



CITY OF

PORTLAND, OREGON

**OFFICIAL
MINUTES**

THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 14TH DAY OF OCTOBER, 1992 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Clark, Presiding; Commissioners Blumenauer, Bogle, Kafoury and Lindberg, 5.

OFFICERS IN ATTENDANCE: Cay Kershner, Clerk of the Council; Harry Auerbach, Senior Deputy City Attorney; and Officer Sheridan Grippen, Sergeant at Arms.

Mayor Clark proclaimed Friday, October 16, 1992 as World Food Day.

Nos. 1733 and 1736 were pulled from Consent. On a Y-5 roll call, the balance of the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

- 1717** Vacate a certain portion of NE Wasco Street west of NE 92nd Avenue under certain conditions (Second Reading Agenda 1692)

Disposition: Ordinance No. 165900. (Y-5)

Mayor J. E. Bud Clark

- 1718** Accept contract with ESU, Inc., for underground fuel storage tank removal at Four Sites Project as complete, waive retainage requirements and authorize final payment (Report; Contract No. 27995)

Disposition: Accepted.

- 1719** Confirm appointment of Mark J. Gardiner and Henk P. Pander and reappointment of Jeffrey Alden, Joan Shipley and Ramona Soto-Rank to the Metropolitan Arts Commission (Report)

Disposition: Confirmed.

- 1720** Adopt City of Portland Loss Control Plan. (Resolution)

Disposition: Resolution No. 35054. (Y-5)

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***1721** Contract with Technology Management Group, Inc., to perform a Data Center Consolidation Feasibility Study for the Office of Finance and Administration and provide for payment (Ordinance)

Disposition: Ordinance No. 165901. (Y-5)

Commissioner Earl Blumenauer

1722 Approve Change Order Nos. 12, 17, 18 and 19 applicable to contract with Oregon Electric Construction, Inc., for Sullivan Pump Station revisions and modifications (Report; Contract No. 26796)

Disposition: Adopted.

1723 Accept completion of the NE 60th Avenue and NE Emerson Street Stormwater Sumps and make final payment (Report; Contract No. 27684)

Disposition: Accepted.

1724 Amend Report to Council (Agenda No. 1579) to correct the amount of retainage to be released for the Central Business District Storm Sewer Project, Phase 6, and make final payment (Report; Contract No. 27786)

Disposition: Adopted.

1725 Set hearing date, 9:30 a.m., Wednesday, November 18, 1992, to vacate a portion of public right-of-way at the southeast corner of SE Holgate Boulevard and SE 30th Avenue (Report; Petition; C-9787)

Disposition: Adopted.

***1726** Waive City Code Section 17.08.080(b) for the NE Russell Street Local Improvement District (Ordinance; C-9795)

Disposition: Ordinance No. 165902. (Y-5)

***1727** Contract with the Friends of the Performing Arts for school assembly theatre performances on the Recycling Improvement Program for the Bureau of Environmental Services at \$21,000 (Ordinance)

Disposition: Ordinance No. 165903. (Y-5)

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***1728** Consent to transfer of Mel's Sanitary Service franchise to Baldwin Sanitary Service (Ordinance)

Disposition: Ordinance No. 165904. (Y-5)

***1729** Call for bids for the SE Taylor Street section of the Parklane Sanitary Sewer System project, authorize a contract and provide for payment (Ordinance)

Disposition: Ordinance No. 165905. (Y-5)

Commissioner Gretchen Kafoury

***1730** Change the zone of a portion of the SE Cora right-of-way at SE 87th Avenue to remove the b, buffer overlay (Ordinance; 92-00484 CU ZC AD)

Disposition: Ordinance No. 165906. (Y-5)

***1731** Contract with Multnomah County for \$12,684 for alcohol/drug free housing and provide for payment (Ordinance)

Disposition: Ordinance No. 165907. (Y-5)

***1732** Authorize the Bureau of General Services to acquire property located at SE 88th and Lafayette from the Oregon Department of Transportation and transfer it to Southeast Mental Health Network for development of affordable housing (Ordinance)

Disposition: Ordinance No. 165908. (Y-5)

Commissioner Mike Lindberg

1734 Accept a portion of the project for construction of Peninsula Park playground as complete, authorize partial payment of \$7,600 to James V. Casseta Construction Services and release retainage of \$9,591 (Report; Contract No. 27602)

Disposition: Accepted.

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1735 Accept contract with Hannan-Mossman Construction, Inc., for Crystal Springs Rhododendron Garden pedestrian bridge as complete, authorize final payment and release retainage for a total of \$3,462 (Report; Contract No. 26916)

Disposition: Accepted.

***1737** Amend Intergovernmental Agreement with City of Gresham concerning the Gresham portion of the Springwater Corridor (Ordinance; amend Contract No. 27603)

Disposition: Ordinance No. 165909. (Y-5)

***1738** Amend purchase order with Marlene Salon, landscape architect, to increase the amount by \$1,200 for renovation of Kenton Park and provide for payment (Ordinance; amend Purchase order No. 1008849)

Disposition: Ordinance No. 165910. (Y-5)

***1739** Authorize agreement with the US Forest Service to provide professional services to complete an environmental analysis and special use permit for operation and maintenance of Water Bureau facilities at Bull Run Lake (Ordinance)

Disposition: Ordinance No. 165911. (Y-5)

***1740** Authorize agreement with James M. Montgomery Consulting Engineers, Inc., for engineering services for Phase One of a Corrosion Control Study required for compliance with the Lead and Copper Rule, and provide \$53,000 for payment (Ordinance)

Disposition: Ordinance No. 165912. (Y-5)

***1741** Extend completion date to August 1, 1993, and increase the contract amount with CH2M-Hill Northwest, Inc., to \$272,914 for additional engineering services (Ordinance; amend Contract No. 26654)

Disposition: Ordinance No. 165913. (Y-5)

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- *1742** Authorize agreement with Multnomah County for professional laboratory services to meet United States Environmental Protection Agency monitoring requirements for microbiological contaminants in drinking water and provide for payment (Ordinance)

Disposition: Ordinance No. 165914. (Y-5)

REGULAR AGENDA

- *1733** Accept a Conservation Easement for the property located E of SW 34th Avenue on a portion of Lots 1,2 and 3 in the Sylvania Heights Subdivision, at no cost to the City (Ordinance)

Discussion: Cay Kershner, Clerk of the Council, noted that a substitute had been filed and distributed.

Disposition: Substitute Ordinance No. 165915. (Y-5)

- *1736** Authorize a contract with Multnomah County to provide two full-time Alternative Community Service crews and provide for payment of \$103,800 (Ordinance)

Discussion: The Clerk noted that a substitute had been filed and distributed to correct a misleading statement about the number of days worked per week.

Disposition: Substitute Ordinance No. 165916. (Y-5)

- 1716** **TIME CERTAIN: 9:30 AM** - Recommend adoption of the Conceptual Design Report for Westside Light Rail Project, LS4C-Downtown/Goose Hollow Line Segment, with associated conditions (Resolution introduced by Commissioner Blumenauer)

Discussion: Karen Rabiner, Office of Transportation, said City staff met many times with the Goose Hollow Foothills League which has adopted a resolution approving the conceptual design with a list of 30 conditions. She noted recommendations that the I-405 station, when built, be located one block East of the freeway. She described the design elements of the proposed stations and reviewed several options proposed for the Civic Stadium station at 18th and Yamhill in order to create a viable development site for housing.

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Ms. Rabiner said two major unresolved issues include the closure of Yamhill between 17th and 18th and funding for the Salmon Street station. She said the Goose Hills Foothills League has reversed its earlier decision in support of the Office of Transportation recommendation to close Yamhill. The neighborhood also wants assurances that the Salmon Street Station will be built with the project and not later. A third issue is the role of the Project Management Group (PMG) in proposing funding for the Salmon Street station.

Felicia Trader, Director of the Office of Transportation and the City's representative on the Project Management Group, said there appears to be considerable misunderstanding about the role of the PMG and assured Council that it has not adopted procedures for prioritizing funding requests and has not taken a position on funding the Salmon Street station. She noted that Tri-Met has proposed delegating some West Side LRT construction and financing procedures to the PMG but they have not yet been discussed or acted upon.

Ms. Trader said she shares the concerns of the GHFL regarding the PMG role and has additional concerns, all of which must be addressed before she will recommend support of Tri-Met's proposal. She said PMG has acted as an advisory group regarding the federal process of impact studies and design but has not had any specific management or funding responsibilities. She said Tri-Met's proposal is a significant departure from the group's current responsibilities and deserves considerable discussion prior to agreement.

Judy Erdman, GHFL President, 2418 SW Jefferson Rd. 97201, said they are generally supportive of the conceptual design but do have some concerns. In addition to their concern that the Salmon Street Station be fully funded and built concurrently with the rest of the project, they also would like to explore more options before a final decision is made to close Yamhill between 17th and 18th.

Howard Glazer, GHFL Light Rail Committee Chair, said he is pleased with the progress that has been made in resolving most of the issues. He said because the importance they placed on the Salmon Street Station they set up a separate subcommittee, hired an architect, and concluded that development on that block was paramount if density by stations were to be achieved.

Tom Walsh, General Manager, Tri-Met, said because the final appropriation was 68 million less than the \$756,000,000 that had been initially budgeted, Tri-Met must have the discipline to say no to

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enhancements until it knows they can be funded. Deletions and deferrals have been identified that will be added back as federal funds become available. He said the issue at 18th and Yamhill is well on the way to resolution and only small differences remain. As for the Salmon Street station, there is no disagreement that it will be built, the question is when.

In Commissioner Blumenauer's suggested amendments to the resolution, Mr. Walsh noted that the requirements of the Salmon Street station are appropriately divided into two parts - the underground part and the above grade part. He said they agree that it is financially feasible and prudent to do all the underground work for that station as part of the base project. As for the second amendment regarding building the station superstructure, he said it is appropriate to identify it as a goal, rather than an absolute commitment. He said after costs are known on two major elements, low-floor cars and the tunnel project, they will have a firmer grasp on the project's price tag.

Lew E. Delo, GHFL Light Rail Committee, 5784 SW Taylor 97221, said although the mitigation process established by the City resolved many of the outstanding issues, the PMG adversely affected the process in two instances: 1) a unilateral reduction in the light rail budget for the City which eliminated or deferred some items agreed to in the mitigation process and; 2) failure to assure funding of the Salmon Street station at this time. He urged Council not to delegate authority for any decisions affecting the light rail project through the City.

James Rogers, 10330 SW Hawthorne Lane, speaking for Stadium East Associates, warned that the City is being asked to sign off on a proposal with a lot of blank spaces and trust Tri-Met to fill in the blanks later. He criticized their parking summary which states that street parking will be reduced by 151 spaces but then count 74 parking spaces on the Butler block as replacement parking even though they are already in existence.

Garnet Oekerman, Zion Lutheran Church, said the church supports the conceptual design and the GHFL resolutions. She said this proposal represents the best compromise to the many issues raised. She also noted that a settlement agreement between the church and Tri-Met will resolve specific concerns pertaining to the church.

Steve Fosler, Northwest District Association, said the linkage of light rail to Northwest is very important to them, adding that they are pleased at the way the Civic Stadium station has been designed.

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Commissioner Blumenauer explained his proposed amendment which adds two provisions to: 1) have the City Engineer monitor the project and make progress reports to the Council and; 2) direct the Office of Transportation to place \$150,000 into FY 94-95 Capital Improvement Project budget, representing the City's share toward construction of the Salmon Street station.

Commissioner Lindberg seconded and the motion carried. (Y-5)

Commissioner Blumenauer said he wanted to make it clear that having the Salmon Street station is a goal and personal commitment.

Commissioner Kafoury underscored that these amendments did not change the original reference to the Yamhill Street closure. She said they will continue to try to achieve their goal of having a high density development at this site without closing the street if at all possible. She said rather than changing the language, she would like to see the resolution stand regarding the closure.

Disposition: Resolution No. 35055 as amended. (Y-5)

1743

Request from National Association of Minority Contractors of Oregon to address Council on minority business enterprise issues (Previous Agenda 1641)

Discussion: Bill Hardin, NAMCO, said the First Source program is not working for the African-American community, contending that it exempts union shop contractors and that only 12 people from a pool of 85 had actually been hired. He also criticized the hiring of African-

Americans on the Slayden Construction project, noting that they have been trying unsuccessfully to document the existing sub-contractor work force for six months. He recommended that Council investigate the program and appoint a citizens contractor review committee.

Gloria McMurtrie, 5265 NE Garfield, and owner of Commercial Interiors and Specialties, said the City's Jobnet program ignores small businesses and is ineffective in relieving long term unemployment in Northeast Portland and ignores small businesses. She said NAMCO has devised a strategy for training and placing residents in small community-based businesses and asked for Council assistance in implementing it.

Darnell Holefield, Holefield Construction, reviewed the Slayden Construction contract on the Holliday Street project, objecting to its

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award of a subcontract to an out-of-town minority contractor who had not initially bid on the project. He said this award discriminated against his company, violated the integrity of the purchasing process and damaged the minority business enterprise program. He cited a minority subcontractor, Ken Garcia of Capitol Concrete, who said he did not want the job with Slayden but was persuaded to take it in order to keep other minority contractors from creating problems. Now Capitol Concrete has been discharged and Slayden has not been forced to hire another MBE subcontractor.

Terry Hart, President, Metro Northwest Special Patrol Agency and NAMCO, asked that the Pacific Aircraft Maintenance Corporation (PAMCO) project be stopped until someone on Council investigates why no African-American contractors are participants.

Commissioner Lindberg said NAMCO is asking Council to look into a number of allegations and asked if there was a single person or office in the City that could look into this.

Commissioner Kafoury said a contract was awarded to Ken Wilson to identify the barriers to minority contracting. She said many of the concerns raised today are new to her, however, and while it is best not to focus on the mistakes of the past, some of the serious allegations made today should be investigated.

Commissioner Bogle said the information about PAMCO and Jobnet was new to him and he would like the Portland Development Commission to respond. He said general concerns about contracting are being addressed by the Contacting Equity Committee which is currently reviewing its report before issuing it in the next few days.

Commissioner Lindberg suggested that Council have a follow-up meeting with the Committee, PDC and the public.

Commissioner Kafoury agreed but said coming to Council in this format is not particularly helpful. She said she thinks the committee work is a more productive way to solve the problems.

O. B. Hill, Chairman of the Board of NAMCO, said minority contractors see little need for more studies, such as that authorized in the contract Council passed in June. What they need is work to enable them to build capacity and create jobs. He said their appeals have gone unheeded and the attitude of benign neglect has made a mockery of the concept of affirmative action.

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Commissioner Bogle said Council can facilitate some discussions between NAMCO and Portland Development Commission regarding the PAMCO project before the follow-up meeting.

Commissioner Kafoury said the report now in progress will set out clearly what the problems are and how to solve them. She said it will result in an action plan due out the first week in November.

Mayor Clark said he would call PDC about the PAMCO issue.

James Posey, a member of the Contracting Equity Committee, said the major problem is that no one Council member is taking leadership responsibility to resolve this issue.

Commissioner Kafoury volunteered her staff person, Darrell Simms, to coordinate a meeting with the Mayor and Commissioner Bogle.

Mayor Clark said there are many issues out there and impatience does not solve the problem. He said he believes a lot of accusations can be resolved with simple information.

Commissioner Blumenauer said he believes it is important to distinguish between minority contracting and minority hiring.

Mayor Clark said several programs, such as Jobnet and Northeast Community Development, are doing an excellent job in the area of minority hiring. He said Commissioner Kafoury will schedule a meeting to define the variety of issues expressed today.

Disposition: Placed on File.

1744 Allow the towing of vehicles operated by uninsured individuals (Second Reading Agenda 1677)

Discussion: Lt. John Hren, Portland Police, said he attended a number of meetings in North, Northeast and Southeast Portland in the past few weeks and asked those attending to relay their positions to Council members, either as individuals or groups. He said he also talked to the Chief's Forum and the Executive Forum.

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Individuals speaking in opposition to the proposed ordinance included:

Rita Shannon, 2434 SE Ankeny, #3
Paul Richmond, PO Box 454, 97207
Richard Koenig, 1822 SE Oak
Jerry Hoffman, no address given
Joy Al-Sofi, 1513 SW Market
Howard Leighty, PO Box 2055
Nancy Boturen, 1725 N. Schofield, 97217
Carolyn Sneed, 4611 SW Vacuna
Bill Rogers, 829 SE 15th, #26
Tom O'Connor, 2632 SE Salmon
Juliann Lansing, 380 SE 27th

Opponents said this ordinance violates due process and will create more problems for poor people who cannot afford insurance. They expressed concern about the safety of motorists and passengers who may not have enough money to get home if their cars are towed or who may be left stranded at the side of the road. Several said the Gresham ordinance is quite different and disagreed that insurance rates would come down if this were in effect. They also criticized insurance industry policies and profits.

Individuals speaking in support included:

Dennis Richey, East Portland District Coalition
Sande Nelson, East Precinct Citizens Advisory Council
Joyce Harris, 4724 NE 33rd
Richard Brown, 10 NE Ainsworth
Marie Brown, 3323 SE 71st
Rev. J. W. Friday, 106 N. Ivy
Helen Stoll, 3830 NE Hancock, 97212

Supporters said this would be a helpful tool for Police in the fight against crime. They said ignoring the large number of illegal drivers is unfair to responsible drivers who have insurance, and it also raises their rates.

In response to questions raised earlier, Valencia Tolbert, Deputy City Attorney, said she met with the Chief's Forum, which supports this ordinance but would like to have 30 or 60 days before this goes into effect to put people on notice about this requirement. She emphasized

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that vehicles will be towed, not forfeited, and the cars will be released once proof of insurance is presented and all towing and storage fees have been paid.

Ms. Tolbert explained that the law requires vehicle owners to have a minimum amount of liability insurance and that several different kinds of documents can be used to show proof.

Commissioner Lindberg asked if due process is showing that you have written a policy number on the back of the registration card or have some other proof.

Ms. Tolbert said due process comes after the fact and this ordinance meets the requirements of due process by calling for the Code Hearings officer, under Title 16, to be available to conduct a hearing to determine whether the tow was proper.

Commissioner Lindberg asked about the probable cost of towing and storage.

Ms. Tolbert said the initial tow would be \$59.00 and storage would be \$12.00 a day. If the Code Hearings Officer determines that the tow was improper, the City would be responsible for the costs.

Commissioner Bogle asked about the extent of proof.

Ms. Tolbert said when vehicle owners sign the registration form they are certifying compliance with the minimum liability insurance requirement.

Commissioner Bogle asked how the Police determine the validity of the information.

Ms. Tolbert said Police will check the back of the registration as a starting point and then check to see if the driver has the card issued by the insurance companies with the policy number.

Commissioner Lindberg asked if there were any figures available about how many people are not carrying cards to prove insurance.

Ms. Tolbert said the Department of Motor Vehicles does not have manpower to enforce their statutes but are allowed to randomly select ten percent of the population to poll to see whether or not they are in compliance with the minimum liability insurance. She said they find

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NOTE TO FILE:

On March 20, 2001 it was discovered that pages 13 through 22 were missing from the original minutes and the copies.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 15TH DAY OF OCTOBER, 1992 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Clark, Presiding; Commissioners Blumenauer, Bogle, Kafoury and Lindberg, 5.

OFFICERS IN ATTENDANCE: Cay Kershner, Clerk of the Council; Ben Walters, Deputy City Attorney; and Officer Sheridan Grippen, Sergeant at Arms.

1755 Appeal of Wilkes Community Group against certain conditions imposed by the Hearings Officer in approving the application of KMAC Corporation for an 11-lot subdivision in an R7 zone located at 1904 NE 155th Avenue (Previous Agenda 1687; 92-00288 SU)

Discussion: John Southgate, Bureau of Planning staff, said two conditions are at issue -- the pedestrian pathway connection through the site and the improvement of 157th to connect two streets that were formerly dead ends. At the October 1 Council hearing, staff were directed to look at an alternative design for the pedestrian connection and also at the possibility of using the money that would be spent on such a connection on other sidewalk improvements in the general area. The Planning Bureau and Office of Transportation presented an alternate design to a group of neighbors who still oppose such a connection. In addition, the Office of Transportation concluded that this would be inadvisable to apply the \$7,500 cost of the improvements elsewhere.

Mr. Southgate said the revised staff design for a pedestrian connection calls for the introduction of privately-owned tracts which would go midway into the site so there would not be a 600-foot long path. He said the accompanying conditions require the front yards of the new homes to face either the commonly-owned tracts or the easement in order to prevent a tunnel effect. Also in response to Council directives, staff devised a cluster subdivision to reduce the setbacks on the perimeter of this development and allow standard house footprints to be built.

Elizabeth Papadapolous, Office of Transportation, said they tried to address the safety issues and devise a plan which would prevent having a tunnel effect. She said once the concept of having front yards with low fences was introduced, a narrower facility, 10 feet instead of 15, became feasible which would provide the properties with more room.

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Mr. Southgate recommended adoption of the modified design with two private street tracks accessing midway into the property and an easement the balance of the way. A second alternate plan reflects a neighborhood suggestion to place a pedestrian connection on 157th rather than paving it. However, City staff still recommends paving 157th all the way through.

Spencer Vail, Land-use Planning Consultant, spoke for the developer, Carlo Ottoboni. He opposed both alternate plans, noting that the Tract A and B accessways are private property and would necessitate deed restrictions and other covenants to guarantee access. The plan also calls for numerous adjustments which the developer did not request and were not part of the hearing. He contended that Council could not grant more than was asked for without a rehearing. Furthermore, cluster subdivisions are not authorized by the regulations of the Glendoveer Plan District which takes precedent in this area.

Alice Blatt, Wilkes Community Group, said the unanimity of the neighborhood in opposing the modified plan is overwhelming. She said Council must decide whether they agree with the neighbors that this pathway will be a nuisance and inconvenience. She requested a return to 11-lot plan as proposed with no pathway and no through connection on 157th.

Mayor Clark said he agreed with the neighborhood and the developer.

Commissioner Bogle moved to grant the appeal. There was no second.

Commissioner Kafoury moved the compromise proposal made by the Office of Transportation and Planning. Commissioner Blumenauer seconded.

Commissioner Kafoury said having sidewalks and pedestrian and bicycle access is important to the City.

Mayor Clark said all these streets basically end in cul de sacs and none of the surrounding neighborhoods has connecting pedestrian walks. He said he believes Council is trying to impose something it thinks is right but he does not see the rationale for it.

Mr. Vail said if Council approves what staff has proposed, his client will not build it. He asked for denial of the appeal and a return to what the

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Hearings Officer approved. The City would thus get its walkway, even though the neighbors do not want it, and the developer could build the plan he proposed, not one forced upon him.

Commissioner Blumenauer said Council must consider the policies it has approved to guide development over the next century. If it gives in anytime the immediate neighbors oppose them as applied to odd-shaped parcels, the City will end up like Washington County with cul de sacs everywhere. The cumulative effect is that you have a poor transportation system and the overall security of the neighborhood is not enhanced.

Commissioner Bogle asked if the motion was for the compromise proposed by the Planning Bureau.

Commissioner Kafoury said the original neighborhood objections were based on concerns about safety and a tunnel going to nowhere. She said she thinks the modified design meets their concerns and moved to accept the compromise proposed by staff for a pedestrian access but not to have the traffic street go through.

Commissioner Bogle asked who the compromise is with, since the builder does not want it and the neighbors do not want it.

Commissioner Kafoury said the issue is City policies about access for neighborhood residents.

Mayor Clark said he does not see it as a policy change because it is an island situation and the pattern was set years ago. He said it looks as if Council were trying to impose something irrational.

Commissioner Blumenauer seconded Commissioner Kafoury's motion.

Commissioner Blumenauer said he realizes this is a compromise that satisfies no one but believes it at least keeps part of the policy in place. He said Council needs to spend time with staff interpreting these policies in order to give people some guidance about what is expected.

Mayor Clark said he does not see this as a policy violation because of the limited way this property can be developed and because the development pattern is already set. He said he considers this an unnecessary imposition.

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The motion carried, Y-3; N-2 (Bogle and Clark). The Clerk asked if the decision was tentative.

Mr. Vail asked about the status of the Hearings Officer's original approval.

Mr. Southgate said he assumed this represents modified, amended approval.

Mr. Vail said he did not get that from the motion and asked if the developer could go back to what the Hearings officer approved if they did not want to build the substitute plan.

The Clerk said findings will be considered October 29th at 2:00 p.m.

Disposition: Tentatively deny appeal and adopt modified design proposal; prepare findings for October 29, 1992 at 2:00 p.m.

1756

Liquor license application for Bo Chung Lee, dba Suki's Market, 202 W Burnside Street, Package Store liquor license (renewal); favorable, with restrictions recommendation (Report)

Discussion: John Werneken, License Bureau, said this year Old Town merchants and community associations again petitioned the License Bureau to control alcoholic beverages flowing onto the streets. Community consensus, including that of the Police, is that quarts and 40-ounce containers of beer and malt beverages are the beverages of chronic street drinkers. The question for Council is whether to endorse these licensees favorably for renewal and whether the renewals should be conditioned on a phase out of quarts and 40-ounce containers.

Mr. Werneken said this issue came before Council in July when the Bureau proposed negative recommendations and at that time Council directed staff to work out a reasonable compromise everyone could support.

Commissioner Lindberg noted the change in the License Bureau's recommendation and asked if it were based only on the issue of the 40-ounce containers. He also asked if there was consensus in the community.

Mr. Werneken said the recommendation is based on the belief that the quarts and 40-ounce containers are at the core of the street drinking problem. He said the recommendation changed from unfavorable

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because of the alternative proposed by the Police Bureau and the community groups they have been working with. He said most of the people who called for ending the licenses now favor supporting them if the owners phase out the problem products.

Commissioner Bogle asked if the applicants were willing to accept restrictions.

Mr. Werneken said they were not.

Officer Greg Hendricks, Police Bureau, said the issue here is the safety of our streets and liveability of our neighborhoods. The drink of choice is malt liquor in quart or 40-ounce containers. As old town has become saturated with street drinkers, it has made that area intolerable.

Roy Kendrick, Commander of Central Precinct, said Old Town has a major drug problem. He said one success has been the agreement signed by the Associated Grocers to not sell quarts and 40 ounce containers. He said Ray's and Suki's were asked to participate but refused. He said their motivation is strictly profit and that Council should regulate them into being good neighbors.

Commissioner Kafoury said Council is not opposed to making a profit.

Commander Kendrick said now that the other stores are not selling these containers, Ray's and Suki's have an even greater potential for making profits.

Commissioner Kafoury asked about hard liquor sales and whether they were working with the state regarding hard liquor sales in the area.

Commander Kendrick said drinkers can figure out they get the most liquor for their for their money through purchase of these containers.

Dennis Nelson, Manager Bureau of Licenses, said two nearby OLCC outlets have suspended sale of airline bottles and half pints.

Martin Fairly, Director, Downtown Community Association, said his Board approved the compromise regarding restrictions on the sale of large containers. If Council does not approve that, the Board will oppose the renewal.

Tom Walsh, attorney for the Korean Grocery Association, said the law does not permit the License Bureau to deny an application for an

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existing owner without showing an exact cause and effect between the problem and the store. He contended that the stores had been cooperative, noting their voluntary withdrawal of fortified wine and adoption of a policy last year not to sell to people without rent receipts. Since that time the record shows that purchases of large containers has declined by 35-40 per cent so it is nonsense to assert that an increase in problems is due to either of these stores. He said the reductions in sales have caused economic problems for the owners.

Mr. Walsh asserted that License and Police Bureau records have failed to show that there is any connection with drinking in Old Town and sales from these stores. He cited a petition signed by 25 area businesses, not just residents, in support of the stores. He contested the data relied on by City and said some of the larger stores, such as Plaid Pantry, which had agreed to stop sales had indicated certain pressure had been put on them to do so.

Mr. Werneken said all outlets in the core area will be asked to agree to this as their renewals come up.

Individuals speaking in support of the restrictions included:

Frank Dixon, Neighbors North Northwest Coalition
Al Jasper, 19 NW 5th, Old Town/China Town Neighborhood Association.
Sherwood Dudley, H.O.T. Neighborhood Association, manager of Couch
Street Fish House
Jean DeMaster, Transition Projects
Pam Arden, 1817 N. Winchell, 97217
Margaret Moreland, PO Box 82306, 97204
Jim Atwood, 33 SW 3rd
Sam Naito, Old Town businessman
Rosemary Goodman, manager, McCormick Apartments

Those in favor cited the steady deterioration in the liveability of the neighborhood because of the intolerable problems with street drinkers. They said these two outlets should go along with the compromise and accept the restrictions.

Individuals speaking against the restrictions and in favor of the renewal of the liquor licenses included:

Carl Haugler, 18 NW 3rd
Patsy Sweet, Old Town HUD building resident
Stephanie Pierce, Church of Elvis

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Timothy Doel, 16 SW 3rd
Stephen Beatty, 16 SW 3rd
Jim Choi, 6359 SW Capitol Highway
John Rho, 3510 NE Martin Luther King Boulevard

Supporters of Ray's and Suki's, contended that these two stores are good neighbors and cited their strictly enforced policy of not selling to outsiders. They said hard liquor and drugs are more of a problem than the large containers.

Bo Won Pak, owner of Ray's, displayed a sack of liquor bottles found on the street near their store.

Commissioner Blumenauer said this is a reasonable compromise and signals that there will be a consistent City policy banning the sale of these containers in troubled areas. He said he does not see this as coercive or disrespectful of the the Korean Grocers Association.

Disposition: Favorably recommended with restrictions. (Y-5)

1757 Liquor license application for Bo Won Pak, dba Ray's Grocery, 2 SW 3rd Avenue, Package Store liquor license (renewal); favorable, with restrictions recommendation (Report)

Disposition: Favorably recommended with restrictions. (Y-5)

At 4:05 p.m., Council adjourned.

BARBARA CLARK
Auditor of the City of Portland

Cay Kershner
By Cay Kershner
Clerk of the Council