



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 22ND DAY OF SEPTEMBER, 1999 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales and Saltzman, 4.

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

Agenda No. 1369 was pulled from Consent. On a Y-4 roll call, the balance of the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

- 1345** Cash investment balances July 22 through August 18, 1999 (Report; Treasurer)

Disposition: Placed on File.

- 1346** Reject all bids to furnish the NE Mason Street Local Improvement, Phase III (Purchasing Report - Bid 99259)

Disposition: Accepted.

- 1347** Accept bid of Danka to furnish one production copier for the Bureau of General Services for \$558,500 (Purchasing Report - Bid 99266)

Disposition: Accepted; prepare contract.

- 1348** Accept bid of Interwest Construction, Inc. to furnish temporary emergency operations facility site preparation for \$94,350 (Purchasing Report - Bid 99387)

Disposition: Accepted; prepare contract.

- 1349** Vacate a certain portion of SW River Parkway east of SW Moody Avenue, under certain conditions (Ordinance by Order of Council; C-9959)

Disposition: Passed to Second Reading September 29, 1999 at 9:30 a.m.

- *1350** Amend contract with CAPE Employee Assistance Program, providing counseling assistance to employees of the Bureau of Fire, Rescue and Emergency Services and the Bureau of Police by extending the contract term (Ordinance introduced by Mayor Katz and Commissioner Francesconi; amend Contract No. 30786)

Disposition: Ordinance No. 173761. (Y-4)

Mayor Vera Katz

- 1351** Recommend that the Oregon Economic Development Commission and the State of Oregon assist in the financing of the Glass Alchemy project through the Oregon Business Development Fund, secured by improvements as provided by ORS 285B.059 (Resolution)

Disposition: Resolution No. 35826. (Y-4)

- *1352** Extend legal services agreement with Bogle & Gates for outside litigation representation (Ordinance; amend Agreement No. 31184)

Disposition: Ordinance No. 173762. (Y-4)

- *1353** Establish two Clerical Specialist positions and abolish one Program Manager I position in the Bureau of Licenses in accordance with the Personnel Rules adopted by the City Council (Ordinance)

Disposition: Ordinance No. 173763. (Y-4)

- *1354** Pay claim of U.S. West Communications (Ordinance)

Disposition: Ordinance No. 173764. (Y-4)

- *1355** Pay claim of Mark Meddaugh (Ordinance)

Disposition: Ordinance No. 173765. (Y-4)

- *1356** Pay claim of Mathew Yancoskie (Ordinance)

Disposition: Ordinance No. 173766. (Y-4)

- *1357** Pay claim of Frank Sikorski (Ordinance)

Disposition: Ordinance No. 173767. (Y-4)

- *1358** Authorize contract with The Segal Company for the provision of employee benefits insurance consulting services (Ordinance)

Disposition: Ordinance No. 173768. (Y-4)

- *1359** Amend contract with Network One, Inc. for expanded document management technology (Ordinance; amend Contract No. 32120)

Discussion: Ordinance No. 173769. (Y-4)

SEPTEMBER 22, 1999

- *1360** Agreement between Youth Gangs Outreach programs and the City for use of Local Law Enforcement Block Grant funds (Ordinance)

Disposition: Ordinance No. 173770. (Y-4)

Commissioner Jim Francesconi

- *1361** Contract with Northwest Truckstell, Inc. for the modification of ten service trucks and provide for payment (Ordinance)

Disposition: Ordinance No. 173771. (Y-4)

- *1362** Authorize the purchase of two portable standby generators and trailers for the Bureau of General Services and provide for payment (Ordinance)

Disposition: Ordinance No. 173772. (Y-4)

- *1363** Authorize the purchase of office furniture systems by the Bureau of General Services for the Portland Office of Transportation for approximately \$985,000 and provide for payment (Ordinance)

Disposition: Ordinance No. 173773. (Y-4)

- *1364** Amend agreement with the State of Oregon, Office of the State Fire Marshal, for Regional Hazardous Materials Emergency Response Team services (Ordinance)

Disposition: Ordinance No. 173774. (Y-4)

- *1365** Contract with Burlington Water District for fire prevention and suppression services for FY 1999-2000 (Ordinance)

Disposition: Ordinance No. 173775. (Y-4)

- *1366** Intergovernmental agreement between Portland Fire & Rescue and the City of Gresham Fire and Emergency Services Department for loan of employee services to preserve pension benefits (Ordinance)

Disposition: Ordinance No. 173776. (Y-4)

- *1367** Contract with Pro Landscape, Inc. for \$117,820 to construct Johnson Creek Park improvements (Ordinance)

Disposition: Ordinance No. 173777. (Y-4)

- *1368** License agreement with the Division of State Lands for the construction and maintenance of the Eastbank floating walkway (Ordinance)

Disposition: Ordinance No. 173778. (Y-4)

SEPTEMBER 22, 1999

- *1370** Increase contract with J.P. Contractors, Inc. for Powell Park improvements by the sum of \$4,885 (Ordinance; amend Contract No. 31847)

Disposition: Ordinance No. 173779. (Y-4)

Commissioner Charlie Hales

- 1371** Set hearing date, 9:30 a.m., Wednesday, October 20, 1999, to vacate N. Ziegler Avenue north of N. Bank Street (Report; C-9965)

Disposition: Adopted.

- *1372** Amend agreement with Oregon Department of Transportation to reduce funds of the Pedestrian Facilities for Transit Access project by \$280,000 (Ordinance; amend Agreement No. 50635)

Disposition: Ordinance No. 173780. (Y-4)

- *1373** Amend agreement with Oregon Department of Transportation to provide \$290,000 additional funding for the Woodstock Boulevard Pedestrian Project (Ordinance; amend Agreement 50876)

Disposition: Ordinance No. 173781. (Y-4)

Commissioner Dan Saltzman

- *1374** Authorize an application to the Environmental Protection Agency for a Sustainable Development Challenge Grant in the amount of \$250,000 (Ordinance)

Disposition: Ordinance No. 173782. (Y-4)

- *1375** Contract with NW General, Inc. for construction of the Columbia Boulevard Wastewater Treatment Plant outfall waterline project, Project No. 6442 (Ordinance)

Disposition: Ordinance No. 173783. (Y-4)

- *1376** Contract for technical staffing through the Wetlands Conservancy to meet increasing demands for watershed revegetation (Ordinance)

Disposition: Ordinance No. 173784. (Y-4)

Commissioner Erik Sten

- *1377** Contract with Catholic Charities for \$23,281 to provide the Asian Youth Outreach Project and provide for payment (Ordinance)

Disposition: Ordinance No. 173785. (Y-4)

- *1378** Contract with Neighborhood Pride Team for \$20,000 for the Entrepreneurial Training Program and provide for payment (Ordinance)

Disposition: Ordinance No. 173786. (Y-4)

- *1379 Agreement with Portland Public Schools for \$19,784 for the TLC-TnT Program and provide for payment (Ordinance)

Disposition: Ordinance No. 173787. (Y-4)

- *1380 Contract with National Development Council for \$60,000 for the professional services consisting of technical assistance and financial packaging services in the area of alternative financing linked to the Community Development Block Grant and provide for payment (Ordinance)

Disposition: Ordinance No. 173788. (Y-4)

- *1381 Contract with School District No. 1 for \$416,973 for the Home Repair Training Program and provide for payment (Ordinance)

Disposition: Ordinance No. 173789. (Y-)

- *1382 Contract with Unisys Corporation for an image remittance processor without advertising for bids and provide for payment (Ordinance)

Disposition: Ordinance No. 173790. (Y-4)

- *1383 Contract with Black and Veatch for services to assist the Water Bureau in acquiring a Laboratory Information Management System (Ordinance)

Disposition: Ordinance No. 173791. (Y-4)

- *1384 Contract with Lorna Water Company for meter reading within its boundaries and provide for payment (Ordinance)

Disposition: Ordinance No. 173792. (Y-4)

- *1385 Contract with Modern Building Systems, Inc. to provide modular building for a Water Bureau temporary Emergency Operations facility for \$191,683 and provide for payment (Ordinance)

Disposition: Ordinance No. 173793. (Y-4)

- 1386 Agreement with David Evans and Associates, Inc. for an amount not to exceed \$75,000 to provide engineering services for miscellaneous professional services in the area of natural resources and provide for payments (Ordinance)

Disposition: Passed to Second Reading September 29, 1999 at 9:30 a.m.

- *1387** Contract with Interwest Construction, Inc. to provide site improvements for a Water Bureau temporary Emergency Operations facility for \$94,350 and provide for payment (Ordinance)

Disposition: Ordinance No. 173794. (Y-4)

REGULAR AGENDA

- *1369** Grant revocable permit, with conditions, to the Vietnam Veterans of Oregon Memorial Funds, Inc. to modify the Memorial to Oregon Veterans of Vietnam at Hoyt Arboretum in Washington Park to bring it into compliance with federal ADA standards and make related improvements (Ordinance)

Discussion: Susan Hathway-Marxer, Parks Bureau, said an amendment is needed to extend the permit to July 1, 2000.

Hearing no objections, the Mayor so ordered.

Disposition: Ordinance No. 173795 as amended. (Y-4)

- 1343 TIME CERTAIN: 9:30 AM** – Introduction of the Fire Bureau new Fire Fighter Trainee class (Presentation by Commissioner Francesconi)

Discussion: Commissioner Francesconi said this class reflects the skill and talent of the entire community.

Chief Robert Wall, Fire Bureau, said the Bureau is very proud of this new class and of its success in hiring minorities and women, which has been the result of many people's efforts. He said they expect to expand their five-year recruitment program into three Portland high schools this year and connect with the School to Work program. They would also like to help other bureaus duplicate what they have been able to do.

Donnie O'Dare, Fire Bureau Human Resources Manager, introduced members of the training team and all the new trainees, describing both their educational backgrounds and prior work experience.

Disposition: Placed on File.

- 1388** Reject all bids for fire apparatus for the Bureau of Fire (Purchasing Report - Bid 99256)

Discussion: Darin Matthews, Bureau of Purchasing, recommended rejection of all bids because Purchasing found the bid specifications were unclear and would like to clean those up and rebid this in the very near future.

Disposition: Accepted. (Y-4)

Mayor Vera Katz

- *1389** Accept an additional \$3,385,246 award from the U.S. Department of Justice, Office of Community Oriented Policing Services, COPS MORE '98 program, authorize the purchase of mobile data terminal units for police sedans and provide for payment (Ordinance)

Discussion: Mayor Katz said the Police are comfortable that the City can do what the Justice of Department requires as this technology is put in place.

Disposition: Ordinance No. 173796. (Y-4)

1344 TIME CERTAIN: 10:00 AM – Willamette River Stakeholders Task Force report and recommendations (Report introduced by Commissioner Saltzman)

Discussion: Commissioner Saltzman said the issue of reducing Combined Sewer Overflows (CSOs) into the Willamette River is not a new one. He said there will be plenty of opportunities for Council to discuss some of the options that it may want the Department of Environmental Quality (DEQ) to consider in its compliance strategy. Today Council will hear the recommendations of the Stakeholders, a group of 23 citizens who have spent three years reviewing the issues that bear on this decision. He explained what has happened since the City signed the Final Order with the DEQ and the City committed to eliminating 94 percent of the overflows by the year 2011. The City is halfway to meeting that goal now. What has changed is that there are now different approaches to cleaning up the river and the CSO program addresses only a very narrow contaminant, the bacteria. There are other ways to restore watershed health than simply building pipes, storage vaults and treatment plants. One alternative calls for more investments in green watershed enhancements to see if an aggressive investment in watershed management can lower the amount of pipes, vaults and treatment plants that will be needed. Both approaches are needed and the question is to what extent they can be blended. If they can, the City may then want to ask the DEQ to once again consider amending the Final Order signed in 1994. He said this will be a significant decision for Council and he hopes it will seriously consider the options presented today and any others that may emerge over the next several weeks. This decision will affect how the City cleans up the Willamette and how much ratepayers pay to do so. Another change since 1994 is the Endangered Species Act (ESA) listing. Many of the programs Commissioner Sten has identified as fish priority projects basically fall under the same integrated watershed management projects that the Stakeholder Task Force has identified. One obvious issue is where the City gets funding for its ESA responsibilities and, if Council decides to pursue a less costly option, he has committed to devoting those resources to watershed health. He hopes Council will decide whether to seek an amendment to the Final Order by the end of the year.

Dean Marriott, Director, Bureau of Environmental Services (BES), complimented the Task Force for its very hard work over a three-year period.

Bill Hutchinson, Chair, Stakeholders Task Force, said the Task Force wants Portland to create a proactive, not reactive approach. The Task Force strongly recommends that the system be built to a 94 percent level of control, taking the City from 100 to 10 impacted days of unsafe conditions. It also recommends the improvements be built on time, by 2011, unless there is a demonstrated need to implement an integrated watershed plan, or if the City needs the DEQ Total Daily Maximum Load (TDML) calculations, which have not yet been released, to guide construction. Portland is better served by not reopening the Stipulated Order process unless the need is manifest. He said the Task Force does not believe Council's desire to limit sewer rate increases to 10 percent per year is a reason to reopen the process. The Task Force has offered some alternative funding concepts which it believes will reduce the estimated budget. He said the \$700 million estimated cost needs to stand the

test of time to ensure that the expectations placed on the Willamette, both in and out of stream, are met. With Wilsonville planning to use the Willamette as a source for drinking water, Portland should plan for decreased assimilative capacity which could lead to water quality standard violations. Portland should also enhance its water quality laboratory in order to gauge upstream and downstream impacts and the success of the City's own initiatives. Restoring the watershed makes good ecological and economic sense and the Task Force does not agree with some of the Bureau's documents that suggest this is an either/or proposition. The Task Force strongly believes the City can have both a 94 percent level of control and watershed enhancement. He said the City can never build a sewer system big enough to take into account the total impact of development on the River and sewer system. He said the Task Force urges implementation of a carrot and stick scheme to get the public and private sectors to do the right thing. It urges Council to chart a single strategy that institutionalizes an integrated approach to deal with the Willamette's needs. The true cost of sewer system accommodations and loss of river-carrying capacity must be recognized when any type of development is approved. The City must also realistically deal with the issue of runoff from impervious surfaces.

Five members of the Task Force described other aspects of the report in more detail:

Peter Lavigne, Watershed Protection program, Portland State University
Don Francis, Willamette River Keeper
Tom McCue, Wacker Siltronic Corp
Denny Westover, Floating Home Community and Columbia Boulevard Wastewater Treatment Plant Citizens Advisory Committee member
Bruce Hansen, Swan Island Business Owner and Willamette River fisherman
Brian Bainnson, Vice Chair Task Force, Southeast Uplift Neighborhood Association Coalition

The Task Force members stressed the need to integrate the efforts of all bureaus and have them speak with a single voice as it is not possible to assign one bureau the entire responsibility for restoring the River's health. Such an integrated approach should also coordinate the efforts of other jurisdictions, with the expectation that entities upstream from Portland will also take steps to clean up the River. The Task Force recommends that solutions be sought that use green approaches, promote better building and road design to reduce the amount of impervious surface water and examine more fully the transportation system's contribution to CSOs. They also call for strengthened public outreach and education efforts along with reassurance to citizens who fear they will see no drop in their rates after paying for these expensive improvements. Another suggestion made by the Task Force is to aggressively pursue some significant federal funding opportunities that could reduce the cost to ratepayers. Mr. Westover noted that the Task Force began with the assumption that a treatment plant would be built on Swan Island and ended up three years later believing that it would be better to extend pipes to the Columbia Boulevard Wastewater Treatment Plant, rather than building a new facility.

Mayor Katz asked why the Task Force recommends staying with the 94 percent level of control within the current timeline. There seems to be a difference in philosophy between the Task Force and Bureau staff.

Mr. Hutchinson said the Task Force believes the City's commitment to cure this problem to a 94 percent standard should be honored and believes the financing issues can be helped by

SEPTEMBER 22, 1999

building it "smart" and somewhat more economically. Over time the Task Force came to realize this is not just a sewer problem limited to one bureau. Solutions need to be infused throughout Portland's economic and political system as the Task Force believes citizens want the City to do both – eliminate the CSOs and restore the water.

Mayor Katz asked about other the funding sources and the role of Transportation.

Mr. Hutchinson said the first source of funds would be the "build smart" alternative and determining what savings result from not building the Swan Island facility, the cornerstone projects and reduced flow assumptions. There could also be savings from reduced input by industry into the system. If other jurisdictions are found to be creating a problem they should be brought to the table to fund solutions and either undertake mitigation efforts themselves or write checks to help pay for the damage they do to the river. A transportation-related tax could be considered, for instance, as well as a federal funding initiative which could help fund part of the sewer system budget. Those could all have a favorable impact on rates.

Commissioner Saltzman said he assumes any federal money would be allocated to "green" solutions, not pipes.

Mr. Lavigne said it is basically a straight-forward funding mechanism.

Mr. McCue said the Task Force concluded that there is a substantial contribution to the sewer overflow problem from streets and roads. It is also aware that there is a constitutional prohibition about using road or gas taxes for purposes other than road maintenance. The Task Force concluded, however, that the construction of drainage control systems on roads and streets is road maintenance and they see no problem with assessing revenues that can be gained from transportation systems to address these impacts. The Task Force does not have a custom-made solution today but since transportation has the largest impact, this must be addressed first. He suggested using private and public money to solve problems through better design and by mitigating negative environmental impacts. He also suggested that the expertise of BES and other bureaus be tapped more fully.

Mayor Katz asked if the Task Force reviewed the cost of service reports in terms of how much of the cost Transportation should bear.

Commissioner Saltzman said that is being examined as part of the rate initiative he is undertaking with Commissioner Sten.

Mayor Katz noted that the need for integrating efforts across all bureaus has been a key recommendation on other issues, such as the Greenway, the Endangered Species Act listing and management of the stormwater problem. She said she would like to discuss with Council ways to capture all of that administratively. It may be better to place those issues under the Planning umbrella rather than creating a new group for a narrow purpose.

Commissioner Francesconi asked if it will be any cheaper to delay some of the major projects, as the Task Force has recommended.

Mr. Hutchinson said at first the Task Force focused on extending the deadline in order to develop new strategies. In the end, after they decided to use the Columbia Boulevard

SEPTEMBER 22, 1999

Wastewater Treatment Plant to discharge into the Columbia rather than the Willamette, they began to believe it was better not to delay. They do not believe the 10 percent rate cap should be a reason to extend the deadline as there are other funding sources and savings, although they do worry about the absence of TDML calculations, which will not be available until 2003, and the possibility that the goal posts will change. He said some of the new solutions will take five years to put in place and three more years to monitor and it may turn out that the impact on system design is not that great. He said the Task Force is not sanguine about opening up the process again. If you delay in order to find solutions that result in less flow, the final cost may be lower but that must be balanced against the fact that when something is delayed it usually costs more later.

Mr. Bainnson said it will be a number of years before some of these questions can be answered definitively.

Commissioner Francesconi asked how one can do a cost benefit analysis and tell ratepayers they got what they paid for when the science is still not developed, which is why the Task Force is recommending that the City build a better lab.

Mr. Bainnson said there is no question that they will see a substantial reduction in inflow to the River. They will also see a substantial overall benefit but they cannot say how much greater without developing measurements.

Commissioner Francesconi asked if the River will be safe for human contact.

Mr. Bainnson said yes, except for approximately 10 days per year in terms of bacteria. The caveat is that the City is not responsible for pollutants coming from upstream and the State's attempt to account for maximum loads of other pollutants will affect what is done in Portland.

Commissioner Francesconi asked how this report relates to the rest of the State and if there is any mechanism for the City to say that citizens will see certain results and lower rates because the City has achieved what it said it would.

Mayor Katz said she is afraid the City will do all this and citizens will come back and say the water is still dirty.

Mr. Hutchinson said integration does not stop at the City limits and the Task Force's whole effort has been to ensure this is not a \$700 million pyrrhic victory. That is one reason it has called for Portland to get in the driver's seat on the science, as synchronizing whole river solutions is very important. He urged Council to use its clout to participate in the whole river agenda and believes the laboratory approach could be a very good lynchpin to achieve that end.

Commissioner Saltzman said he is hoping that the Governor's Willamette River Restoration Initiative Task Force will provide some certainty to all jurisdictions along the river as to what they must do and that it will also allocate the TMDLs among the various jurisdictions.

Mr. McCue said the City also needs to partner with private entities to reduce effluents at the source. If it is possible to reduce water from the source by half this could result in the need for a much smaller system than currently envisioned. He said the science is developing very

SEPTEMBER 22, 1999

quickly in this area but the Task Force agreed the City should maintain its the present course because of previous commitments.

Commissioner Francesconi said he had asked for information about how to build citizen infrastructure and get systematic citizen involvement.

Mr. McCue said the Task Force believes the City can use the system already in place.

Mr. Bainnson said the City needs to provide better support systems to citizen groups.

Commissioner Saltzman noted that Council will hold a work session on this subject in November and the various options will be discussed then. He noted that the results of a questionnaire sent to all ratepayers listing five options are included in the Task Force's report.

Tom Cropper, PO Box 18025, 97218, expressed concern about the effect of the channel dredging project on the Columbia and the Portland harbor. Referring to the Willamette's potential listing as a Super Fund site, he said while he doubts the Willamette is the most toxic river in the country, he believes its water will not become safe to drink because it is impossible to filter out all the bacteria or viruses. He also opposed any mixture of Bull Run with Willamette River water. He added that he is upset with the lack of information being made available to the public about the Governor's Task Force on the Willamette River.

Commissioner Francesconi said all Council members must make the battle for the Willamette their personal cause. He agrees the City should still shoot for 94 percent control even though he is concerned about the cost and the need for multi-objective management. He said using the Columbia Boulevard Wastewater Treatment Plant seems logical but more public education is needed and the City needs to provide access to the River as well as cleaning it up. He said a non-profit advocacy group is needed to educate people about the River, do fundraising, etc. While environmental goals are clearly needed, there is also a need for a common mission statement and a strategic plan to both protect the environment and provide for good jobs. The City needs a way to evaluate these sometimes competing goals and make tradeoffs.

Mayor Katz said she always had concerns about the notion of dropping the 94 percent control level, which grew out of concern about the escalating costs to ratepayers. The Task Force is saying that the City should begin looking at how some of those costs can be shifted without lowering the level of CSO control. She said part a review of the construction schedule may produce some ways to keep the rates down and both Commissioners Sten and Saltzman are very sensitive to that. She has always agreed with the need to set benchmarks for water quality and the ESA listing, which will be very difficult to do. The worst scenario is to finish the CSO project and still end up with a dirty river. This issue needs to be further explored in relation to what the State and regional councils are doing and the City's own efforts need to be integrated throughout the bureaus. Regarding the use of utility franchise fees, she noted that efforts to resolve the problems associated with the ESA listing are being funded partially out of General Fund dollars so perhaps the money captured in the General Fund through utility franchise fees should be redirected to dealing with the fish problem.

Disposition: Accepted. (Y-3)

SEPTEMBER 22, 1999

At 11:00 a.m., Council recessed.

GARY BLACKMER
Auditor of the City of Portland

By Cay Kershner
Clerk of the Council

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 22ND DAY OF SEPTEMBER, 1999 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi and Hales, 3.

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

1390 **TIME CERTAIN: 2:00 PM** – Accept North Beach Vision and Action Plan (Report introduced by Mayor Katz)

Discussion: Mayor Katz said this is a community vision that came about with a grant from Metro. She noted that the entire community was not necessarily involved in the planning, but the Plan will go back to the community/property owners to figure out the next steps.

Jean Hoops, Chair of Cathedral Park Neighborhood Association (CPNA), said there is a variety of individual activities such as the Willamette Cove planning, Ziedel moving barge operation and the McCormick and Baxter cleanup. CPNA received a \$22,000 grant from Metro for a two-year study. A consulting firm, Cogan Owens Cogan, was hired to advise and assist and became the glue holding the process together.

Tom Foster, 5932 N. Willamette Boulevard, showed maps and pictures of the site which runs from the University of Portland on the south to the St. Johns Bridge. There are almost two miles of riverfront on the site and people have been using it as an informal park for a long time and there are illegal trails on the railroad land. There is roughly 80 acres of flat land, polluted by McCormick and Baxter. The Environmental Protection Agency (EPA) has wanted to expand the planning for this site in particular. Willamette Cove was once covered with industrial buildings. North of the Cove is a natural beach again after years of industrial use. After 30 years, the site has reverted to a rather natural area and wildlife is returning. Designating this as an official park will make this site safer. The north end of the site is a tight street grid, traditionally industrial, which is mostly storage now. There are many new rowhouses going in next to that property. The Bureau of Environmental Services (BES) laboratory is next to Cathedral Park, essentially extending the park. This North Beach proposal would also tie the 40-mile loop together.

Bev Wilson, 7706 N. Crawford Street, 97203, said most people show their out-of-town visitors some place by the river. She said two big chunks of the site are already publically owned, but there is not that much waterfront land that people can get down to. On the east side, there is nothing between Cathedral and Sellwood Parks. The consultants have been talking to the Ziedel and Schnitzer property owners and the Port of Portland. The Port is willing to act on the City's behalf with Union Pacific Railway regarding their right-of-way on this site and the possibility of "rails and trails." The lack of overall planning for this area could be an opportunity as the coming unknowns, such as the endangered species act and the harbor superfund, can be combined with such things as the St. Johns Community Plan.

Matt Hastie, Cogan Owens Cogan, 813 SW Alder Street, No. 320, 97205, addressed the

vision of this plan. He said this is a big area which can accommodate a mix of uses. The property below the University of Portland would be the first link in an extension of the greenway trail. Triangle (industrial) Park is envisioned as the primary employment center in North Beach and the entire property is envisioned as light industrial and commercial use. The McCormick and Baxter site is envisioned as having some developed recreational facilities at the river to complement the passive recreation use plan for Willamette Cove, which was purchased by Metro. The portion near the bluff would be commercial uses with an office focus and access to this area would be Edgewater Drive. The north industrial blocks area is a key opportunity in the long term for mixed commercial and residential use. Access on the existing streets would require improvements.

Jim Sjulín, Parks Bureau, said they need to take a closer look at the development of the greenway trail in this area to see if it can be built along the comprehensive plan alignment. The North Portland enhancement grant for \$10,000 from Metro and a \$5,000 grant from the Parks Trust Fund allowed Parks to produce a feasibility study for the six and one-half mile greenway trail segment. The time is ripe now to see what can be done with this stretch, because it would really tie the greenway trail system together.

Sue Donaldson, Parks Bureau, said Parks completed two projects, the Willamette greenway trail inventory and the Natural Resources Management Plan for Willamette Cove. There was no map showing where the trail was until Peg Butler collected the trail data, by bicycling with the Global Positioning System (GPS) unit. The Cove management plan provides guidelines for trails, access, viewing platforms, bank restoration, revegetation and enhancement, interpretation and environmental education along with site maintenance and monitoring.

At the Mayor's request, Peg Butler, Parks Bureau, described how she used the GPS unit on her bicycle and how it was computer downloaded to create the maps.

Mel Huie, Metro Parks Department, said portions of the regional trail system were being built today, with all the jurisdictions. Upon completion, there will be over 300 miles of off-road pedestrian and bicycle trails.

Sallie Edmunds, Planning Bureau Endangered Species Act team leader, said the Willamette Greenway is a collaboration with Parks, BES, Transportation, Planning and the Portland Development Commission (PDC). The Planning staff has prepared a background report, outlining all the planning in the study area, including all plans or initiatives that are underway or complete. The report will include maps and mapping information. They have prepared a proposal to the National Park Service Rivers, Trails and Conservation Assistance program to help with a series of public visioning events. There are three beginning inventories to address the river's natural resource aspects: natural and recreational; riverbank inventory; and fish.

George Lozovoy, Parks Bureau, said he was the planner working on the river recreation access plan. One goal the access plan will address is to look at the entire river length from just south of the Sellwood Bridge to Kelly Point Park and to involve the public in the process.

Debbie Bischoff, Planning Bureau area plan team leader, said the Bureau is focusing on smaller geographic planning projects, as opposed to large community plans. The next in

line are the St. Johns town center and the Lombard main street projects which will be looking ahead 20 years. People in the area have expressed interest in having the study area extend to the riverfront south of the St. Johns Bridge. She noted there was overlap with all the different projects.

Ms. Edmunds said the EPA contacted the Planning Bureau to ask if it would be willing to participate in a pilot project to assess the possible uses that could be made of the 43-acre McCormick and Baxter site so EPA can clean it up accordingly. The property was placed on the superfund list in 1994. Planning has asked EPA for \$90,000 to fund four consultants or staff: a re-use scientist as DEQ and EPA want to stand back from land-use issues; a transportation consultant (there is poor truck access to the site); a market economist; and a legal consultant. EPA will also provide an independent facilitator for all the public meetings. An EPA contractor will match them up with a peer city which has successfully re-used a superfund site.

Mayor Katz said she and Commissioner Hales want to know how this relates to the work being done on brownfields.

Ms. Edmunds said the superfund sites are dirtier than brownfields and are a separate EPA program.

Colleen Acres, Planning Bureau, said her purpose was to set up the Peninsula Coordinating Committee which crosses jurisdictions, sectors and interest groups to coordinate the information on various projects and determine how best to use the resources. The committee includes Multnomah County's decision makers and social service providers, Metro, Portland and Oregon Departments of Transportation, Port of Portland and individual groups. Maximizing all groups' interests are primarily done through the meetings but also through the Peninsula Coordinating Committee which also supports a web site. The Committee has involved the Fire Bureau to look at emergency medical staffing for the new North Portland health clinic and the Police to talk with the trucking industry about localized circulation issues. Presently, there are 34 documented projects going on in North Portland and the Committee's goal is to be as useful as possible in conserving and maximizing all the resources.

Commissioner Francesconi asked how to get moving in one direction from a series of coordinated, separate efforts.

Ms. Acres said there was some discussion originally to pull together a definition of goals for the North Portland area, but the analysis by the Housing and Community Development Bureau found such an effort premature until the Target Area Designations can build the resources in the community. Council needs to have a budget discussion about taking on the larger picture.

Linda Wakefield, Schnitzer Investment, 3200 NW John Avenue, said her company owns one of the industrial properties in the North Beach area which is leased to Lamppost Steel with three years to go on the lease and an option to renew. There is a very good chance her company would redevelop the property in the future and at this point it could not commit to doing anything else. She said she was also on the Board of the Northwest Industrial Neighborhood Association (NINA) and has been very involved in protecting the industrial sanctuary areas. Many industrial areas, most of which are old with older buildings' low

SEPTEMBER 22, 1999

rent, are being phased out of the city. The proposed path along the railroad track would split this property in half but they have no problem with the path running along the river.

Commissioner Francesconi said this is a creative process and access to the river will be a central feature of where the City is going. As Council tries to keep the Central City vital, which takes resources and attention, it is aware there is concern in Lents, Interstate MAX and North Portland. He is excited about the greenway inventory. Council is grappling with how to get the infrastructure dollars to deliver to some neighborhoods not in tax increment districts. He said in accepting this plan, he is not agreeing to any timetable or particular land uses in that industrial land. They have to let the market work and preserve the industrial jobs.

Commissioner Hales said this is an exciting set of opportunities and he appreciates the spirit of cooperation and the good work being done.

Mayor Katz said, because of Ballot Measure 47's budget reduction several years ago, the City had to change its approach to planning. The recommendation was to focus on regional and town centers and main streets, which made sense in light of the work on the 2040 framework plan. They are discovering that things are happening with or without them. Either the community is going ahead with their own money or looking for money from other sources, such as Metro or EPA. The result of this is chaos, but chaos provides opportunity for creative solutions. She has committed to the Council that, to the best of their ability, they will set money aside for the greenway planning process and look at it in a comprehensive fashion. The policy advisory group from Metro had a preliminary report on jobs and the lack of enough industrial land for the next 20 years, which will lead to an expansion of the Urban Growth Boundary. Portland is the only city with industrial sanctuaries and they must be maintained for the community's economy.

Disposition: Accepted. (Y-3)

At 3:35 p.m., Council recessed.

GARY BLACKMER
Auditor of the City of Portland

By Britta Olson
Acting Clerk of the Council

SEPTEMBER 23, 1999

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 23RD DAY OF SEPTEMBER, 1999 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales and Saltzman, 4.

OFFICERS IN ATTENDANCE: Cay Kershner, Clerk of the Council; Linda Meng, Chief Deputy City Attorney; and Officer Chuck Bolliger, Sergeant at Arms.

Mayor Katz called for Suspension of the Rules to introduce an ordinance. Commissioner Hales seconded and hearing no objections, the Mayor so ordered.

SUSPENSION OF RULES

- *1391-1** Amend Medical Expensive Reimbursement Plan to temporarily change the time limit for plan participants to submit reimbursement requests for medical expenses incurred in the 7/1/98-6/30/99 plan year to the time-specific date of December 31, 1999 (Ordinance; amend City Code Section 4.52.040 D

Discussion: Linda Jefferson, Benefits Manager, Office of Risk Management, said the City changed third-party health benefits managers this year and because of the transition it needs to extend the time that employees have to submit reimbursement requests for the previous plan year.

Disposition: Ordinance No. 173797. (Y-4)

- 1391 TIME CERTAIN: 2:00 PM** – Amend City Code Chapter to regulate personal escort/modeling businesses (Previous Agenda 1271 introduced by Mayor Katz and Commissioner Francesconi; amend Chapter 14.44)

Discussion: Mayor Katz asked that Commissioner Francesconi be added as a co-sponsor of the ordinance. Hearing no objections, she so ordered.

The Mayor said many citizens have complained about the activity associated with some of the lingerie businesses in town as well as the magazines that advertise escort services. The Police have convinced her that a lot of illegal activity occurs, that a lot of juveniles are pulled into this kind of activity and that it is very difficult for the Police to do any investigation because business is done from pagers and cell phones.

Assistant Chief of Investigation, Dennis Merrill, said the Police Bureau continues to do a good job of focusing on street prostitution but the pressure on street level prostitution has caused a lot of this activity to move out of the public view and into the escort or modeling services business. This movement has had little effect on the number of young women who are being recruited by pimps into a life of prostitution and has even made it more difficult to identify and investigate these activities. In the last five years the number of escort modeling businesses has increased considerably and, while some operate legally, many are fronts for prostitution and have employed convicted prostitutes, used known pimps, employed juveniles and been linked to organized crime. Pimps and promoters lurk in the

background, waiting to collect money from the continued exploitation of women. This ordinance will allow Police to intervene at an earlier time and interdict the criminal enterprise before it gains a foothold. It requires that such businesses obtain permits and that the permit number be placed in any advertisements. Business owners using unlicensed escorts will be subject to arrest. Applicants will apply through the bureau of Licenses and submit to a background check. Successful applicants will be issued identification cards and an appeals process will be available through the City Hearings Officer. There are over 200 such businesses advertised each month plus 23 fixed modeling studios and, without some effective tools, the Police are unable to deal with the situation. This ordinance will provide just such a tool.

Captain Jim Ferraris, Commander, Drug and Vice Division, said the community has taken effective steps to reduce street level prostitution through such measures as the prostitution free zones, asset forfeiture and aggressive enforcement at the precinct level. However, the Police have also seen a marked increase in the number of adult escort/modeling businesses and believe that many prostitutes work under that guise. He said the Police crafted its ordinance based on the effectiveness of similar ordinances in other jurisdictions.

Police Sergeant Ed Brumfield, Drug and Vice Division, said this will make it a lot more difficult for such businesses to operate and flourish in the City.

Commissioner Saltzman asked if there is such a thing as a legal escort business.

Officer Brumfield said yes, it is possible to run an escort service and in recent years they have seen more people trying to stay within the guidelines of State law. He said legitimate escort businesses will benefit from this as right now they are operating in an unfair environment amid certain customer expectations. This ordinance will make it easier to identify businesses that are fronts for prostitution.

Commissioner Francesconi asked if this ordinance meets all constitutional tests.

Mary Danforth, Senior Deputy City Attorney, said this ordinance calls for a permitting procedure and does not regulate any speech or content, i.e. of the pictures in the monthly magazines advertising these services. What is illegal here is prostitution, which is a violation of State law.

Commissioner Saltzman asked what the practical results have been in jurisdictions that have passed similar ordinances. Has there been a noticeable decline?

Officer Brumfield said yes, there are still escort services but not nearly as many as existed prior to the ordinances.

Commissioner Saltzman said since this will be a licensing function, City staff may come in contact with women who may still end up in illegal forums performing illegal acts. Is there any way to help them get counseling?

Officer Brumfield explained that while the women will apply to the License Bureau, the Police will do the interviews and that they have processes already in effect to offer them alternatives to prostitution.

SEPTEMBER 23, 1999

Art Fleming, owner of Scarlet Ribbons Lingerie, 5226 SE Foster Road, said he only heard about this last night and believes the process needs further review. He said because turnover is so high this will be expensive and a bureaucratic nightmare to administer. He noted that the women working in his business rent space from him and are responsible for reporting their own income.

Mayor Katz suggested he work with staff over the next week.

Commissioner Hales asked if the women who work for him are employees or independent contractors.

Mr. Fleming said they are independent contractors who rent space from him and pay a house fee.

Commissioner Hales said he disagrees that these women should be considered independent contractors although that is currently legal and not an issue for Council.

Mr. Fleming said that has been an issue for the State for a number of years. He said the turnover in this business can be daily, making it difficult for an employer to stay on top of the paperwork.

Officer Brumfield said they purposely did not want to get involved in the independent contractor issue as that is something the State legislature is still dealing with. Under this ordinance, the permittee is the model or escort, rather than the business. He noted that the models often work for several different businesses.

Commissioner Saltzman asked if the business has to have a permit as well.

Officer Brumfield said yes.

Mayor Katz asked if the Police contacted some of these businesses as this ordinance was developed.

Officer Brumfield said over the past two years he has talked about this informally with everyone he has come in contact with.

Disposition: Passed to Second Reading September 29, 1999 at 9:30 a.m.

At 2:35 p.m., the Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

Cay Kershner

By Cay Kershner
Clerk of the Council