I got a few years ago...About six months after we passed our 90-day no cause eviction rule, this sweet little old lady made her last-ditch effort to find a place she and her disabled husband could afford. She called her mayor.

She had spent the previous two and a half months looking for something they could afford on their very limited, fixed income. She was a retired school teacher and her husband a retired welder. They were in their late seventies and early eighties. She was grateful that she had been given that extra time to find a place, but, in the end, it hadn't mattered.

There was nothing they could afford anywhere near their home here in Milwaukie. The home they had planned to live out their years in had been purchased by an out of state company and they were told they had to leave. Sad as it is, neither mayors nor full Councils have the power to stop this kind of behavior right now. I reached out to everyone I knew that might be able to help.

I called her back a couple of times over the next few weeks to check in, but they still hadn't found anything. The last time I called, the phone had been disconnected. She didn't have an email address. To this day I don't know what happened to them.

Just so I don't have to leave you heartbroken, I'll tell you different story about another sweet little old lady.

She was a staunch regular at the Historic NDA meetings for years. She would wheel her dangle covered walker

down from the apartment complex she lived in to attend meetings, shop at the farmers market and generally just enjoy the downtown. When she was priced out of her apartment by a 50 percent increase in rent, she was able to find a bedroom in a house in Oak Grove that a friend of hers was renting and so she moved her meager belongings out of the downtown she loved, so that she would still have some kind of a place to live.

I ran into her a few times at the farmers market the next summer and she would complain that it was hard for her to get anywhere because there were no sidewalks and it was a long walk to the bus stop, but she persevered.

That is, until, the small house they were renting was sold out from under them. Fortunately, this time she reached out immediately. I put her in touch with Vahid Brown one of the great champions of the poor and houseless in Clackamas County. He was able to personally run a crowd funding effort to put her up in a cheap motel while he scrambled to find her permanent housing.

In the end, just as the funds for the motel were running out, Vahid helped her qualify for an assisted living facility in Oregon City. I hope that I will get to see her this summer at the market so I can find out if she's happy with the solution. This story with the happy ending is the rare one. The first story is far more common. Two years ago, we declared a housing state of emergency and passed that 90-day no cause eviction rule, but real, long-term solutions will not be that easy. Over the last year, we've been researching solutions, advocating for change in state law, reaching out to potential partners and seeking funding.

Our community Development Director Alma Flores has been working overtime and formed a task force of really smart people to find new solutions. We've signed an IGA with Metro to assess up to four sites as to their potential for a cottage cluster development, which is one way to increase the availability of affordable homes built by the market. We are very close to an agreement with TriMet on the purchase of one of those parcels. Neil McFarlane from TriMet has been vital in this effort.

Rich Swift of Health Housing and Human Services, otherwise known as H3, has found an opportunity to have a dozen or so, new, small, well-made cottages designed by Sera Architects and built by homeless men in training to be carpenters - donated, and it is my personal dream to get the families of a few of those homeless school kids I mentioned earlier in sweet little cottages, within walking distance from light rail and downtown—stabilized, out of the cold, and on the path to a normal life.

Councilor Falconer and I look forward to working with the consultant, the Island Station Neighborhood and the county to create this haven in a way that makes us all proud and improves Milwaukie in a multitude of ways.

We received a grant in conjunction with the county to begin to plan a more intensive use of the 16 acres at Hillside. I envision a mixed-use, mixed-income development with open space and neighborhood amenities serving both current residents and providing opportunities for others in Milwaukie who are being priced out of their homes. Chuck Robbins, the housing director at H3 has been instrumental in securing that grant, and has been a champion for affordable, livable housing in our county.

We've passed a vertical housing tax credit to encourage higher density housing in the downtown mixed-use area. The advantage of this is it will bring more services and allow desired businesses to thrive, making the city more walkable.

We are working on a tax credit to help low income housing projects pencil out. You can't imagine the insane complexity in the financial deals that are required in order to get low-income housing built. Literally 30 percent of the funds for most low-income housing projects are spent on lawyers and financiers. Anything we can do to reduce that is a move in the right direction.

We were the second city in Oregon to pass a Construction Excise Tax on all construction projects over \$100,000. This money will be used in a variety of ways to encourage production of, and reduce costs on, work force and low-income housing. Just to be clear, this work is being done to make sure that the people who have always lived in Milwaukie will continue to have that opportunity – from our respected elders living on a fixed retirement to school teachers and carpenters.

Our Second Goal is to Create a Climate Action Plan for the City.

Climate change is the single biggest threat that humankind has ever faced. The consequences of doing nothing are unimaginably horrible. Here in Milwaukie, we have already experienced the first taste of things to come when our 70-year old Kellogg Bridge was badly damaged by the record breaking storm in December of 2015. In partnership with FEMA, we are currently replacing that bridge at a cost of over \$2 million dollars. If you've watched the news this last year, you know that places like Houston with its \$180 billion-worth of damage, and Puerto Rico, which is still predominantly without electricity, are wake-up calls that no one can ignore.

Every city, every county, every state and every nation should be doing all they can, as quickly as they can, to address this issue. Fortunately, the rest of the world understands that and is working towards the targets set by the Paris Accord. The US Federal government stands alone in its refusal to do its part.

However, many cities, counties and states have stepped up and committed to living up to the Paris Accord. I was honored to be invited to the North American Climate Summit where I signed the Chicago Climate Charter, along with Mayors from all over this country.

This year, the city hired a new Public Works Director, Peter Passarelli. We are lucky in that Peter has run a Public Utility and is passionate about the opportunities we have to impact climate change.

We've hired a top consulting firm to help us, and along with Councilor Shane Abma, over a dozen community members and partner agencies, I will be serving on the Climate Action Plan committee where we will determine how Milwaukie can best meet this challenge. We should complete this plan by July. But that said, we have already begun work on several fronts to make positive changes in Milwaukie. I'll get into some details a little later.

Our Third Goal is to Complete the Newly-Renamed Milwaukie Bay Park.

A project we are doing in conjunction with North Clackamas Parks and Recreation District. Thanks to Scott Archer, Kathryn Kreiger, and Kelly Brooks, we are in the process of updating plans and beginning construction of the \$3 million phase 3 portion of this important regional park. Clearly, \$3 million is not something a city with our budget can just appropriate. We will be seeking partners, both public and private, in order to take us across the finish line.

We are currently 30 percent of the way on funding this essential regional park. If anyone doubts that it is a regional asset, you must have missed our Solstice event where either 10 percent of the entirety of Milwaukie showed up or some of the 2,500 people that enjoyed that evening came from around the region.

Stepping back a minute, I'd like to talk about some things we finished over the last year:

The 17th Avenue bike and pedestrian path was finally just released to the city. This will give us a chance to add a few more fixes to the ODOT-run project, but since it's soft opening, it has been wildly popular with commuters, families on bikes, joggers, dog walkers and many more.

This is the kind of infrastructure we hope to create throughout the city, so that all of our families have options for getting around safely.

On Nov. 17, we unveiled our new monument in Scott Park dedicated to those from Clackamas County who made the ultimate sacrifice during the Vietnam War. This monument was one of several projects over the last three years done in partnership with American Legion Post 180 to commemorate the 50th Anniversary of the end of the Vietnam war.

This last summer we also launched our first Solarize Milwaukie campaign with mixed success. There was a great deal of interest from homeowners in the possibility of investing in their own energy production system, but the tight timeline created by the State Legislature's failure to renew the RETC (Renewable Energy Tax Credit) caused many to hold off for the time being.

Our very own Karin Power was one of the champions on the legislature for the renewal, and I know that she is working on a new concept that will provide similar tax incentives in the future.

In the end, 14 homes installed solar and in 8 or 10 years will be enjoying that free energy. We hope to come back with a second round of a residential Solarize campaign when the time is ripe. We will also be looking for opportunities to start a community solar project. It is my hope that we can work to create a program that would make commercial and industrial solar arrays attractive to the owners of the several acres of unshaded, flat roofs we have in our industrial areas. Solar is one of the many steps we've already begun in our efforts to address climate change.

Milwaukie opened its first food cart pod this last August on a smoky, but otherwise festive day. If you haven't had a chance to sample the food, I suggest you give it a try. There is a broad selection of very tasty offerings, I myself have enjoyed eating there dozens of times.

This last fall, Milwaukie enjoyed our second and last partnership with Portland on the Sunday Parkways. Over 20,000 people rode, walked, skated, boarded, scootered or ran the car free route. Councilor Lisa Batey has been tireless in her work, first convincing Portland to bring the event here and then actually pulling off not one, but two Sunday Parkways in two years. If you were one of the happy people who enjoyed it either year, you can almost imagine the logistical nightmare and added expense of such an involved event. She deserves a round of applause for her tenacity and joyful perseverance. In case you were saddened by the idea that this was the last one, rest assured that Lisa is already hard at work on Milwaukie's own version. Please reach out to her if you would like to help create the next iteration.

A few years ago, sitting over breakfast at Gramma's Corner, I began a conversation with former Portland Mayor Charlie Hales about Elk Rock Island. Charlie quickly came to see that it didn't make a lot of sense for Portland to have a park on the southern end of Milwaukie. Along with a few other border adjustments he and I came to an agreement to make Elk Rock Island a Milwaukie city park.

After a little more than a year of work between our two staffs, which occasionally looked like it would derail the transfer, we got an agreement hammered out. Shortly after Charlie left office, we met with the Portland City Council and they voted unanimously to transfer the park. This adds 13 acres of absolutely stunning and unique natural area to our ever-growing array of parks.

As the city moves forward with the three goals I outlined, we are also continuing to work on projects that began, sometimes, years ago.

Wichita Park is one of those. The land was purchased by the city in 1987, the master plan was adopted in 1999, the Linwood Neighborhood committed \$10,000 to it in 2016, and the final design is now complete. This last

year, in conjunction with North Clackamas Parks and Recreation District, we secured a grant for \$265,000 from the Oregon Parks and Recreation Department, and the construction of the new park is expected to be completed by the end of this year. This is a relative fast track. Many of the projects we as a city hope to do require more money than our very limited budget will allow, so we are dependent on winning grants from outside entities.

The North Milwaukie Industrial Area has been an area of intense focus for the last few years. Councilor Wilda Parks has lead the effort, which involved dozens of stakeholders from industry, business, the neighborhood, Johnson Creek Watershed Council, the County, ODOT and other agencies. A framework plan was adopted and has moved into code changes with Planning Commission, and, this evening, Council will hear it.

The North Milwaukie Industrial Area Plan is a master plan to help attract innovative and entrepreneurial businesses and to create a strong regional center for next-generation traded sector employment, manufacturing, makers and doers. For that reason, I hope to change the name to the North Milwaukie Innovation Area. What do you think, Wilda?

Last year, I spoke about the upcoming Library Expansion, described the outstanding team we'd assembled, and announced that planning was just beginning. If you've had a chance to make it to any of the open houses, you know that many decisions have been made and a very beautiful, functional and sustainable new library is on the way. If you haven't, I'll give you the cliff notes. It's cool...

No? Not enough? Ok, well it's going to be one story tall and it will feature beautiful views of the trees and the pond to the east through its full-length windows. It's almost twice as big as the current library, it will have a large public meeting room and a few smaller meeting rooms. It will be solar powered and on a rigorous path to be net zero. This means that, eventually, the building will produce as much energy as it uses.

We will be temporarily moving the library during construction and we hope to be moved back into our spectacular new Library by this time in 2020. By the way, if you happen to have a few hundred thousand extra dollars laying around you just don't know what to do with, the massive increase in construction costs over the last few years mean that this project will cost more than we originally bonded for. You could make your tax-free donation to the Friends of Ledding Library, and they will happily pass it along. They have already committed \$100,000, and the company doing the construction—Swinerton—has also generously donated \$5,000 from their trust and general fund. On top of that, the Library Foundation has committed at least \$23,000. Thank you so much for generosity and support!

Over this next year, we will complete our Housing Affordability Plan, our Climate Action Plan, and will be well underway on replacing our 30-year old Comprehensive Plan. All three are exceedingly important and I would encourage you to stay tuned and stay engaged as we have our various open houses, town halls, work sessions and hearings.

Another thing you will want to be paying attention to is the work of our newly seated Tree Board. Since the cutting of more than 200 trees on King Road, they have been furiously working on an amendment to our tree code that would help protect trees from being clear cut by development.

If you've been following our meetings, you will already know that over the next two years there is going to be in extraordinary amount of construction in our South Downtown.

The High School will begin demolition as soon as school is out this year in preparation for the construction to replace the well-loved, but crumbling, Milwaukie High. If you want to say goodbye and walk through the school one last time there will be an opportunity on March 3 from 11 a.m. to 2 p.m.

Around the same time Northwest Housing Alternatives will begin construction on their campus, giving them modern offices and allowing them to house and serve many more families in need.

In the next month or so, the demolition of Bernard's Garage will begin to make way for Guardian's five-story, mixed-use building. Meanwhile the Council is negotiating with Dr. Boulari, which we hope will lead to the development of the lot across Main street from the Guardian project. This too will be mixed-use and should be an exciting and beautiful asset for Milwaukie. We hope that construction will begin Fall 2019.

But wait that's not all...

Main Street, between those two buildings, will also be under construction to accomplish several objectives, first is to lower the grade and change the alignment beneath the railroad trestle, the second is to create the long planned South Downtown Plaza, and the third is to create the permanent home of the beloved Milwaukie Farmer's Market. This move was planned as far back as the origination of the market by Mayor Bernard and company.

Lastly, the city will finally be turning our lovely bridge to nowhere over Kellogg Lake into a beautiful, safe and effective way for two neighborhoods to get to downtown and the max station. In conjunction with NCPRD, the city won a Connect Oregon grant for \$1,185,735, which will pay for more than half of the Kronberg Trail. The engineering is underway and we intend to have construction completed with the trail opened by the end of the year.

The remaining funds for the trail will come from our recently established SAFE fee. This fee and the infrastructure it proposes to fund is, in my mind, our proudest achievement of the last few years. The concept was kicked off by then Councilors Batey, Gamba and Power, but that's when the real work began.

Prior to winning election to council, Angel Falconer spearheaded a two-year-long process as the chair of the hard-working Public Safety Advisory Committee to work with neighborhoods, PTAs and our outstanding Engineering Director Chuck Eaton, to determine where the city was falling short in Safe Routes to School, Federal ADA compliance, and general accessibility for our families who wish to walk, roll and ride their bikes safely.

Mom's like Ane Roth and Nicole Perry were fierce advocates, both at our local level, as well as the regional and state levels—which, by the way, resulted in \$15 million a year, statewide, being set aside for Safe Routes to School. After two years of planning and vetting with the public, the plan was approved and the next step of determining how to pay for it began. With the help of Vince Alvarez and the rest of Citizens Utility Advisory Board, City Council was able to arrive at a fair and reasonable number with a low income opt out.

This Council achieved something Councils for decades had failed to do – fund the building of important sidewalks, crosswalks, trails and bike lanes all over this city. I don't know about you, but growing up, in my town it was considered safe for a child to walk to school as soon as they were old enough to find their way. It should be no less so here.

In my mind that is the mark of a good city, if an 8-year-old or an 80-year-old can get where they are going safely, we've succeeded. When we are done, in about 9 years, we will have touched nearly half of the streets in this city.

It is my view that the status quo in our society is failing the majority of the people, the rich are getting dramatically wealthier and everyone else is getting poorer. But more importantly than just getting poorer, the lives of most people are getting harder. When I think back to growing up in the 60's and 70's, life for most people in America was good - and they looked forward to it getting even better, and at the time many families were single

income families. I don't think that's true so much anymore. Families make tough decisions between needed medical care and fixing the roof, between living near the school your kids love, and being able to afford the rent.

Most of these problems are not in the purview of cities. We don't get to control tax structure, or wages, or even money to schools. We have nothing to do with the obscene debt most college students graduate with. We aren't the ones sold out to big pharma and the medical insurance industry that keeps America being the last industrialized nation on earth without universal health care.

That is why it is incumbent on cities to do everything in their power, to think outside of the box and do what's never been done before, to make life as good for every single person as they possibly can.

I believe that this city, and this council and the staff that pours their hearts out for our city are doing just that. Our vision sets the course for a better place.

I pledge to you that I will work as hard as I can to make a Milwaukee that is entirely equitable, delightfully livable, and completely sustainable. I believe that all of us together can achieve that and make life good for those that live here.

It's amazing what communities can achieve when they draw together, but it does mean doing things differently, being more engaged, discovering how your passion can make your community better.

I see it happening already and it makes me very proud to be your Mayor, and I thank you for that privilege.