



CITY OF

PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 9TH DAY OF AUGUST, 1995 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Blumenauer, Hales, and Lindberg, 4.

OFFICERS IN ATTENDANCE: Britta Olson, Acting Clerk of the Council; Ben Walters, Deputy City Attorney and Officer Chuck Bolliger, Sergeant at Arms.

- 1269** **TIME CERTAIN: 9:30 AM** - Swear in new Fire Bureau recruits and new Fire Marshal (Ceremony introduced by Commissioner Hales)

Chief Wall introduced the recruits and several people being promoted into key positions and conducted the swearing-in ceremony.

Disposition: Placed on File.

Agenda No. 1274 was pulled from Consent. On a Y-4 roll call, the balance of the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

- 1271** Cash investment balances July 1 through July 26, 1995 (Report; Treasurer)

Disposition: Placed on File.

- 1272** Accept bid of Copenhagen Utilities and Construction, Inc. for improvement of street and storm drainage system at Ed Benedict Park for \$372,297 (Purchasing Report - Bid 4)

Disposition: Accepted; prepare contract.

- 1273** Accept bid of Coffman Excavation for Ramsey Lake wetlands for \$1,952,535 (Purchasing Report - Bid 190)

Disposition: Accepted; prepare contract.

AUGUST 9, 1995

Mayor Vera Katz

- 1275** Confirm appointment of Mark O'Reilly, Steve Preston and Wesley Edwards to the Towing Board of Review (Report)
- Disposition:** Confirmed. (Y-4)
- 1276** Confirm reappointment of Gloria Gray, Grace Wong, Frances Johnson and Eugene Williamson to the Portland/Multnomah Commission on Aging (Report)
- Disposition:** Confirmed. (Y-4)
- 1277** Confirm reappointment of Charles Ford and Ingrid Slezak to the Police Internal Investigations Auditing Committee (Report)
- Disposition:** Confirmed. (Y-4)
- 1278** Confirm reappointment of Mary Leonnig to the Investment Advisory Committee (Report)
- Disposition:** Confirmed. (Y-4)
- 1279** Confirm appointment of Dan Volkmer to the Portland Historic Landmarks Commission (Report)
- Disposition:** Confirmed. (Y-4)
- 1280** Confirm appointment of Mohamed Hassan and Nagu Veerabhadran to the Metropolitan Human Rights Commission (Report)
- Disposition:** Confirmed. (Y-4)
- 1281** Preliminary approval of Economic Development Review Bonds (Resolution)
- Disposition:** Resolution No. 35428. (Y-4)
- *1282** Authorize Revenue Bonds for various public projects (Ordinance)
- Disposition:** Ordinance No. 169135. (Y-4)
- *1283** Pay claim of Burlington Northern Railroad (Ordinance)
- Disposition:** Ordinance No. 169136. (Y-4)

AUGUST 9, 1995

- *1284** Apply for a \$70,810 grant funded by the National Institute of Justice, Policing Research and Evaluation Program (Ordinance)

Disposition: Ordinance No. 169137. (Y-4)

- *1285** Agreement with Booth Research Group, Inc. not to exceed \$58,600 to develop and administer assessment centers for promotional exams (Ordinance)

Disposition: Ordinance No. 169138. (Y-4)

- *1286** Authorize contract with Providence Health Systems for medical testing services for the City of Portland (Ordinance)

Disposition: Ordinance No. 169139. (Y-4)

Commissioner Earl Blumenauer

- *1287** Apply to the Oregon Department of Justice for grant funds totaling \$408,550 to provide critical traffic safety education, enforcement and engineering improvements within the City (Ordinance)

Disposition: Ordinance No. 169140. (Y-4)

- *1288** Authorize a contract and provide for payment to construct permanent traffic control devices on NE 14th Place and NE Killingsworth and Alberta Streets (Ordinance)

Disposition: Ordinance No. 169141. (Y-4)

- *1289** Agreement with Lloyd D. Lindley to provide professional services for the Broadway-Weidler corridor study (Ordinance)

Disposition: Ordinance No. 169142. (Y-4)

- 1290** Declare the purpose and intention of the City to construct street and storm sewer improvements in Brentwood-Darlington HCD District No. 1 (Resolution; C-9895)

Disposition: Resolution No. 35429. (Y-4)

Commissioner Charlie Hales

- 1291** Accept contract with Len Huffard Construction for new golf cart storage barn at Rose City Golf Course as complete and authorize final payment (Report; Contract No. 29714)

AUGUST 9, 1995

Disposition: Accepted. (Y-4)

1292 Accept the Fire Code Board of Appeals Summary Report (Report)

Disposition: Accepted. (Y-4)

1293 Contract with Trauma Intervention Programs, Inc. for crisis intervention training for \$48,000 (Ordinance; waive City Code 5.68)

Disposition: Passed to Second Reading August 16, 1995 at 9:30 a.m.

***1294** Contract with Larry Epstein for \$153,800 for consultant services on the Land Division Code rewrite project (Ordinance)

Disposition: Ordinance No. 169143. (Y-4)

***1295** Request and accept tax-foreclosed properties from Multnomah County for park and recreation purposes (Ordinance)

Disposition: Ordinance No. 169144. (Y-4)

***1296** Grant a public walkway easement to the State of Oregon, Department of Transportation, for sidewalks at Progress Downs Golf Course (Ordinance)

Disposition: Ordinance No. 169145. (Y-4)

***1297** Contract with ten professional, technical and expert service firms for landscape architectural services as required in support of the Bureau of Parks and Recreation GOBI projects (Ordinance)

Disposition: Ordinance No. 169146. (Y-4)

***1298** Contract with ten professional, technical and expert service firms for architectural services as required in support of the Bureau of Parks and Recreation GOBI projects (Ordinance)

Disposition: Ordinance No. 169147. (Y-4)

***1299** Apply to the Oregon Department of Transportation and the Oregon Department of Land Conservation and Development for several grants up to \$572,000 for transportation and growth management programs (Ordinance)

Disposition: Ordinance No. 169148. (Y-4)

AUGUST 9, 1995

- *1300** Application to The Oregon Community Foundation for a \$6,000 grant to fund a test model incorporating Special Advocates for Elders (S.A.F.E.) ombudsman services with Multnomah County's "No Place Like Home" HUD-funded coordination program (Ordinance)

Disposition: Ordinance No. 169149. (Y-4)

Commissioner Gretchen Kafoury

- *1301** Contract with Becker Projects, Inc. for \$16,140 to produce the "Plans Examiner" newsletter (Ordinance)

Disposition: Ordinance No. 169150. (Y-4)

- *1302** Amend bylaws of Metropolitan Human Rights Commission (Ordinance)

Disposition: Ordinance No. 169151. (Y-4)

- *1303** Grant revocable permit to Art Celebration, Inc. to close certain streets to hold their Artquake Festival, September 1 to September 5, 1995; waive fees for permits and inspections (Ordinance)

Disposition: Ordinance No. 169152. (Y-4)

- *1304** Grant permit to provide Specially Attended Transportation services (Ordinance)

Disposition: Ordinance No. 169153. (Y-4)

- *1305** Increase Purchase Order contract with Richard J. Fowler for Printing and Distribution remodel (Ordinance; amend Purchase Order No. 1017082)

Disposition: Ordinance No. 169154. (Y-4)

- *1306** Authorize agreement with Fisher Broadcasting, Inc., dba KATU, for access to the City's 800 MHz trunking radio system (Ordinance)

Disposition: Ordinance No. 169155. (Y-4)

- *1307** Authorize agreement with Providence Medical Center for access to the City's 800 MHz trunking radio system (Ordinance)

Disposition: Ordinance No. 169156. (Y-4)

AUGUST 9, 1995

***1308** Authorize agreement with Oregon Public Broadcasting for access to the City's 800 MHz trunking radio system (Ordinance)

Disposition: Ordinance No. 169157. (Y-4)

***1309** Authorize agreement with Legacy Emanuel Hospital and Health Center for access to the City's 800 MHz trunking radio system (Ordinance)

Disposition: Ordinance No. 169158. (Y-4)

***1310** Authorize agreement with Providence Milwaukie Hospital for access to the City's 800 MHz trunking radio system (Ordinance)

Disposition: Ordinance No. 169159. (Y-4)

***1311** Authorize agreement with Citicasters, dba KEX, for access to the City's 800 MHz trunking radio system (Ordinance)

Disposition: Ordinance No. 169160. (Y-4)

***1312** Enter into a license agreement for space for communications equipment at SW Walters Drive, Gresham (Ordinance)

Disposition: Ordinance No. 169161. (Y-4)

***1313** Authorize contract with 2KG Contractors, Inc. to renovate the Kerby Garage in the amount of \$375,500 (Ordinance)

Disposition: Ordinance No. 169162. (Y-4)

***1314** Authorize negotiations for and lease of temporary space for City Hall offices (Ordinance)

Disposition: Ordinance No. 169163. (Y-4)

***1315** Agreement with Portland Public Schools for \$18,210 for the TLC-TnT Program and provide for payment (Ordinance)

Disposition: Ordinance No. 169164. (Y-4)

***1316** Contract with School District No. 1 (Portland Public Schools) for \$402,637 for the Home Repair Training Program and provide for payment (Ordinance)

Disposition: Ordinance No. 169165. (Y-4)

AUGUST 9, 1995

***1317** Contract with Portland Community Design for \$51,205 to provide architectural services to non-profit developers carrying out Community Development Block Grant eligible projects and provide for payment (Ordinance)

Disposition: Ordinance No. 169166. (Y-4)

***1318** Contract with Ecumenical Ministries of Oregon for \$37,492 for the Shared Housing Program and provide for payment (Ordinance)

Disposition: Ordinance No. 169167. (Y-4)

***1319** Contract with Multnomah County for \$107,152 for services for women leaving prostitution and provide for payment (Ordinance)

Disposition: Ordinance No. 169168. (Y-4)

***1320** Contract with Raphael House for \$76,436 and provide for payment (Ordinance)

Disposition: Ordinance No. 169169. (Y-4)

***1321** Contract with Volunteers of America for \$69,158 and provide for payment (Ordinance)

Disposition: Ordinance No. 169170. (Y-4)

***1322** Contract with Bradley-Angle House for \$149,329 and provide for payment (Ordinance)

Disposition: Ordinance No. 169171. (Y-4)

***1323** Agreement with the Housing Authority of Portland for \$62,000 for the cooperation of local government in the development of the HUD-required Consolidated Plan and provide for payment (Ordinance)

Disposition: Ordinance No. 169172. (Y-4)

Commissioner Mike Lindberg

1324 Accept contract with S-2 Contractor, Inc. for the Powell Village sanitary sewer as complete and provide for final payment (Report; Contract No. 28841)

Disposition: Accepted. (Y-4)

AUGUST 9, 1995

***1325** Authorize contract with Executive Solutions to create a participative Information Technology Strategic planning progress and baseline research and analysis to support the planning process (Ordinance)

Disposition: Ordinance No. 169173. (Y-4)

***1326** Contract with Zimmer Gunsul Frasca Partnership in an amount of \$48,500 for architectural and planning services related to siting the overflow treatment facility (Ordinance)

Disposition: Ordinance No. 169174. (Y-4)

***1327** Contract with KCM, Inc. to provide professional services on the Columbia Slough consolidation conduit and provide for payment (Ordinance)

Disposition: Ordinance No. 169175. (Y-4)

***1328** Authorize a contract and provide for payment for the Water Pollution Control Laboratory site preparation phase (Ordinance)

Disposition: Ordinance No. 169176. (Y-4)

***1329** Contract with CH2M Hill, Inc. in an amount of \$41,500 for engineering services related to siting the overflow treatment facility (Ordinance)

Disposition: Ordinance No. 169177. (Y-4)

***1330** Contract with CH2M Hill for professional engineering services for Columbia Boulevard Wastewater Treatment Plant repair, rehabilitation and maintenance projects and provide for payment (Ordinance)

Disposition: Ordinance No. 169178. (Y-4)

***1331** Amend contract with Gaia Northwest Incorporated to provide additional design engineering services for protection of the sanitary sewer line and restoration of Oak Creek (Ordinance; Contract No. 29539)

Disposition: Ordinance No. 169179. (Y-4)

***1332** Call for bids for the Sacajawea sanitary sewer system, authorize a contract and provide for payment (Ordinance)

Disposition: Ordinance No. 169180. (Y-4)

AUGUST 9, 1995

- *1333** Intergovernmental agreement with Portland State University for \$12,897 for professional services to conduct solid waste and recycling surveys of the commercial sector (Ordinance)

Disposition: Ordinance No. 169181. (Y-4)

- *1334** Amend contract with Portland State University for sediment studies to extend termination date at no additional cost (Ordinance; amend Contract No. 28527)

Disposition: Ordinance No. 169182. (Y-4)

- *1335** Authorize a contract and provide for payment for the Ira Keller Fountain improvements project (Ordinance)

Disposition: Ordinance No. 169183. (Y-4)

REGULAR AGENDA

- *1274** Authorize the Livable City Housing Council to obtain City General Fund allocation from Livable City Housing Investment Fund and enter into a loan secured by a fourth deed of trust with Albina Corner Limited Partnership not to exceed \$375,000 to finance construction of Albina Corner (Ordinance introduced by Mayor Katz and Commissioners Hales and Kafoury)

Disposition: Continued to August 23, 1995 at 9:30 a.m.

Commissioner Earl Blumenauer

- 1336** Consider vacating a portion of SE Ellis Street at the request of Wayne-Dalton Corporation (Hearing; Report; C-9881)

Disposition: Approved. City Engineer prepare ordinance. (Y-4)

Commissioner Charlie Hales

- 1337** Approve a location in Washington Park as the site for a Holocaust Memorial Garden (Resolution)

Discussion: John Sewell, Bureau of Parks and Recreation, said about a year ago he met with Holocaust survivors and survivors' families and friends to identify a memorial site. The plan is to have a contemplative garden.

Mariam Greenstein, a Holocaust survivor, said she was in concentration camps from the age of 11 to 15. She was liberated from

AUGUST 9, 1995

Bergen-Belsen in April, 1945 and was not expected to live. She and an uncle, aunt and cousin are the only survivors of the 32 members of her immediate family. She began speaking about the Holocaust about six years ago, going to schools and lecturing, in response to the neo-nazi and gang activity. As she never has had a piece of ground or date in memory of her family and friends, Ms. Greenstein is excited about the memorial. She said the memorial would represent what transpired and also perpetuate the continuity of life with trees and nature to inform future generations. It will represent all the groups of the 11 million who suffered the Holocaust. A coalition is working on the memorial, which will be built with private funding.

Judith Miller said as a 15-year old she survived Auschwitz and Bergen-Belsen and is excited about the memorial, pleased that they are building it themselves and that it will give her children a sense of identity.

Commissioner Blumenauer said the City needs to thank the coalition for crystalizing an awful moment in time in order to remember so it will never happen to anyone else.

Commissioner Hales said it was a privilege for the Park Bureau and City to support the memorial.

Commissioner Lindberg said it is important to be reminded to be ever-vigilant, especially because of the increase in hate crimes.

Mayor Katz said she was fortunate to flee the Holocaust with her parents in 1940. She has heard intelligent people talk about "re-writing" history and expressing doubts that the Holocaust occurred. The Holocaust did occur.

Disposition: Resolution No. 35430. (Y-4)

1270 **TIME CERTAIN: 10:15 AM** - Assess benefitted property for the costs of street, storm sewer and water system improvements within the SW 50th/Marigold Local Improvement District (Hearing; Ordinance; C-9805; introduced by Auditor Clark)

Discussion: Dan Vizzini, Liens and Assessments Manager, said the first Council action on this Local Improvement District (LID) was in April, 1992. From that time to February, 1994 the City was involved with the neighborhood to design the project. Council accepted the design in February, 1994 and lengthy hearings were held that Spring to discuss the design in detail. Project modifications were made before it was finally formed in June, 1994. In the course of forming it, property owners were provided with three different engineering

AUGUST 9, 1995

estimates--highly unusual for an LID. The first engineering estimate was based on a larger area for the street improvement. When that area was whittled down, a second estimate was provided and, once the bids were in, a third estimate was provided. So, property owners saw a lot of different numbers on the project before it even got underway. Mr. Vizzini said construction took place from the Fall of 1994 through the Spring of 1995. Notices of proposed assessment were mailed out in June of 1995. The Auditor's Office received five letters of remonstrance and the City Engineer has reported on them.

Mayor Katz asked if the public testimony to be heard today was much different than before.

Mr. Vizzini said the remonstrances were along the lines of what was heard during the project's formation, questioning whether specific properties were benefitted and were particular costs excessive.

John Hawthorne, Acting Section Manager for Local Design Engineering, Department of Transportation, presented before and after slides of the project. He noted that one design change saved about \$100,000.

Mayor Katz said Council would like to hear some response to the fears and concerns voiced in prior hearings before the project was constructed.

Helen Gould, 8908 SW 50th Avenue, 97219, said the neighborhood, in general, was pleased with the project, but displeased with some things: the latest assessment; the cost apportioning; and connectivity. She noted she was an engineer by profession, working on large projects, and has an MBA from the Wharton School. Ms. Gould said her assessment was 10 percent higher than anticipated last year, although the project costs increased seven percent. The engineering and interest costs caused the seven percent increase and the construction costs are only 68.7 percent of the project.

Ms. Gould said the City said it would pay for intersections and a portion of the drainage costs. The City only looked at the portion of the construction costs--not at the contribution based on total project costs. As a result, the property owners have been unfairly charged for \$67,263, which would be the actual cost if engineering, interest and the overhead involved. Basically, owners have been charged all of the project interest charges. Essentially, the City borrowed money up front, charged the owners interest and then paid off its portion. It seems reasonable that the City pay its own financing charges and, at minimum, pay its percentage of the total project's interest costs.

AUGUST 9, 1995

Ms. Gould said, in the original district, the Bureau of Environmental Services (BES) promised the neighborhood \$150,000 to cover drainage costs outside the district. When the size of the LID was reduced, the out-of-district area was increased. The BES contribution should have increased but, instead, was decreased. Regarding connectivity, she said the owners were asked to pay about \$85 a month for 20 years with no plans to pave the section between Marigold and Orchid, which connects the LID to the freeway.

Lael Loni Wheeler, 8825 SW 50th Avenue, 97219, said she was also concerned about the paving. Her assessment for her 50 by 10 foot paved road is \$11,572, which is a dramatic increase from when she first signed the petition, five years ago, and was told it would be around \$2,000.

John Nisbet, 8822 SW 51st Avenue, 97219, said that when his house construction was finished in September, 1993, there was enough information on the street design to acquire the final grades for his driveway installation. The bank required the driveway to close the loan. The final street took a large dip in front of the property, so the driveway, a retaining wall and front yard had to be ripped out and replaced. Mr. Nisbet asked for compensation.

John Egan, 8833 SW 50th Avenue, said the quality of work was excellent. He complimented many City staff people. He recommended, for the future, that the improvements be done before homes are built. Concerned about the costs, he requested Council to see what could be done to help people with the financial burden.

Mr. Vizzini said, because of concern about cost increases during the formation process, formation was specifically delayed until there was bid information and the final decisions were based on the bids. At that point, if the corrected engineering costs estimate had been more thoroughly discussed, the unrealistically high expectations of final cost might have been avoided. The two areas of cost increase are engineering and interest. The final project engineering cost is actual time spent by City staff, with reasonable adjustment for costs that do not benefit these property owners. Regarding the interest cost, the Auditor's Office had a line to borrow money on a "just in time" basis. Interest is charged to a project from the day the cost is incurred to the assessment date. Unfortunately, over the course of this project, the Federal Reserve made six or seven short-term interest rate adjustments which affected the prime rate which, in turn, determined the City's interest expense on its borrowings. The City has a long-standing policy that interest is a legitimate expense in LIDs. The project was provided with all the legitimate, City policy subsidies. Estimates provided at the beginning are not guaranteed to be the final

AUGUST 9, 1995

assessment. If Council chose, there could be some kind of guaranteed price for LIDs, which means the risk is taken into the thinly-stretched Transportation funds or estimates could be created with more cushion. Mr. Vizzini said, of course, their preference would be to provide higher estimates--it is better to come in lower.

Commissioner Hales asked if a portion of the interest cost was attributable to the City's, particularly BES's, costs, as Ms. Gould pointed out.

Mr. Vizzini said, aside from the gross project cost, the question is what is City policy on these subsidies. For 15-20 years, the City has paid just the construction portion of the cost of intersections and street drainage. Before that time, the City paid those total costs, including the overhead and interest charges. Changing the existing Transportation subsidy program for LIDs is a policy question for the Council. A separate subsidy, debated at formation, had to do with a BES contribution to this project.

Patty Nelson, BES, said the criteria Ms. Gould is referencing, paying out-of-district costs, is BES's current policy and it was applied in the design phase. It is not proportional to the district area, but has to do with oversizing the storm facility. Early on in the project, it would have approximately equated a \$3,000 subsidy. The minimum size design standards are 12-inch pipe, all that is needed to serve this area, so there were no increased costs due to the system in general, except for the water quality facility. The \$150,000 referenced throughout the project was estimated during the petition phase. It was available funding at the time and was identified for the larger district and to provide storm system cost-sharing. BES proposed to honor the original \$150,000 but, because the district was reduced, proportioned it down. The \$111,000 BES has paid is proportional to the reduction in the district's area.

Mr. Vizzini said Ms. Gould raised questions about how the City applies these costs and subsidies over the life and course of the project. Under normal LIDs, payment of the subsidy is not requested until the project is completed. The City could change the accounting methods to require some kind of proration over the life of the project: on a monthly basis, for example. That would drive down the interest costs. It is not done at this time, in part because the actual subsidy amount is not known until the project is complete. Transportation revenues are in significant demand for a variety of capital and operating-maintenance projects. So, the issue is whether enough money is in the till to take out during the construction phase. Now the policy is that Transportation needs to conserve its resources and pay the bill at the end. Housing and Community Development projects are the only ones

AUGUST 9, 1995

to receive progress payments (federally subsidized) which reduce the interest costs. In these cases, the block grant funds are already assigned and set aside, so they are dedicated dollars.

Mr. Vizzini said Ms. Gould's questions are important to consider in general. For example, Council decided to not stand with the existing BES policy, but to honor a previous commitment. Changing the way intersection and drainage costs are assigned should be done in part through the budget process.

Mr. Hawthorne, addressing Mr. Nisbet's remonstrance about the street grading, said at the time he came to the engineering staff for the street grades, the final plans had not been approved. Mr. Nisbet was told the elevations they had were not final. Staff designs connections for each driveway and his accommodated his driveway, existing grades and boat/trailer access. When staff went over this in the field, he opted to make his own driveway connection and he was not assessed for any driveway connection.

Mayor Katz asked Mr. Vizzini to report to Council before the next round of budget decisions about other communities' practices on these issues and the demands on their transportation resources.

Mr. Vizzini said Terry Bray in Transportation anticipated such a request. This Spring, there was a peer review of the street program with officials and engineers from other Oregon cities. For an entire day, they literally tore the program apart to examine it piece by piece. A number of very useful results came from that, some of which will be in budget discussions and some in requests for Code amendments.

Commissioner Blumenauer said Council had received some information in terms of Portland Department of Transportation '98: To try to maintain the highest degree of service when resources are going down.

Mr. Vizzini said Mr. Nisbet's property points out a problem the City will have with infill development from now on. When houses are allowed to be built prior to the infrastructure, with no street grade established, they will go in at whatever grade is convenient to the builder. It then becomes an engineering nightmare for the City to come in and build a street. He said, in development review, perhaps some City transportation work to establish grades should be required.

Commissioner Blumenauer moved to overrule the remonstrances and Commissioner Lindberg seconded.

Commissioner Blumenauer said, in terms of how much Transportation spent on this project, it is a fact that the costs have not been rolled in.

AUGUST 9, 1995

It was an extraordinary effort and appropriate, given the citizens' investments and the concerns raised. It has raised issues about infill development and subsidies. He favors establishing a larger subsidy pool for projects, as he did during the last budget process. He understands the BES subsidy is being treated the same way as it relates to the interest charges. It would have implications to people throughout the City, so he did not want to make a spot decision at this point and change the policy.

Commissioner Hales said while physically the project is a success, it again emphasizes this is not the way we should be building infrastructure--after the fact.

Commissioner Lindberg said he liked the idea of involving peer group review in the next budget process. To increase BES's contributions to encourage infrastructure development would have quite a budget impact. An exception was made in this LID, as the current policy has a minor contribution. In dealing with an individual project, it might be forgotten there are many other projects to subsidize.

Mayor Katz said Council will be examining other ways to deal with this issue in the future and will make a decision during the budget process whether or not to change the policy.

Disposition: Remonstrances overruled. Passed to Second Reading August 16, 1995 at 9:30 a.m.

***1338**

Grant revocable permit, with conditions, to Friends of Henry and Ramona to construct improvements and install artwork, to be known as the Beverly Cleary Tribute Fountain, for a children's play area in Grant Park (Ordinance)

Discussion: Commissioner Hales said, among the many "Friends of ..." groups which deal with the tangible, this is a group of Friends of the imagination.

Heather Johnson and Jan Wheeland, co-chairs of the Friends of Henry and Ramona, gave a slide presentation of the Grant Park area and the fountain statues.

Lee Hunt, the sculptor, said while the statues were a bit over life-size, they would be safely accessible to children and adults. She noted that she used the author's photograph to model Ramona's face.

Disposition: Ordinance No. 169184. (Y-4)

AUGUST 9, 1995

Commissioner Gretchen Kafoury

***1339** Accept a U.S. Department of Justice grant from the State Criminal Justice Services Division in the amount of \$199,928 (Ordinance)

Disposition: Ordinance No. 169185. (Y-4)

Commissioner Mike Lindberg

1340 Accept 1995 Bull Run Watershed Annual Activities Schedule from the Bureau of Water Works per 1979 Memorandum of Understanding with the U.S. Forest Service (Report)

Discussion: Commissioner Lindberg said this was the annual report of what is happening in the Bull Run watershed. This tracks any changes in activities affecting water quality and he is pleased to note there were none this year. He has continued to implement Resolution No. 35203, passed in October, 1993, which preserves the watershed. Due to Federal Congressional changes, it has become more challenging to protect this watershed. He said he met recently with Senator Hatfield as well as the new Mt. Hood National Forest Supervisor and is trying to maintain the kind of partnership with the Forest Service needed to insure the watershed's clean water. In spite of not achieving federal legislation, there is an interim moratorium on logging Bull Run.

Disposition: Accepted. (Y-4)

1341 Direct the Bureau of Water Works to construct a limited corrosion control treatment facility and further develop and evaluate a lead hazard reduction program for Lead and Copper Rule compliance (Resolution)

Discussion: Commissioner Lindberg said this is an unusual proposal. Rather than simply taking the cookie cutter approach to the Federal mandate dealing with lead and copper in the drinking water, a lot of time was spent on creative problem solving to minimize the number of chemicals that would have to be added to the water and the cost to rate payers. Instead of building a major treatment plant and adding significant chemicals, it was decided to go into target areas' households to deal with the lead problem. There is no lead in the water itself, but older homes have lead in the pipes and fixtures. He said the package presented today is supported by the Oregon State, Multnomah, Clackamas and Washington County Health Departments and the Water Quality Advisory Committee.

Mike Rosenberger, Director of the Water Bureau, said this resolution would direct the Bureau to implement minimal corrosion control and

AUGUST 9, 1995

chemical treatment by building a small treatment facility and also work with the local public health officials and the State to develop a lead hazard reduction program. When this was last discussed in Council in June, 1994, the Bureau was directed to take a two-track approach: to use the chemical treatment as required and at the same time try to develop non-chemical alternatives that could be used as a stand-alone approach or in conjunction with fewer chemicals. He said that extensive analyses have been done and a number of alternatives developed, with the resulting recommendation that an alternative combination of chemical treatment and lead reduction be adopted. This will probably be less expensive than any other treatment, including full-blown treatment and, at the same, afford a higher level of public health protection.

Mayor Katz asked about the Bureau's message to the citizens.

Mr. Rosenberger said the message is that this proposal will afford the highest level of health protection of any of the alternatives, if water that has stood in the pipes for some time is run for awhile.

Commissioner Lindberg noted that the Water Bureau provides a free household water test, if requested.

Mr. Rosenberger added that in addition, as part of the non-chemical approach, the testing program, education programs and lead paint removal programs will all be expanded. He said this innovative approach has prompted inquiries from around the nation, asking for more information.

In answer to Mayor Katz's question about the water testing, Mort Anoushiravani, Water Bureau Operations Chief Engineer, said people can call in and the Bureau will send sample bottles to be mailed back.

Disposition: Resolution No. 35431. (Y-4)

1342 Declare Portland City Council opposition to excessive changes to the Clean Water Act as proposed in H.R. 961, The Clean Water Act Reauthorization of 1995 (Resolution)

Discussion: Commissioner Lindberg said this is a message to Congress that this City intends to protect its water resources which have been passed down by citizens and government. H.R. 961 has been called the "dirty" water act and is viewed as a threat to precious water resources. From a residents' survey of a couple of years ago, clean water was the number one priority. He said the metropolitan area has more than 40 watershed councils and friends groups devoted to water quality.

AUGUST 9, 1995

Jonathan Foisner, volunteer with the Oregon Sierra Club, said the supporters of this act say it will give new flexibility to states, but the reality is different. A close reading of the legislation gives new flexibility to industry to avoid existing water quality standards and actually ties the states' hands on regulation.

Mike Houck, Audubon Society of Portland, said he is asked to speak around the country about why this City and region are so successful at maintaining a livable community. Among the reasons are public/private partnerships and the leadership and political will to do the right thing.

Jacqueline Dingfelder, member of Sustainable Oregon and Coalition for a Livable Future, said her groups believe this act will undermine 20 years of hard work to protect and enhance the City's water resources.

Commissioner Lindberg suggested that Council members sign the resolution cover letter and forward it to Oregon's Congressional delegation.

Commissioner Blumenauer said we do not need to roll back regulations that affect pollutants flowing down from one area to another. This is a dangerous bill.

Commissioner Hales said he did not rush into regulations, but to weaken this would be venal. To weaken the Clean Water Act is ironic as it has worked in the market place--the City's quality of life is valuable. Environmental quality is an asset.

Mayor Katz said we should not water down the important Clean Water regulations.

Disposition: Resolution No. 35432. (Y-4)

City Auditor Barbara Clark

***1343** Create the NW 11th Avenue and Hoyt Street Local Improvement District (Ordinance; C-9894)

Discussion: Dan Vizzini, Liens and Assessments Manager, said this is the first LID in the NW River District. They have been working with the property owners to move this expeditiously, which is the reason for the emergency clause. A crucial document from one of the property owners is lacking, however, and the Auditor's Office intent is to hold up the bid process (the next step) until this last legal document is acquired.

AUGUST 9, 1995

Disposition: Ordinance No. 169186. (Y-4)

At 12:00 p.m., Council recessed.

AUGUST 9, 1995

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 9TH DAY OF AUGUST, 1995 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Blumenauer, Hales and Lindberg, 4.

OFFICERS IN ATTENDANCE: Britta Olson, Acting Clerk of the Council; Ruth Spetter, Senior Deputy City Attorney; and Officer Chuck Bolliger, Sergeant at Arms.

An Environmental Leadership Award was presented to Commissioner Lindberg by Janet Gillespie, Executive Director of the Association of Clean Water Agencies, for his contribution toward sound water quality policy.

1344 **TIME CERTAIN: 2:00 PM** - Adopt the McLoughlin Neighborhoods Project Status Report and Implementation Strategy (Resolution introduced by Commissioner Blumenauer)

Discussion: Commissioner Blumenauer said the neighborhoods adjacent to the McLoughlin corridor have exercised patience and persistence during a long process.

Rich Newlands, Office of Transportation McLoughlin Project Manager, said this began more than 15 years ago with the withdrawal of funding for the Mt. Hood freeway and the subsequent southern corridor study. The study identified the need for transportation improvements within the corridor to accommodate significant growth in the area served and to address the impact the growth has had on the neighborhoods. A two-prong strategy of incentives and disincentives was developed. Major improvements to McLoughlin Boulevard are the incentives. The disincentive portion is the McLoughlin Neighborhoods Project, a package of neighborhood traffic management sub-projects designed to prevent local traffic using alternative routes for through or non-local traffic. This is a complementary approach to best address the goal of removing through traffic from neighborhood streets. After many years of legal and design delays, the Tacoma overpass has been completed. The delays' result is that the technical and policy findings of the 1983 draft McLoughlin report are no longer up-to-date. In addition, funding and program resources have also changed.

Mr. Newlands said this report serves two purposes. The first is to update the general technical and policy findings of the original report. Current traffic data have been collected and analyzed and strongly indicate that localized problems identified in the 1983 report are still

AUGUST 9, 1995

present. Four new sub-projects have been recommended for inclusion. Second, the report outlines an implementation strategy for completing the project which takes into account program funding, resources and traffic conditions that have changed since the original report. Current budget constraints do not allow implementation of the entire package of sub-projects at once. The strategy also defines the approval processes, responsibilities and potential funding sources needed to complete the entire program. The strategy was prepared in cooperation with participating neighborhood associations for their review and input and has earned the support of both the Sellwood-Moreland Improvement League and the Brooklyn Action Corps of Neighborhood Associations.

Tracy Hanthorn, SMILE Neighborhood Committee Transportation Co-Chairman, said surveys and meetings indicate that 80 percent of the top ten issues had to do with commuter traffic cutting through the neighborhoods. The neighborhoods' Council Committee voted unanimous approval of the implementation plan.

Paul Schuback, 3003 SE Milwaukie Avenue, said the Brooklyn business and neighborhood associations approve of the resolution.

Commissioner Blumenauer said these were some of the most personally frustrating meetings he has had in the past six or seven years, with citizens saying these were things they wanted to do 10 years ago but, because of things beyond their and the City's control, there was no positive response. Now, this has become inspiration for some City programs dealing with general transportation improvements and is positive for the entire City. Because of the earlier, very long delay, this must be implemented as rapidly as possible.

Mr. Schuback said the Brooklyn Neighborhood Association looks over the plan once a year to update and make changes and he recommends that to other neighborhoods.

Peter Hainley, 1125 SE Spokane Street, SMILE Transportation Committee Chairperson from 1985 through 1989, said the traffic coming through the neighborhood is like a funnel and as yet there has not been one traffic calming or diversion project in the Sellwood/Moreland neighborhood. He took issue with the removal from the report of the Tacoma Street portion. That was identified as the biggest problem in the neighborhood. There is no pedestrian/bicycle access or crossing and Tacoma basically divides the neighborhood in half. Despite its importance, Mr. Hainley noted this portion of the project is now a Phase III project.

Stewart Reif, 1015 SE Spokane Street, said, as former chair of the

AUGUST 9, 1995

Neighborhood Association and a land use representative, he was involved in this project for close to eight years and is pleased the project is ready to move forward. He said this is a heavily populated neighborhood--about 12,000 people living and working there--so the traffic problems impact a lot of people. There are close to 40,000 cars a day using the Sellwood Bridge which is probably one of the highest levels of traffic of any city street. Although it is the most costly and complicated part of the project, for most people the Tacoma Street issue is the most serious.

Disposition: Resolution No. 35433. (Y-4)

REGULAR AGENDA

Commissioner Charlie Hales

- 1345** Tentatively grant appeal, with conditions, of Joanne Starr, applicant, of Hearings Officer's decision to deny application for a 20-lot PUD with environmental review and adjustments located at 12281 SW Boones Ferry Road (Findings; Previous Agenda 1170; 94-00949 PU EN AD)

Discussion: Mayor Katz said she had received a note from Planning that there was additional information.

Sue Donaldson, Planning Bureau, said she had the final revisions to the findings. When the findings were submitted to her, there were some changes she wanted the applicant to make, which have been done. She said that, in terms of substance, there was nothing new. It was the wording that she wanted to be sure was accurate.

Ms. Donaldson said there were some last minutes revisions, all of them done in response to what people had seen previously.

Mayor Katz asked her to identify how this was different from the tentative findings.

Ms. Donaldson said she added clarification to certain conditions and changed some conditions of approval for some of the agreements that were reached at the last hearing. They were not specified in the findings. For instance, the applicant agreed to a posted tree bond, which was added to the conditions. There was one specified Type II review for a stormwater outfall, which was added. Some wording was clarified. The changes were essentially wording, condensing and eliminating things that were not correct.

Commissioner Hales asked if she was satisfied that the findings now reflect Council action.

AUGUST 9, 1995

Ms. Donaldson said she incorporated everyone's comments into the revised findings. She added some findings as well as the applicant's findings.

Commissioner Hales moved the adoption of findings and revised conditions. Commissioner Lindberg seconded.

Disposition: Findings adopted. (Y-4)

Commissioner Gretchen Kafoury

1346 Liquor license application for Huyen Le, dba Kinky Corner, 3901 SE Belmont St., retail malt beverage liquor license (new outlet); unfavorable recommendation (Report)

Discussion: John Werneken, License Bureau, said neighbors of this outlet have experienced an extensive history of criminal and disturbing activity, mostly related to drinking and intoxication in the immediate vicinity, particularly in the vacant parking lot across the street and in the applicant's existing facility, an apartment house. The apartment house has a ground floor laundromat, operated from 6 a.m. to 2 a.m., and neighbors' testimony indicates many disturbances occur from laundromat patrons. Staff believes the applicant is a courageous and well-intentioned person, trying to upgrade the building on a shoestring budget. If the license is granted, it might allow her to hire staff to supervise the premises and, as a result, reduce the problems. Also, if the premises already had a liquor license, Mr. Werneken said staff would recommend a serious and strict compliance plan, if not an unfavorable recommendation, because of the existing history of problems. It is not in the public interest for the City to recommend granting a liquor license at such a location for this applicant. In their last meeting, the applicant assured him, that when she took leave from her day job at the end of the school year and would be on the premises, the level of problems would be substantially reduced.

Officer Larry Sievert, Police Drug and Vice Division, said he compiled a list of alcohol-related crimes in the immediate area and was surprised at the amount. The trend does not seem to be slowing down as it has continued through June and this month.

Mayor Katz asked if all the incidents were 9-1-1 generated or were some other reports.

Officer Sievert said they were 9-1-1 and he had not looked up the detox reports.

Cathy (Huyen) Le, applicant, said she had cleaned up the building and

AUGUST 9, 1995

laundromat. She applied for the package store license because the laundromat business was slow and there seems to be a need for a small grocery which would be open late. Ms. Le said the alcohol came from outside and, with a grocery, she would be able to keep an eye on the laundromat.

Katie Bretsch, Sunnyside Neighborhood Association, said there is recent positive momentum in the Belmont area. She noted the REACH rehabilitated apartment house is just north of the property. It serves people in recovery and it would not be helpful to have an alcohol outlet right there. The neighborhood is hoping for a quality tenant for the vacant Thriftway store across the street and this license would make that difficult to find. A private school and nursery is immediately to the west. There is already a convenience store one-half block south. Ms. Bretsch said the Neighborhood Association does not want any further degradation due to alcohol problems.

Mary Ann Schwab, 605 SE 38th Avenue, 97214, said she has been a Sunnyside resident since 1971 and has challenged a license at 39th and Stark five times since 1976. The neighborhood task force, after studying convenience stores pro and con, developed a good neighbor plan which is still in use. She also emphasized that the residents of the nearby REACH apartments would be adversely affected. Convenience store sales of alcohol and beer to minors is a high-profit margin. Ms. Schwab suggested to the owner that another type of business could be quite successful as it is a good location.

Barbara Runnel, 4317 SE Pine, 97215, said that with Recovery Inn's closure, the park area and Belmont Street in particular is becoming more impacted with transient problems. There is a convenience store less than a block away, two other convenience stores within a quarter mile, a market and a Fred Meyers. The intersection is a major bus transfer point. Ms. Runnel said the building's parking lot would not be adequate for people to pull into as they do for a convenience store. She said the neighborhood wanted the applicant to make a success of the location, too, but this business would not be a contributing factor for livability.

Mr. Werneken said the testimony reminded him of an issue to note for the record. At various times, the applicant has indicated that this application might be refiled as a package store license only. Staff's judgment is the same facts would apply since the existing problems occur on the streets, sidewalks and parking lot.

Commissioner Blumenauer said it is clear that this is not aimed at the applicant per se. The location is a pinch point for two traffic corridors and Laurelhurst Park. It is important to reference that the City, along

AUGUST 9, 1995

with the neighborhood, has spent time and energy on this area. He hopes the broader nature of what is going on here and why this specific point is so essential will be clear to the OLCC and the applicant. It would be useful not just for this application, but to guide people in the future.

Mayor Katz asked to have that point reflected in the disposition.

Commissioner Hales moved adoption of the bureau's recommendation and Commissioner Lindberg seconded.

Commissioner Hales said the City Code clearly states that if there is a persistent problem with alcohol at a particular location, Council has the opportunity to make a negative recommendation. In this case, aside from the applicant's good intentions, common sense and good policy require that recommendation.

Disposition: Unfavorably recommended. (Y-4)

***1347** Amend Secondhand Dealer regulations (Ordinance; amend Code Chapter 14.37)

Discussion: Gary McGrew, License Bureau, said his bureau works closely on liquor licensing issues with the Drugs and Vice Division and works closely with the special Property Investigations detective unit on the secondhand dealer program. The purpose of the Secondhand Dealer Code is to strictly regulate certain business activities which present a high risk of being used to conceal criminal behavior, including property theft. These stores process high volumes of property which are subject to theft. The regulations provide timely police awareness of transactions and a handle on operator conduct. Since 1986, Code has required a City permit. The investigation includes a personal background check of the applicant and Code allows inspection of the business. Code also requires the dealer to obtain identification from the seller, a description of the property and to forward that information to the Police Bureau at the close of the business day. Said property must be tagged and held 15 days, allowing the Police time to match the stolen property reports.

Mr. McGrew said the amendments proposed today are not intended to change the way the City administers this Code or any requirements placed on secondhand dealers. This amendment's primary purpose is to resolve issues presented during enforcement proceedings and to prevent the same questions from arising again. Code intended for the Police to be able to go into a business and inspect the regulated property being held. However, more than one dealer has claimed that property is stored in the back and the Police must specify exactly what

AUGUST 9, 1995

they wish to inspect, not the entire premises. This Code amendment allows Police to inspect the entire business premises. Another change is to remove the word "criminal" before the words "offense" and "arrest" as a violation of the Code is not a criminal violation in Oregon law.

Ivory Nicholas, I Nicholas Jewlery and Cash, 2717 NE Broadway, asked what was meant by "including but not limited to buybacks" and how a buyback is identified. Regarding Section 14.37.050(3), he asked if there would be a time limit on a person's conviction status. For instance, could he hire someone whose conviction occurred many years previously. For purposes of getting the permit or being an employee, he asked for clarification.

Mr. McGrew said buyback is only one term used for a transaction that is a transfer involving a condition of selling the property back in the future at a stipulated price. In other words, a loan. If the interest rate amounted to less than 10 percent over a one-year period, it would be legal. But, if the interest rate is 10 percent or more, it becomes a pawn transaction and falls under the State Pawn Law. Regarding the conviction time period, he said remoteness in time could be considered.

Commissioner Blumenauer said he had no interest in making an arbitrary cutoff on the time period. The License and Police Bureaus need to have access to this information and would consider the factors of minor and old offenses.

James Cavell, owner of Buzz's Better Buys, 7035 SE 82nd, said everything that comes through a secondhand dealer's door should be written up. He said there are no buybacks in the State of Oregon according to a new ruling that just came from the Attorney General's office.

Paul Schuback, Schuback Violin Shop, 3003 SE Milwaukie, said he had not been notified, but just found out recently, that he should have an occasional secondhand dealer permit. He has found and quietly returned \$40,000 worth of instruments to their owners. He noted that the paperwork to record everything that comes in would require him to hire an employee. Also, he has bought instruments back from people who have his receipt from 25 years ago. People sell the instruments they bought from him back to him to trade up in quality.

Mr. McGrew said the 1989 task force that revised this Code decided to keep the list narrow, including those items most commonly stolen and easily identifiable. Violins are included on the list.

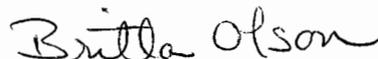
AUGUST 9, 1995

Commissioner Blumenauer asked those people who have suggestions on more efficient management to submit them to the License Bureau.

Disposition: Ordinance No. 169187. (Y-4)

At 3:15 p.m., Council adjourned.

BARBARA CLARK
Auditor of the City of Portland



By Britta Olson
Acting Clerk of the Council

