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CITY OF  
**PORTLAND, OREGON**

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OFFICIAL  
MINUTES

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A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 14TH DAY OF NOVEMBER, 2001 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales, Saltzman and Sten, 5.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Harry Auerbach, Senior Deputy City Attorney; and Officer Peter Hurley, Sergeant at Arms.

Commissioner Hales arrived at 9:33 a.m.

Item No. 1317 was pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

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		<b>Disposition:</b>
<b>1315</b>	<p><b>TIME CERTAIN: 9:30 AM</b> – Amend the Comprehensive Plan Map and Zoning Maps to implement the Southwest Community Plan Vision, Policies and Objectives (Previous Agenda No. 1247, Ordinance introduced by Mayor Katz; amend Ordinance No. 174667, Ordinance No. 171699 and Resolution No. 35649)</p> <p><b>Motion to amend the following; SW Beaverton-Hillsdale Highway at SW Shattuck Road from CG, CN2 to CG, Tualatin View Subdivision, SW Patton Rd. and SW Hillsdale Dr. from R10 to R5. 1139 SW Gibbs St. from R5 to R1 for both properties. East Side of SW 12<sup>th</sup> between SW Gibbs and SW Gaines (not including the existing R1 at 1129 SW Gaines) from R5 to R2. 1010 SW Gibbs from CN2 and R1 to CS. 836 SW Gibbs (two parcels) from R1 to CS. Entire block at SW Gibbs, SW Whitaker, SW 10<sup>th</sup> and SW 9<sup>th</sup> from CN2 and R1 to CS-North half and CM-South half. 7200 SW Capitol Hill Rd., south of Stephens Creek Park from R7 to OS. Expansion of existing Hillsdale TC Boundary from Primarily residential (R7, R5 and R2) to Support Expansion. SW Capitol Hwy., near Mittleman Jewish Community Center (also includes property at 6612 SW Capitol Highway) from R2 and R2/CM to R2d. SW Moss between SW Capitol Hill Rd. and SW 19<sup>th</sup> from R7 to R2.5. East side of Macadam, from SW Dakota to south of SW Logan from CG to CSd.</b></p>	

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<p>Riverview Cemetery, near SW Macadam and the Sellwood Bridge-8412 SW Macadam from R10, R2.5 to OS c, p, s. Southwest corner of Riverview Cemetery and 3 properties on SW 4<sup>th</sup> Ave. from R10 and OS to R10 for SW 4<sup>th</sup> and OS for cemetery. Englewood Subdivision, east of Boones Ferry Rd., near Clackamas County line from none to RF. 11275 SW Lancaster Rd. to R10. 12215 SW 33<sup>rd</sup> Ave. to R10. SW Capitol Hwy., between SW Dickinson and SW Comus (10819 SW Capitol Hwy.) from R5 to R2.5. Parcels along narrow/dead end streets between Multnomah Blvd. and Garden Home Rd. from R7 to R10. Parcels on the north side of SW Brugger, between SW 55<sup>th</sup> and SW 59<sup>th</sup> from R7 to R10. Garden Home Main Street from CN1, R1 and CG to CN2d. Northwest corner of Maplewood neighborhood, south of SW Vermont (near SW 63<sup>rd</sup>) from R7 to R10. SW Canby St. west of SW 35<sup>th</sup> Ave. from R2.5 to R5. SW Moss St. west of SW 28<sup>th</sup> Ave. from R2.5 to R5. Multnomah Main Street (recommended CS properties) from CG, CS, R1, R2, CN1, CN2 within Main Street boundary to CSd. SW 31<sup>st</sup> Ave. between SW Multnomah Blvd and SW Capitol Hwy. from R1 to R1d. SW Idaho to SW Iowa between SW 30<sup>th</sup> and SW 32<sup>nd</sup> from R5 to R5 for area north of Idaho and R5 along North side of Idaho and R2 along SW Vermont. 9532 SW 18<sup>th</sup> Place from OS to R10: Hearing no objections motions were gavelled down by Mayor Katz.</p>	<p>PASSED TO SECOND READING AS AMENDED NOVEMBER 21, 2001 AT 9:30 AM TIME CERTAIN</p>
<p style="text-align: center;"><b>CONSENT AGENDA – NO DISCUSSION</b></p> <p style="text-align: center;"><b>Mayor Vera Katz</b></p> <p><b>1316</b> Confirm re-appointment to the Business License Appeals Board of Bruce Krohn for a term to expire December 31, 2004 and Gary Holcomb for a term to expire December 31, 2003 (Report) (Y-4)</p>	<p style="text-align: center;"><b>CONFIRMED</b></p>
<p><b>*1317</b> Approve an Intergovernmental Agreement with Oregon Health &amp; Science University to accept \$210,494 to reimburse costs related to development of the Marquam Hill Plan (Ordinance) (Y-5)</p>	<p style="text-align: center;"><b>176079</b></p>
<p><b>*1318</b> Authorize Waiver, Release of Claims and Replacement Agreement with Central Sprinkler Company (Ordinance) (Y-4)</p>	<p style="text-align: center;"><b>176059</b></p>
<p><b>*1319</b> Approve Intergovernmental Agreement with Tri-Met for use of accessible parking at two Smart Park Garages as part of the Tri-Met Quick Drop Program (Ordinance) (Y-4)</p>	<p style="text-align: center;"><b>176060</b></p>
<p><b>*1320</b> Amend contract with Booth Research Group, Inc. to provide additional assessment center for Police Captain position (Ordinance; amend Contract No. 33388) (Y-4)</p>	<p style="text-align: center;"><b>176061</b></p>

<b>Commissioner Jim Francesconi</b>	
<p><b>*1321</b> Amend Intergovernmental Agreement with Metro for development and maintenance of computerized mapping systems for Portland Fire and Rescue emergency response vehicles, increase amount by \$40,000 and extend the timeline (Ordinance; amend Contract No. 33496)</p> <p>(Y-4)</p>	<b>176062</b>
<p><b>*1322</b> Authorize the Director of Portland Parks and Recreation to approve an Intergovernmental Agreement with the Oregon Zoo for arboricultural services provided by the Urban Forestry Division in the amount of \$10,000 (Ordinance)</p> <p>(Y-4)</p>	<b>176063</b>
<p><b>*1323</b> Authorize agreement for acquisition of the Landmark Environments, Inc. property in southwest Portland on the mainstem of Fanno Creek in the Fanno Creek Regional Target Area (Ordinance)</p> <p>(Y-4)</p>	<b>176064</b>
<p><b>*1324</b> Authorize agreement for acquisition of the Pietka Property located at 3341 NE Rocky Butte Road on the top of Rocky Butte in the East Buttes Regional Target Area (Ordinance)</p> <p>(Y-4)</p>	<b>176065</b>
<b>Commissioner Charlie Hales</b>	
<p><b>*1325</b> Authorize settlement agreement with TMT Development Co., Inc. and Thompson Vaivoda &amp; Associates Architects, Inc. (Ordinance)</p> <p>(Y-4)</p>	<b>176066</b>
<b>Commissioner Dan Saltzman</b>	
<p><b>*1326</b> Authorize an Intergovernmental Agreement between the City and State Board of Agriculture to perform data evaluation of Willamette River water quality data (Ordinance)</p> <p>(Y-4)</p>	<b>176067</b>
<b>Commissioner Erik Sten</b>	
<p><b>*1327</b> Agreement with Albina Community Development Corporation for \$90,000 to support the acquisition, rehabilitation and development of affordable housing and provide for payment (Ordinance)</p> <p>(Y-4)</p>	<b>176068</b>

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<p><b>*1328</b> Agreement with Herbert and Louis LLC for \$50,000 for professional services to evaluate the Transitions to Housing Pilot Project and provide for payment (Ordinance) (Y-4)</p>	<p align="center"><b>176069</b></p>
<p><b>*1329</b> Agreement with NE Coalition of Neighborhoods for \$63,026 for the Humboldt Target Area Designation Program and provide for payment (Ordinance) (Y-4)</p>	<p align="center"><b>176070</b></p>
<p><b>*1330</b> Agreement with Central Northeast Neighbors for \$63,500 to undertake neighborhood revitalization activities along NE 42nd Avenue and provide for payment (Ordinance) (Y-4)</p>	<p align="center"><b>176071</b></p>
<p><b>*1331</b> Agreement with Fair Housing Council of Oregon for \$28,697 for fair housing and civil rights services and provide for payment (Ordinance) (Y-4)</p>	<p align="center"><b>176072</b></p>
<p><b>*1332</b> Amend agreement with Community Alliance of Tenants for provision of Renter Stabilization and Education Project and provide for payment (Ordinance; amend Agreement No. 33791) (Y-4)</p>	<p align="center"><b>176073</b></p>
<p><b>*1333</b> Amend agreement between the City and Unity, Inc. to provide McKinney Supportive Housing Program grant funds in the amount of \$10,250 under the Horizons Grant and provide for payment (Ordinance; amend Agreement No. 33827) (Y-4)</p>	<p align="center"><b>176074</b></p>
<p><b>*1334</b> Amend agreement between the City and Portland Development Commission to retroactively extend the contract period to November 30, 2001 and add resources for \$72,136 for single family and lead hazard reduction for the Letty Owings Center and provide for payment (Ordinance; amend Agreement No. 32146) (Y-4)</p>	<p align="center"><b>176075</b></p>
<p><b>*1335</b> Authorize a Change Order in the amount of \$298,000 with Wildish Building Company for piping improvements to Well Sites 5 and 36 and the Aquifer Storage and Recovery Pilot Scale System (Ordinance; amend Contract No. 33122) (Y-4)</p>	<p align="center"><b>176076</b></p>
<p><b>*1336</b> Extend wholesale water supply agreement with the City of Tualatin, Oregon (Ordinance; amend Contract No. 18531) (Y-4)</p>	<p align="center"><b>176077</b></p>
<p><b>*1337</b> Extend wholesale water supply agreement with the Tualatin Valley Water District (Ordinance; amend Contract Nos. 18418 and 18824) (Y-4)</p>	<p align="center"><b>176078</b></p>

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**REGULAR AGENDA**

**Mayor Vera Katz**

<p><b>1338</b> Governmental Accounting Standards Board Statement No. 34 Government Reporting Implementation Process Phase 1 - Readiness Assessment (Report)</p> <p><b>Motion to accept the report: Moved by Commissioner Sten and seconded by Commissioner Francesconi.</b> (Y-4)</p>	<p><b>ACCEPTED</b></p>
<p><b>*1339</b> Amend contract with Group Mackenzie to provide architectural services for the Portland Police Mounted Patrol Unit Renovation and provide for payment (Ordinance; amend Contract No. 33086) (Y-4)</p>	<p><b>176080</b></p>
<p><b>*1340</b> Increase contract with Payne Construction for Change Orders to Portland Police Mounted Patrol Unit Renovation at Centennial Mills (Ordinance; amend Contract No. 33365) (Y-4)</p>	<p><b>176081</b></p>
<p><b>Communications</b></p>	
<p><b>1341</b> Request of Ted Graham to address Council regarding issues related to a towing incident (Communication)</p>	<p><b>PLACED ON FILE</b></p>

At 12:22 p.m., Council recessed.

**November 14, 2001**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 14TH DAY OF NOVEMBER, 2001 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales, Saltzman and Sten, 5.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Kathryn Beaumont, Senior Deputy City Attorney; and Officer Peter Hurley, Sergeant at Arms.

<p><b>1342 TIME CERTAIN: 2:00 PM</b> – Adopt the Guild’s Lake Industrial Sanctuary Plan in order to preserve industrial land in the Guild’s Lake Industrial Sanctuary, and protect and promote its long-term economic viability as an industrial district (Ordinance introduced by Mayor Katz)</p> <p><b>Motion to delete 33.531.140:</b> Moved by Commissioner Hales and seconded by Commissioner Saltzman.</p>	<p><b>Disposition:</b></p> <p><b>PASSED TO SECOND READING AS AMENDED NOVEMBER 21, 2001 AT 9:30 AM</b></p>
<p><b>1343</b> Adopt the Guild’s Lake Industrial Sanctuary Plan Action Charts (Resolution introduced by Mayor Katz)</p>	<p><b>CONTINUED TO NOVEMBER 21, 2001 AT 9:30 AM</b></p>

At 3:55 p.m., Council recessed.

**November 15, 2001**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 15TH DAY OF NOVEMBER, 2001 AT 2:30 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales, Saltzman and Sten, 5.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Linda Meng, Chief Deputy City Attorney; and Officer Peter Hurley, Sergeant at Arms.

<b>*1344 TIME CERTAIN: 2:30 PM</b> - Give final approval for the issuance of Multifamily Housing Revenue Bonds, Pacific Tower Apartments Project, Series 2001 (Ordinance introduced by Mayor Katz)  (Y-5)	<b>Disposition:</b>  <b>176082</b>
<b>1345 TIME CERTAIN: 3:00 PM</b> – Honor recipients of the Spirit of Portland Award (Presentation)	<b>PLACED ON FILE</b>
<b>REGULAR AGENDA</b>  <b>Mayor Vera Katz</b>  <b>1346</b> Adopt design guidelines for the King's Hill Historic District (Second reading Agenda 1314) (Y-5)	

At 2:38 p.m., Council recessed.

At 3:00 p.m., Council reconvened.

At 4:23 p.m., Council adjourned.

GARY BLACKMER  
Auditor of the City of Portland

By Karla Moore-Love  
Clerk of the Council

For discussion of agenda items, please consult the following Closed Caption Transcript.

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## Closed Caption Transcript of Portland City Council Meeting

This transcript was produced through the closed captioning process for the televised City Council broadcast.

Key: \*\*\*\*\* means unidentified speaker.

**NOVEMBER 14, 2001 9:30 AM**

**Katz:** Council will come to order. Karla, please call the roll. [ roll call ]

**Katz:** All right. We'll take consent agenda items. I understand commissioner Hales wants to remove 1317. We'll do that, but i'm going to ask the council to please delay the testimony on that until this afternoon. We don't have anybody here to respond to that. Is that all right? Okay. [ gavel pounded ] any other items to be removed off the consent agenda? All right. Roll call on consent agenda.

**Francesconi:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Katz:** Mayor votes aye. [gavel pounded ] all right, ladies and gentlemen. We are now to our time certain, 1315.

### **Item No. 1315.**

**Katz:** All right. This is what we're going to do. We're going to finish it today. And we'll vote on it next week. We have work sheets that were prepared by the bureau of planning. We have recommendations from the planning commission, which is who the bureau of planning is representing. We'll go through each individual item very quickly, and if people -- if the council wants to change the recommendation to another zoning designation, then we'll have discussion about that or ask marie and staff if they can provide us some additional information. We will not have any new testimony on the items that we have gone over several weeks ago. However, there may be some testimony that we'll hear on sites that marie identified new sites for us. And if council wants to hear about those new sites, or if there's somebody in the audience that wants to testify on the new sites, i'm going to give everybody two minutes, not three meant, to discuss those sites and then if council has any additional questions, we'll take time to discuss those. If that's all right with the council. There are some sites in hillsdale at homestead, corbett persian gulf, arnold creek, ash creek, Multnomah, marshall park and hayhurst. We've heard some testimony on some of these items, and marie will remind us which ones we heard testimony and which ones we didn't. There was also a request by folks with regard to the expansion of the hillsdale town center, and I said that two representatives can come and only two, to say something to us, and then we'll ask somebody in support of the expansion to come and share their information with us. We're not going to reopen that, but I understand there's been a lot of neighborhood activity with regard to this one item. Marie, did I miss anything? I don't think so. So why don't you go ahead and start.

**Marie Johnson, Bureau of Planning (BOP):** Okay. Today council is continuing the work that you began on october 17th. We had a hearing that evening where we had testimony from a number of different people, southwest residents, neighborhood advocates, business owners and representatives of southwest institutions. Many of the sites that you heard about then were familiar to you because we had prepared materials for you ahead of time. There were some issues raised at that meeting for the first time. Since that council hearing, staff has been working to prepare the materials that the mayor just mentioned. We have done site summaries for each of the sites, we received testimony on, those include site descriptions, maps, and summaries of testimony. In addition, we created these tables that we're going to be using today to guide us through your deliberations process. For the public's information, we made extra copies of those tables so they're



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available so the audience can follow along as council goes through their discussion and deliberations. We also spent some time answering a few questions that council had raised and that information was in packets you were provided earlier and also a summarize on the table in front of you. We have separate sheets for the audience as well. So today staff is here, we also have technical advisors who are available to answer questions, susan mckinney is here, and amin from bureau of environmental services. Does council have any questions about the process today?

**Katz:** Go ahead.

**\*\*\*\*\*:** So you think we're ready to begin.

**Katz:** One item at a time, and we're not going to vote on these. Hopefully there's -- there will be some sort of consensus among the council members if not, then we'll take a vote. All right. Let's start with bridal mile.

**Johnson:** This site is at southwest beaverton hillsdale highway and shattuck road. The recommendation was for cg, general commercial.

**Katz:** Anybody want to change this recommendation? If not, then by your silence I will check it off as approved. All right. Bridal mile.

**Johnson:** This is a tualatin view subdivision at patton road and hillside drive, planning commission recommendation was for r5.

**Katz:** Anybody want to discuss anything else? If not, that's been adopted.

**Johnson:** Homestead, 1139 southwest gibbs street, planning commission recommendation was for r5 unless adjacent property owners agreed to r1.

**Katz:** Let's talk about that, because in my notes I have r1 or r2.

**Saltzman:** I do too.

**Johnson:** We can pull up the site map for you. It will show you that all the other -- all the properties on that block with the exception of the -- this property and the property directly adjacent are currently zoned r1. These two properties are currently zoned r5.

**Saltzman:** The request was to rezone it to r1.

**Johnson:** The property owners requested at the october 17th hearing that it be rezoned r1.

**Francesconi:** I thought they could live with r2, though.

**Katz:** And I think you're right.

**Francesconi:** I circled r2, for what it's worth.

**Katz:** Planning commission would support r1 over r2, staff revised their original proposal to r2.

**Sten:** I'm fine with r1.

**Saltzman:** I'm not sure what difference it makes.

**Hales:** Could you refresh our memories in terms of this site? What difference is it going to make as a practical matter between r1 and r2?

**\*\*\*\*\*:** Can you pull up that site on the --

**Katz:** I think -- they wanted two additional units?

**\*\*\*\*\*:** Correct.

**Katz:** With r1?

**Hales:** I thought they got them either way.

**Johnson:** They could have units on a reason -- on an r2 site, and five on an r1.

**Francesconi:** I think their plan was for two more.

**Johnson:** Which would make three units total. Under r2, they could only get one additional unit, and with --

**Francesconi:** Oh.

**Saltzman:** Oh.

**Brad Carter, BOP:** Brad carter, bureau of planning. I believe the property owner to the north of them that's existing r5, has submitted written testimony I believe either yesterday or this morning to

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the effect that he would support the r2 with the carve yacht that his view was protected and additional information as far as -- his concerns are with the heights in the area because the sites do slope a bit uphill to the north, so he's concerned about tall buildings being built that would block his view.

**Hales:** The zoning designation isn't going to affect the height, is it? So again, i'm trying to remember their testimony. Seemed to me their proposal to add two more units to the vacant portion of the property was a reasonable one, and will they be able to get that with r2?

\*\*\*\*\*: No.

**Hales:** No. Okay. So that to me settles the issue. I think r1 makes sense.

**Johnson:** Is that r1 for that additional lot or both of those lots?

**Hales:** What do you think?

**Carter:** You would have -- if you don't change both lots, you would have that single r5 lot surrounded by r1 on three sides.

**Hales:** That doesn't make sense.

**Katz:** R1?

**Hales:** That makes sense to me.

**Katz:** All right? Okay. Homestead, southwest 12th.

**Johnson:** This is southwest 12th and gibbs. The council had not received materials about this prior to the last hearing, so we're considering this a new site. There may be people here to provide additional testimony.

**Katz:** Okay. So -- all right.

**Johnson:** Planning commission recommendation was r5, and the request was for r2.

**Katz:** This is eastside -- which one is this?

**Johnson:** East side of 12th from gibbs to gaines.

**Katz:** Okay. I have r2 on mine.

**Sten:** R2 is fine with me.

**Johnson:** Did you want to hear testimony?

**Katz:** Yes. Let's hear -- let's put the light on. Anybody here want to testify on this testimony? -- on this item? Lois, I think it's yours. I think you did testify.

\*\*\*\*\*: I did, and I have nothing more to add. [ inaudible ]

**Katz:** Okay. Come on up for a second. You did testify, both of you testified on this, did you not? Yeah. Well --

**Anton Beterline:** And I just wanted to say -- my name is anton, the neighborhood has taken a formal position to keep this zoning on 12th street r5. We're interested in keeping the neighbors up there in keeping the single family character there. And that's all along 12th street.

**Katz:** Okay.

\*\*\*\*\*: Thank you.

**Katz:** All right. Council members, what's your choice on this?

**Hales:** It makes sense to go to r5.

**Francesconi:** Well --

**Sten:** I was okay with the r2.

**Katz:** I was all right with the r2 on that.

**Saltzman:** So was i.

**Francesconi:** And I was -- what i'm trying to do on issues I don't have strong feelings, i'm trying to defer to the planning commission. So i'm leaning toward r5, but I don't have strong feelings.

**Katz:** Lois, I understand this is your property. Where is they? Do you want to come up and tell us why you want to move it from r5 to r2?

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**Lois Miller:** Lois miller, fairmount boulevard. I did this at the last minute. I have two three-plexes on that street, and I had gone along with the r5 and would just be an unconditional use because I wanted to keep the neighborhood together at the time, and then I found that the one single lot that's not built on on that street belongs to me, and I was going to build a single family house there as I told you. At this stage i've decided I want to move into an apartment, that -- that I want to build on eleventh and curry, and build another three-plex between my two three-plexes. On that side of the street the only house -- there's only one single family residence that is currently occupied as a single family residence. That actually has enough land to meet the r5 standard. There are some substandard ones. One. And the rest are all currently occupied as duplexes or the property owners want duplexes. In actuality, the property owner on the curry and 12th had come in when we were doing the plan asking for r1 because the entire block between curry and gaines is r1 except for their two lots. And that's -- and they have both submitted, a daughter and a son and each submitted written information for today.

**Katz:** Okay.

**Miller:** The -- the person between the single family residence and mine has a house that was built in 1951 as a duplex, and he would like to have it, and I think he got testimony in. So I think that means that between the three of us, that's five of the lots and there's -- there are only the two single family, one not meeting the r5 standard.

**Katz:** Okay. Thank you.

**Miller:** I think that testimony is written -- they put it in an e-mail.

**Katz:** Yeah. Thank you.

**\*\*\*\*\*:** We thought it was a nice transition from the r5 to the -- from the r1 to the r5. And supports what they're currently being rented as.

**Katz:** Okay. Thank you.

**Francesconi:** What does the staff think?

**Katz:** Lois, thank you.

**Francesconi:** I still think there's three votes for r2 and I don't have strong feelings.

**Carter:** I just want to make sure that council understands the two lots that lois has spoken about that are under the urban property, so you know which ones those are, because it's similar to the situation you just looked at for the buchet property, it's the two sites on the corner of curry and 12th on the northwest corner. So these two sites are existing r5, whereas the rest of the block is r1. They have submitted written testimony either yesterday or today asking for r1 for their two sites as well as support for ms. Miller's request for r2 for the rest of the east side of 12th.

**Hales:** Don't we have to consider that -- shouldn't we consider that as a whole rather than as i'm getting lost in the spot zoning here --

**Katz:** I --

**Johnson:** I think what brad is suggesting is that southeast corner could be zoned to be consistent with the property all around it, and the other area could be zoned r2, but that's -- obviously for your decision.

**Francesconi:** So the corner should be r1?

**Johnson:** That's what the request was for this morning.

**Hales:** You mean the southeast corner.

**Carter:** Right.

**Hales:** Where you have the cursor.

**Carter:** Yes.

**Johnson:** Those two lots they submitted written testimony late yesterday this afternoon or -- yesterday afternoon or this morning.

**Katz:** Do we have those in front of us?

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**Carter:** No.

**Johnson:** We received those too late to include those in your table because they came in last night or this morning.

**Hales:** Should we consider that or not?

**Katz:** We kept the record open?

**\*\*\*\*\*:** Yes.

**Hales:** So we can.

**Katz:** We can.

**Hales:** So again, i'm getting lost. If we were to change the zoning on those, which I take it you recommend, or you would at least favor, then what other -- I don't want to put words in your mouth. Give us a new pattern that makes sense and I might vote for it. But i'm getting lost in the spot zoning here.

**Johnson:** Okay. We haven't had time to develop a recommendation about this. All i'm saying is if you did put r1 on that corner, it would be consistent with the rest of that block. So it would not be a spot zoning. Then the request from ms miller is for r2 for all of the rest of those properties that are single family zoned r5 zoned on the east side of 12th.

**Hales:** And they're all except one lot occupied by structures that are in muff use today, right? -- multifamily use today, right?

**Katz:** Yes.

**Hales:** They're all nonconforming uses if we leave them r5.

**Johnson:** That's the testimony we received.

**Hales:** I'm not comfortable leaving it with that, so i'm interested in making the pattern consistent at least with what's there.

**Katz:** Would you recommend, then, the corner lots that are r2 so we've got r2 consistent on that side of the street?

**Johnson:** I think either option would make sense. R2 or r1 on that particular corner would make sense.

**Katz:** All right. Council, what's your wish on this?

**Hales:** Again, I want to make sure i'm following. You're saying we should do something on that whole side of the street?

**Johnson:** That's what the requests are for.

**Hales:** I think that's a reasonable request.

**Francesconi:** I join in the majority. R2 is right.

**Katz:** R2.

**Hales:** I agree.

**Katz:** Let me see if I understand. The entire block, including the corner as r2.

**Hales:** Entire east -- west portion of that block.

**Katz:** Right.

**Carter:** On the map it would be this section here between gibbs and whitaker, section between whitaker and curry and the two lots on the northwest corner of curry and 12th. Just that east side of 12th.

**Hales:** What happened to the two lots north of gibbs?

**Carter:** The last one you took a vote on was r1.

**Hales:** All right.

**Katz:** So r2 in addition to those two lots that just came in. All right.

**Johnson:** The next site is also in homestead. It's at 1010 southwest gibbs and it's a new site. Planning commission recommended a combination of cn, commercial mixed use, and cs

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commercial storefront designations on the property. The property owner wants cs for all of the property and the neighborhood supports the planning commission recommendation, I believe.

**Katz:** We --

**Carter:** We have people in the audience here as well as the neighborhood association.

**Katz:** Okay. And cs over cm?

**Francesconi:** Didn't we have testimony on this already?

**\*\*\*\*\*:** I believe that you did.

**Francesconi:** We did. I want to stay with the planning commission.

**Katz:** Tell me why cs would be better than the cm.

**Johnson:** Staff had previously supported cs for all of this property. The planning commission recommended a combination of cm and cs. Staff's thinking was that cs, while it allows -- doesn't require housing -- cm requires 50% of the development be housing. So we were looking at a way to create a pattern of commercial development and a node that would serve the neighborhood and the ohsu campus. I think planning commission was sensitive to the neighborhood's request for preserving some housing potential within that area, and keeping the commercial area constrained so it wouldn't serve as an attractor to folks coming from outside of the district. I think there were also -- they were also concerned about the potential for physicians or other medical care providers to locate in the area and it becoming sort of an extension of the ohsu campus.

**Carter:** I also want to point out to council that there are -- this site and two others right after it are all in this area, and this particular site is currently split. The property is split between cm and cs and the request is to have the site be all one zone, not split between two zones.

**Katz:** So if we make a recommendation, we ought to also take a look -- what you're telling me is the next two sites that -- I have cs for both the homestead location on the entire gibbs section.

**Johnson:** On all three sites.

**Katz:** Yeah. Which is I think what the neighborhood supports as well.

**Carter:** The neighborhood supports both this site to go to all cs as well. That's their testimony that they gave at the last meeting, as well as the next one for the 836 southwest gibbs just to the east of this property.

**Johnson:** But they support cm and cs on this site.

**Carter:** On the gis map where my cursor is now is the site at 1010 gibbs. That's I believe the bank property, the former bank property. That request from the property owner that the neighborhood has supporters to go all cs on that rather than being split. The next site is these three parcels here, in this area that are all owned by the same property owner. They are currently recommended by planning commission to have the one site that is existing cn2 go to cs, but the two sites here that are existing are one go to cm, which is consistent with the rest of the cm property and planning commission's request that it all go to cm, the neighborhood I believe has supported that these all three properties owned by the same owner be cs. The third site is the entire block of southwest -- at gibbs, whitaker, 9th and 10th, that is all of this block here that is currently split between cm on the north half -- cs on the north half of the block, cm on the south half of the block, and the request is from the property owner that it all go to cs, the neighborhood support leaving it split between cs on the north and cm on the south.

**Katz:** Okay, council. Let's -- .

**Francesconi:** Can you tell me the policy again, ramification of either way?

**Katz:** Go through the cm versus cs again.

**Johnson:** Cm requires that for every square foot of commercial development you do an equal amount of residential development. The properties that are -- that the neighborhood association requested for cm and the planning commission supported for cm are existing residential zoning, r1 zoning. The cs allows housing but doesn't require it. They both -- both the cs and the cm have

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strong pedestrian orientation. I think the choice is whether we want to keep that node of commercial development in that area constrained or we want to allow it to expand to a certain degree. So we have one block that could go from being half cm and half cs2 to completely cs. So I think it's a choice for the council of what is the appropriate amount of commercial development in this node.

**Carter:** And I also want to point out that this site here, this entire block plus the 836 southwest gibbs, which is this area here, is just so you get your bearings, this is adjacent to our across veterans hospital from ohsu.

**Hales:** Slightly tangential question, after we make these changes if we make them, how much cn2 is left? None?

**Johnson:** None.

**Carter:** We're changing all of it to cs.

**Hales:** Good outcome.

**Katz:** Let's get to the -- we've got a split zone recommendation on 1010 southwest gibbs.

**Johnson:** And as we said, there's consent between the property owner and the neighborhood association for that to go to cs.

**Katz:** To cs. So the homestead 1010 southwest gibbs council supports the cs?

**Hales:** M-hmm.

**Katz:** On the next two sites, there's a request -- stay with me, marie.

**\*\*\*\*\*:** I am.

**Katz:** The next two sites, on 836 southwest gibbs, the neighborhood supports cs?

**\*\*\*\*\*:** Correct.

**Katz:** All right. Council, is that supportive?

**Hales:** Fine.

**Katz:** All right. And the next entire block of southwest gibbs, whitaker, southwest 10th and southwest 9th, there is a cs request and support.

**Johnson :** Cs request and the neighborhood association wants to have the cs and cm on the property.

**Katz:** All right.

**Hales:** I don't think we've got enough cs and i'm inclined to follow the --

**Katz:** Planning commission request on that?

**Saltzman:** Could I go with the cs the whole block.

**Sten:** Planning commission.

**Katz:** Planning commission wins out on this one. This is cm and cs. All right. Hillsdale.

**Johnson:** Okay. This is at 7200 southwest capital highway. This was a request from the neighborhood association previously for os -- excuse me, neighborhood association requested r7 on a parks bureau-owned property and the planning commission recommended r7.

**Katz:** All right okay.

**Saltzman:** Is this a six-month experiment here about the housing -- there's --

**Johnson:** There's an existing house on the property.

**Carter:** I believe at the last hearing on southwest the neighborhood had in answer to a question had given the option of having six months to try to come up with something through a nonprofit or cdc or habitat for humanity or something like that.

**Francesconi:** I think the compromise, help me here, that parks recommended was leaving it r7 but changing the comprehensive plan designation to open space.

**Johnson:** And we were advised that that was not a good direction to follow.

**Francesconi:** Oh.

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**Harry Auerbach, Office of the City Attorney:** You can't change the plan designation without changing the zoning.

**Francesconi:** Well, the idea of giving them six months is fine.

**Johnson:** How would staff follow up on that? The southwest community plan will be wrapping up in the next couple --

**Katz:** I don't know how we --

**Francesconi:** There's another item this is going to come up later. This would be a good test run for it.

**Johnson:** Would you like information about the os comp plan designation?

**Katz:** Yes.

**Johnson:** The os comprehensive plan designation is intended for lands that serve in open space function primarily public lands but also private areas. Lands intended include parks, golf course and cemeteries. The corresponding zone is os. A comprehensive plan implementing measures such as a zoning designation cannot be more permissive than a comprehensive plan designation. This is according to our staff person who works on comprehensive plan issues. No zone other than os can be placed on any property within with an os comp principal designation. The Oregon supreme court clarified this issue 30 years ago in baker versus city of milwaukie.

**Hales:** Could you zoom out please, on your -- I failed to find this site and I don't remember the testimony.

**Katz:** The parks bureau purchased this property last year for a natural resource purpose?

**Francesconi:** Yeah. We got the money from 2626. We're trying to work out a comprehensive here with wes. It should be open space, folks. The question is do we do it now or in six months? I'm fine with some mechanism to give them six months.

**Saltzman:** It should be open space, let's make it open space.

**Katz:** If it's given to us as open space -- we can't handle it -- I don't know how to handle it with coming back for six months after we've adopted it.

**Saltzman:** So we can't write some sort of automatic reversion into the plan?

**Johnson:** I don't know what the precedent is for doing that. I have -- I don't know how that process would work.

**Katz:** I would support the open space designation if that was the purpose of the purchase of the land.

**Francesconi:** Well, i'm just trying to work something out with -- if this is a legislative process, that means we have the power to do this. And it doesn't seem hard for us to do it in six months. But if the council doesn't want to go there, it should be open space. If our only --

**Sten:** I'm trying to, as parks commissioner, what are you trying to work out with wes?

**Francesconi:** He wants time to try to move it or do something with it.

**Sten:** The house itself?

**Francesconi:** Yeah. He doesn't want it to be nonconforming in the meantime.

**Sten:** He can still move the house.

**Francesconi:** I don't think he's reconciled to the fact that he has to move it. I've told him he has to move it because --

**Hales:** Parks owns the property now. It's not just an agreement to purchase.

**Francesconi:** Right. And we bought it with 2626 money. So it's hard of hard -- kind of hard to leave it residential.

**Katz:** Os.

**Saltzman:** It has to be moved?

**Francesconi:** I think eventually it does.

**Katz:** You can work that out.

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**Hales:** It's not the only nonconforming structure on os property.

**Katz:** All right. I hear the council saying that they want os on that. All right.

**Hales:** The other thing about os is that basically os is a misnomer. Basically it should be public property. That should be the real name of this zone. It's not open space, it's public property, because it gets used for all kinds of purposes. But we have houses on -- we have buildings on open space property, we have race tracks, and trees. You bought it. It's public property.

**Katz:** I agree with you. All right. This is now the expansion of the existing hillsdale boundary. I want to hear one or two people to come up to testify in opposition to it, then we'll allow one or two people to come back up and testify in support of it. I think there's a lot of concern about the expansion and what it means if we do it today and what it might mean for tomorrow. So staff, be prepared to respond to that as well. Is there anybody here that wants to oppose the expansion of the hillsdale town center property? Two people. Okay. Come on up, sir. Anybody else? Okay. You want to testify again? Come on up. I'm going to give you two minutes, because we heard testimony on this.

\*\*\*\*\*: Okay.

**Katz:** Identify yourself for the record.

**David Louie:** I'm david louie. I live at 6924 southwest eleventh drive. It's just down the street from wilson high school. I wanted to make the point that most -- I think that most of the residents don't want to increase density in the area. Mr. Madele here went door-to-door handing out sheets explaining the plan and some of the implications of the southwest plan to the -- I don't know how far he went, but we got -- we didn't know anything -- much about the plan until he handed us a sheet explaining what was happening. And he got back -- I don't know how many he handed out, but he got back 200 negative responses and opposed to seven positive responses. And I know that the neighborhood association has given its stamp of approval to the southwest plan, but i'm not sure if they are very representative of what the majority of the residents in the area want for their neighborhood. I think that most of the residents in the neighborhood don't understand that the expansion could mean increased density for the area and would therefore make the quality of life in the neighborhood less.

**Katz:** Let me see if I understand. There is concern that expansion could mean if we do that today, it doesn't mean that, it's a design overlay, but you're concerned that it could mean.

**Louie:** Well, yes. I'm not sure, but this is what i've been concerned about, that the -- there will just be more density in the area.

**Katz:** But -- thank you. Let's bring staff back up for a second. For a zone change -- what the citizens are concerned about is if we do this, this may bring on a zone change. Correct?

\*\*\*\*\*: That was our understanding.

**Katz:** And it's -- that would have to come through the council again. Correct?

**Johnson:** If we were going to do it for -- outside of the quasi judicial process, which would be on a site by site basis, we would have to have another legislative process, which would include significant public involvement. So if we were going to change --

**Katz:** Folks, listen to this. I got three different conversations here. Listen to this.

**Johnson:** Right now you have a set of zone proposals for hillsdale town center, and you've heard testimony on that. If we were to look at changing a significant number of properties in that area in the future, we'd have to do that through a legislative process that would include significant public involvement.

**Katz:** And we're not there.

\*\*\*\*\*: And there are no plans in the near future to do such a process.

**Katz:** Correct.



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**Hales:** So what's the actual effect of expanding -- not the imagined effect, but what's the actual effect of expanding the hillsdale town center boundary?

**Johnson:** It carries out recommended expansion that was part of the hillsdale town center plan adopted by city council in '97. It applies the d overlay to properties within the hillsdale town center boundary that meet the qualifications. So those would be commercially zoned properties, multifamily designated properties and properties with r2.5 designation. It would prohibit any drive-throughs or drive 95-in businesses within that boundary, and because the town center designations have a certain priority in the regional funding, especially for transportation funding, it could have increased eligibility for regional transportation funds.

**Hales:** But it doesn't change any density.

**Johnson:** No.

**Hales:** It suggests -- subjects the properties under their current zoning to design review, prohibits drive-throughs and makes it more likely the plan would actually get funded in terms of infrastructure.

**Johnson:** Correct.

**Saltzman:** It presumes a more pedestrian-oriented environment, at least along the major commercial routes.

**Johnson:** That's the intention of the plan district, and of the zoning that has been recommended in the southwest community plan.

**Katz:** You've just heard this, there is no intention at all to go back to the southwest community plan for further rezoning along the town center.

**Louie:** One of the things that was just brought up that also concerns me is the -- I don't know what the name of the street that goes right through the middle of hillsdale, and it seems like it would be quite, you know, if they're trying to stop traffic going through there, that might hurt the businesses in that area. Because you've got some gas stations, you've got a lot of grocery stores and little restaurants there that might be hurt if they diverted the traffic to go around that little hillsdale town center.

**Katz:** I didn't hear anybody talk about any diversion of traffic.

**Louie:** Oh. I thought there was -- .

**Saltzman:** By pedestrian oriented I meant things like that happening in hillsdale, sidewalks, crosswalks.

**\*\*\*\*\*:** Oh, yeah, they --

**Katz:** That's what the whole notion -- okay. Go ahead.

**\*\*\*\*\*:** Yeah. Boy am I glad I came.

**Katz:** Identify yourself for the record.

**Dave Nadal, 320 SW Florida Ct., Portland:** My name is dave nadal. I don't think that anyone who is in city council read -- listened to any of my farmer testimony. There was never concern on my part on what I said or anybody else that there was rezoning involved in this. But the notion that designating a town center and that the current zoning that goes along with that at the current time doesn't have anything to do with the future vision of the area or is the main concern is completely wrong.

**Katz:** Excuse me. You know, there are other people who have written to us with regard to this issue and the fear of rezoning.

**Nadal:** May I resume?

**Katz:** I just want to correct you with your facts. We did listen to you. But there were other people that had a concern about it.

**Nadal:** No. I'm talking about the things you were just discussing. Designating a town center, it's well known, and I think each and every one of you know, and the planning commission knows, that

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is a designation that carries weight under metro and comprehensive -- in the comprehensive plan of Portland. It's a place where you are to look. There's percentages involved in the functional plan of this for myriad changes in the future, regardless of current zoning that pass along with it. That's so well known and that's so well documented in law. And i'm really amazed that hasn't been digested by council or bureau of planning staff. Anyway. It's in the comprehensive plan, it's a place where politicians for years and decades are to look to for future putting -- putting future density. There's a quarter mile zone around the periphery of town center boundaries, where you can have an application and it makes it much more likely for rezonings to higher density. Don't you know that? All of that is in the comprehensive plan, and town center is not just current zoning. There's not even any equation there. I had a meeting last thursday morning with members of city council staff and the bureau of planning and I just want to confirm that the -- all the issues of fact I raised with them and in my previous testimony were confirmed as true. This is not opinions or conclusions, i'm talking about the issues of fact underlying my opinions and that's why I asked for those meetings. And it was all true. Nothing was brought to my attention anyway that contradicted the basic factual assumptions upon which I base my conclusions.

**Katz:** Thank you. All right. Thank you, gentlemen. Two folks to come up to talk about why you're supporting the expansion of the town center.

**Martie Sucec, Representing Multnomah Neighborhood:** I'm in the Multnomah neighborhood, i'm representing the Multnomah neighborhood. I have to say this is unusual, but I thought I was in full agreement with commissioner Hales's analysis.

**Hales:** Let the record show. [ laughter ]

**Katz:** That's one.

**Sucec:** This is a planned district. It sets out in law in ordinances, requirements. Benefits for that particular area. It's very important with these 2040 concepts that we have plan district for these areas where there is an increase of density so we can have design reviews. So that we can keep the neighborhood character as we like it. We fully support this, and thank you.

**Bob Baldwin, Hillsdale:** Bob baldwin, hillsdale. I'm sure you understand the issues involved here. The neighborhood association and the business and professional association of hillsdale both support the expansion of the boundary. Unfortunately you are in the neighborhood as inundated by a massive amount of misinformation about what this is -- what's involved with this proposal. It is an expansion of the town center boundary that includes nine existing businesses, two churches, a synagogue, a major community center, two parks, and an array of existing multifamily residential developments. The expansion will mean as you have already heard, that the community will focus on improvements to pedestrian access and circulation, and other things. You already know about the construction that's taken place on capitol highway as a result of the town center approval that you gave four years ago. I would like to quote in response to mr. Nadal's testimony, one sentence from his notice that he circulated throughout the area, which says, and I quote, "whether you live inside or near the town center, expansion has huge implications for congestion, population density, and crowding, as well as the general feel, shape and character of the community." in the four years that the town center existing town center has been in effect, none of these things have happened, and none of them will. This is a benefit to hillsdale area, to the neighborhood, and to the city. And we urge your support.

**Katz:** Thank you. All right, council. What's your feeling on this?

**Hales:** I think the neighborhood's done a great job. I think we should support it.

**Katz:** The council supports the expansion of the town center. Okay. The next one is new. I don't recall hearing about this.

**Carter:** This is a site -- two sites in this amendment, came in either the day of or after the first hearing on southwest. It's owned -- two properties are owned by the Portland jewish academy. It's

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-- one site is across the street from the mittleman center on capitol highway, one site is also on capitol highway on idaho east of the properties. The one site across the street is existing r7 with an r consist 2 comp plan. At the -- as part of our process this site on the very south end of it, it's a long rectangular site, it has level 4, it had identified level 4 resource significance, and given the criteria we use across all of southwest, we recommended that any residentially zoned site with environmental significance on it would be down designated to the existing zoning. The property owners, the jewish academy have come forward and recommended that it be zoned up to its comp plan designation of r2. That's on the one site.

**Katz:** The planning commission recommends r7.

**Johnson:** Though there was no discussion of this particular property at the planning commission session, they were supporting what --

**Katz:** The principle that --

**Johnson:** Right. They did -- we did have some discussion about the mittleman jewish center, the big err property, prior to session, and talking with environmental staff at the bureau, they had supported a zone change for the larger mittleman -- a zone change for the larger mittleman center site so it would all be r2. So if you were to propose a zone change here, since they're both mittleman jewish center properties, it would be consistent that decision.

**Hales:** I've got the map here. I'd like to hear from the neighborhood on this one too, because -- since this planning commission didn't discuss this. There are a couple places in the plan, this is one of them, where for whatever reason we're left with when appears to be a pretty patchy pattern, and if you look at the map, there's this hillsdale town center we just talked about, there's the mittleman jewish community center, then there's the street, I guess it's 26th directly across from the jewish community center, which leads to the second largest public housing project in the city and other multifamily projects downhill from capitol highway. And then there are three r7 lots left along capitol highway. And at least on the surface, frankly, that zoning pattern makes no sense to me. I don't know which of these three lots you're talking about as these two, but one of them is now occupied as a single family house on the site that's being used as a school building by the jewish academy. So help me out here. Why aren't we changing all three of those to r2 or something consistent with the rest of that streetscape? I understand the resource issue, but these are uphill from major multifamily housing projects, public or private. Whatever resource value on the site has got to be pretty small geographically.

**Johnson:** We can show you the resource area on our gis program if that's useful. We used one approach that we applied -- applied throughout the plan area, so there were isolated areas where we had these unusual patterns. In some cases this came forward -- folks came forward at planning commission and asked for zone changes because they had concerns about how this played out for the individual properties and I think you've heard from other property owners and other -- in other parts of southwest about how this approach works for them as individuals.

**Carter:** I should point out to council as well, I believe david kelly representing the jewish academy, is here today as well as if you want to hear from bob baldwin, representing hillsdale.

**Katz:** Why don't we bring both of these individuals -- citizens --

**Johnson:** It's not a zone, it's -- the inventory of environmental resource on the site and it's level 4, which is the lowest level of significance.

**Carter:** The e zone would be down in the green cross-hatch area.

**Hales:** These properties are not s-zoned?

**Cater:** Not currently, no. -- e-zoned.

**Katz:** Marie, they're not currently e-zoned, but in the work you're doing, would that status change?

**Johnson:** I don't know.

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**Katz:** Okay. All right. Mr. Kelly?

**Dave Kelley, Architect, Portland Jewish Academy:** Yes. Good morning. My name is Dave Kelly, I'm an architect for the Portland Jewish Academy. On the first property, the 6646 Southwest Capitol, it's currently owned by the Portland Jewish Academy and is used as -- or will be used more for the Jewish Academy. It's a residential house, it has 4 apartments in it, as Mr. Hales suggested it surrounded by residential and multifamily housing, large scale. It just seems more consistent that it maintains -- stays at an R2, one with the neighborhood -- one with the properties around it. In 1997 it was zoned as an R2 on this particular map. And we'd like to see it continue to stay as an R2. I was -- it was understood the Hillsdale Neighborhood Association was going to support that change. I spoke with Mr. Baldwin about it, keep it as an R2 but with a design overlay zone so if something goes forward it would be triggered with a design review.

**Katz:** On the 6605, where is that? That's over here. Okay. On that one your -- what are you requesting, removing -- removal of the split zoning?

**Dave Kelley:** Yes. Removal of the split zone and make it into more of a commercial zone. Since 1981 it has -- the property has a house on it, and the zone is split and the house is split right down the middle. The commercial zoning has been on part of that property since 1981. There's are commercial services there, it's had a commercial business in there for the last nine years and the current use, this property is also owned by the Portland Jewish Academy, but its current use continues as a commercial endeavor and would make sense to keep it in that light.

**Hales:** Would you move your cursor, you're talking about these two lots?

**Carter:** This one lot.

**Hales:** Okay.

**Katz:** And the difference between SM and the CO? -- CO2?

**Carter:** The CO2, staff is guessing this is probably a map error of why the CM goes across Capitol Highway and catches that corner of the lot. CM again is the -- more of a pedestrian oriented commercial designation similar to CS, but it requires the housing on the site. CO2 is an office commercial designation, I think in the code it's almost a suburban-type, low-level, three- or four-story office.

**Katz:** Okay.

**Baldwin:** Bob Baldwin, Hillsdale. Maybe we don't have anybody in front of us about it.

**Hales:** There are also these two lots across the street that are still shown on my paper map as R7. I think one of them is occupied by a medical office and the other by the Portland Jewish Academy?

**Dave Kelley:** No, the -- a group dentist office and a CPA on the corner of Vermont and Capitol, and the other is a house rented out to a physician.

**Hales:** I guess regardless of who owns it and what's in it now, what's the rationale for leaving a patch of R7 across the street surrounded by other multifamily and commercial uses? I don't get it. Help me out on that.

**Katz:** Bob, go ahead.

**Baldwin:** Bob Baldwin, Hillsdale Neighborhood Association. We considered both of these requests.

On the southeast corner of 26th and Capitol Highway, the request is for change from R7 to R2. The neighborhood association supports that. There's a four-plex on the property. All the adjoining property is zoned R2 and all of it is developed with R2 uses. 26 goes down the hill and only the southern, I don't know, maybe 30 feet of this property is in this environmental --

**Katz:** Okay. Move on.

**Baldwin:** On the other property, the neighborhood association does not support the change to CO2. We recommended R2D on the same -- on the entire property. We believe that the current zoning boundary is in error. It goes diagonally right through the house, which is -- I doing a naturally right through the house, which is a house and the Portland database shows as a single-family residence,

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not as a business. We support r2d if the jewish academy wishes to use this property in the future for office uses, they can do so under the conditional use provisions of the ordinance.

**Hales:** What about the other parcels, the two remaining --

**Baldwin:** I have to speak only personally, commissioner, on the other two. I agree with you, I am opposed to spot zoning and it doesn't make any sense to me to have those two pieces isolated as r7 when everything else is r2.

**Hales:** Okay.

**Baldwin:** In fact, those properties are split part of them are in the current town center boundary, part of them in the proposed expansion, and r2d would be the appropriate zone on those sites.

**Katz:** Except the property owners -- who are the property -- yeah.

**Saltzman:** Doesn't our town center expansion accomplish the d?

**Katz:** Let's get -- [ talking at once ]

**Katz:** Let's get to the ones that we have before us right now. Council will approve the 6646 to an r2 designation. All right. Let's move --

**\*\*\*\*\*:** R2 d?

**Katz:** Right. And the other two -- the one property, 66605, what's the council's wishes?

**Hales:** I support r2d.

**Katz:** Okay. R2d on that as well. Thank you.

**Hales:** And maybe we just ask staff, so is it because nobody showed up and testified, or why is it that we end up support of -- is it errors of emotion mission here on all of our parts, property owner not paying attention, why do we end up with this remnant here?

**Johnson:** Well, again, it's back to the criteria we use for developing zoning recommendations, and -- in areas that had some level of environmental significance. In some cases where we were aware there were commercial use and there might be an issue, we talked with our staff within the bureau and did site visits and talked to property owners and the neighborhood associations and actually recommended a zone change to a commercial designation on the properties, but in this case we didn't have that discussion.

**Hales:** I'm not suggesting we would want to change it to commercial. I'm suggesting because it's occupied by single-family houses and not -- seven -- just in terms of practice here, I can't approve a long-term zoning plan that has two r7 lots stuck in the middle of a district that's otherwise zoned r consist 2 and doesn't have the d overlay. The property owner is not going to be injured by having a nonconforming use that's now an r7 go to a nonconforming use in r2d. I don't think we could anybody harm -- I don't think we do anybody any harm --

**Katz:** I'd recommend while we're at it in terms of clean-up that we change that to r2d. I can't see any down side --

**Katz:** I'm not going to do it unless the property owners are notified.

**Johnson:** I should tell you the property owners were notified that the -- they received a legal notice -- a notice through our process that we were proposing a change to the comprehensive plan designation. Whether they've reviewed that and really considered the ramifications I couldn't say, but staff did notify all property owners who have property proposed for a change in the comprehensive plan designation.

**Hales:** And upzoning somebody's property is not doing anybody any harm in my opinion. I'm looking some of these in terms of downstream contracts. It will require the property owner to come in and file for a nonconforming use review that we'd rather --

**Katz:** Let me -- we've got enough work to do right now. Let me ask the council, what's your feelings on this?

**Sten:** I'd leave it be.

**Saltzman:** I could go with r2.

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**Francesconi:** I don't think we should change --

**Katz:** Let's hold off on that, when we finish our work ahead let's go back to that and talk a little bit through what your recommendation would be to that change. Let me just -- okay. Let's keep going.

**Francesconi:** Let me --

**Johnson:** This is hillsdale again, a new site. Southwest moss between capitol hill road and southwest 19th on -- planning commission recommended r2.5 which was a neighborhood proposal. We had an individual testify in opposition to the r2.5 designation.

**Katz:** Okay.

**Carter:** I believe the hillsdale representative, if you --

**Katz:** Okay. Let's get hillsdale representative on this.

**Baldwin:** I'm still bob baldwin, hillsdale. This property is on both sides of southwest moss street between 19th avenue and capitol hill road. The properties are zoned r7 and some of them are developed with single-family residences but they are large lots for the most part. The property owners petitions hillsdale neighborhood association to support r2.5 on these properties, and we did so during the previous process on the southwest community plan. The properties to the north are r7, the properties to the south are r2, and this makes a logical transition between those two.

**Katz:** Okay.

\*\*\*\*\*: And the neighborhood association supports this change.

**Katz:** Okay. Council, r2.5?

**Hales:** Question.

**Katz:** Let's move on. Corbett terwilliger. This is the east side of macadam.

\*\*\*\*\*: M-hmm.

**Katz:** Planning commission recommendation is csd?

**Johnson:** It's part of the macadam plan district.

**Katz:** Okay. Council?

**Hales:** Like it.

**Katz:** Okay. Any objections? Hearing none, okay. Move on. This is new. Corbett terwilliger -- oh, this is the riverview -- go ahead.

**Johnson:** This is the portion of riverview cemetery that is directly facing highway 43. There's a building there that serves -- that is a service building. The cemetery wanted to develop a funeral home on the site and had originally requested a commercial designation. They testified at the last hearing that they would support the os designation which allows those types of use if they go through a conditional use process. The cemetery owners wanted assurance that they would get approval for the funeral home as part of the conditional use process and we are not able to say for sure what will happen in that process.

**Katz:** Okay. So the recommendation is os.

**Johnson:** Os.

**Katz:** All right. Council?

**Hales:** I'm trying to remember this one. This is a different issue from the undeveloped portion of the property. So as a funeral home, it's a conditional use?

**Johnson:** In os as long as it serves the primary os use.

**Saltzman:** So it is conditional use.

**Hales:** It's always a conditional use.

**Katz:** Right.

**Hales:** Other cemeteries, other funeral homes in the city aren't typically located in cemeteries. I don't know if we have any others, maybe up in mott. -- in mt. Scot. I realize we didn't shall we're not talking about code changes for --

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\*\*\*\*\*: No.

**Hales:** Although that's what they --

**Johnson:** I think they want more assurance than we're able to give them.

**Katz:** They would have --

**Sten:** Os is fine.

**Susan McKinney, OPDR:** Good morning, susan mckinney with office of planning and development review. A funeral home is defined by the zoning code as a retail sales and service use. A retail sales and service use in a residential zone cannot be approved through a conditional use review. It's a prohibited use. However, the open space zone has a provision that allows a retail sales and service use that is in conjunction with a conditional use to be processed through a conditional use. The existing r10 zone would not give them a process to go through a conditional use.

**Katz:** Open space?

**Hales:** Open space.

**Katz:** Let's move on.

**Johnson:** Collinsview. This is a proposal that was generated by lewis & clark college for placing the ic comprehensive plan designation that's institutional campus comprehensive plan designation on approximately 35 acres of riverview cemetery and three properties on southwest 4th.

**Katz:** Okay. I have os on this.

**Johnson:** Planning commission recommended keeping the existing zoning and existing comprehensive plan designation on these properties, so that would be os on the cemetery property and r10 on the residential properties.

**Katz:** Can you -- can we see the -- whatever you -- the topography?

**Johnson:** You want to see the topography map?

**Katz:** Yeah.

**Johnson:** It's just going to take a minute.

**Katz:** Here it comes. Okay. So what's the --

**Hales:** My perception of this situation is it's almost ripe for change. Almost. And that is that we talked about it a lot, the only situation in which it's appropriate in my opinion for us to keep open space public space designation, we use the same zone for both, cemeteries and public property. The only place for us to leave that designation on private property is a cemetery. It sounds like this property is on the verge of making a transition from being cemetery to something else, maybe future expansion of lewis and clark. I believe that the quasi judicial process is the right place for lewis and clark to make a proposal to make a significant change in the district. Rather than us doing it now and here. But I think that we need to make it clear that that's what's in the offing, or that's likely what's in the offing given what we heard in testimony, and that we expect the mitigation requirements of the conditional use process will get at the questions of appropriate use of the upland portion of the property, which is more -- which is less sloped and therefore more suitable for campus expansion, and the resource values of the remainder of the property, and it also may be the case that through the conditional use process that we can do a better job of storm water management and resource conservation on the sloped downhill portions of the property than we simply get by keeping the os zone forever and letting it develop as a cemetery. But that -- those are the kinds of balancing issues we're going to get at I think in the conditional use process. But I think both the neighborhood and the college needs some ending from the council that that's what we expect to see happen and that we expect to see if this proposal that we heard about in testimony here goes forward, that we expect to see them in the quasi judicial process and we expect to balance those issues there.

**Katz:** Let me see -- the three properties on southwest 4th, did lewis and clark drop this request?

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**Johnson:** I do not know.

**Katz:** I have a little note that they did. Okay.

**Saltzman:** I would tend to agree with commissioner Hales. I think that Lewis and Clark has done an outstanding job in really being a leader in good environmental design, low-impact development, but there are enough concerns I think particularly with the cemetery property, its open space values, its watershed potential, its wildlife habitat, that I think all those need to be balanced out in a conditional use process.

**Katz:** Let's --

**Francesconi:** Can I say something, please? Is that all right.

**Katz:** Are you going to disagree?

**Francesconi:** I'm going to say something --

**Katz:** Okay. Go ahead.

**Francesconi:** First of all, this is a neighborhood with the Collinsview high school situation and the process was followed there. I realize there's some scarring. I also realize the relationship between the college and the neighborhood needs to be improved. And I also feel like this process through maybe nobody's fault, but the college came a little late in terms of the process. So commissioner Hales raises valid opponents. Having said that, I also think Lewis and Clark needs to expand in order to stay competitive, and I also think they need sports fields which they could make available to the general public. What I -- I know this request is late, but I've talked to Gil Kelley, who's actually been out to see the site and be at the college, and I don't know if this is the right site for expansion or not.

Because I don't know that it's been evaluated. But I think that the college, like University of Portland, like OHSU, institutions are important in our city right now, so I guess what I'm looking for from the planning bureau, I know everybody wants to be done with this southwest plan, et cetera, but this is an -- I see the mayor's signals here, but this is an institution that's important to the community, and I think there can be some healing done with the neighborhood in a way that allows more sports fields for the benefit of the public. So what I'm requesting is for the planning bureau to come back with some options about how to engage the neighborhood and the college with the expertise of the planning bureau to analyze not only this site, but other options. I'm not convinced we can't figure out a way to benefit both the neighborhood and the college in a different process.

**Katz:** I'm going to ask the council, just because of the kind of work that's ahead of the planning bureau, and the reductions that will probably have to happen in the planning bureau, not to give them any additional assignments right now until we know where we are by the end of this year and early next year.

**Hales:** There's another way at that issue. We've seen it in other universities like the University of Portland and their conditional use master plan process, which is what you're hoping for, and I agree with that hope, is that there could be a successful negotiation between the neighborhood and the college and the city on expansion of the college in a way that both follows our environmental policies and does a better job of interfacing the college with the neighborhood. Which isn't that great from either standpoint. And so you want that successful negotiation to take place, it can take place in the quasi-judicial process without throwing it into the workload of the planning bureau. The planning bureau has an opportunity to comment in that process, like every other bureau, but it requires OPDR and the hearings officer to conduct a negotiation. And I think that's the right way to get at these issues.

**Francesconi:** The problem is I'm not -- the college is encroaches into the neighborhood. That's the alternative that we have set up here. And in a quasi-judicial they're only considering one piece of property. I'm convinced we need a broader -- broader look.

**Hales:** They can consider more than one piece of property, and they don't own this one yet. As soon as they do, that changes the --



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**Francesconi:** I've made my point.

**Katz:** All right. I need some help on -- os for the riverview cemetery property. I need a little bit of assistance on the three properties on southwest 4th. Is anybody here from the college? Are you taking that off the list?

**\*\*\*\*\*:** Not necessarily.

**Katz:** What does that mean? Yes or no? For our purposes right now.

**\*\*\*\*\*:** Would you like me to approach --

**Katz:** Yes, please.

**Staff:** Scott staff from lewis & clark college. We had considered as possible comprehensive with the neighborhood and council's direction, taking the residential properties on southwest 4th street off the table as part of this legislative process. But it's up to council to propose that as a possible compromise. I don't think we're going to do that unilaterally.

**Katz:** I don't --

**Hales:** Say that again, scott?

**Staff:** We've had some discussions with members of staff of council. If the council wants to propose as a compromise with the neighborhood in the legislative process that the southwest community plan presents, the college take the 4th street properties off the table in exchange for getting its request for the cemetery property, we're willing to entertain that. But we're not prepared to offer that unilaterally.

**Katz:** I didn't realize you had that conversation.

**Hales:** Take the discussion that you just heard, please, and sort of scroll that forward. If the direction from the council is we expect to see the college in the quasi judicial process, when you're ready to acquire this property and make a proposal, the proposal i'm presuming is not necessarily going to include just that one piece of property. But might include more. That's -- so how would you -- if that's the assumption about how these issues are going get addressed, what do you think should happen to these properties now?

**Staff:** It seems to me that you're reaching a consensus that this is not the proper process to address the 4th street properties and the cemetery property. We'll respect that decision.

**Katz:** Correct. Okay. Thank you.

**Hales:** I would say leave those with the current designation, with the understanding that will get considered on such a time a proposal is made for a conditional use master plan or other review.

**Katz:** I'm sorry, I didn't know you had conversations with staff on the quid pro quo. So that's all right. We'll live it just the way it is right now. Thank you.

**\*\*\*\*\*:** Thanks.

**Katz:** Everybody understand? All right. Let's move on. We've got a lot of work still ahead of us.

**Johnson:** The next area is englewood. This is unincorporated area that was included in the southwest community plan process. In the Multnomah county compliance project, it had been zoned to the city -- zoned to rf in southwest community plan what we were proposing is r20, which would basically act as a comprehensive plan designation to the -- to be applied when the properties are annexed into the city, if they are annexed into the city.

**Francesconi:** Can we leave this one the way it is?

**Johnson:** There are people here who are comments.

**Katz:** Environmental resources?

**Johnson:** There are environmental resources.

**Katz:** So the question is, is it r20 or is it city f, farmland? Residential farmland.

**Johnson:** Yes, farm and forest.

**Katz:** Okay.

**Saltzman:** What was the date of the Multnomah county compliance project?

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\*\*\*\*\*: They kept --

**Saltzman:** When did we do that roughly?

**Johnson:** I don't think it's been adopted yet. But it's gone through the county process.

**Saltzman:** It's part of compliance with 2040, right?

**Johnson:** Exactly. What they did is apply the closest city equivalent to the existing county zoning.

**Hales:** I don't remember the staff --

**Johnson:** I'm sorry, it has been adopted by the county.

**Hales:** I understood the testimony, but I don't remember the staff analysis, if any, about what the likely outcome is of r20 zoning.

**Francesconi:** I don't think it's going to be annexed at all. I think this is academic. I think let's just leave it rf.

**Katz:** Commissioner Hales asked a question.

**Francesconi:** I'm sorry.

**Johnson:** In community planning processes, the city has looked at areas that are immediately adjacent to the incorporated areas and proposed zoning that would go -- would either be put into place or would be placed as a comp plan designation in the event of properties become annexed. The idea is to make the annexation process work a little smoother instead of handling those decisions on a site by site basis.

**Katz:** What's the council's --

**Saltzman:** This is a weird one.

**Hales:** Rf.

**Saltzman:** Maybe it will make -- I don't think it will make the theoretical annexation process any easier.

**Sten:** Rf.

**Katz:** All right. Arnold creek, this is a new one.

**Johnson:** This is one of the properties that has identified environmental significance, so using the staff's approach for developing zoning proposals we had recommended keeping the r20 zoning and changing the comprehensive plan -- planning commission had supported that approach. Property owners came forward asking for r10 on their properties so they could subdivide and create another housing unit on the property. The neighborhood association supports that request. I believe the property owners and the neighborhood association representatives are here.

**Katz:** So both the neighbors and the neighborhood association request an r10, your -- you're concerned because of environmental implications and the planning commission recommended r20?

**Johnson:** We're forwarding the planning commission's recommendation.

**Katz:** Right. Okay. R10?

**Hales:** I think so.

**Katz:** Okay. R10. Arnold creek, 12215 southwest 33rd.

**Johnson:** This is a similar situation, only we're dealing with a lot that is smaller -- that's substandard. I believe it's 1300 -- 13,000 square feet, about. So the property owner wants to have it zoned r10 so it makes it easier for them to develop the property.

**Katz:** And the neighborhood supports that?

**Johnson:** Yes.

**Katz:** All right.

**Hales:** Question. R10.

**Katz:** Okay. Marquam.

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**Johnson:** This is an area along -- across southwest 35th from Jackson Middle School. Staff recommended R5 for the property. Currently zoned R10. Planning Commission had supported staff recommendation at the council hearing on October 17th. I think you heard testimony from the neighborhood association and from the church which is the largest property owner in this area. They requested either R10 or R7 for the property.

**Carter:** I also want to point out to council that in your table sheet Marquam neighborhood association actually did submit written testimony that didn't make it into here in opposition to R5 and in support of the existing R10.

**Francesconi:** What's the practical effect of R7 versus R5 on this?

**Johnson:** We haven't done an analysis of what the difference in the number of units are. Sometimes it can be -- you can allow maybe more development potential if you go to R5 because you have lots that might be platted at R -- at 10,000 square foot, so if you go to R5 you can create an additional lot whereas if you go to R7 you can't.

**Hales:** We had testimony -- my recollection is that's true, most of it is built out at R10 density. What's likely to happen?

**Johnson:** The largest development opportunity is on the church property and the church has expressed -- has said they don't have any intention to sell or develop that property for residential uses.

**Katz:** All right. I would support --

**Saltzman:** I was going to go with the compromise, R7.

**Katz:** Rest of the council?

**Sten:** I'm actually inclined to leave it R10.

**Hales:** I am too.

**Sten:** I think we've done a lot of complex work with the neighborhoods to try and get density that we need into places where it will work, and I think pushing it in places where it isn't going to happen leaves a false sense of security. So I'm just on this one inclined to go with the neighbors' wishes to keep it R10 because I think it fits the pattern of what we're trying to do, is push things where it's going to go and where it's environmentally possible. You've --

**Hales:** You've got a long-term conditional use on the church, I'm not sure what we're accomplishing by changing it to anything.

**Katz:** I agree with -- with you. R10. All right. West Portland park.

**Johnson:** This is what we referred to as the Holly Farm site.

**Katz:** Oh, this is the Holly Farm.

**Johnson:** This is one block area, they're -- there are a few other properties, but most of the discussion is focused on the one-block area on Capitol Hill -- Capitol Highway directly adjacent to the library near commercial node. The neighborhood -- the planning commission had recommended R2 for this property. The neighborhood association had requested R5 and the property owners requested R2 or R1. I think you heard a lot of testimony from the neighborhood residents opposing the R2 find 5 proposal.

**Katz:** Council?

**Francesconi:** This needs to be a park. Because there's not going to be a bond measure. It's a little more difficult to do that. I have met with the property owner and the neighborhood now, and R2 or R1 is too much. We should not do that. I think we can actually do 2.5 and we still have a strategy to turn it into a park. It's a little more problematic, but I'm still hopeful.

**Hales:** 2 find 5.

**Saltzman:** I can support 2.5.

**Sten:** I tend to lean towards 2.5. I take it at face value because I think Commissioner Francesconi's view that it should be a park, I think -- fits going to be developed I think 2.5 is the better zoning.

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The property owners were fairly clear that their position was they wanted it zoned the way it probably should be zoned from a development standpoint and they were more likely to enter negotiation if they felt that was the case. I think it's fair to them to make it 2.5 but I think the neighborhood and parks should work together to before it.

**Saltzman:** Same here.

**Hales:** It increases the urgency and raises the stakes, but --

**Sten:** Yeah.

**Katz:** All right. Council, 2.5. Is that where you all are?

**Francesconi:** Yes.

**Katz:** Okay.

**Johnson:** The next area is ash creek. The area between Multnomah boulevard and garden home road. We have some right of ways that are very narrow. Staff had recommended r7. The current zone assisting r10 with an r7 comprehensive plan designation. Planning -- the neighborhood has concerns about upzoning to the comprehensive plan designation in areas that have narrow streets. We focused our attention primarily on this but I think their concern actually is much broader than that.

**Katz:** Yeah. Well, i'm at r10 on this one. I was -- I went up those streets and I have no idea how they would be able to be developed any denser than that. That's just --

**Francesconi:** I agree.

**Sten:** I think for environmental reasons, r10.

**Katz:** Okay.

**Hales:** Okay with me.

**Katz:** R10. All right. Ash creek, southwest --

**Johnson:** These are three lots on brugger. They have existing zoning r10, comprehensive plan of r7, staff had recommended r7 and planning commission supported that recommendation. The property -- the -- there was testimony both for and against the r7 proposal. There's a very small amount of environmental significance on the north end of one of the properties. The -- some of the testimony in opposition focused on concerns about storm water run-off, one of the property owners would like to have the r7 to be able to develop the property at a higher density.

**Hales:** These are the only three sites that are r7 on the north side of brugger?

\*\*\*\*\*: Correct.

**Hales:** Everything else is r10 or recommended to be r10?

**Sten:** I think r10 for the same reason.

**Katz:** I'm at r10. Okay. R10. Ash creek, garden home, main street. This looks new.

**Johnson:** This is commercial site in garden home main street. The neighborhood association cpo 3, has requested that we change -- that the planning commission recommendation of cn2 for this property be changed.

**Hales:** To what?

**Johnson:** They support the d overlay.

**Katz:** To cn2?

**Johnson:** With a d overlay.

**Katz:** Okay.

**Hales:** I'm a little unclear about which properties this affects.

**Johnson:** It's the land thriftway property and the -- the lamb thriftway property and the properties adjacent to it. Do you have the map?

**Hales:** No.

\*\*\*\*\*: It's the big -- the multiple parcels there at the corner that are all --

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**Carter:** Pretty much the commercial on that corner with the thriftway as the main commercial use there.

**Hales:** So it's the stuff that shows up in purple?

**Carter:** Yeah. Shari's I believe --

**Hales:** And --

**Saltzman:** Existing drive-throughs can remain, is that correct?

**Hales:** I don't think there are any.

**Saltzman:** Dairy queen.

**Johnson:** That's across the street and that's proposed for cs, recommended for cs.

**Saltzman:** That's not part of this.

**Hales:** So the stuff there now is in compliance with cn2 requirements?

**Johnson:** Yes.

**Hales:** Basically.

**Johnson:** Yes.

**Hales:** It's all pretty new? So I think cn -- I don't like cn2 frankly as a zone, but it does no particular harm to leave it in place here.

**Katz:** Cn2 with a d overlay.

**Carter:** One other thing I want to point out, they did ask originally in the southwest community plan this right of way, the old Oregon trail -- old electric right of way, be zoned as open space. They still support that designation, although since that time that has been purchased by private property, or private property owner now. It used to be owned by pge.

**Hales:** Well, refresh my memory. As -- there's a trail across Olson road been developed? From that point west?

**Saltzman:** Yeah.

**Carter:** Fanno creek trail.

**Johnson:** We couldn't say for sure whether the trail's been developed or not. I believe this property is owned by lamb thriftway and they did not want the os designation on this particular property.

**Hales:** I imagine they don't. [ laughter ] but again, I think you're right. I know the plan in Washington county is to complete --

**Saltzman:** West of Olson road has been developed.

**Hales:** Are there any realistic prospects important getting the trail from Olson road to Multnomah through those remaining parcels? There's this little strip here, and other developed property. Is it -- is there any realistic hope we'd be able to get the trail through there? Anybody know?

**Anne Elizabeth Riis:** My understanding is that that strip of land is being used by mr. Lamaze part of his housing development that's occurring north of the current shopping center.

**Hales:** It already developed, or about to be?

**Riis:** About to be developed.

**Hales:** I remember when we approved the commercial project there was this coming back to me slowly, there was a discussion about the housing portion of this. But again, i'm not talking bust -- just about that property, i'm talking about other properties to the east. Is there any realistic hope of getting that trail through there? A trail to nowhere on one side of Olson doesn't do the community much good.

**Saltzman:** I know there's a lot of as participation, but whether there's reality, I don't know.

**Hales:** Well then, I don't think we're -- it doesn't sound ripe to me. I would not recommend that we zone it os for purposes of general consistency. We don't take property by zoning and we shouldn't do it here either.

**Katz:** Okay. Cn2 with a d overlay. Let's keep going.

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**Johnson:** The next site is maplewood along southwest vermont. Planning commission had recommended r7 for all properties without identified environmental significance, the current zone assisting r10 and the current comprehensive plan is r7. The neighborhood association would like the entire area to be zoned -- and comprehensive plan designation of r10.

**Katz:** Here's -- I don't know if you responded to the question. I think there was a question raised on how many housing units would occur with an r7.

**Carter:** We did a very rough estimate based on lot sizes without looking at any possible site constraints. And roughly 40 to 42 max on the -- at least on the sites we included on your site summary.

**Johnson:** That does not include any -- taking out any land for providing roads or access way. So this is just -- we can't say for sure what would happen in the development process, so we just did a very rough calculation to give you some idea of the range of housing units available.

**Hales:** That --

**Saltzman:** That did not include the new sections for seeps and springs?

**\*\*\*\*\*:** It did not.

**Saltzman:** I think we could stay with r10.

**Katz:** Okay.

**Sten:** I'm okay there.

**Katz:** R10? All right. If I don't hear from you I assume it's okay. All right. Multnomah.

**Johnson:** This is on southwest canby. The planning commission recommendation was for r2.5 and r2. The current zoning is r7. The current comprehensive plan designation is r2.5. The neighborhood association opposes the r2.5 and r2 proposals and instead supports r5.

**Katz:** As a compromise.

**\*\*\*\*\*:** Yes.

**Katz:** Council? This is southwest canby, west 35th.

**\*\*\*\*\*:** It's near the southern entrance of gabriel park.

**Hales:** It's the stuff on the north side of the street?

**Carter:** It's much of that area.

**Saltzman:** Compromise is r5?

**Hales:** Show me where we're talking about. All of that?

**Johnson:** I believe that's for the area not currently zoned r2.5.

**Carter:** This is already existing r2.5, which this is already existing and this is r7 with --

**Hales:** Help me out. Isn't most of that already developed?

**\*\*\*\*\*:** It's already developed, commissioner.

**Katz:** Monte, come over to the mike.

**Sucec:** All of the lots on the north and south side are built out as r5 and r7. In this cases built out as flag lots. In the subject property there's very little if any potential for development. There are a couple of houses that are in need of repair and a lot of money has been invested in that block. It's a well-established, long-standing neighborhood block. This makes no sense. It would be spot zoning.

**Hales:** Okay.

**Katz:** So the support of an r5 --

**Sucec:** R5 would be god that. Would allow flag lots. Or similar development.

**Hales:** That makes sense to me.

**Katz:** Okay. All right. Southwest canby, southwest 35th, r5. All right. Southwest moss, southwest 28th.

**\*\*\*\*\*:** Can I have your job? [ laughter ]

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**Johnson:** This is southwest moss and 28th. It's a couple of blocks east of Multnomah center. The current -- planning commission recommended r2.5 and r2 for this area. Current zone assisting r7. The current comprehensive plan is r2.5. The neighborhood association opposes r2.5 and r2 and instead supports either r5 or r7.

**Hales:** Which parcels are we talking about?

**Johnson:** These down here. There's a little -- you'll see there's a node of r2.5 that's already there. And there's r2 to the north. And to the west.

**Hales:** So the planning commission's recommendation was what we see here, obviously. Was all r2.5 to start with, and they're saying change some of that r2.5 to r2, and leave the four parcels in the southeast corner of this area as r2.5.

**Johnson:** The comprehensive plan designation is r2.5. The current zoning is r7. It's only the property directly facing moss with the exception of one facing 30th.

**Sucec:** Again, it's spot zoning. It's somewhat deceptive on the map because it's a flat plain, but actually that block -- marty suecheck, Multnomah. That block that -- the topography is on a slope, so it would be disruptive really to upzone that area and it's all built out and pretty well established houses.

**Hales:** It's r5 right now.

**Katz:** I had r5, rf7.

**Sucec:** Either one would be fine with the neighborhood.

**Hales:** R5, are all the lots bigger than 7,000 square feet? Probably not.

**Sucec:** Probably not.

**Hales:** I would recommend r5.

**Katz:** Okay. I think I was out there and would support that. Okay. R5. Moving right along.

**Johnson:** The next proper -- property is at 2537 southwest hume street. It's directly adjacent to a property that's being recommended for cg as part of the southwest community plan. The rest of the area is zoned r7. The planning commission recommended r5, the current zoning is r7. The property owner was here earlier and wasn't able to testify in october, she was out of town, and had asked for the opportunity to talk directly to you I think that she had to leave unfortunately. The neighborhood association opposes the r5.

**Katz:** I went up there, so come on up. Come on back, marty. Let me talk to you. I -- just by looking at that particular street, I thought that one unit on that property would be fine.

**Sucec:** Which is allowed by right now.

**Johnson:** And actually there was a question about -- because this is going to be, if the zoning change for the adjacent property is -- goes into effect, so the cg goes into effect next door, and the -- with existing r7, the property owners could get an additional unit only if they did attached housing. So they've said they want to have two -- they want to subdivide and have two separate units on two separate properties, and they wouldn't be able to do that with r7. They could do that with r5. If they subdivide --

**Katz:** Subdivide that empty lot?

**Johnson:** There's a house on it, and then they want to subdivide that property to have an additional lot. With r7 they couldn't subdivide to have an additional lot, they could only have -- make their house basically into a duplex. If they went to r5, they can subdivide, but if the properties directly to -- adjacent to cg zoning, that additional lot could have a duplex or a row house unit on it.

**Saltzman:** They could actually access Multnomah boulevard?

**Sucec:** No, it has no access to Multnomah boulevard.

**Saltzman:** This is --

**Carter:** The drawing you have was submitted by the property owner and their argument is they could get access. All the access to that lot, there is one access and that's on to hume.

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**Sucec:** It's the old Oregon electric right of way.

**Katz:** So what you're telling us is that it's impossible right now unless we don't rezone the other property to zone it for one additional unit.

**Sucec:** One additional detached unit.

**Katz:** One additional detached unit.

**\*\*\*\*\*:** You can change it to r5, and then the property owner has the choice between -- .

**Katz:** Is this on this one?

**Auerbach:** He raised an issue on one you just went over.

**Katz:** Did we already do that?

**Auerbach:** Yes. You didn't take testimony.

**Katz:** All right.

**Johnson:** Why don't I read the information that we got from opdr and perhaps that will be clearer. Under the existing r 77 zoning if the site meets the qualifying language the property has two options. One, they can do an additional unit and convert the existing housing into a duplex. No land division needed. Or they can convert the existing house into a row house unit and add one other row house unit. They could have either a duplex or row house with two to three total units with existing r7. If the cg next door goes into effect. Under the recently adopted land division code rewrite, the options remain the same. If the property were recommended for r5 zoning, the property owner could subdivide this lot which is a little over 11,000 square feet, into two lots. On the newly created lot, a detached single dwelling unit could be built or if the lot meets the transition site qualifying language, the owner could add an additional unit by either developing it with a duplex or dividing -- subdividing it further and creating a pair of attached units. The property owner has expressed interest in developing only one detached unit. We know if the property were to change hand --

**Sucec:** Which they've told the whole neighborhood they've intended to do, is to sell that property and move. It's a nightmare situation.

**Saltzman:** The property is -- the cg property is in the midst of quasi judicial --

**Johnson:** It's an existing r1 property with nonconforming small industrial use on the site. So we propose rezoning it in a couple of other -- and a couple other properties cg to make a cluster of cg so all those uses could be conforming.

**Katz:** And that's the transitional --

**\*\*\*\*\*:** Correct.

**Katz:** All right.

**Saltzman:** I think r7 gives them flexibility.

**Katz:** I would leave it at r7.

**Hales:** I don't think there's enough up side to r5 to justify that.

**Katz:** R7? R7. I just received a note. I don't -- we don't have these in pages. Which one is this?

**\*\*\*\*\*:** Ash creek.

**Katz:** We went through it.

**Carter:** Ash creek with the narrow streets.

**Katz:** What about it?

**\*\*\*\*\*:** On page 13 -- excuse me.

**Johnson:** 11 and 12.

**\*\*\*\*\*:** Page 11 and 12.

**Katz:** Give me the address. [ inaudible ]

**\*\*\*\*\*:** Garden home. One of the property owners wants to testify.

**Katz:** And we made a decision on that?

**Carter:** R10.



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**Katz:** R10. Is this a new -- was this a new item?

**\*\*\*\*\*:** No.

**Katz:** Did the owner testify before?

**\*\*\*\*\*:** Yes.

**\*\*\*\*\*:** I believe so.

**Katz:** Do you really want to testify? Come on up. Quickly.

**\*\*\*\*\*:** Thank you for listening.

**Katz:** Identify yourself.

**Michael Kaiser:** Michael kaiser. The issues that you cited for not supporting this staff and planning commission on this for environmental concerns, i'd like to point out there are only a small number of house that's really will be increased with this. I think the planning staff has said about 12 new additional houses. It's not many houses, it does make a difference for the people who own some of those properties who are seniors on fixed incomes. It's very important to them and we are concerned about environmental issues and water run-off, and what we would like to see happen is the streets to be improved to the 20-foot right of ways that already exist. This will happen with development. Proper storm water run-off will be put in at the time these streets are upgraded. Many of these are gravel streets with no run-off control whatsoever right now. So I would encourage you to seriously consider what staff and bureau of planning -- the planning commission and also the kept of transportation have recommended in this issue.

**Katz:** Thank you.

**Kaiser:** Thank you. Appreciate your time.

**Katz:** Does council want to revisit this?

**Hales:** I understand the point, but I don't think there's going to be enough development in this area to solve the street problem. The only thing that will solve the street problem is significant commitment from the city and from existing property owners, and we haven't devise add formula yet that's going to do that this. Is not one of those parts of the city where development is going to boot strap the seats streets. There's not going to be enough of it in either scenario. I understand the theory, but I don't think it's going to operate in this case.

**Katz:** Okay. Council? Leave it as is? Thank you. Where are we?

**Johnson:** Page 17. Multnomah main street.

**Katz:** Okay.

**Johnson:** This issue came up at the last council hearing for the first time. The neighborhood association has requested the design overlay on all properties within the main street. In the staff process we supported design overlay only on the multifamily designated properties. I think they have two concerns. One is heights, the other is that if residential units are built in the commercially zoned properties, if there's no d overlay they don't have the design protection they'd like to be assured.

**Katz:** Does the design protection give them protection over heights?

**Johnson:** No. But it does -- but it does address other design issues.

**Katz:** All right.

**Hales:** As I recall, maybe we got an answer to this, but what was the difference between the standards that apply, because most of this is cs, right, what is the difference between the standards that apply in cs and what you'd get with design overlay in addition to that? In other words, the question was, don't we already get most of what you were looking for in terms of design control with the standards that are in effect in the cs zone if we don't get it, what's the increment that we do get? Other than just more process?

**Johnson:** I'd like to defer to opdr.

**Katz:** Okay. Come on up.

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**Hales:** Oh, geez, you brought the book. [ laughter ] you're going to throw the book at me if I keep asking that question.

**McKinney:** Yeah. Susan mckinney again. I brought it with me because I don't have a pat answer, because I don't process design reviews, so i'm not as familiar with it.

**Katz:** Do the best you can.

**Sten:** While we're doing that, my concern on this is that i'd like to know if it makes a big difference. My concern is the property owners, this is a fairly big -- it's not huge, but to me it's a big addition to what they've got to do to develop. I don't think they've gotten any wind of this. It feels like a last-minute call on the neighborhood association's part.

**Hales:** And again, the question is not just technical on my part in that there are two ways to get at good design. We've dealt with this from everything from snout houses to downtown office buildings. That is one is to have a fairly open-ended design review process with fairly general standards applied quasi judicially. The other is write it down and say you've got to do this and this. And our general approach in the storefront commercial zone and in residential single-family zones has been to take that prescriptive path. You've got to have a porch, front door, awnings. And that's -- that saves everybody the trouble of reinventing the wheel every time. I don't love hearings, and I think that should be normal, and the question is does the hearing get as much more -- get us much more in terms of what you're actually looking for. If it does, okay. We'll all of us can deal with more process if we have to. But I don't think it does. I think we get at most of what the neighborhood's looking for in these commercial parts of Multnomah through the standards. But if i'm wrong, let's have more hearings.

**Johnson:** The staff had not recommended design of -- design overlay on the cs properties and the main streets with the thinking that the cs development standards would meet most of the design issues we were trying to address. It doesn't get at the height issue the neighborhood is asking about, but then design review wouldn't do that either. Sort of late in the process we heard a concern about residential development in the cs zoning and what would be the implications of that, you know, how would that develop and would there be problems with that kind of development in the cs zoning without a d overlay. And i'm not prepared to respond to that. I don't have an answer to that question.

**Katz:** All right. This is new?

**\*\*\*\*\*:** Yes.

**Katz:** Do we have anybody that wants to testify on this one? Come on up. Meanwhile, keep looking. It will be -- you'll be here for a while, I think.

**Sucec:** Marty sucec, Multnomah. I'd like to address the issue of the 2040 design types. We understood, the neighborhood understood from remarks that deborah stein had made, and I don't think we checked them out further, that all town centers and main street areas would be planned out. We have full support of the neighborhood business association, the Multnomah business association for our plan. We told them that there would be planning in the main street. Just as there was planning in the town center. If -- and it's not a last-minute thing. What's last minute is we noticed the dots in our main street were just on the multifamily dwellings and the dots in hillsdale were all over. And that's what we wondered about. We let this slip by because our assumption was perhaps wrongly, that the covenant for having these design types under the metro functional plan and other plans was that these would be very carefully planned areas in order to accommodate density goals and what have you. So that's what we're operating on. It's not a last-minute thing by any means, we've already conducted a couple of -- we had extensive conversations with one of the planning commissioners who was helping us to secure funds for doing a plan for the main street area, title 34 happened, we got diverted by that. So we want some standards, especially heights. If

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the current zoning will give them, i'm sure that's okay. But we would like some mechanism for planning in this main street.

**Hales:** I think marti that you don't get what you're looking for. Either way.

**Johnson:** We won't get what we're looking for.

**Hales:** I know you do. But you don't either way. I guess what I would suggest is don't apply the d overlay at this point. Because it's not going to -- I don't think it's going to give you anything tangible. What i'm forecasting too, and a lot of these you can tell, my staff and opdr is going to take applications based on what we've done here today, and in some cases what we're doing is going to make a difference, and i'd like to increase that percentage. And I don't think putting the d overlay on here adds any real change in what they would require the property owner to do. If a building downtown Multnomah village burns down and they want to build a new commercial storefront we're going to say you've got to have awnings, the door has to be here, you know, and there are those requirements in the code. And -- in cs that are pretty prescriptive, which is one reason the zone is working so well. We're getting the development we want in places like hawthorne, because very a -- have a lot of it zoned cs but the question is, do you get anything else?

\*\*\*\*\*: Because of the d overlay and that's --

\*\*\*\*\*: I can respond to that. I think --

**Katz:** Identify yourself.

**Deborah Steinman, BOP:** Deborah stein with the bureau of planning. For the commercial development, you're quite right. The standards built --

**Katz:** For commercial developments.

**Steinman:** For additional have you identified a gap where we had -- since we applied the d to the zone, not to the use. If a commercially zoned property is developed 100% residential, that wouldn't be covered by the cs standards which are quite good and in place, or by anybody else. So I think what you've identified is this missing piece which is residential development on commercially zoned properties. But for commercial development, we did feel and continue to feel the cs standards are adequate to provide the kind of design controls we're looking for. It doesn't address --

**Katz:** It does not address the height, but a d overlay on the residential would address --

**Hales:** She's saying something else. Now i'm leaning towards going this way, which is could somebody build a pretty mediocre apartment building --

**Steinman:** They could. And that falls through the cracks here.

**Hales:** Let me hear the flip side. If somebody wanted to rebuild their burned-down commercial storefront, how uncertain would they be about the design review requirements over and above the prescriptive requirements for cs? In other words, would you have a basically check off the boxes and said, yeah, you met cs requirements out of here, or are they stuck in limboland because we've put the d overlay on them?

\*\*\*\*\*: That I need --

**Hales:** You need more time to answer these questions?

\*\*\*\*\*: That's a trickier one.

\*\*\*\*\*: That's a good answer.

**Sten:** All right, marty, i'm convinced.

**Hales:** I am too. I just don't want to create an administration problem for the more likely scenario. I think the scenario you paint is fearful, but fairly unlikely. I'm ready to insure against it, but I don't want to create ten difficult hearings in the more likely scenario of a --

**Katz:** We understand.

**Saltzman:** I have -- hobby help us out. What do you think?

**McKinney:** I'm wondering if anybody in the 1900 building is watching us on the internet.

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**Katz:** This is important enough, it is a main street. And it is important enough to clarify that issue, so let's put this -- go call 1900.

**Saltzman:** Can I just ask something here?

**Katz:** Okay.

**Saltzman:** Given this has come up late, I have to ask the question, does this -- would this change have any bearing on the application of loaves and fishes --

**Sucec:** No. It doesn't come up late, commissioner. We --

**Saltzman:** It's new.

**Sucec:** It is new. It was -- this doesn't affect them at all.

**Saltzman:** So this won't --

**Sucec:** We're not really that devious. We usually make frontal assaults. [ laughter ]

**Katz:** Marie?

**Johnson:** I don't know that we can say for sure if it would affect loaves and fishes. I don't know where they are in their application process. I don't know if they've submitted an application already for development. If they have, then it shouldn't affect them. But if they have not, and we applied d overlay, then to their property we're proposing cs on their property and they would have to go through -- meet the requirements of the d overlay in addition to the development --

**Katz:** And that's the question that commissioner Hales just raised.

**Johnson:** Right. And without knowing the status of their application, we can't say one way or another whether it would affect them.

**Katz:** It's the d overlay over cs property which is the issue.

**Johnson:** Right. They would be in that situation if they were to apply after --

**Katz:** Let's call -- let's find out and we'll come back to that. All right.

**Hales:** If we could get marty to stay there.

**Katz:** Okay. Southwest 31st.

**Johnson:** These properties are directly across from the eastern exit -- entrance to Multnomah center. The properties were recommended for r5 by the planning commission, they're currently zoned r5 but they have the comprehensive plan designation of r1. There's category 4 or lowest level of environmental significance I believe on the back of the property or -- category 4?

**Hales:** Call it the map, if we could. This is one I talked about at the last hearing.

**Johnson:** Right. The approach that staff took created uneven pattern of zoning. One of the property owners had already gone through a quasi judicial process to get of the -- to get the r1 zoning in the center properties. The other owners --

**Katz:** Our screen is rolling. So we're not getting anything.

**Hales:** But the map -- this map, the planning commission recommendation map is even whackier than what you have on the screen.

**Johnson:** We're showing existing zoning pattern. What planning commission recommended was keep the existing pattern on 31st, remove the r1 comprehensive plan designation. So it would be r5 for the properties to the north, r1 which is existing zoning for those middle properties, and r5 for these properties. That's the result of us using this --

**Hales:** That's this, right?

**Johnson:** Correct. And I have to correct myself. There's -- there's some identified environmental resource and if you want more details about that, i'd need to defer to tom mcgwire.

**Saltzman:** The proposal is to zone it all r1.

**Johnson:** The property owners would like it all to be r1.

**Sucec:** We find ourselves in the happy position of supporting the bureau of planning original recommendation, but we think r2 is too intensive. There's a seasonal creek on that property on the

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west side of it. R1 is very intensive. I think r2.5 would be a stretch. But it's going to -- because the one property has already changed, it's going to create a mishmash there.

**Hales:** I'm going to need help remembering what's there, but it seems --

**Succ:** There are two run-down single-family houses. The testimony of the owners was erroneous, I think. There are quite a few single-family residences being built in the area. Aside from that, there are two run-down houses there. Was a third, but they've done dramatic improvements over the last month and a half. I don't have any idea why. Maybe they're thinking of selling to these developers. But it is ripe for some kind of redevelopment. I think r1 is too intensive for --

**Hales:** The surrounding properties north and south are r1?

**Succ:** No. I think one is, the other r5, and --

**Johnson:** The property to the north is the loaves and fishes site, and it's proposed for cs. The property to the south are proposed for r1. And the property to the west are zoned r1.

**Katz:** Help me out, why did the planning commission in this particular case, the zoning the way it is, recommend r5?

**Johnson:** They did not discuss this. This was one of the sites where we used an environmental -- we used a particular criteria and applied it plan area wide and in some areas it created an unusual zoning pattern.

**Katz:** And the environmental issue on there? Is it significant to --

**Johnson:** I think we should ask tom mcguire to talk about the resources.

**Carter:** Right now I took the planning commission recommended map this off. This shows the resource significance in that area.

**Katz:** Okay. Go ahead. Identify yourself for the record.

**Tom McGuire, Bureau of Planning:** Tom mcguire, bureau of planning. The orange stripe you see on the backs of those properties is -- that's what's left of the headwaters of tryon creek. It's essentially all wetland, most of the year.

**Hales:** Come o. It's not --

**\*\*\*\*\*:** It's not in the e zone now.

**Hales:** How did we miss it if it's a real wetland? Let's think about the built environment on this street 20 years from now, tom.

**McGuire:** I'm not commenting on the choice to use our significance mapping in decisions for base zoning in the southwest community plan. It meets the criteria that we used for our inventory mapping as significant resource, which is a different set of criteria than was used in the past.

**Saltzman:** What category of significance?

**McGuire:** This is the 3b, the middle level of significance. It's not the highest level of significance.

**Hales:** Think about the situation. We've got brand-new multifamily housing across the street, a renovated Multnomah arts center, we actually finally have a sidewalk, lord be praised, from capitol highway to Multnomah boulevard at that point on one side of the street. Then we have a sports bar at the corner, and we're about to have a loaves and fishes at the other end. And we've got the property all around it zoned multifamily. Eye not sure whether it ought to be r1 or 2, but leaving it as r5 or 7 doesn't make any sense at all to me. We should be down zoning the rest of the property if there's such a great resource there.

**Katz:** Well --

**Succ:** That change came about in the last three months. I think it came about in anticipation of this very decision. It quite different from the property across the street.

**Sten:** Do you see an environmental gain that's achieved by keeping it r5 or r7, tom?

**Katz:** I think it's r5 that the planning commission recommended.

**Sten:** R5.

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**Katz:** Yeah. What gained between 2.5 and 5?

**McGuire:** It's harder to say exactly what the gain is when you bring it down to individual properties. Overall I think it was a sound concept to say where we have -- throughout southwest where we have split zoning between the current zone and the comprehensive plan, that we're not going to -- and the comprehensive plan does example nations are at a higher level of density, I think it was sound to say overall we should maintain the existing zoning and not do the upzone or the updesignation to the comp plan. You've seen a couple of these other properties before, when it gets down to individual properties and it's going to create small areas of lower density in the middle of a cf higher density, that's a decision you have to make on an individual site basis. We are proposing through the healthy Portland streams project at this point to apply some environmental zoning to this site. We have a long conversation to go through with that as well as through the planning commission, and there's a whole process for that.

**Sten:** You don't have an opinion on this site at this point?

**Katz:** Marie? Let him answer that.

**McGuire:** I don't.

**Katz:** Marie?

**Johnson:** I just wanted to remind you this is a new site and there is at least one property owner here who is interested in testifying.

**Katz:** Okay. All right. Thank, ladies and gentlemen. Let's have the property owner come on up.

**Irma Moore:** We're Gilbert and Irma Moore and we own the property at 7914 southwest 31st, which is tax lot 1000 and is one of those request in. Under the original southwest community plan, these two tax lots, ours and the one next door, 1100, were to be zoned r1. We have a map showing that we have a handout that we brought with us about what I'm reading. Then we were informed that there's an environmental problem with drainage on these two lots and the zoning was changed back to r5. However, the two tax lots 700 and 900 adjacent to our property to the north are zoned r1, and are to be developed with multifamily housing. In order for storm drainage to be resolved on these tax lots and -- an easement for a new storm drainage installation had to be granted by the owners of tax lots 1,000, 1100 and 1200. These properties are also granted access to that new storm drainage system that is to be installed. We have included a copy of the easement showing location of the drainage system in our exhibit b. Also a drainage system is already in place on the property behind tax lots 1000 and 1100. The exhibits c. Once the property to the north, lots 700 and 900, is fully developed, tax lots 1000 and 1100 will be completely surrounded by apartments, condos, townhouses, et cetera. And single-family living will not be desirable on these lots. If tax lots 700 and 900 qualify for r1, we cannot see why tax lots 1000 and 1100 should not also qualify. We would invite anyone to come out and inspect the property.

**Katz:** Are you with her?

**Moore:** Yes. That's my husband.

**Katz:** Did you want to say anything?

**G. Moore:** No, but --

**Katz:** Identify yourself for the record. You didn't want to say anything?

**G. Moore:** No, ma'am.

**Hales:** This is the two lots in the middle. What about the lots on the north end, staff?

**I. Moore:** The two lots directly to the north of our lot --

**Katz:** Do you want to put that back on the map?

**Hales:** Those are zoned r1?

**I. Moore:** And they are railroad approved for multifamily housing -- they are already approved for multifamily housing and they're going to build the new storm drainage system that had to have our -

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**Hales:** They've already gone through the development review process.

**\*\*\*\*\*:** Yes.

**Hales:** What about the lots north of that?

**\*\*\*\*\*:** The lots north of that, there are two still -- two private homes and then there's another house that's right next to where the loaves and fishes will be. That i'm not sure if that's a private residence now or not. There's a business out front, something about natural resources center. So I don't know.

**Hales:** Okay. Thank you.

**Katz:** Okay. What's the council's wishes?

**Hales:** These little in holdings like this that got left because of the process, I gave tom a hard time, but we've used this mechanical process and ended up -- and we've requested input from property owners, some of which have shown up, which haven't, and we've -- and there are going to be glitches that fall through the screens and I think the sites we're talking about across the street from the jewish community center and these sites fall into that category and it falls to us do some scribners work here and apply a little common sense. I don't know whether it should be r1 or 2.5, but it ought to be a multifamily zone to get a decent streetscape ten years from now and not have a couple of inholdings of --

**Katz:** I agree with you.

**Hales:** Staff can give us guidance --

**Katz:** Okay. Thank you. Marie, come on up. I know this is going to be different, but the -- difficult, but the question we have would -- would the staff recommend 2.5 or r1?

**Johnson:** I would not -- I would recommend a multifamily designation as opposed to attached family designation, just because it would provide you more flexibility in how you configure properties on the site. Then you would also get the d overlay because it's within the main street. I don't have any sense whether r2 or r1, which would be appropriate.

**Hales:** Then I would recommend that we apply r1-d to those five r7 lots that are remaining.

**Katz:** What's --

**Francesconi:** And this environmental process that's coming, that tom referred to that might look at this area, would that then supercede this? It would, wouldn't it?

**Johnson:** What they're looking at is applying -- modifying the environmental overlay owns -- zones in response to our work on the and our increase attention to riparian resources.

**Saltzman:** So it could constrain the ultimate redevelopment of that's properties.

**Johnson:** It could have some effect on how the properties are developed. But that's pretty early in the public review process, and it's subject to modification.

**Katz:** Change and modification. Council? R1-d? Commissioner Sten?

**Sten:** I'm not sure.

**Francesconi:** I'm not either. Tell me the pros and cons.

**Sten:** If -- I guess lacking an argument from tom on why this property is significant, i'm having a hard time keeping it there. But -- i'm leaning towards r1, but if I had an argument that other than the process spit this one out, why this -- what the resource is on the site that's significant, would I probably go with the neighborhood.

**Johnson:** There is wetlands on the site and it is part of the headlands to tryon creek.

**Hales:** Run-down single-family houses with studied area on the back that might have resource value. We're not -- I hope we're not going to make a pledge we'll never develop sites that have those values on them in Portland, otherwise we'll have this patchwork all over the city 20 years from now.

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**Sten:** Our current pattern has got us in the position of spending billions of dollars to clean up the streams, so we can't -- i'd like to know what the resource is before I make a pattern that we should upzone --

**Hales:** I don't know anything about the healthy streams initiative, but we spent a million dollars plus to do e zoning. We mapped the whole city in terms of significant resources, and this wasn't mapped. So i'm a fairly skeptical about the resource fall of this site in terms of controlling its land use destination.

**Sten:** The more -- I was almost there. The more you make it a philosophical debate the more i'm going the other way. I'm not signing on to the argument that the e zone got everything right. If that's the argument why we should do it, i'm on the other side.

**Hales:** These are remnant lot and we get design overlay with r1 and we don't get it with 2.5.

**Katz:** Tom? Did you want to add anything? Identify yourself for the record.

**McGuire:** Tom mcguire, bureau of planning. I was just going to add that what we identified here is -- as a wetland, it's the upper end of tryon creak and it's a remnant section of what used to be the headwaters of tryon creek. The r1 zone would provide some -- it's a higher density but it provides flexibility in the development and configuration of those lots. The environmental overlay zone is essentially the environmental version of a design zone. And it sound like there's some approved development on the sites to the north of the properties we're looking at that's going to be -- there's going to be -- there's a drainage -- an approved drainage plan, bureau of environmental services would most likely require a drainage easement, so a year from now this property could look quite a bit different just by what's been approved today.

**Katz:** So you think that with everything that just -- the discussion that we just had that an r1-d would give us enough flexibility to protect the property?

**McGuire:** Yes.

**Francesconi:** Okay. That's what we needed to hear. Thank you, tom.

**Katz:** Does that make you feel a little better? It makes me feel a little more comfortable. Tom, if you're wrong -- [ laughter ] all right. R1 with a d overlay. All right. We're getting there. The next one is --

**Johnson:** 8020 southwest capitol highway. Planning commission recommended cn2. Its existing zoning is cn2. The property owner didn't testify in support or opposition, but had questions about the parking.

**Katz:** All right. Cn2? Council? All right. Next one is hayhurst. This is new. Is this new?

**Johnson:** Yes, it s it's on idaho and iowa between 30th and 32nd. This is an area that was proposed by the neighborhood for r2.5. Staff supported that recommendation and planning commission did as well. It's currently zoned for r5, has a plan designation. R5. There were residents of the area that opposed -- opposed the r2.5 and want to keep the existing r5 zoning.

**Saltzman:** Can you show us this on the map?

**Carter:** Actually, this is not a new site, i'm sorry.

**Katz:** It's not a new site. All right.

**Carter:** This is mittleman center, right here, the orange, this is all existing r5 with a recommendation to r2.5 and this is existing r5 with a recommendation of r2 on the corner. It's often referred to as whodall corner, capitol highway and vermont and southwest --

**Hales:** That's across the street, though.

**\*\*\*\*\*:** Yeah.

**Katz:** And --

**Hales:** The planning commission recommendation is that that last blue block that's now r2 be r2.5?



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**Carter:** Actually it's -- the property to the north, all of the properties that are the golden rod color are proposed for r2.5. Their existing zoning is r5 and there was testimony in opposition to the 2.5 proposal.

**Hales:** Oh, okay. I see what you're saying.

**Katz:** We heard this. This is not new. I would support -- I would support the r5.

**Hales:** You mean you would support changing the planning commission recommendation?

**Katz:** Yeah.

**Hales:** And go to r5?

**Katz:** It is currently r5.

**Francesconi:** How many housing units are we talking about here? Is anybody adding up how much housing --

**Johnson:** We didn't do an analysis of the additional housing potential here. What we did in our process, where the neighborhood associations had supported increased density and we didn't identify any potential problems with that, we forwarded those proposals, so we didn't specifically do analysis on this particular proposal, but rather forwarded the neighborhood association proposal from 1997.

**Francesconi:** And they okayed this?

**Johnson:** At that time. I have to say some of the neighborhoods did change their mind about the zoning --

**Katz:** Where's the neighborhood association representative for hayhurst?

**Francesconi:** They think it's 2.5, don't think?

**Carter:** My understanding is currently they pretty much are taking no position on this. I believe they have gone into --

**Hales:** Inactive.

**Johnson:** The neighborhood has supported the r2.5.

**Francesconi:** I think we should leave it.

**Katz:** What's the council's pleasure on this?

**Hales:** I guess absent some compelling reason to change the planning commission and the original neighborhood recommendation, I would leave it, but the area is built out at r5, it isn't likely to change very much. So i'm not sure what we're getting in this case. There's not -- I don't believe significant redevelopment prospects in the area, so it's pretty academic question. There are some due flexes in the area now which become --

**Francesconi:** What's the reason of the change? I haven't heard.

**Katz:** Did you want to -- did you want to testify for the neighborhood association? Come on up quickly. Change it from r5 to 2.5.

**Francesconi:** The other way around.

**Hales:** The planning commission recommendation is 2.5.

**Corrine Weber, 6243 SW 39<sup>th</sup> Avenue:** I'm corrine webber, 6243 southwest 39th avenue. I am no longer an official of the neighborhood association, so I can't speak for them in that capacity. However, I was vice chair throughout the development of the southwest community plan way back when. It start when commissioner Hales was in charge of it. This area was -- at that time, as you recall, we were concerned about numbers of units and housing units we each had, each neighborhood had a designated target for numbers of units. And along with every other neighborhood in southwest, hayhurst significant -- designated those areas they thought best met the criteria proposed at the time. And then of course the plan change the. And the criteria changed. Everything changed. And at that time we announced to all of our residents through our swni newspaper and other means that we were reconsidering the proposals that were originally made with the first mapping of the southwest community plan. And those people who were interested in

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changing or reconsidering to come to the neighborhood association meetings and many people did, as you know, we've had some changes from that original proposal. However, the residents of this area did not come to any of the neighborhood association meetings to raise any objections to the r2.5. And so we left them on the page or on the map as originally proposed with the first go-around the southwest community plan. And it is only in recent months that they have come forward, some people, to voice an objection, very recently. And I have no idea how the neighborhood association might vote if they were to vote on this issue at this date. It very well may be they would be neutral, or they would support those property owners as they did support the property owners who had objections to other zoning designation that's were on the original map and that was subsequently changed.

**Katz:** We had three testifiers that opposed it last time we heard. Okay. Thank you. Many more since then on the record. All right. I will -- I propose leaving it at r5. But you can over --

**Saltzman:** I'll go with that.

**Sten:** That's fine.

**Katz:** Okay. S5. All right. Marshall park location. [ inaudible ]

**Johnson:** It sound to me like he is bringing up an issue about the zoning on the south end of that section. We had focused on the r2.5 proposal and he's saying we overlooked testimony on r2 to the south of that. [ inaudible ]

**Katz:** Could you put the map up again?

\*\*\*\*\*: He's doing that right now.

**Hales:** There are existing duplexes at least in that area.

**Carter:** This corner is existing r2 as well.

**Hales:** If you make it r5 they become -- i'd say leave that alone.

**Katz:** Leave -- leave that section alone at r2.5?

\*\*\*\*\*: R2 is what the planning commission rep decision --

**Katz:** R2? [ inaudible ] we're not going to do that. Just a minute. What's on there now on the north end of that section? [ inaudible ]

**Katz:** Split it?

**Saltzman:** We could split it.

**Johnson:** We don't have a position. We don't have a recommendation one way or the other.

**Saltzman:** I'd say split it.

**Katz:** Split it.

**Johnson:** The properties facing vermont would be r2 and the properties facing idaho would be r5?

**Katz:** Okay. Folks, this is the last one, then we have to come back to --

\*\*\*\*\*: I think we have two items to come back to.

**Katz:** Oh, yes, that's right. I didn't want to come back to the first one, but you remembered. Okay. Marshal park location.

**Johnson:** This is 9532 southwest 18th. The property is currently zoned os, though it's a private property. Evidently this is a zoning error from a previous project. So the property owner would like to have residential zoning on the property.

**Hales:** Yeah.

**Saltzman:** Sounds --

**Johnson:** R10, excuse me.

**Saltzman:** Sounds like it was some sort --

**Katz:** Was it an error?

\*\*\*\*\*: Yes.

**Katz:** R10? Okay. Any objections? All right. Let's work backwards and take the issue on Multnomah, page 17, Multnomah main street. This is the --

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**Johnson:** Design review issue. We have jeff jocelyn here.

**Katz:** Charlie wanted to lay out the issue. Here comes the book.

**Hales:** The book. The question was, if we apply it -- a d overlay to the cs zoned property in Multnomah, what we get is the ability to apply some design criteria to multifamily projects if they were to be proposed on cs zoned property. But what we also get is design criteria applied to commercial storefront projects that would be proposed and so we get some insurance against bad apartment prompts that wouldn't have any design review criteria. This is our working assumption.

\*\*\*\*\*: Not necessarily bad, but lesser.

**Hales:** Okay. Secondly, do we mess things up for commercial storefront project going through the criteria if we also overlay design review on top of it? How much down side, how much upside do we have if we do this?

\*\*\*\*\*: To back up just a hair, the overlay would not kick in a discretionary design review process until certain thresholds have been achieved. Smaller projects would be subject to the development standards based on design standards, and the community design standards. If they could not -- if they were below a threshold and met those standards, they would not be subject to any discretionary review, but they would be subject to additional standards in the community design standards where the -- were the d not applied.

**Hales:** Like?

\*\*\*\*\*: Well, there are sets of standards for residential developments, sets of standards for commercial development. Different standards for each use category that are in 33.218 of the code. Fortunately I -- unfortunately I don't have them memorized.

**Hales:** I was just trying to get an example of what -- the standards are in the base zone for cs, somebody's going to build a storefront burns down they're going to build a new one, we're going to require them on to have plate glass on the front, a door here, an awning there. What else would they get with design review in terms of building elements or design issues that they wouldn't get with the base zone requirements?

\*\*\*\*\*: I think -- I would suspect the primary desire associated with the d is that it applies to particularly larger projects. It would be subject to -- more often than not be unable to meet the community design standards and would be subject to a discretionary process. Those projects would have the community design guidelines applied to them and would generally result in a project that was more compatible with the surrounding development. It would address issues that community design standards don't typically get to, like a form, materials, composition that would contribute to integrating a project into the surrounding environment.

**Hales:** So any particular down side in terms of adding that design requirement in your opinion?

\*\*\*\*\*: No. But neither in terms of the result I think generally the result is going to be better and more consistent with the goals of the city and council in terms of workload, the impact would be extremely minor.

**Katz:** Okay. D overlay.

**Hales:** So moved.

**Saltzman:** I still am not totally -- my concern about the impact on this on the proposed loaves and fishes center still bothers me. Can we exempt that property from the d overlay?

**Sucec:** What we want -- [ inaudible ]

**Saltzman:** You want more height?

**Sucec:** Without knowing what -- where that project is in the development process, we have no way of knowing if there are -- if they're -- we don't know if they're already being permitted under the current regulations or if they have waited. Unless somebody here from opdr can speak to whether they're in the permitting process or not.

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**Katz:** And somebody needs to tell me why they shouldn't have to the properties that are currently shown as recommended for r7 should be changed to r2, which is the comprehensive plan designation. [ technical difficulties with Portland cable access. Off the air for a couple mintues. ] we talked with tom mcgwire and he said the environmental resources there are not significant enough for it to be a deciding factor on these sites.

**Katz:** We did an r2d. I think the other issue was the other sites that commissioner Hales identified. And I can't remember where they were. That's the one?

**Johnson:** So for this to be clear it sounds like we have three sites that currently have r7 with an r2 comprehensive plan and you're recommending r2 for -- r2d for all the properties?

**Katz:** Right. All right. I think we covered --

**Johnson:** We're done.

**Katz:** We're done. All right. Unless there's a critical error in what you told us or something that we heard that was not accurate, this will pass to second next week and all you all come next week, because we're going to celebrate this.

**\*\*\*\*\*:** What time?

**Katz:** Oh, I don't know. All right. Thank you. This passes on to second. Let's move on to the regular agenda. Identify 1338, and I told commissioner Hales that 1317 will come up at 2 o'clock.

**Hales:** I've withdrawn my request to take that up on consent calendar and we can vote on it now.

**Item No. 1317.**

**Katz:** Let's vote on 1317. Roll call.

**Francesconi:** Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Katz:** I just want to say we're also participating in a portion of their funding. Aye. [ gavel pounded ] 1338.

**Item No. 1338.**

**Katz:** All right. Do we have anybody here from -- yes, we do. Come on up. I want the council to hear what's coming at us. Coming at us from gasb. All right, folks, keep moving.

**Ken Rust, Director, Bureau of Financial Managment:** Good morning. My name is ken rust, director of the bureau of financial management. This morning I want to take a few minutes of your time and update you on the city's implementation of the governmental accounting standards board statement 34, which represents a c change in financial reporting for governmental entities like the city of Portland. I know most of you are familiar with the budget document that we go through each year and prepare to tell our citizens where we're going to go with the expenditures. What we're dealing with now is the city's financial report that actually tells us where we've been. And this is the document that we're talking about. I'm proud to show you that it takes three budget documents to tell us where we're going, only one to tell us where we've been, and hopefully statement 34 won't change that. What's important about that, some of the changes in statement 34 is that it's really intended to try to give readers more information about how government is doing and performing with its financial resources. Concepts like full accrual accounting which tells us what it costs to provide the service is going to be part of this statement. It requires us as managers to discuss our financial performance much like the private sector does in their financial reporting. Really the goal of the statement is to make it more user understandable, to tell more clearly how we are performing both good and bad, and to bring us more into alignment with what you typically would see in the private sector. This morning I have a couple people with me that i'd like to have them speak just briefly. Dick tracy from the audit services division is here. He actually sits on the gasb board and has unique insights into what gasb has tried to do. And also I have marie marcourt, the project manager for the city's audit, she's assisting us with getting ready for implementation with gasb 34. She is here to provide information about our status and readiness.

**Katz:** Part of your testimony is what is going to change.

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\*\*\*\*\*: Yes.

**Katz:** Grab the mike. Identify yourself and go ahead.

**Richard Tracy, Director, Audit Services:** Richard Tracy, director of audits for the city of Portland. I just wanted to briefly give you some background on what GASB is and what this statement does. And what it's for. I'm sorry, excuse me. We'll have a little more explanation of how we will implement this over time. GASB is a nonprofit organization, a private nonprofit organization that's responsible for producing standards for accounting and financial reporting. For all state and local governments. These standards are for the purpose of producing financial reports that are useful for decision-makers like you and the public and financial institutions. And to help our city and other cities and states become more accountable to the citizens and tax resource providers. This particular statement, statement 34, is probably the most comprehensive and major change in accounting and financial reporting for state and local governments ever, and it does some several important things, and I won't get in much detail, but there's probably three important changes that this statement does. Number 1, it provides the reader of these financial reports a more complete and thorough picture of all of the assets and liabilities of this organization. Our current financial reporting provides a limited view of both what we owe and what we own, and this new statement will provide an overview of all of the assets and liabilities of our organization, which don't -- cannot easily be understood right now.

**Katz:** Does that -- that means streets, our infrastructure, which we --

**Tracy:** Right. All of our capital assets, our resources, our buildings, our infrastructure, which right now doesn't clearly show on the financial statements of any state and local government, including our own. Plus all of our obligations. Our vacations, or sick leave, accruals that don't actually show up on our financial statement. Similarly to business financial statements which include all that information.

**Katz:** And the end result of doing all of that would be?

**Tracy:** The end result is that readers and decision makers like you should have a clearer understanding of actions you take on the future taxes and resources that we have available to do things in our city. That will give you a much more complete view of what happens with this entity rather than the parcel view we see now. General fund versus utilities, and that sort of thing, you'll see an entity view of the whole organization.

**Katz:** Let me probe. I recall this conversation when I was in the legislature. And CSL had this discussion, their fiscal arm on that. And would that -- give us an example of how we would make a different decision with all of that information.

**Tracy:** Well, an example could be that you would have a clearer view of what your balance is, what your fund balance -- what your -- what you have available for expenditure and for allocation in the future. Under our current modified accrual, you only have basically a one-year picture, whereas actually you have obligations and assets that extend out ten or 15 or 20 years. And so we're sort of ignoring that right now in our decisions about how we allocate and how we appropriate funds. So decisions now we're only looking at a short-term picture, where actually they have long-term implications for both our resources and our requirements.

**Rust:** Another example might be something to the fact that on the utilities, we run this sort of business model that shows whether we're making any money. We have a concept of depreciation, revenues and expenditures and things like that. We don't have that for our street system, for our parks systems. So it's not clear that we're actually breaking even if you will on the resources we're taking in and the expenditures we're making. We could in fact be generating a gigantic capital hole that's not present or easily discerned by a reader of the financial statement, yet that's important to know whether the city is really holding its own financially or creating liabilities that will make it more expensive for folks to deal with going forward. That's the kind of information that's going to I

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think be more apparent to the reader to be able to understand whether or not the city is making the appropriate investments or the level of investment is staying current with the wearing out of physical assets and things like that. Those will be things that are very new to the city of Portland, to every other jurisdiction. We've never had that focus of measuring performance like that for things like general fund-related activities.

**Tracy:** I might add there's another new financial statement that's never been presented before, and it's called a statement of activities that will actually give us information about the cost of our functions of public safety and transportation and culture, it will give us a clear picture of what the cost of these activities are, what sort of program revenue these functions are producing, and what sort of general tax subsidy they need from our general resources. So that doesn't exist anywhere now, and I think over time that will be probably the most useful new statement for elected officials. You'll be able to see exactly what tax resources are needed from general funds verse what's covered by program revenues from these activities, which is hard to determine right now looking at financial statements.

**Katz:** Anything else?

**Tracy:** I just want to say that this is as I said a major change, and it will require --

**Katz:** This is the third time you've said that.

**Tracy:** Well, I'm emphasizing that because it will require significant time and effort to do. Particularly this first year, because we have to change the way these measurements are done and the way these statements are produced. So I just want to say that it will get easier over time as the routines become --

**Katz:** And if we don't do it?

**Tracy:** The gasb doesn't have authority to require any state and local government to do this. However, the hook is that the aicpa auditors that audit or financial statements view these standards as authoritative. So if we want to get a clean opinion, we have to do 90 accordance withstands. Plus the financial markets if we're selling bonds, like to see app bond offerings that are supported by financial statements that have been audited and produced in accordance --

**Katz:** They got you coming and going. All right. Go ahead. Grab the mike.

**Marie Marquardt, KPMG:** I'm marie with kpmg. What we were brought in to do is assist the city and -- in implementing gasb 34. We have a methodology called g.r.i.p., which we're helping our clients across the country with. I wanted to explain to you what that consists of so you have an idea of where we're going with the city on this and where they're at right now. The first phase in this three-phase project is the readiness assessment, which there was a report handed out to you, that report that you received was actually the contents of what was in the readiness assessment. In this first phase we've used proprietary software, done interviews, we talked to the city, we went out for a period of a week and looked at -- talked to 60 individuals. And had interviews session that's ranged from between one to seven hours with them. We talked to folks across the city, came up with the readiness assessment, which was validated with management. The second phase from that readiness assessment that you have is to take the information in the readiness assessment, move forward with what we call a grip implementation plan. That's a step by step plan that the city is going to have to put together that we assisted them with and what it lays out is a road map of how to do these projects to ensure there is compliance with gasb 34. In the master plan there's other information that is helpful to the city as well, such as estimated internal hours to do a project, which is very useful, estimated sternal cost should the city decide to go out for a particular project on bids, as well as prerequisites. What other projects would need to come first before a particular project is implemented. This phase occurred in september and is near completion. We plan to have that completed by the end of this moment the first phase of the assessment that you see actually occurred in june, and it needed to occur first before the second phase could occur. The third phase

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is actually taking the two phases i've talked about and the tools that were developed and bringing them forward and using them in project implementation. And the city has started project implementation on some of the parts that it is aware of. To give you an idea of the readiness assessment that you have, i'd like to focus on that. Since have you that report, it is broken into three parts. The first part is executive summary which summarizes exactly what the report contains. The second part of this is actually what we call implementation categories. During our readiness assessment on the interviews that we conducted, we identified 58 projects that the city needed to implement related to gasb 34. Those projects were then color coded into 11 implementation categories which you can find in section 2, page -- section 3, page 2. And if you go to a matrix, they're plotted to give the city an idea of exactly which projects they need to implement, how ready they are for those projects, low being the least amount of ready and high being very ready for that project, and then prioritizing those projects according to the factors such as how long the project is going to take, and what other projects need to come before that project. So this was a very large undertaking. Interviewing 60 individuals from various bureau and departments, we had to put this together in an overall result from the city. From here these implementation categories are looked at. If you were to take a look at the matrix right now and sum rise where does the city fall in the category of needing the most help in terms of immediate attention that needs to address, it would be in the area of a couple projects related to education, which the city was aware of, and in fact our contract entails eight hours of education to the city which we will be providing. Another area is component unit guidance. This is the other separate entities that roll into your financial statement. He's financial statements have to also implement this accounting standard. Because they roll up into your financial statements they have an impact on you. So that's an area that needs to be addressed as well. Probably in summary the largest area that we noted that needed the most attention will be financial reporting. Right now it is probably highly unlikely that the current accounting system used can actually accommodate the city with all of the reporting requirements that are now required of gasb 34. So there are going to have to be other efforts made to create new ways of developing this information to ensure that the compliance is --

**Katz:** You're not -- are you suggesting that -- no. Okay. [ laughter ]

**Marquardt:** I'm just saying the current accounting system you have cannot spit this information out. Let's going to be effort that has to be made. This is what we're finding with other governments too.

**Katz:** Okay.

**Marquardt:** In summary, what you have in front of you is the report that was issued on phase 1. Phase ii is near completion, and from there this city will break up into committees and actually go further with implementation. This is required to be implemented on your june 30th, 2002 financial statements.

**Katz:** We don't need to get another whole computer system for this?

**Rust:** No, but the point is well have to do some modification of the information that's inside our system --

**Katz:** We need to massage that --

(At 12:18 p.m., Commissioner Saltzman left)

**Rust:** Exactly. I would like to close by saying the accounting division that's part of the bureau of financial management is responsible for implementing this project. Our expectation is it will be implemented on time. We have a lot of work to do. It will affect every bureau of the city. And there will likely be some squeaking and groaning as we go forward, so when you hear about that coming into the bureaus, you'll know what's going on. But it is a very big effort for us. It's extremely important that we implement on time and we expect to be able to do that for you.

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**Katz:** All right. Thank you. Questions? All right. Thanks. You don't want my cynical analysis of all of this. You really don't want to hear it. Anybody else want to testify? Roll call. I'm sorry, I need a motion to accept the report.

**Sten:** So moved.

**Katz:** Second.

**Francesconi:** Second. It's unglamorous but very important work you're doing. I for one sleep better knowing you're the ones doing it. Thanks for all you're doing to keep the credibility of our city up where it needs to be. Aye.

**Hales:** Aye.

**Sten:** It sounds like it may be very useful. It's for accounting, it's pretty intriguing. I'd like to see the results of what our assets are and so hopefully it works out. I appreciate the effort. Aye.

**Katz:** I just hope that the public benefits from all of this as well as the elected officials. Aye. [ gavel pounded ] 1339.

**Item No. 1339.**

**Katz:** Anybody want to talk to us about that? Come on up quickly. Any questions? Roll call.

**Francesconi:** Are you on the next item? Aye.

**Hales:** Aye.

**Sten:** Aye.

**Katz:** Mayor votes aye. [gavel pounded ] 1340.

**Item No. 1340.**

**Katz:** Questions by the council? Roll call.

**Francesconi:** Aye.

**Hales:** Aye.

**Sten:** Aye.

**Katz:** Mayor votes aye. [gavel pounded ] all right. 1341.

**Item No. 1341.**

**Moore:** He could not stay after 12:00.

**Katz:** I see. All right. He could not. All right. Fine, everybody. Thank you. And we stand adjourned until 2 o'clock.

At 12:22 p.m., Council recessed.



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**Hales:** Here.

**Saltzman:** Here.

**Sten:** Here.

**Katz:** Present. Let's read item 1342 and 1343.

**Items No. 1342 and 1343.**

**Katz:** Thank you. It's nice to present to the council the guild's lake sanctuary plan. There is one issue that has come up that you will hear that's a relatively new issue. However, everything else has been done working with both the northwest district association, nina, linnton and the pearl district in a very collaborative way, and you have a plan, that protects the industrial sanctuary in guild's lake. Very important to maintain our manufacturing jobs, and with that fairly high-paying jobs in place. One of the trends that we've been mapping is the high number of manufacturing jobs in this city -- or in this region compared to other large cities our size and even larger. And what you will see in the next couple of days as we bring some of the mega trends to you is that we are way ahead of most other communities based on our manufacturing jobs. And that's been the foundation of the strong economy here in Portland. And that's why this particular plan is very important to this city and to this community. Okay? Come on up.

**Gil Kelley, Director, Bureau of Planning:** Good afternoon, mayor, members of the city council. I'm gill kelly, planning bureau, and with me is debbie bischoff of the planning bureau, who was the project manager on the guild's lake --

**Katz:** Where is she going after this? We're keeping track of her next --

**Kelley:** We've got other phases of the northwest planning to do before she goes anywhere.

**Katz:** Okay.

**Kelley:** This is a significant step in that overall process. You remember we came to you an earlier phase which dealt with so-called telco issues and protections near the streetcar investment, and we dealt with sort of a side-bar to that with the cnf issue. We're now here today to follow through on a commitment to the city made to nina some years ago following the costco debate about what uses and at what scale would be allowed in the industrial area. This plan that debbie was prepared working with the -- all the constituents involved really follows through on the city's commitment to keep a reserve of industrial lands in the city, which is a key policy objective overall and the heart of this particular plan. I would note that one issue did surface relatively late in the planning for the area, which is the vaughn street corridor, and that's really defined as a small subset of this larger guild's lake area, less than 1% of the land area involved, where there's actually an interface between guild's lake and the more urban uses to the south side of vaughn street. And there's been a desire on the part of the planning commission for us to look explicitly at both sides of the street as a subset of the continuing northwest area planning effort to identify policies for vaughn street as a corridor, looking at both sides of the street, and we have a process in place to do that, and debbie will be talking about that as well as the overall objectives for the industrial sanctuary plan.

**Katz:** Okay, debbie, go ahead.

**Debbie Bischoff:** Thank you very much. Good afternoon, mayor, and commissioners. Debbie bischoff, bureau of planning. Before I begin the power point presentation, just two things. I wanted to thank two key planners that have worked hard on this plan. Nicholas star and bill cunningham. If you could raise their hands. They've contributed greatly to this plan. Second, another housekeeping item would be that our project files for the guild's lake plan are over here as public record if anybody would like to look at them. The guild's lake plan basically establishes

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policies and implementation regulations that preserve industrial land in the guild's lake sanctuary and protect and promote its long-term economic viability as an industrial district. The area is bounded on the north by the st. Johns bridge. On the west generally by highway 30. On the east by the willamette river. And on the south by vaughn street. And it encompasses over 1600 acres. There are two neighborhoods involved in this study area. One is the northwest industrial neighborhood. And there's also the northwest district association. The need to create this guild's lake plan was based on a number of factors. One is the loss of industrial land in northwest Portland, nearby areas such as the river district, the transition area south of vaughn, and a few other locations. Also this northwest industrial area is in close proximity to dense mixed-use neighborhoods where there's pressures for redevelopment of existing industrial lands and there's land use and traffic conflicts. Also, existing and potential nonindustrial uses are locating within the industrial sanctuary, and there's potential for office and retail uses to cause conflicts with industrial uses. Also the city and the region is committed to preserving and enhancing industrial lands for employment purposes. And we have regional goals and city goals for more jobs in our city. This policy framework preserves and enhances the area for existing and future industrial uses, minimizes land use and traffic conflicts, expands opportunities for industrial business and job growth, and maintains and improves the area's multi-modal transportation system that promotes industrial activity. As far as the planning process, it began a number of years ago in 1995 the northwest industrial task force formed at city council's recommendation. The task force recommended stronger protections for the industrial sanctuary. In 1996, at city council's encouragement, nina began to work on a neighborhood plan. In 1997 nina completed their plan, and in 1999 the bureau of planning began internal review of this plan. In the winter of 2000, we began reviving the nina neighborhood plan. In the spring, and in the year of 2001, we were working with a subcommittee from nina. We also worked with our northwest planning citizen advisory and technical advisory committees. And we held an open house in june of 2001 on a public review draft of this plan. Again, this plan reflects input from a variety of stakeholders, property owners, and interested residents and business people. The recommended plan went to -- or the proposed plan went to the planning commission on september 25th. They unanimously recommended to forward the plan to you today with an additional amendment to the plan -- to the planned district regarding a vaughn subdistrict. I will talk about that in a moment. There are two - - these are two related planning efforts. The guild's lake plan and the northwest area plan, which includes looking at the 1999 board adopted nwda neighborhood plan. Also looking at an area that the four neighborhoods as the mayor had mentioned previously had agreed to an area south of vaughn that could transition out of industrial zoning, known as the northwest transition area. And the issue of industrial/nonindustrial interface along northwest vaughn. In terms of current land uses in the guild's lake area, you can see predominantly the land uses are industrial. About 90% of the land uses are used for industry. 2% are used for commercial uses. And very minimal amount is in residential use at this time. The zoning for the guild's lake area is predominantly heavy industrial with a little bit of general industrial south of nicolai to vaughn. The plan itself contains a 20-year vision, policies, objectives, implementation actions and zoning code amendments. The vision statement describes the guild's lake area in the year 2021 as being a premier industrial district with a predominance of heavy industry with limited supported -- supportive commercial uses with 5,000 additional jobs and well-functioning transportation system that supports this industrial activity. This plan focuses on three priority areas to nina -- jobs and economic development, transportation, and land use. The policy statement for jobs and economic development says "maintain and expand industrial business and employment opportunities in

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guild's lake to stimulate investment in the area's public and private infrastructure and industrial facilities." there are key objectives that go along with this that talk about redeveloping under-utilized and reclaiming vacant land for new employment opportunities, for promoting the continuation of public and private investments. That helps support job growth. And also to foster innovative and environmentally sensitive industrial practices. These are examples of some of the implementation actions in the plan, and it includes cleaning up contaminated sites, marketing -- a marketing strategy for the industrial area. The transportation policy statement says maintain, preserve and improve inter modal and multi-modal transportation system to provide for the smooth movement of goods and employees into and through the guild's lake industrial sanctuary. Key objectives for transportation is to maintain, protect, and enhance the multi-modal transportation investments, to maintain characteristics on the roads that help truck movements, develop alternative transportation options for employees, and to minimize traffic conflicts between industrial and nonindustrial uses. Here are the -- some of the key implementation actions under transportation. Again, maximizing the road system for truck use, enhancing railroad facilities, and preserving and enhancing the port's t-2 facility are some examples. The land use policy statement is preserve and protect land primarily for industrial uses and minimize land use conflicts in the guild's lake industrial sanctuary. Allow compatible nonindustrial uses within the guild's lake area that provide retail and business services primarily to support industrial employees and businesses. Some of the key objectives under land use, again, preserve the industrial character of the guild's lake area, preserve the physical continuity of the area, designated as industrial sanctuary. Allow nonindustrial services that support industrial businesses and employees. Encourage industrial businesses to locate accessory and headquarters offices along vaughn. And coordinate this plan with future citywide planning efforts that address the willamette river. Some of the key implementation actions include establishing a planned district and other zoning code amendments. Promoting the waterfront area for water -- river-related industrial and revisiting elements of this plan after completion of citywide projects, such as willamette river greenway plan update and the northwest area plan. The zoning code amendments, again, seek to protect the guild's lake area from incompatible nonindustrial uses that could threaten the district's integrity, stability, and vitality, and compromise the transportation system. The main elements of the zoning recommendations include creating a plan district that regular -- that limits the amount of allowed supportive commercial uses and prohibits certain noncompatible uses. There's also new criteria for changes to the comprehensive plan map from industrial sanctuary designations to other designations. And also new conditional use approval criteria for accessory or headquarter offices that exceed plan district limits. This is the boundary area for the guild's lake plan district, which is basically the entire study area. There is a subdistrict a on the west side of highway 30, which basically is a transfer of the current environmental regulations for the northwest hills area that would then transfer and become part of the guild's lake plan district. So it's existing regulations that are being moved into this plan district. There is subdistrict b that the planning commission has recommended that is for a small area. It's about a four-block area on the north side of vaughn where the interface between the nonindustrial and the industrial area is, and it's at this point a placeholder with no regulations applied. This is the area more specifically. And this -- we have already begun working on this issue as part of the northwest area planning process. A focus group has been formed with key stakeholders to advise planning staff on alternative land uses and design concepts for this subdistrict. We met last week and we're going to meet again next month, and we have even a subgroup meeting to come up with some alternatives to present to the larger group in december. We will need to establish new policies and regulations for subdistrict b that may be adopted as part

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of the northwest area plan, which would come to you next february. Again, this issue is being addressed as part of the northwest area plan. There's other issues again related to guild's lake and the industrial river front area that's going to be addressed under the willamette greenway plan update. Also esa response and other citywide refer planning efforts will address the river front issues in guild's lake. The Portland planning commission recommends to you that you adopt the ordinance that approves the planning commission report on the guild's lake plan that amends the Portland comprehensive plan and the comprehensive plan map and also amends title 33 of the planning and zoning code and map. We also -- planning commission recommends that council adopt the resolution that approves the guild's lake plan action charts. And also recommend that you direct the bureau of planning to work with those implementation agencies to develop funding sources and strategies to implement the action chart tasks in this plan. To summarize, this -- the guild's lake sanctuary plan preserves land for long-term industrial use in close proximity to central city, prevents the incursion of incompatible nonindustrial uses, provides for the preservation and enhancement of transportation infrastructure that supports industrial operations, provides an action agenda for enhancing the area for industrial uses, and provides more certainty for existing and potential industrial firms. It also helps the city and region achieve employment goals. Thank you.

**Katz:** Thank you. All right, let's put on the lights.

**Hales:** Question?

**Katz:** Go ahead.

**Hales:** I think I understand this, but maybe it's just a formatting thing. But by adopting the ordinance we are creating the plan district?

**Bischoff:** That is correct.

**Hales:** Not saying we're going to create the plan district later. We're creating now, now meaning when we adopt the ordinance, right?

**Bischoff:** That is correct. The only specifics of subdistrict b have not been created at this time.

**Hales:** Right, but we're going ahead and creating the plan district.

**Bischoff:** That's correct.

**Hales:** And we're adopting the comp plan amendment criteria and additional use criteria, but no changes in -- otherwise?

**Bischoff:** Umm, in terms of the zoning code, no.

**Hales:** I'm happy with that. I don't see anything wrong with that, but have we seen any changes in the -- say the ih-based zone requirements that you think we ought to change in this process? And if so why aren't we taking that route instead of a plan district? Again, I have no criticism of the plan district approach, i'm just wondering if you saw some things we ought to change in heavy industrial areas, why is this one different from, say, river gate, and why wouldn't we just change the base zone requirements?

**Bischoff:** Right. And I think it's a question, again, of the assignment at hand which was a geographically specific industrial area plan, and it's hard to apply regulations, you know, when we're looking at one area citywide. It would be more of a citywide study that would look at that. We didn't have the input citywide to be able to make those changes, but that's something that could be done.

**Hales:** Mayor, I just want to encourage that line of thinking. You know, as you pointed out this morning, planning bureau time is a scarce enough resource that when you run into something that you think we ought to change, i'm not inclined to quibble. For example, you might remember, when we were doing the belmont plan, somebody discovered there was a glitch in the mixed-use

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regulations that made them basically impossible to follow. And we didn't just change the mixed use regulations in the belmont district, we changed them everywhere, because while they were in the neighborhood of the code -- of this part of the code, not this part of the city, they said, oh, well, I guess if it's good for belmont, I guess it's good for the rest of the city. Maybe that doesn't come up in this case, but if we're spending expensive planner time on a project like this, and you run into something that you think would have benefit beyond that, i'm certainly not going to pitch a fit -- you know, if the planning staff comes here and says actually we discovered something wrong systemically in the industrial section of the code, because, as you've seen, it's a slow and painful process by which opdr staff and your staff goes through the code and finds glitches and problems and periodically scrolls them up for us to deal with. So the faster and more comprehensively we can fix problems in the code, i'm not inclined to worry too much about which door you came in to get at the problem.

**Kelley:** That's a good point. That was similar to what happened with the clock tower zoning amendments where we decided we really needed to apply the eco roof bonus on a central citywide basis, not just the clock tower.

**Hales:** Right.

**\*\*\*\*\*:** Yeah.

**Katz:** Did you want to add anything, gill?

**Kelley:** I just wanted to see that the planning -- to say that the planning commission took other action last night when we previewed our proposal with them about how we would take on this vaughn street corridor, and debbie presented some materials there that had essentially a scope and time line that take us from now to next march to develop a preferred land use scenario that would then be further tested through the traffic modeling that would happen. That from now to march time frame would involve the stakeholder group that debbie mentioned and would run in parallel with the other northwest area planning activities rather than sequence them. So one doesn't detract from the other. They would then, after march, they would go back to the planning commission, because they'd like another process check-in at this point, but their presumption is at this point that we would continue them as -- as one stream of activity in terms of code adoption and final plan adoption, which would then be roughly another 10-11 months out from next march. But we pledged to continue to look for ways to make sure that the stakeholders there have a level of confidence about how to proceed with their own plans on their own properties beyond the march time frame. If everybody's coming together, and we've got involved in the stakeholder group, representatives from nina and from nwda, as well as the vaughn street property owners. So if people are feeling good about the preferred alternative, even though it requires further testing, we'd look for ways to solid for a their sense of confidence about the temporary rules they'd be operating under anyway. So we don't have anything specific yet. We'll know a lot more when we get to march, but we do have a process underway, and I wanted to let you know that the planning commission endorsed that and recommended that to you.

**Katz:** Okay. Thank you.

**\*\*\*\*\*:** Thank you.

**Saltzman:** Just wanted to make sure I understand, we call it subdistrict b?

**\*\*\*\*\*:** That is correct.

**Saltzman:** So before us today is the proposal to actually just create the outline. Is there any disagreement about the outline? I mean, the borders itself, of what subdistrict b is? I mean it's basically along vaughn, those blocks you showed us?

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**Kelley:** I don't think there's an argument about the boundary line. I think there's some level of uncertainty and maybe even some quarters anxiety about what the content of the rules is going to be.

**Saltzman:** More of the focus is on what the blanks get filled in as opposed to the actual borders.

\*\*\*\*\*: Right.

**Saltzman:** Then the blanks are going --

**Kelley:** That's my impression. You may hear some other testimony, but that's my impression.

**Saltzman:** The blanks will be filled in with the northwest planning process, with hopefully a preferred alternative sort of understood by march?

\*\*\*\*\*: Yes.

**Saltzman:** If there is a preferred alternative agreed upon, that that could provide some certainty about --

**Kelley:** Yeah. It won't be as certain as having it codified, but it will be understood. We'll look for incremental ways to make it more certain.

**Bischoff:** We will be doing a detailed traffic analysis of the whole northwest plan area, including the 500-acre northwest transition area that will be changing zones -- zoning and will be upzoning. So the more detailed analysis will come in may or june, and that will really, I think, solidify more than ever. We're going to try to nail down as best we can a proposal in march, but I do need to say that there will be a detailed analysis that will perhaps shed a little bit more light.

**Kelley:** I think while we have to sort out those issues, what is the nature of development there. The very compelling idea was put forward by the property owners, that they would be -- at least those who were represented in the discussion -- will be willing to set aside land of their own along vaughn street to widen the corridor, if, for example, we wanted to improve term movements or we wanted to put a streetcar extension there. So there's an offer coming forward from those property owners to do something for the public benefit as well as their own. And so I think that their nervousness about the time frame is that they need to hold those sort of informal property owner agreements together for a period of time that seems lengthy for -- from their perspective.

**Katz:** Okay.

**Hales:** I have a question about that. We may want to have people talk about it in testimony too. Maybe my own staff did this, but i'm a little concerned and puzzled about how we got to this focus on traffic analysis as a determinate of land use decision-making in this district. That is to put it a little hyperbolically the Portland way. Frankly if we use traffic analysis we would have never put a streetcar on lovejoy street. I'm not sure -- you know, be careful what you wish for. I'm not sure why we're in this milieu of traffic analysis. They do a lot of it in beaverton, at this time really I don't want to go there, so help me out. Why is it we're all of a sudden emphasizing traffic analysis?

**Katz:** All right. Which member of p dot --

\*\*\*\*\*: Probably my own staff.

**Katz:** It's your own staff. Come on up.

\*\*\*\*\*: I'm not worried about her, but I want to know how we got there from here, so good person to answer this question. That was Hales.

\*\*\*\*\*: That's a good question.

**Hales:** She knows her I put her on the spot.

**Jeanne Harrison, PDOT:** Good afternoon. Jeanne harrison, Portland office of transportation. I agree with commissioner Hales that transportation I guess not the only focus of the study. It should not be the determining factor. It is a legal requirement that we do a transportation analysis any

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time that we upzone property in the city or anywhere in the state as far as that goes. This is a relatively new requirement that came out of the transportation planning role. In the past we haven't done a full-blown traffic analysis for planning studies, and frankly it hasn't been that important because we've had excess capacity in the system. As you know, that capacity is being used up. It doesn't mean that coming out of a planning study, if there is problems with the transportation system, that we would immediately say no to a zoning proposal, but we would look at ways to make the system work for the land uses that are being planning.

**Hales:** So tpr, always and everywhere, requires that we do this, or is that an interpretation?

**Harrison:** No. From specific language in the transportation planning rule it says that we should be -- any time we're doing comp plan amendments, map amendments, that we should be looking at the capacity function and performance standards of the transportation network and making a determination that it's adequate to serve the planned land uses.

**Hales:** And adequacy is determined --

**Harrison:** That's a little bit more flexible than it used to be. It used to be strictly level of service. When the rule was adopted in 1991. When the amendments were done in 1998, the rule was modify to say performance standards instead of level of service, which gives us more flexibility to look at mix of land uses, availability of transit and other things that will contribute to making the planned land uses work.

**Hales:** Okay. So we're not defaulting the level of service?

\*\*\*\*\*: Correct.

**Hales:** Okay.

**Kelley:** In our philosophy, we would look at it as information we still need to make judgments about that information along the lines you were describing.

**Hales:** I appreciate this discussion. There's a little thinner ice than Jean and her staff are skating on, but I don't want to fall through into, oh, level of service, you know, e means we can't have any more people in a neighborhood or we can't build a mixed use -- you know, we don't want to go there.

\*\*\*\*\*: Right.

**Hales:** So that's the trap I wanted this discussion to take place so that we don't go there.

**Kelley:** There's such a thing as healthy congestion, I guess.

**Hales:** Yes.

**Francesconi:** Looking at the transportation of freight and effect on traffic, in that regard, I assume it was going to be doing that as well.

**Katz:** Let's move on, then. Thank you. Let's have the heads of the neighborhood associations, Nina, Northwest District, Linnton, Pearl -- who did I miss? Are you here?

**Hales:** They're just shy.

**Katz:** Representatives of, come on up. John?

**Hales:** Feeling shy?

**Katz:** You don't want to testify? I'm giving you an opportunity.

\*\*\*\*\*: No. It was just that there were a number of people, and I feel this is -- I don't want to contradict you.

**Katz:** Of course you're contradicting me, but go ahead.

\*\*\*\*\*: It's just that I wanted Nina -- you know, they have a whole bunch of people.

**Katz:** Oh, okay. We'll give them an opportunity to testify. Okay. Are you the only one from NWDA that's prepared? Come on up, then. Come on up. Anybody that's worked all these years on

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this gets special treatment. If there's anybody else from nina that wants to come up to the table, that's fine too. Come on up.

\*\*\*\*\*: I can just stand.

**Katz:** We'll give you a chair. I think I blew it, but i'm not going to back off now because we've got a nice complement of folks here. John, why don't you start.

**John Bradley:** I'm just here to support what I think is a very, very wonderful plan that a lot of hard work has gone into and that the nwda really feels very confident will create a very good sanctuary and keep the industrial property as it is and as it needs to be. We are a little bit concerned about the vaughn corridor. It really is a new kind of add mix to this. We haven't had a chance to look at it. We certainly haven't had a chance to vote on the new subdistrict. That makes me very concerned. And I realize you didn't want to get specifically into numbers and traffic, but I think it's important to look at some of the numbers and traffic as we look around here. Cnf, in all this, is very close, within walking distance to vaughn. Cnf has proposed to add 2-4,000 jobs. The plan suggests 5,000 additional new jobs. A vaughn buildup, if it were to go to office buildings is another 2-3,000 new jobs. Jobs for people there. I won't mention t-1 south, which is a little bit further away, but there are going to be 2-3,000 more jobs and people there. Our plan calls for 2,000 additional plans in the transition zone. There's a lot of people coming into this area. And I think we have to look at this very carefully and holistically before we dive in, create, you know, new zones and huge traffic mess. Thank you.

**Katz:** Thank you. Go ahead.

**Jacqueline Stoeckler, Northwest District Association Planning Committee:** I wrote my comments so I would not forget anything. I'm jacqueline stickler, member of the nwda planning committee. As a member of the committee over the past seven years i've been involved in the discussions around the industrial sanctuary. The diligent and careful work of the bureau of planning, and in particular that of debbie bischoff and her colleagues should be praised for its attempt to be inclusive and comprehensive. We were presented with the time lines six months ago to complete a comprehensive area north of lovejoy. This work plan took as one of its constituent parts the nwda policy plan. Within this is both the acknowledgment of nina's own boundaries and the desire to remain the industrial sanctuary and recognition as the thurman-vaughn corridor as a subplan. The concern here is it threatens the process already underway in concert with the bureau of planning and the neighborhoods. The fear informed by the most recent drain on resources and attention created by cnf's demands is that creation of a new subarea where one already exists is both redundant and potentially a distraction from the larger purpose. Allowing it to again be hijacked by a specific set of interests maligns the community building in which we are engaged and further suggests reactionary response rather than a careful and timely understanding of all the constituent parts. We in the neighborhoods are told that we cannot spot zone uses, in essence what is subarea b would suggest in a spot zoning for particular residents and stakeholders of a neighborhood. Focusing on the interests of a few large land holders, refuses the intent of the city's own desire for a comprehensive plan for the entire area as laid out by the northwest area plan. The economic situation changes daily and the short-term remedy may well be the long-term's nightmare. Our neighborhood most certainly has been buffeted by the many changes brought by the increasing densities, land values, traffic and large institutions. What we need is a comprehensive plan which can address the scale of innovative possibilities with careful attention to those elements acknowledged as the desirable by the community. As a whole. Job retention and most certainly impacts everyone and there's little reason to think otherwise. However issues of affordable housing, transportation options, public amenities, and a design overlay for the entire



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streetcar line are also of importance. The need to articulate them in concert with each other rather than as if in opposition to each other complements a process of public input, which takes a longview of the northwest area plan's concerns and positive promise. I ask the council to accept the guild's lake plan as presented by the bureau of planning and further to speed the plow forward following the process and time line already agreed to among the constituents involved in its creation.

**Katz:** Thank you.

\*\*\*\*\*: I want to give her testimony. [ laughter ]

\*\*\*\*\*: I'm from nina. I'm a little more comfortable standing in the back of the room being the standup comedian. I agreed under protest to testify.

**Katz:** You didn't look like a reluctant shrinking violent.

\*\*\*\*\*: But back there rather than up here.

**Katz:** All right. Why don't you grab a mic.

\*\*\*\*\*: Pardon me?

**Katz:** Grab a mic.

\*\*\*\*\*: You're still going to make me use a mic even though i'm pretty loud? Go ahead.

**Kitsy Brown Mahoney:** When I first became involved with nina I was under the impression that the industrial area was defined, limited, and totally protected for manufacturing, distribution, and major industrial activities. I am the general manager of the Portland northwest inn and suites, formally hawthorne inn and suites, located in the heart of nina, and I appreciate the opportunity to represent nina as a former board member, past president of nina, steering committee member for the development of the nina neighborhood plan, representative of nina in the northwest industrial sanctuary working group, active member of the guild's lake industrial sanctuary plan committee, which also allows for my participation on the northwest planning citizen's advisory committee. I'm proud to represent nina and show the evolution of nina's commitment to forming, strengthening, defining and protecting the industrial sanctuary. The history of how the northwest industrial sanctuary is fascinating and documented on page 15 of the guild's lake industrial sanctuary plan. It should be mentioned that this plan has evolved from several documents. Committees, task force with several facets and countless hours of volunteer time by the citizens of the neighborhoods. I brought all my books if you didn't get a copy of them, I have them. [ laughter ] in 1995, after brutal battles within the nina area, our northwest industrial sanctuary task force was formed and recommendations were made to city council concerning the protection of the industrial sanctuary area. We come before city council today with the same strength and commitment. We suggested in 1995 about protecting the northwest industrial sanctuary. In 1995, nina's neighborhood plan was drafted and discussed and drawn and quartered and drafted and reviewed and drafted some more. Nina plan completed in 1997 and revived in 1999. Throughout this planning, it was apparent that the nwda, the pearl district, and the linnton neighborhood representatives, had to come to the tables to discuss the effects of the neighborhoods. As all of our neighborhoods are affected by this plan. Great. At this point I believe somewhere in 1996 the northwest industrial sanctuary working group was formed, and we met and pounded the tables for over two years before coming to agreement, consensus, recommendations, and criteria established. The swig coalition -- I named it -- the swig coalition reached consensus in 1999, very close to the completion of the revived nina neighborhood plan. We come before city council today with the same strength and commitment we suggested in 1995 and 1996 and 1997 and 1999 about protecting the northwest industrial sanctuary. In 1999 city council provided the funding for the bureau of planning -- thank you -- to review our plan and again countless meetings were arranged, wok shops and walks were planned and processed, and

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this plan is the result of two more years of hard work. We are incredibly appreciative of the process and we come before city council today with the same strength and commitment we suggested in 1995, in 1996, in 1997, in 1999, and now in 2001 about protecting the northwest industrial sanctuary. Thank you.

**Katz:** Thank you.

**Chris Mongrain, Vice President, Northwest Industrial Neighborhood Association (NINA):**

Good afternoon. I'm Chris Mongrain, vice president of NINA. 2279 Northwest Front. I'm also the executive vice president of Emerson Hardwood, which is a distribution company located in NINA. We've got three locations. I'm addressing today about the traffic and transportation and the concern amongst all of us is while we have good infrastructure within NINA, is the ingress and egress from the area. St. Johns bridge, which is due for remodel, reconstruction in 2002. Presently there's 1200 trucks per day crossing that bridge. In addition, we understand that the St. Johns neighborhood is at odds with some of the transportation issues coming through their neighborhood. Going out through the southbound, we just have going up over 405. You know, some of the other roads that we've had, Front Avenue or Naito Parkway, has been impacted because of the development along that area. In addition, with the redevelopment of T-1 South, we see additional pressures against the commercial movement of freight and traffic. While we -- we feel that the adoption of this plan will only enhance the protection of -- within the NINA district, but we'd also like to advise that we would like some help on maintaining other avenues of coming this and out of the area.

**Katz:** Thank you. Grab a mic -- move a mic over closer.

**Kent Studebaker, President, NINA:** I'm Kent Studebaker, and I'm presently the president of NINA.

I want to reiterate for you a little bit about the economics of this area. And then I want to also review for you a couple of things we've done since the -- since the summer to make sure that our feelings are shared by other people in the -- in the neighborhood. Economically, this is a very strong community. It has been. You saw in the report, they talked about an economic study that was done in 1992, I think, '91 or '92, where they were talking about something in the neighborhood of 359 companies there, and 18,000 jobs, and we're talking about the above average wages the family wage type things. That still exists. In fact, we did a survey in the -- during the summer, that we finished in September, to find out what our membership consisted of and who was there as much as anything to help our efforts to get contributing members, as anything else, but the survey was clear that there are at least as many, even more than there were in 1992, and so there's no reason for us to think that the kind of growth that you're projecting in the plan is not in fact going to happen. Also the jobs are the kinds of jobs that we were talking about in 1992, the same kind of family wage industrial jobs. So we want to be sure you know the -- well, you do know the importance of this thing, but it's not anything that's -- that's declining. You know, you hear about the -- about the decline in industrial base, that sort of thing. That's not true in this area. There's no reason to think that it will -- anything will change over the next 20 years that we're looking at here. So it is important to this city that you have these kinds of jobs available and available in close proximity to where people live. The other thing I'd like to -- to show you is that we were concerned when we -- when the -- when it came up about subarea a, subarea b, and about the plan, that we didn't want it to appear as though it was just the -- the NINA board that was getting up on its back legs and fighting against this thing. We wanted to make sure that the other people, if they -- that were advised of the issues, other people in the neighborhood felt similar to what we did before we came in here and said this is how the neighborhood feels. So we did go out, sent out a number of letters, and got back maybe 50% of what we sent out in the last week or two. And unanimously,

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unanimously, they all wanted to see the plan adopted as the planning bureau had put it forth, not as recommended by the planning commission, but as the planning bureau had put forth, without a subarea b, with proceeding ahead on a -- kind of a -- a -- a review of vaughn street in a -- in a -- in a nonrushed way, which is what the plan calls for. So i'd like you to be aware of that. If you want to see the documentation of that, i've got that here. There's also a letter, one other thing that I want to bring up to you, so you know about it, is linda wakefield, had been with schnitzer investments, and was instrumental, one of the primary people in the development of this plan, and helping getting it through, has retired. And good for her. She's in redmond, enjoying it very much. But I called her just to see if she would come and testify. I guess she didn't want to give up her golf game to do that, but she was willing to write a letter to you. And I think it's well worth your time in reading it. I could read it to you now. It's a page long or i'll put it in the record.

**Katz:** What's the gist of it, though?

**Studebaker:** The gist of it is, look, we spent 6 ½ years doing this, it's very important. Why at this point are we taking the request of two landowners at the last minute to put a subarea b in there and take the chance of -- of changing the industrial nature of this thing along vaughn or wherever else along the plan. That's about as --

**Katz:** Fair enough. I think the situation that our staff finds itself, is that the planning commission made that recommendation, not -- i'm interpreting the politics of this, and they have to bring that forward to us. So after we hear the system we'll ask them to come back and go back and discuss, you know, what their recommendation would have been if the planning commission didn't make that recommendation to them.

**Studebaker:** Would you run that by me one more time? [ laughter ]

**Katz:** Stay with me. We'll get through that. All right, go ahead.

**Warren Rosenfeld:** Mayor, council members, i'm warren rosenfeld, 2495 northwest nicolai, the home of calbag metals, a nonferrous metaler and trader. In addition my family is a property owner at the northwest corner of 24th and vaughn. Anything I wanted to say would simply be redundant at this point. With the quick exception that i've really come to say thank you. Thank you for asking nina six years ago to start this process. Well, maybe not asking us. More like telling us. Because i'd hunch you all did not want to see an experience repeated akin to the costco hearings. I think what we all learned, in particular the neighborhoods that were involved in the process, is how good we can be when we work together that collaboration, that thoughtful discussion, the little creative conflict even can yield some pretty good results. But most important we took the time with each other. And in encouraging you to accept the plan sans subdistrict b, I think what we are saying is any change to vaughn also would require a thoughtful contemplation of all of the impacts, be they transportation, parking, and ultimate land use. Keep in mind, as the term goes, the buffer did not only look to the south, it also looks to the north of vaughn, and will impact the other industrial users as well as the commercial and retail users to the south of vaughn. Thank you.

**Katz:** Thank you. Okay. Questions? All right, thank you. Is anybody here from linnton and pearl? Any representatives? Official or nonofficial.

\*\*\*\*\*: They're totally in agreement with us.

**Katz:** Absolutely. Then karla, let's take public testimony. Come on up. Why don't you go ahead.

**Monica Russell, Oregon Department of Environmental Quality:** My name's monica russell and I work with Oregon d.e.q. At 2020 northwest fourth. I have had the pleasure of working with debbie bischoff than shove and the other people of the planning commission on this program, and they have done an excellent job. They've considered all the input, particularly ours where we are

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concerned with when we are left with a zoning problem, that then becomes a d.e.q. Air quality, water quality, solid waste problem, or nuisance issue. We do have some of those coming from the guild's lake area right now. You know, it's an ongoing sort of process. So they've been very receptive to our comments and concerns about what's going on. And for me personally, and also for the agency, we're really happy to see in that document the statement that sustainability is part of this plan and that they are promoting environmentally-friendly processes and technology for the business. And I think that it's really important that nina is part of that, and that they're thinking now in terms of not the old economic growth model, but the economic health model so that everything isn't bigger, bigger, bigger, more, more, more, but better, better, better, all the way along the line. I'm here to support the plan. I'm a little indifferent to the subdistrict b, although I think that it was put into the plan at the last minute when they actually did have six months to propose it to the city. And I know that the city would have considered whatever their proposal was had they gone through the normal process. So I think it's an excellent plan and I encourage you to endorse it.

**Katz:** Thank you. All right. Plan b. [ laughter ]

\*\*\*\*\*: Mayor, can we start with dale mcafee and go to --

**Katz:** Anybody you want.

\*\*\*\*\*: And i'll do cleanup here.

**Katz:** All right.

\*\*\*\*\*: Thank you.

**Dale McAfee, Property Manager, ESCO Corporation:** My name is dale mcaffey --

**Katz:** Before you start, dale. Anybody else want to testify? I want to get a sense of time. Okay, we'll give you about three minutes, if you can do it within three.

**McAfee:** That's fine. I'm property manager for esco corporation, northwest Portland. I am here to speak in favor of the guild's lake sanctuary plan as modified and submitted to you by the planning commission. First let me say that questions about how to best protect the industrial sanctuary are not new. As property manager for esco i've been personally involved in this issue through two battles with costco, then as chair of the original northwest industrial sanctuary task force that got this all going. Then those recommendations of that task force have led to development of the sanctuary area plan. It's taken me about six or seven years of my life. There's been a lot of other people that have worked very, very hard on plan and it's a very good piece of work. And I think everybody should be congratulated. Council's continued commitment to industrial companies and commitment to the industrial area plan has sent a clear message. Partially on the basis of this message esco has spent about \$2.5 million in the past three years to enhance its Portland manufacturing facility. Portland is our home and we continue to be committed to it. The industrial neighborhood plan is an excellent piece of land use work and does a great job of protecting our industrial home. To really accomplish what we set out to do. With the addition of subarea b, the plan addresses an issue which has been a bone of contention between the northwest residential neighborhood and the industrial neighborhood for years. That issue revolves around the question of a buffer. There are two things that everyone agrees on. First, everyone agrees that a buffer between the heavy industrial area and the residential area is needed. We may disagree on how to get there, but everyone agrees that it must be accomplished. A buffer is a key component and a sharing that heavy industry and residential -- and the residential can peacefully co-exist. For several years esco led an effort to locate the buffer south of vaughn street. We even proposed allowing no new housing between vaughn and upshire street. Needless to say that didn't work. In fact housing continues to be built and rehabilitated along the south side of vaughn. A buffer south

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of vaughn is even more impossible today than it was five years ago. So we began to think about how we could achieve a buffer in a different way. If the buffer can't be south, then we need to look north, and that's what we proposed. The subarea b plan addresses how a buffer can be provided to protect the heavy industrial activity that is our heart. Esco would be happy to work with the city's land use planning process to see the best possible buffer is developed. The second point everyone agrees on is that vaughn street doesn't work well for anyone. The subarea b plan addresses how vaughn street can function much better. Conceptualizing the buffer and street improvements together offers an opportunity to provide residential and industrial neighbors exactly what both want. In addition to the buffer and vaughn street issue, esco has a business need for flexibility. Our business is changing. In the past two years we have acquired two companies that make steel parts for silicon chip-making equipment. We are making other changes that have increased our need for office space. We currently lease large blocks of office space because our own office buildings along vaughn are jammed. I'm in leased space. Our executive offices are in leased space. The subarea b plan would provide us new opportunities to meet our office space needs as well. In short, we believe that the guild's lake sanctuary plan with the subarea b addition is a plan that can work for everyone, and we appreciate your consideration. Thank you.

**Katz:** Thank you.

**Francesconi:** So if I understand your argument, sir, because I remember your testimony actually from before when we created this, so it's that -- that you need a buffer, which protects the industrial sanctuary, vaughn street doesn't work. And then you have some business needs to do it.

**McAfee:** Yes, sir.

**Francesconi:** That would be summarizing your testimony, I think.

**\*\*\*\*\*:** Absolutely.

**Francesconi:** So did you run these three arguments through nina before, you know, presenting it to the planning commission? And then why did -- why is nina not supporting it?

**McAfee:** Yes, sir, we have been in front of the board two different times of nina with it. I don't know, other than the fact that they think that perhaps it should go through the same kind of five or six or seven-year process that the whole process has taken. It's my opinion that good ideas should be looked at when they're proposed and brought up and thought through, and then collectively you get together and you figure out what's best for the city. Esco is -- tries to be a good corporate citizen. I believe they are. And we're trying to do our part to help make Portland a better place to live and to work. And we think that this would not only help protect our jobs, but also allows us flexibility in the future to go forward with our growth plans and expansion plans.

**Francesconi:** So what's your timing? What I think i'm hearing is, you need to move faster. So the reason for a subarea is you have a certain time limit. What's your time limit?

**McAfee:** At this point we don't have any specific time frame in which to do anything. But it just -- it's the right time, because it's part of the guild's lake industrial area plan. And it's not so much part of the northwest district plan, because it is north of vaughn. So the right vehicle is this vehicle, that it be attached to, rather than the northwest district association plan.

**Francesconi:** Okay, thank you.

**Katz:** Go ahead. Look, i'm sure we'll come back to this issue before we adjourn. Go ahead.

**Lloyd Lindley:** Lloyd lindley, working with esco. Good afternoon, madame mayor, commissioners. I worked with the northwest district policy planning committee for several years on trying to hammer out various edge conditions and issues with their with the northwest district area plan that is in draft form at this point. And we dealt with the vaughn corridor extensively. I don't think there was a night that went by that we didn't talk about some aspect of that. The

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dilemma there was always the line down the middle of the street. And it creates edges. We've talked about edges before and how those create a lot of debate terms of how plans and how use butt up against each other when the line is in the middle of the street. There was broad agreement that a buffer was necessary, and it was discussed on the south side of the street and discussed on the north side of the street, and we tried to define buffer, and there were a number of various obstacles that we ran into to try and come to some solid conclusion. We did. And the idea is that we have an opportunity here with additional right-of-way, which was one of obstacles in trying to create that buffer in the past to create a normalized street. Before we had 60 feet of right-of-way. We couldn't get on-street parking on both sides. Couldn't get adequate sidewalks. We had lots of problems with trying to get both sides of the street to balance in some way. So what happened is the -- the buffer was placed on the south side and the north side remained pretty much as it was in that draft plan. An example is mlk boulevard in the albina community plan, where a transition was created by using those blocks on either side to create a buffer and a transition between the active commercial corridor of mlk and the single-family residences on either side. I think we have an opportunity to create that same circumstance here. I think the -- one of the issues that we ran into with having the buffer on the south side was that it's a fine grain area. There are multiple ownerships along there, multiple small parcels, much of it is already developed, and new development was occurred. And the pattern of urban evolution on that side of the street is really pretty much established. So in terms of trying to create a buffer on that side it seemed to be extremely difficult. However, on the north side there are few owners. There are -- five, six blocks? -- five blocks. And it's mostly -- they're mostly underdeveloped properties. So what we're asking is that you support subdistrict b and that we have an excellent opportunity here to create the kind of buffer and the kind of transition between the northwest neighborhood and the heavier industrial area of the industrial sanctuary that we haven't had in the past.

**Katz:** Okay. Thank you. Go ahead. Gill, I don't see anything on page one -- what am I missing in terms of the planning commission recommendations, the subdistrict a? Am I missing anything here? As i'm listening to this testimony. Okay, go ahead.

**Steve Schell, Representing ESCO:** May it please the council, my name is steve shell. I'm a lawyer. My address is 805 southwest broadway, and i'm here representing esco. You've heard from dale mcaffey, the property manager for esco and lloyd lindley, the design specialist who esco has asked to take a look at the idea of what should be in the subdistrict b. In answer to commissioner Francesconi than's question about timing, I provided you with a couple of news clippings that indicate the nature of esco's changed business. It's recently acquired a couple of new businesses. And while they have bases and places other than Oregon, in fact they produce for companies like intel. They're going to produce some equipment that goes into the manufacturing -- the chip manufacturing machines that -- that will ultimately result in the chips. The changing business is part of the reason for esco's being very interested in responding to this. They see opportunities in Oregon that may be didn't exist several years ago, opportunities for additional manufacturing, but manufacturing of a little different kind than has been seen before. Their offices, as has been indicated, are now scattered all over the -- the sanctuary and elsewhere, and they would also like to try to pull those together. Timing is important. Making sure this comes about in a reasonable time is important to esco. When I looked at the subarea b -- or the proposal and saw that clearly the guild's lake area was intended to cover the north side of vaughn street, whereas that was an ambiguous thing prior to -- prior to the start of this process, because a part of the industrial sanctuary was in the northwest district. So in fact you're adopting now a subdistrict, the guild's lake subdistrict. That's a little different configuration than it was before in that clearly this

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subdistrict will have rules of its own for that whole area. The other thing I wanted to clarify in passing was someone made the distinction between that what's going on in the -- I think you did, commissioner Hales -- what's going on in the h.i. And whether or not that should be changed overall. Now in fact the area we're talking about now, this one-block-wide subdistrict b is not h.i. It's ig-1. In fact, the reason why it's ig-1, is because it's been parsed into smaller areas. It is a changed area already. The question is -- how do we move on that? Now the reason for moving at this time is to make sure that there is a place in the guild's lake plan for some change. We haven't perfected all of the standards that should go into this. And we subscribe to the city's process, the staff's process, as to how this unfolds, but a placeholder is important at this time to make sure that within the guild's lake framework that area is preserved. Now, i've tried to explain a little bit about the possibility of this plan. And i'd just like to suggest what the -- what the objective overall -- what one objective can be if the city wants to take it this way. Lloyd mentioned the problem with edges. And the difficulty with focusing on edges. And we see what's happened in this particular plan, because the edge has gotten now shoved back into the northwest district plan. Now, it's hard to deal with edges. How edges come together is tricky. But in fact edges provide us with a very unique set of circumstances in Portland. We have the chance to combine industrial activity with residential activity in a center, with the mixed use around it, that fits with Oregon's -- with the metro's and Portland's planning processes. Vaughn street can become a center, not just a pass-through place, as basically it is now. It can become a center by looking at both sides of vaughn and what happens in that area and recognizing that significant changes could provide benefits of both a buffer and a transition area as well as a center. A placeholder in the plan is needed now. That's why we suggested and agree with the planning commission, although we had further -- we could fill in the blanks. We suggested filling in the blanks. The planning commission thought it was premature without some transportation analysis. We subscribe to that. So what the planning commission did, is it was excited about the plan. It was interested in what we were talking about. We suggested that maybe the streetcar could be extended into that area, that there could be setbacks, and there could be really a dynamic area, a new center in essence, in this partially-built-out area for Portland. If in fact we went forward with this. So the planning commission liked the idea, said we need a placeholder here, agreed to the placeholder idea, and then suggested to the planning commission that a process was necessary -- or the planning staff -- that a process was necessary. That's what happened. We subscribe to that process. Now at the bottom line is we'd like it to go faster. We'd appreciate it if we could get through the process in march and have some kind of determination to you in june. We'd appreciate it if you'd give them more money in order to get the job done. But those are nice things to have. We appreciate the process that we're in now. We subscribe to it. If there's a way to do it faster we'd like to. We'd like to work with them and esco is fully parcipitative in this process. We would greatly encourage you to retain the subdistrict b and encourage the planning commission and the planning staff to go forward with filling in the blanks as to what should be in subdistrict b at this point.

**Katz:** Great.

**Schell:** I'd be happy to answer any questions.

**Katz:** Questions?

**Hales:** I'm going to need a little help, if not now --

**Katz:** Let's do it at the very end. Is this about the district b, charlie?

**Hales:** Yeah. I think I need some help from steve and lloyd.

**Katz:** Okay, go ahead, then.

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**Hales:** That is if you look at the -- if you look at the existing zoning on page 20, which shows the area on the north side of vaughn and that significant block of property around the fremont bridge off-ramps leading up to nicolai street. That's in ig-1, as you pointed out, steve. And the bulk of the district is in ih. If we look at the map, and somewheres it's in color, of the existing pattern of land uses. You can see both why we zoned it that way originally and what's been going on since.

\*\*\*\*\*: Right.

**Hales:** And that is that there's a pattern of smaller and wider mix of uses in that district today. As there should be in ig-1.

\*\*\*\*\*: Right.

**Hales:** Umm, and so frankly i'm having trouble with this now very fuzzy notion of a buffer. One, it looks to me like we've got one already. Two, we've got a variety of uses in there already. And I guess to get more precise, which is what i'm asking you to do, what sort of uses that are not allowed in ig-1, either as conditional uses or outright, do you suggest might be allowed in this buffer zone of the future? 'Cause, you know, i'm having a hard time imagining, frankly, what those would be.

**Schell:** Well, if I could, commissioner Hales, set the scene for this. Esco's been through a series of fights over several years with -- with concerns about, oh, what's the nature of the activity that's going on at esco, the noise, the light, the odors, et cetera, et cetera. Those areas are typical industrial uses that meet the standards involved, but some of the neighbors in the northwest district have complained about that. So the idea behind a buffer is how do we separate the industrial from the residential areas. And in fact, the south area was suggested as a buffer, as has been indicated by the testimony, and it really hasn't worked because of the evolution of activity. On the north side there still is industrial activity, some industrial activity, but it's basically low-rise office kind of activity on the north side. Plus you have restaurants and other kinds of activity, the old daily journal of commerce building, those kinds of things have gone on in that area. This plan would suggest that we have some mid-rise office buildings along that corridor to provide in fact a break between that. And lloyd's much better at describing this, and maybe you've got some pictures or whatever to show. If you want to see them.

**Hales:** I think you just answered the question. Mid-rise office buildings can happen in ig-1 if they are accessories to other industrial uses.

**Schell:** Well, the way I read the code owe.

**Hales:** Hotels can occur, restaurants can occur. You can build office space in ig-1, but it has to have something to do with the industrial activity --

\*\*\*\*\*: I think it has to be one use. D, industrial activity, and it has to be 3,000 feet for -- for retail and 25,000 feet for office. And that's it.

**Hales:** Right.

\*\*\*\*\*: And you have to go through a conditional use permit in that process.

\*\*\*\*\*: May I have a comment?

**Katz:** Identify yourself for the record.

**Russell:** Monica russell work at d.e.q. We have received over 300 complaints about esco mostly concerning odor and the concept of a buffer, even if it's a seven-story office building, or whatever, I don't believe that that will in any way affect the kind of complaints that we receive at d.e.q. Regarding that operation or other operations in the guild's lake area.

**Hales:** That's what i'm worried about. That's one of the things i'm worried about. Frankly i've been around these issues almost as long as you, and I remember the costco decision and made the motion in that decision, and I think it was the right decision. But, you know, frankly, as a way to



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have peace I don't think this is a good way to get there. I'm prepared to tell people who complain about industrial activity, sorry, that's an industrial district, and i'm prepared to tell people in industrial district who complain about lack of opportunities, sorry, that's an industrial district. And i'm pretty comfortable with the division that we have now. I'm very concerned about a notion that we use office buildings as buffers. Not just because it wouldn't -- because air flows around office buildings just fine, thank you, but, folks, you know, we got -- we have tons of property in this city zoned for large or mid-rise office buildings that are now -- that is now parking lots and one-story buildings. And that in parts of the central city that have 50 bus lines, three light rail lines and a streetcar nearby. This property has two bus lines and frankly I don't think is very likely going to have a streetcar anywhere nearby. I love streetcars, as you know, but I can't imagine a financial scenario that gets a streetcar up this street. So imagine -- you know, positing that, you know, could have a streetcar, I don't think so. So somebody's going to have to make a very credible case why we should encourage you to think about office buildings in a place where as far as i'm concerned, from just sort of planning basics, are the bus lines there, you know, is the infrastructure there for people to be able to work in an office environment, and not have a 95% automobile mode split. I'm afraid that it doesn't -- it doesn't pass that basic test of is this a good place to put office buildings. So help me out. Why should we encourage your -- all of you to think along those lines, which is what we do if we just sort of wander forward in this designation of this district and say, well, you know, we might consider office buildings in there, we might get streetcars. Come on, it's more likely to be a little bit of kruse way, people to driving to office buildings outside of the central city implanted on the edge of an industrial district. Help me out. Why isn't it going to be that bad?

**Lindley:** Lloyd lindley. I think part of it is that these offices are in a transition area between one of the highest density residential areas in the entire state of Oregon and would provide a place for people to walk, ride bikes, and commute in other ways besides the car between jobs and home, jobs and activity, jobs and shopping. And I think the jobs on this edge would also be -- would potentially be family wage jobs, the division that we've talked about anyway is that, and therefore would be supported by this high density residential area. And having those jobs in the central city seems to be of benefit. We have targets that we need to meet. And I think that some of the division of jobs in, say, for instance, the pearl district, or in some of the other areas, that's moved to a different kind of use, and this is another opportunity to create more jobs in the central city that can support industrial uses in the northwest industrial sanctuary and the northwest industrial district as well as provide places -- jobs for people to walk to and from their homes in the northwest district.

**Katz:** All right.

**Schell:** Can I just add one thing, madame mayor? I have here the -- the neighborhood plan -- at least I had it -- for the northwest district association, that they've adopted, that the city is working on, and they set up a thurman-vaughn subarea in that -- in that zone. And they call at that subarea, they recognize that vaughn street -- that there is a conflict clearly on page 64 and 65, that there definitely is a conflict between this area. They recognize the conflict. And then they go on to say that vaughn street, between 23rd and 28th, is an urban area that creates a buffer between industrial and residential uses by encouraging development that continues -- that continues frontage shops and offices. I think somehow we're not getting the message across here that -- that this is a problem that's been identified for 30 years in the city, since the decision was made to locate the freeway -- or the accessway down on to -- rather than across the vaughn-thurman corridor. This is a problem that's existed, esco has stepped forward to try to meet the objectives of the overall planning process and the objections of neighbors in the area, as well as meets the current needs of

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esco. Plus, again, I suggest to you it provides a significant opportunity for the city if you just kind of think about how it could unfold.

**Francesconi:** How do offices along vaughn interfere, if they do at all, with the integrity of the industrial sanctuary?

**Schell:** I don't think they interfere at all, commissioner Francesconi, because it's already ig-1. It is already recognized as different from industrial -- heavy industrial use, which is an hi designation. Esco has very grave concerns about protecting hi-1. It has plant 3 located on vaughn street, right across from costco. It has its plant 1, right behind vaughn. It desires to make sure that those plants remain viable.

**Katz:** All right. I'm going to stop this right now, because I think what you're doing is you're actually identifying and designing what you think the buffer zone is going to be. And we're not even there yet. All right? And I think that's maybe why the conversation is getting in such detail, why office space versus retail space. So i'm going to stop that. But we will -- we will talk about the process, which I think is really the issue that was identified by nina and nwda.

**Sten:** Can I ask one more question?

**Katz:** Yeah.

**Sten:** I think you made a good point that everybody in the process talks about a buffer zone being needed. I guess the struggle i'm having is that the other groups that don't represent specific property owners don't seem to support this idea for a buffer zone. So to be blunt, I kind of feel like i'm going to waste a lot of people's time and come back in march and find that lo and behold the nwda and nina don't support this idea. So what's -- what's going to change between now and then to get them to your view of a buffer zone? Because I think everybody agrees on a buffer zone, but it seems like people have a pretty good angle on this.

**Schell:** Well, the alternatives that would be proposed in the process, debbie's has already scoped out a plan to look at possible alternatives to see how that can work. Now, we're coming in with one kind of idea as to how that could work. But what the process will do is examine alternative ideas and it will give us a chance for good discussion in the process. And will at the same time provide a placeholder to say, we're looking at this area in that. And so I think -- I think at some point even we have to trust the process to produce the kind of dialog that hopefully will find some reconciliation in these areas. It may not be as exactly as we've crafted it in our heads. It may be different than that, but we think that the process is going to result in a benefit overall to the city.

**Katz:** We'll come back -- we'll come back to that, because I think there's clarification questions regard to the -- that particular corridor that I think need to come out. Let's finish the public testimony.

\*\*\*\*\*: Thank you, appreciate.

**Russell:** May I say one more thing?

**Katz:** Boy, you know, when we want d.e.q. To come and talk to us, they never show up, and now that you're here you're never going to stop.

**Russell:** I just want to say that the sustainability is -- is -- eliminates the need for a buffer zone, which is if all businesses have zero waste people don't mind living next door to them.

**Katz:** Now that you're here, and I let you do that, let me just tell you that I still keep getting messages from the northwest district association that d.e.q. Is not responding to their issues of noise and odor. So while you're here, you might want to think about being a little bit more proactive with nwda on those issues.

**Russell:** I go to their meetings every --

**Katz:** Oh, going to the meetings and getting something done is entirely different.

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**Russell:** We're working on it.

**Katz:** Okay. Public testimony? The last two. Okay, well, then one of you come on up, because we have three chairs, and then we'll hear from everybody. Okay, we have plan b-1. Okay, go ahead. Who's going to talk for the naito property?

**Tim Ramis, Lawyer, 1727 NW Hoyt, Portland:** Tim ramis, for the record i'm a lawyer my offices at 1727 northwest hoyt in Portland. Here today on behalf of naito properties, the owners of montgomery park. The principal interest of h. Naito properties in this process has been to encourage all of the participants to put as much energy as possible into thinking about vaughn as a great street. And to think about what could it be and what would it take to change the direction it's been on for the last several years and try to improve it from the kinds of buildings that you were discussing, commissioner, that are on that street. What we found in talking to parties -- and we began these conversations many months ago -- was broad agreement that vaughn did need to get better. And second, that there really needed to be something additional done about buffering and separating the conflicting uses, particularly that there was a need on behalf of the industrial properties to do something to reduce the pressure they're feeling from conflict with residential uses.

Where there was deep disagreement was on the question where should the separation happen, where physically should a buffer be. And so we encouraged a number of property owners on the north side to talk directly with representatives and nwda's planning committee, and I compliment people on both sides of that for their participation in it. There was one more breakthrough. That was a recognition by the property owners on the north that their long-held concept of a two-block buffer on the south side of vaughn would not work. Six years ago, perhaps, it might have, but now that area is filled up with housing, and increasingly so. And so that option is gone. Those property owners also recognized that there was an opportunity in a one-block-wide area, that is already about 50% nonindustrial to do something different to try to improve the street and to try to address the conflict. And that was the kernel of an idea that created eventually the idea for subarea b. In our view there's a tremendous opportunity to create some kind of process to create development there that might fund improvements to that street, that might create the possibility of providing the dollars that could bring the streetcar to the area. We think it would be a mistake not to think about that, not to put energy and creativity into thinking about how that could happen. Even if that development opportunity were tied to the requirement of putting a streetcar there, we think that's well worth thinking about, because nothing is going to happen to improve that street until this issue of conflict of uses is solved, until people can see the advantage of having housing and employment next to each other rather than seeing it as nothing but potential company conflict. So we were pleased to see the planning commission's action. We think that they took the right action and were particularly worried about timing. One of the things the property owners on the north side agreed to, at least many of them, was to set aside land to widen vaughn to put in the kinds of street amenities that are needed and necessary to make it better. One one-story building located under the current zoning code in the wrong location would preclude that opportunity. And that's why we think it's critical to move the process ahead swiftly and why we think it's so important to take the action the planning commission recommended of putting a statement on a map that shows very clearly where the boundaries should be and let investors and the marketplace know what the public expectation is with respect to protecting that area from just that kind of risk of losing opportunity.

**Katz:** Thank you.

**Verne Naito, Vice President, Naito Corporation:** Mayor, commissioners, vern naito, vice president, h. Naito corporation, 5 northwest naito parkway. Our corporation owns and manages montgomery park office complex, contrary to what willamette week reports we have no other

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property interests on vaughn street. We're also represented on the board of nina, and we have industrial tenants in the northwest industrial sanctuary. In the '80s our company acquired and redeveloped the montgomery park building. It at that time was montgomery ward's abandoned warehouse. There were a lot of skeptics out there who didn't believe a commercial development could work on vaughn street. Today i'm happy to report that over the last several years we've been running that building at virtually 100% occupancy. The building has been host to blue-chip tenants such as wells fargo, kaiser permanente, cnf, freightliner, and consolidated freightways. We don't think there's any argument that montgomery park has transformed the area and we'd like to think for the better. Further, we think that montgomery park proves that a commercial use can be successful along vaughn avenue. It could be a unique commercial development and that is because of its proximity to the south of the guild's lake industrial sanctuary and then due north of high density residential as we've heard. Our cause for concern, and the reason why we back subdistrict b, is that after our corporation made a \$50 million investment in montgomery park, we -- and managed a 700,000-square-foot office building extremely successfully, we've yet to see any follow-up of investment of significance. I've brought these two photographs of vaughn street to illustrate the point. Our company's concern is that we believe there's a great opportunity for a wonderful and distinctive commercial district in the city of Portland that if the original proposed list plan with the industrial sanctuary border coming directly up to the northern curb of vaughn street were to go forward, would overlook this opportunity. And we encourage the council to consider the plan, subplan district b. Thank you.

**Katz:** Thank you.

**Hales:** Just a quick question. Again, forecasting some of the issues we're going to look at. What's the commuter mode split in montgomery park?

**Naito:** I don't have that data off the top of my head, however there are, I believe, six tri-met bus lines that terminate in front of the building.

**Hales:** Right.

**Ramis:** We've also provided pdot with a transportation analysis that would have that data in it.

**Hales:** Well, i'm going to want to see that. Again, if we're going to go forward with this, and i'm not sure what the council's going to want to do, reiterate my concern. The region is spending now a lot of increasingly scarce dollars, ameliorating the mode split problem after the fact. We just spent \$30 million on a new interchange at i-5 and 217. Because we located the -- kind of the most -- you know, in the elements, you know, there's the most noble element, well, the biggest problem and the biggest opportunity in urban land use is office space as it creates the big commuter peaks. And where you put that in the landscape is the big issue for me. Because of where we're spending the money. And you create a building -- even a 75% automobile mode split, and you sentence the region to spending -- widening vaughn street. I mean, you just mentioned it. So i'm having a great deal of difficulty. You know, frankly compare this site to the galleria. Where would I rather have office employees? At the intersection of two rail lines that are already there? So i'm very skeptical about the notion of additional office employment, given what it does later on. Not initially, but later on to regional transportation spending. And you've got a big hill to climb, frankly, with me, and I hope with the rest of this council, to persuade us that -- look at how few office buildings are getting developed this any given decade. One or two. One or two in the next decade maybe downtown. So why would we dilute that very scarce but very significant element of the city by putting it out on the edge where there's six bus lines instead of 50 and no rail today. Help me out. Now or later, but that's maybe for later.

**Katz:** Let's deal with that later. All right, go ahead, sir.

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**Greg Tyson, Planning Committee, Northwest District Association, :** My name is greg tyson. I'm with the northwest district association planning committee. I also sit on the northwest area plan citizens advisory committee, the northwest parking citizens advisory committee, and i've been attending the thurman-vaughn corridor meetings. I would just add a couple things to what's been said already. One, in respect to some of the issues that charlie's raised, the northwest district neighborhood plan passed in 1999 does identify thurman-vaughn as a subdistrict of that plan, and that thus as an area of special focus and much of the things we've been talking about can be addressed through the process of planning for the northwest area. Secondly, you heard planning staff mention a parallel track, sort of a one-stream activity approach to the thurman-vaughn corridor issue in relation to the northwest area plan. And I think if I can speak for the committee, the northwest district association planning committee, we feel that there's a potential here to draw resources away from the northwest area plan by focusing on the specific rather than focusing on the general. And i'd like the commissioners, the council, to ask planning staff how they view that --

**Katz:** We will.

**Tyson:** That would be great. And then also if -- if we can get a commitment to a time line on funding. Already funding is -- you know, is going to end at the end of june, and you guys will have to deal through funding it again through half of 2003. So those are all issues that were -- are on our radar and hope that you can get clarity for us on those.

**Katz:** Thank you. And I intend to ask the staff -- and i'm sure the council too will ask the staff -- how they envision managing this process, if this is what the council wants to do. Thank you.

**\*\*\*\*\*:** Thanks.

**Katz:** Okay. Anybody else? All right. Come on up. Talk to us. First question, where would the - - the conversation and the planning for the -- for the corridor both north and south occur without subdistrict b?

**Kelley:** I think this is maybe a distinction without a whole lot of meaning.

**Katz:** It might be, but --

**Kelley:** So let me explain it this way. Debbie and I took a walk out behind our building in the late spring, I think it was, and when we first appointed her to manage this project. And she was asking me for any overall guidance as she entered the project. I stressed three things for her. One is we need to follow through on the commitment to the industrial sanctuary, that that land base was critical and in so doing I wanted her to open the conversation with the industrial players there about two aspects beyond the obvious land use and transportation components of what it means to be an industrial base, and those were contributing to the greening of the city by responsible business practices and stewarding the environment, and also to open the conversation about their role in work force training and job readiness and internships, and so forth. We didn't get very far on the latter point, but I think it's one that's important on the agenda. With regard to the great bulk of the remainder of the northwest area, I said it's really an exercise of looking at the design of infill. This is a very urban mixed-use district, and what we really need to do is engage nwda in a design conversation, really, about how that neighborhood should be infilled and look and behave. We have the major investment, you know, in the streetcar there. That tells us something. And we ought to look to that. Conversation being very much focused block by block and how neighborhood aspirations would play out in terms of infill. I then said, you know, in my looking at the district, we need to look at vaughn street, and that I personally didn't subscribe to the use of buffer as the defining terminology, nor even transition. And even corridor. Corridor's a little bit better. But I said, you know, that corridor, street, doesn't belong to either one of those groups. It's something in and of itself. And we need to understand what it is as a place, not as a buffer. It

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needs to accommodate buffering functions for both activities that are on either side of it, but if we only see it as a line down the middle of the street, we're not recognizing it for what it is. I mean, it's a gateway to both districts. Is a terminus for the urban development within the greater central city. It's the terminus for the industrial activity. It needs to be recognized as a place. And debbie did put that notion into the plan in terms of saying we need to look at this issue, this corridor issue, and the ongoing nwda plan. What the planning commission did --

**Katz:** Whoa, before you get to the planning commission.

**\*\*\*\*\*:** Okay.

**Katz:** So in answer to my question that the review of that corridor, both north and south, is in the northwest district association plan. You're nodding yes.

**\*\*\*\*\*:** Yes. It's in our work program.

**Katz:** It's in your work program, okay.

**Kelley::** Well, I do need to clarify that they have a subarea from the north side of vaughn to nicolai still within their neighborhood that has sort of seeded into the guild's lake plan. So as part of your adoption of this plan, this subarea f or whatever it's called, the industrial subarea for this neighborhood is now part of the guild's lake plan. So that the northwest area plan covers most of the northwest district neighborhood south of vaughn and the remainder of the neighborhood, just to clarify.

**Hales:** That means not north, though, right? Not north of vaughn.

**Bischoff:** Except in our commitment to look at this vaughn area, we are saying that we may come back to you, with the recommendation to amend the guild's lake plan that was Saltzman along with the recommendations for the northwest area plan as it relates to the issues on the north side.

**Katz:** That would be part of the work plan for the northwest district plan?

**Bischoff:** That is correct. And we did try to address this issue of north and south side of vaughn during the guild's lake process fairly early on, and realized that there was a lot of differing opinions, and we decided we need to look at it more holistically, that it is not just the north side, we need to look at this place, as gill's referring to it, and realized all along we would be doing it, at least our recommendation would be to address it --

**Kelley::** So the next step in the process was the planning commission hearing. And the planning commission responded to some extent to the testimony you heard from the property owners, but I think the distinction here is that they wanted to sort of amplify the signal, that in adopting this document, recommending to you that it be adopted, that we weren't finished discussing the vaughn place or the vaughn corridor, and by creating a subdistrict shell, as an empty vessel at the point of adoption, that it meant there would be a signal to property owners, to neighbors, and to others who often look, frankly, through the lens of the zoning code at what the city's intentions are, as opposed to the comprehensive plan, for example.

**Katz:** So they weren't willing to wait for debbie to do her -- the work that --

**Kelley::** Let me tell you how we responded.

**Katz:** Okay.

**Kelley::** No. In the first instance they didn't give us a time line, but they clearly sent us a signal, we'd like you to develop a proposal for making sure that this issue is addressed in a timely way. Without specifying a time frame. We then came back to the planning commission, after thinking about it, after convening a group of stakeholders and said we think we can give this the attention it deserves, as we intended to in the northwest plan, without extending the time line. If you want to break it out and have it go right through adoption on its own track, and delay the other work, it could get done slightly sooner, but not a whole lot sooner than if we just kept it folded into the

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process. And they endorsed -- that's represented on a diagram, which I think debbie distributed to your staff yesterday. We can hand it out again today.

\*\*\*\*\*: Do you want it?

**Kelley::** It essentially allows a focus discussion on this without distracting time or resources from getting the rest of the plan done. The reason for giving it some focus is that --

**Katz:** Gill, let me stop for a second. It would have gotten focus anyway, would it not?

**Kelley::** Yes, it would have. This essentially is a process much like we probably would have created in the next phase of the northwest planning process. It is a parallel process to the larger process and a subset of it, really. So it would have gotten focus. The notion, again, behind the subdistrict was essentially to send the signal that there would be further changes on those properties north of vaughn.

**Katz:** All right. Let me -- I know that you folks have talked about the actual use. I'm a little nervous about the process. I know what we did with consolidated. All right? I don't want to do that again. It was an opportunity, and maybe it was a timely opportunity, but we really pulled the rug from under the northwest district association planning process. So be it. I hope that -- that the end result will be positive for everybody. Who knows right now. But if this was going to be a corridor that was going to be studied anyway, pulling it out and providing it even more focus and losing the holistic plan for doing the northwest district association doesn't make much sense.

**Kelley::** We understand that concern. Let me tell you why I don't think it needs to be that way.

**Katz:** Okay.

**Kelley::** One is that to resolve what the differing parties are meaning by buffer, by corridor, by transition or by place is going to require some level of specificity. When we all met the other day, I think it was warren rosenfeld that said on his -- speaking for himself, not necessarily for all of nina, we obviously have some concerns about other uses on the north side of vaughn, but I need to hear some specifics. If we can get down to specifics, maybe there's something there. Nwda did say the same for their part. Well, maybe some other uses, but, you know, what's the scale we're talking about? What are the traffic impacts we're talking about? Clearly we've heard from two prominent property owners there, but there are others, who may have some differing ideas. It's going to take some level of specificity to resolve this, which is one of the sort of tension points in the whole plan. So what we're saying here is we're giving a time line that folds into the greater time line, looking at the specificity that this corridor deserves, because it is one of those netherlands. It doesn't -- it's not easily sort of infillable, easily definable place, so it's going to deserve some attention, whether we call it a subdistrict now or not. So i'm not sure --

**Katz:** Let me go and then i'll stop. I would like -- this is just me talking. I would like to adopt the guild's lake industrial sanctuary plan as presented by staff. Not as adopted by the planning commission. But then incorporate this discussion that we're just having within the planning process for the northwest district plan.

**Kelley::** We can do that. And I think the process may be substantially the same.

**Katz:** I think it's probably the same.

**Kelley::** Okay.

**Saltzman:** I think that's kind of what I was trying to ask. I mean, the notion of a subdistrict with nothing in it -- I don't know -- it doesn't seem to me to send any more certainty to investors in the process, except maybe some people prefer to see something in code as opposed to the discussion we're having here and the process you've outlined in front of us. And I understand some people feel more comfortable seeing something in code, but even if we put a hollow subdistrict in there it still holds the potential that it could remain ig-1 or something like that.

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**Kelley:** That's correct. The base zone may or may not change. It may need not to change. I think part of the planning commission's notion -- I didn't describe this -- was by creating the subdistrict they were creating the boundary line. That is to say the discussion would stop. That would be the northern limit. The block north of vaughn. It would not be left open as to engage in a much broader conversation than that territory. And I think that was part of the rationale for putting the subdistrict in. If you want to do by a different addendum to your motion in a different way, that's fine too.

**Katz:** But would it do that under the northwest district plan study? It wouldn't do that under that study, would it, debbie?

**Bischoff:** Well, again, we'd still -- we'd be working from the direction of this plan, and we would be looking at this issue. Again, see it as kind of parallel and overlapping related, but again these amendments would be coming back as part of the guild's lake plan, that the northwest area plan boundary is again kind of the south side of vaughn.

**Katz:** Okay.

**\*\*\*\*\*:** So it's with it, parallel, related, interacting with, as we move through this process.

**Saltzman:** You still have a preferred alternative by march, hopefully?

**Kelley:** Yeah, we need to, because whatever specificity gets developed here -- and there are very important questions and commissioner Hales put some of those on the table today -- can really be a terminus for the streetcar, can the densities support that, is there an economic model that says that's financially feasible, does the street need to be widen. Those kinds of things need to be looked at and then fed into the larger screen of what implications for the traffic system and commissioner Hales put one of those out there, the larger traffic system, what implications does it have for the character of the neighborhoods on either side. So it gets put into a larger filter. But right now there's nothing to sort of guess about or speculate. There's just not a defined what-if that's collectively in front of everybody. So that we would want to do by march. And to the extent that the property owners are willing to put some time into suggest some things that they'd like to see, or even have some of their transportation consultants, which they've offered, do some micro level studies, fine. We can look at that, as well as other alternatives that we might come up with.

**Katz:** And that -- that doesn't delay the rest of your work?

**\*\*\*\*\*:** No.

**Katz:** Okay.

**Kelley:** That's the hard question i've asked debbie over and over again.

**Katz:** That is a hard question, because of limited resources I don't want that taking up all your time and your money and then leaving the rest off the table, because we've run out of time and money.

**Bischoff:** Well, we are hopeful, and with council action today on the guild's lake plan, that will -- you know, right now our team has been working on two plans at once, and it has been very difficult to move forward full steam on the northwest area plan, even though we are doing that. And in fact, i'll put a plug in for our vision and urban design concept tomorrow night at montgomery park at 6:00 p.m. As evidence that we are moving forward with that planning process, but there are other issues. And I want to make sure that we deal with those issues as part of moving forward in the northwest area plan. So, I mean, I will do my best to try to keep this project on track. That's all I can say.

**Kelley:** I think splitting it out as a separate process would clearly jeopardize the other efforts, because there's so much time involved in the mechanics of a hearing, writing code and all. If we were to do that, much as we did with cnf, it would clearly be derailing the larger process.



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**Katz:** Okay, all right. Assuming that the -- assuming that the council supports what I just articulated, and what you think articulated back to me, do we need to make any amendments to the documents before us or has the -- have the planning commission language been so specific about a subgroup b --

**Kelley:** I'd direct your attention to page 55.

**Katz:** That's what I wanted.

**Kelley:** The last paragraph is essentially -- the planning commission really had two amendments to the staff plan that were substantive. One was to make sure that we used the word "sanctuary" in the title of the document and name of the plan the other was to add this paragraph 33.531.140 subdistrict b vaughn corridor. And that spelled out their intent. You could -- you could take this out and simply make it as a second motion on your part that we -- that we look at this as we would in the normal course of the plan. Subsequent to that, we did come back to them yesterday with this sort of flow chart here and -- to say this is the way we're going to carry it out, which still keeps the integrity of the other planning process, and they said fine. However you want to do it, I think we're on the same course.

**Hales:** I move we delete it.

**Katz:** Do I hear a second?

**Saltzman:** Second.

**Katz:** We're deleting 140, the last paragraph, and what we'll do is -- we'll make a motion to adopt the guild's lake plan and put in language that the corridor -- or how it -- yes?

**Bischoff:** I'd just like to say that on page 43, under land use action items, 1-10 specifically talks about address issues pertaining to the interface between industrial and nonindustrial lands along northwest vaughn as part of the northwest area planning as an ongoing --

**Katz:** So we don't need to do anything, then? Okay. Motion is to delete 33.531.140. There's a second. Any objections? Hearing none, so ordered. [ gavel pounding ] all right, so what you identified within what page --

**Bischoff:** Page 43.

**Katz:** 43.

**Bischoff:** Action item 1-10.

**Katz:** All right. There's a clear understanding that the council is interested, as well as the planning commission is interested, in doing that. And that ought to be incorporated with the entire planning process.

**Kelley:** Okay. So it's clear, we would use that -- the process we outlined for everybody --

**Katz:** Is that all right with everybody? All right, that's good. We don't need to add that in the motion.

**Saltzman:** Do we need to add anything in our resolution to action plan items?

**Kelley:** As long as we have your understanding today that that what that 1-10 means, that's fine.

**Katz:** Yes, okay. Then we'll vote on it. That's the amendment that we need to make, then we'll vote on it next week with the resolution.

**Francesconi:** I want to say something, gill. I agreed, I hesitated on b, but then I decided to take it out. Here's what I wanted to say. I guess I want -- not to the point of interfering with the quality of life in the northwest neighborhoods, nor to the point of interfering with transportation and freight and the inherent integrity of the industrial sanctuary, but frankly rather talking about process I want the city to give some special attention to esco and esco's plan to expand, to evaluate it, to see if -- does it inhibit quality of life, does it interfere with the sanctuary, but here we have a longstanding

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employer, who can bring more jobs of good pay that our citizens can access. And frankly I want to evaluate, does that make sense, does it not make sense?

**Francesconi:** Okay? Rather than creating a special planning process, your arguments make sense to me to not do that. On the other hand getting some help from pdc, getting attention from you to see if that makes sense, assuming they produce some real plans, does need some special attention, I think, given the lack of good-paying jobs in the -- so that's my request.

**Katz:** Let me just -- let me just add -- and I probably could wait until next week -- it's interesting that of all the areas in this city that produce the jobs, we don't have an urban renewal area to focus in on aging infrastructure or other needs for an industrial sanctuary that produces the best-paying jobs. And so I know -- you've heard me talk about that at a speech I made a long time ago. I don't think I suggested an urban renewal area, but at least the possibility of having the discussion about what really needs to be done there to upgrade it to 21st century standards if we are to attract additional opportunities, including a marketing opportunities. We don't have any of that going on. Nina does not have the resources to do a lot of that. And I know that's part of your -- your action plan. And I think that needs a little bit closer review and discussion with pdc. But I think that's basically what I think I heard.

**Saltzman:** I'd like to clarify that i'm not at all necessarily opposed to the ideas, or the needs of esco and the ideas that h. Naito corporation has put forward. I guess I just don't feel the efficacy of a hollow subdistrict, and we still need some details on transportation issues and how that impacts the overall industrial zone, but the concept itself I still find and the need of esco, but i'm not at all philosophically opposed to having office space in that part of town.

**Katz:** I know you have that on your chart, the amount of vacant space. Does that need to be updated so we know a little bit more about what kind of space is available that isn't currently being used, fully for industrial purposes? Like t-1.

**Bischoff:** There probably does need to be more looked at that, and also to look at the contaminated sites or sites that need further attention in order to bring into industrial use --

**Katz:** Okay. This is the reason that I raised the issue of additional resources, the potential. I'm not ready to -- to even -- to make that recommendation at this time, but I think it needs some careful review. Okay. All right, everybody. Tomorrow we have the most fun day of the year. At 3:00, but we'll be back at 2:00 for a very quick --

**Katz:** I'm sorry, 2:30. We're adjourned until 2:30. At 3:00 we'll have the spirit of Portland awards. Thank you. We stand adjourned.

At 3:55 p.m., Council recessed.

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NOVEMBER 15, 2001 2:30 PM

**Katz:** Karla, please call the roll. Everybody's here except commissioner Francesconi, who I suspect will be here, because karla is not here. All right. Item 1344.

**Item No. 1344.**

**David Frank, Portland Development Commission (PDC):** Good afternoon, it's great to see government in action. I'm david frank from pdc, this is eric johannsen.

**Katz:** Go ahead.

**Frank:** Thank you. David frank from pdc and eric johannsen from the office of management and finance. Here to ask your final approval of conduit bond issue answer -- issue answer for the pacific tower project. 156 affordable units for seniors in chinatown, at 4th and flanders, currently a surface parking lot. The bond issue before you is \$10 million, not an obligation of the city, the project is looking good. It has all the design review approvals it needs. Nits for permits right now. Significant modifications have been made, and it's looking as great as it ever has. The schedule calls for closing in about two weeks on the financing, starting to do site work the middle of december, hopefully and on the construction proper early next year. As I mentioned, a quarter block, 10,000 feet at 4th and flanders across from old town lofts. 15 stories tall, in an l-shape configuration. Studios, ones and twos, all 156 units affordable for 60 years, 17 of the units below 30% of median also for 60 years. Pdc has money directly in the project, just over \$4 million. You've seen this project, I like to say three times. You gave preliminary approval for the bond issue answer earlier this year, about a month ago you gave approval for the property tax exemption and in 1999 you approved the development plan which called for this project. I think there's substantial demonstration of the public policy there. Eric, do you have --

**Eric Johansen, Office of Management and Finance:** No specific comments. I'll take questions on the bonds if there are any.

**Katz:** Okay. Questions. Anybody want to testify? Roll call.

**Francesconi:** You covered all the basics except you left out sustainable building practices. Terrific project. Boy, I was tempted to vote no until I heard your powerful presentation. I'm kidding. It's a terrific project. Aye.

**Hales:** Aye.

**Saltzman:** Sounds like a great project. Aye.

**Sten:** I do think it's going to be a landmark in old town as well as filling a huge affordability need. Aye.

**Katz:** A long time coming, and thank you for working the design. Aye. [ gavel pounded ] now you can talk. You --

\*\*\*\*\*: I'll take it up with commissioner Francesconi afterwards.

**Katz:** Okay. Let's jump over and take 1346.

**Item No. 1346.**

**Francesconi:** Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Katz:** Mayor votes aye. [ gavel pounded ] thank you, everybody. We'll come back at 3 o'clock for the joy of giving out the spirit of Portland awards.

At 2:38 p.m., Council recessed.

At 3:00 p.m., Council reconvened.

**Katz:** Item 1345.

**Katz:** This is probably the happiest day for the entire council. It is our way of saying thank you to all of you who have given something more precious than money. It's your time, and your commitment to this community, to each other to enrich people's lives and the sense of place here in

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Portland. I want to thank commissioner Saltzman's office for helping put this together, and maybe he'll describe how we make these awards and how the selection committee makes these awards. Before I turn it over to him, I do have one award that I make every year, and this year it's a very, very special award to about 1,000 people. Don't worry, they aren't all going to be given the award here this afternoon. But most of the citizens and the council really never heard what the flight for freedom accomplished, so we're going to talk a little bit about that at the end of the presentations to individuals and to volunteers and to city employees and to nonprofit organizations and to small businesses. So let me turn it over to commissioner Saltzman.

**Saltzman:** Thank you, madam mayor. As the mayor said, I think we deliberately do this every year because we like to fill the chambers once a year with people that are happy with us. Welcome to the 2001 spirit of Portland awards ceremony. The spirit of Portland awards have been presented by the city council since 1985, and since that time 242 spirit of Portland awards have been given to individuals, businesses, city employees, nonprofit employees, and community organizations to honor the importance of citizen involvement in shaping the livability of this great city. This year 23 honorees are being added to this elite list of special neighbors and groups. The selection committee for this year's award was comprised of representatives from the mayor's office, the city commissioners offices, the office of neighborhood involvement and each neighborhood district office as well as some past award winners. Over 100 nominations were made, and out of that we selected 23 winners. The winners, who are here today, were evaluated in the following five categories. Assistance with implementing outstanding projects, enrichment and revitalization of our community and neighborhoods, provision of a special service to citizens, demonstration of a commitment to the community, and demonstration of overwhelmingly responsive courteous and creative actions. So as neighborhood commissioner, i'm very pleased to say, let's get on with the awards.

**Katz:** All right. We'll start with the small business of the year. This award goes to errol -- before we do this, a little housekeeping. We'll have you come down here so you can shake hands with all the commissioners, and then if you have a picture that you want to take, we're finally getting this right after eight years -- if you want a picture, we can stand over there and we can take a picture with the commissioner that gives out the award. And then if you're very brief, but I mean very brief, we opened up the tables so you can say something to us or to the audience, or to the members of your family or to the members of your community. But very brief. All right. First award goes to errol carlson, and mel hafsus of the taylor court grocery. Would you like to come up here? [ applause ] this is a grocery store, i'm going to read this first, to turn to your audience. This is a grocery store that's been operating for about five years, and these two gentlemen showed an immediate interest to the community. I want to describe this for you. There was an immediate change that everybody noticed in the community. Within a short period of time, these two gentlemen revealed their plans to hold a street party in the summer and asked the input of the community. And now they've been doing this now for three years. But the result was a wonderful party with all the traditional party going ons -- hot dogs, parade, ice cream, games for children, neighborhood association, mt. Tabor neighborhood, southeast precinct and the Portland police department, local churches, pge, the shriners, it went on and on and on. The fire station was there too, brought the fire engine, and i'm sure the kids were on it, and the cadillac club and others in the area shared their classic cars, and a queen was chosen from -- [ laughter ] no, this was for senior citizens. [ laughter ] where is the queen? [ applause ]

\*\*\*\*\*: Madge was the queen of 1999.

**Katz:** It's so nice to have queens over 35, you know? [ laughter ]

\*\*\*\*\*: They have to live in the neighborhood at least 20 to 50 years.

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**Katz:** See how he's even upstaging the mayor, you can see why the community loves him: They have sponsored this event themselves and paid for it. For most of you, you know what it is to start an event and continue it for three years. These gentlemen did it, their neighborhood was so appreciative, and recommended you for the spirit of Portland award. [ applause ] [ applause ]

**Saltzman:** The next award winner is for large business of the year, and that is the braywood family, not only a large business, but a large family. They personally manage their property and have been engaged in the hillsdale neighborhood for many, many years. They've been working with neighborhood activists every step of the way. The hillsdale neighborhood benefits greatly from their presence. They have been active in the hillsdale town center development in dialogue over siting of the new hillsdale branch library, and neighborhood planning meetings in general. They have always been an integral element to this planning effort, and they have truly made the hillsdale neighborhood a better place to live. Do yes have any braywoods here? Come on up. [ applause ] I just want to say they truly exemplify responsible commercial property owners who have worked for the betterment of their neighborhood. Thank you.

**Hales:** The second of our two awards to small business of the year goes to graphion design. Their business has been around for 12 years, and during that time they've donated thousands of hours and reduced fees on many projects that fit their vision and our vision of Portland. So matt and corinne, come up front and we'll talk more about what you've been up to. They really believe in human scaled community and they have been taking a personal responsibility for that, promoting those ideals by helping organizations in our community with graphic design and with creative talent that they've brought to those organizations. Many of you might have heard of the bicycle transportation alliance. That's an organization that's been very positive and very persuasive and very clear in our community, and in fact they created the name for that organization, their logo, a lot of their initial materials, even helped them with a membership marketing plan, and that organization is in front of this council pounding on the table advocating for a bicycle friendly Portland, and as a result of that, we just got named by bicycle magazine as the best bicycling city in north america. So these results are showing. [ applause ] good work. They go even farther in their consistency about this message.

We have lots of businesses that we like to praise for having a significant percentage of their employees taking the bus. Every employee, all of their employees walk or use the transit system or bike to work, and every single one of their employees, thanks to their enlightened employer is a member of flex car, which used to be car sharing, basically a motor pool for people that don't want to own a car. So this particular business with these two people in charge has really helped the community, really reinforced their values and made Portland a better place to live. Thank you and congratulations. [ applause ]

**Sten:** Our volunteer of nonprofit group of the year is Portland community reinvestment initiatives, pcri. Come on up. It gives me great pleasure -- are they here? There they are. Come on up, judy. You gotta stand up front. I'm very proud to give this award. Pcri, many of you may remember about 12 years ago there was a slumlord in northeast Portland named minion capital that bought hundreds of homes and doing a lot of bad things, including selling property on fraudulent land sale contracts. Pcri was formed to buy that property out of bankruptcy court and turn it into something great. That's happened over the last ten years, and one of our other award members -- award winners today is former commissioner gretchen kafoury, who led that charge, along with judy. And today what I think is significant about it is the real estate has been saved, the homes have been rehabilitated, that was just the first step. What's now happened is that pcri has taken the stock of housing and aside from making it a functioning asset in the community, teamed up with a long list of community partners to provide housing for folks having a hard time. The list is in your book, but northwest pilot project, cascade aids project, bradley engle house, there's a long series of very, very innovative Portland public schools that have been designed to provide affordable housing and

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integrate people into the community in a way that just isn't possible. This is probably the largest stock of single family homes that are rented in affordable price to families in the nation. So it's really an amazing transformation, and actually a terrific organization. I think it's -- could not be a better choice for a group of the year, pcri. [ applause ] [ applause ]

**Saltzman:** Our next award is for the neighborhood of the year, and that's the community association of portsmouth. Do we have somebody here from that -- [ applause ] lots of people. Why don't you come stand over here while we honor you. The community association of portsmouth has worked to build community by developing strong neighborhood and school ties, planting scores of trees, and I can attest to that, and connecting neighborhoods through its great neighborhood newspaper. The portsmouth press, written in four languages and distributed to every home in portsmouth. The community association of portsmouth embodies the spirit of Portland by its efforts to connect multicultural and generational assets to create a model neighborhood we can all learn from. Thank you very much and congratulations. [ applause ]

**Francesconi:** I get to introduce the category of individual volunteers of the year. Let me briefly -- very quickly introduce this whole category by saying one of the good things that's happened since september 11th is that our heroes have changed. Before maybe they were ball players and entrepreneurs, and now they're people that sacrifice their lives for others. And that's who we've tried to recognize all along. It's also a special occasion -- time now, because it's just before thanksgiving. So the whole council delights in this, but the mayor takes particular pleasure in sharing this. We have much to be grateful for in this country and this community, but it starts with the people we're recognizing here today that are just representative of many, many more. The first participant is sue offstead. Let me read to you part of the mission statement of the nathan mcmurray thomas fund that was written by the parents of nathan thomas in 1992. This tragedy transcends neighborhood boundaries and differences. Every child lost through drugs, poverty or violence is a loss to our whole community. We need to take better care of our children to recognize children in need and make sure they get the assistance they require. Security is not found in weapons and for tresses, but in holding all members of our community close to our hearts. We need to help each other. We hope in the weeks to come when the story of nathan's life and death are gone from the headlines, we will all remember the sadness our community felt and continue to work to see that this kind of thing doesn't happen again anywhere in Portland. Again, that was written by nathan's parents. In order for that to happen, it took leadership, it took a person to translate that into a reality that could give hope to the community, which is what nathan's parents wanted, so that his life could continue to mean something for children and families. So it took sue to organize others to continue to advocate for the soccer tournament, to keep people together, and to build a community not only in the grant park and grant park neighborhood, but that ripples not only throughout Portland, but through the whole community. So she did what many of us could not have done, and we are very, very appreciative, sue. [ applause ]

\*\*\*\*\*: I'm the first one to try this. I hope i'm doing it right.

**Katz:** We took the chairs away so you wouldn't stay too long. [ laughter ]

**Sue Offstad:** I just am greatly honored to receive this award. I want to thank the community of Portland. I believe that it's a spirit of Portland combining volunteers to honor nathan that really makes the tournament work. We have 80 volunteers that help make it work, maybe more than that. There's a special group of people that we would not have had ten tournaments without them, and I want to acknowledge them by name. They're the tournament committee. They have inspired me, and it begins with nathan's parents, greg thomas and martha mcmurray. And then we have marie similar mondays, we have -- simmons. Steve boyer, doug dillon, kurt ferray, and scott myers. With their energies we've been able to continue and will continue in the future. And thank you again. [ applause ]

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**Hales:** Our next honoree is a familiar face in this room. Gretchen Kafoury. Come on up, Gretchen. [ applause ] before I talk about Gretchen -- there must be a chair up here somewhere: I want to talk about Simon Benson, because this is partially about him. This guy was a developer, he built the Benson Hotel and the Columbia Gorge Hotel. He is also an environmentalist because he advocated for and worked on the Columbia Gorge Scenic Highway and arranged for some important donations of land up in the gorge like the land around Multnomah Falls and got them contributed to the city of Portland, just a little bit outside of the city limits in order to keep them in public hand and for public use. And he also was an advocate of item principals, who was upset the only place a pedestrian could get a drink in downtown Portland was in a bar, so he put in the Benson Bubblers, the fountains we all still enjoy today. And he had a Queen Anne-style house built in 1900 up in the part of the city we call the West End. And it had its last paying tenants move out in 1991 and just started to really go downhill. I don't remember Gretchen what year you got the notion of working on this, but you'd been talking about it even when you were here, and then continued her work on this project to its completion after she moved on to Portland State. But you advocated for it all along, and this is a woman who by any measurement had done enough. She's been a passionate advocate for homeless, and housing and good planning policies. She didn't have to take this on, and I've never told you this, but I thought you were nuts. [ laughter ]

**Katz:** I didn't say that, Gretchen.

**Hales:** I'm an old remodeler and I looked at that building when she first started talking about this and I was remodeler of old historic buildings like this, and some of them in bad shape. We used to say my company's slogan was fill it and sand it. I thought this one was beyond hope. And she didn't. And she raised \$1.3 million, got it moved from that site to the Portland State campus, where it now serves as an alumni building, and if you haven't seen it, if you just haven't gone up there and seen it, it's worth a trip. It is stunning and beautiful and an asset for our city, and this is the woman who saved it. Thank you, Gretchen Kafoury. [ applause ]

**Katz:** This is the third individual volunteer for the year, and it's Alice Blatt. Unfortunately she's in the hospital. She'll be all right, but she is -- she's had a little surgery. Is there anybody here to accept the award for Alice? Come on up. Alice Blatt is a second time recipient. It's not often that we give this award to somebody who's already won one. But if anybody knew Alice, you would know why we're doing this. She's been a member of the Wilkes Neighborhood Association, but more than that, this is a woman who has retired, she's a physician, and she has dedicated her life to this community and to this city. She attends hearings on environmental and land use issues, she attends development preapplication conferences for all of the many developments proposed for the Wilkes Neighborhood, many of them they support, others they don't. She remains active in groups like F.O.U.L., Friends of Wetlands, a group that she started. And she continues to participate in the East Portland Neighborhood Land Use Chairs, and their meetings, and she conducts the Wilkes Community Group meetings. And personally has -- sends flyers to the neighborhood for things like the Belke -- bulky waste pickup and the Wilkes Annual Picnic. For those who know Alice when she comes here, she is a dedicated member of this community and has the highest respect of all the Council members, and we want to thank her for her commitment and thank the Wilkes Neighborhood Association and the East Portland Chairs Land Use Chairs for their nomination. Alice, get better and come back soon, we need you. [ applause ]

**Saltzman:** Our next individual of the year is Marilee Tillstrom. Marilee is credited with perhaps originating the idea of one of Portland's newest festivals, and that's the Hosford Abernathy Neighborhood Division Tomato Festival. I remember attend can a meeting when this was just a few months away from the very first year, and it's been a success of since. She has worked with the Neighborhood Association Chair to make this idea a reality, and has worked hard to make it an amazing and inclusive event. The festival has drawn people from -- together from -- who used to

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live in the neighborhood, former residents come from as far as the dalles and help build bridges among various generations who have lived in that neighborhood now and in the past. And has really made the neighborhood special, and it's given Portland one of its newer and more unique festivals, and I believe it's held in november -- september. That's tomato season. So she's worked hard, she's create add space for people to come together and remember the past and plan for the future in the true spirit of Portland. [ applause ]

**Sten:** Our next individual volunteer is claudia potter. [ applause ] this is all great story. Claudia has been sewing for charity for over six years, and it's an amazing work of heart and soul. She's -- this year already she's zone 20 quilts, and they've all gone to benefit the residents of the raphael house which is a shelter for women and children. She works out of her house with very limited resource and i'm told could use more space to sew, so if anybody has an idea out there, here's a chance to win an award next year. [ laughter ] what I think is so beautiful about this is not only are these amazing garments and quilts, she does it without the folks of -- these are anonymous shelters so they never see her or know where they come from. But it comes from her heart, and it's an amazing piece of work. Thank you very much, claudia potter. [ applause ]

\*\*\*\*\*: I'm going to be brave too.

**Katz:** Claudia, after the picture come to the mike.

**Claudia Potter:** Okay. Can you hear me? First of all, I want to say thank you. As far as i'm concerned, what happened this year was a miracle. I live in a small apartment like you said, and I live off of less than \$600 a month, but yet the results was tremendous, because I had a lot of wonderful people out there helping me. So besides meet -- needing material to keep on, I desperately need a larger room. And i'm hoping others who like to sew will join me and we can take another shelter on also. And maybe i'll become an organization in a couple years. [ laughter ] my friends think i'm a glutton for punishment, but I thoroughly enjoy the sewing. So thank you very much.

**Katz:** Call her, anybody, if you want to sew. [ applause ]

**Francesconi:** The next individual volunteer of the year is a very close personal friend of mine, dr. Eric zedo. First let me tell you he has a very active practice. He's a family physician that probably, I don't know how many patients, but i'm sure it's over a thousand. Yet he's had the time not only to be a good family person, but he's also helped establish the chinese school, the old town chinatown business association, the asian-american coalition, and also the chinese social service center. The two main things I want to tell you about eric, in my own opinion, which is biased, no one has done more to open the doors of opportunity and equality in Portland for immigrants than dr. Eric zedo. I've had trouble getting italians on the same page here recently. This doctor has figured out how to unite the laotian community, the cambodian community, the vietnamese community, some from the filipino community, and the chinese community. And he's able to do that because they all know his ego is not part of this. This is a first time I think he's ever been recognized publicly. He understands power and how to consume late it for his people and -- in a positive way to open economic doors, business opportunities, as well as social service. The other thing he's done is founded the chinese social service center, which he -- and mental -- he provides mental health and other safety net procedures for those systems, for those not able to get into the system. So they trust him, they have confidence in him, and it's a pleasure to give him this award. [ applause ]

**Hales:** Our next recipient, esther mcguinness, we have in the bulletin quite a record, but not a complete one of all the things she's advocated for and worked on in our community, whether it's for seniors or for neighborhoods, and it's pretty impressive list of what she's done. But I think the really impressive part of esther is how she does it. She's very hard to say no to. She's very persistent, she's very positive, and all of us know when she's coming at us that she's going to have a serious proposal and she's not going to let us loose until we give her a straight answer. That's a



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good thing in community life. And this is a woman who, again, for seniors, for trails, for neighborhoods in southwest has always been there. She's notorious for her personal style of doing a lot of her errand work, whether it's for meals or wheels or neighborhood advocacy on a motorcycle, but I think probably even on foot she's formidable and you know when she's coming at you. We're impressed by your style and your accomplishments. Congratulations to esther mcguinness. [ applause ]

\*\*\*\*\*: And I get a chance --

**Katz:** Absolutely. But esther, no lobbying.

**Esther McGinnis:** I never come to this place without speaking at this microphone.

**Katz:** We know:

**McGinnis:** I'm not going to spoil my record. But today what I have to say is to all of you. 35 years ago when we came to Portland, within a very few years, maybe two, I was in front of city council advocating for conditional use for a facility for retarded persons. And as I sat in this hall -- not this spot exactly, but as I sat in front of city council, I said, this is absolutely fantastic. Here I am in the big city of Portland, and i'm going to get right up here and speak to the city council: And they're going to listen to me: And maybe they're going to do what i'm asking them to do. And guess what? 35 years later, that's still going on. And the city is way much bigger, and this is wonderful: This is democracy at work. And I love it.

**Katz:** Thank you.

\*\*\*\*\*: Thank you very much. [ applause ]

**Katz:** The next spirit of Portland volunteer of the year is paul listener. And daughter. Alexa. This individual, I don't know how many of you go to the city club, but you see him at the city club very often because he's part of the staff and he does wonderful work for the city club and for our community as a whole. But he's been honored here because of his work in mt. Tabor. I'm going to read what people have written about you, paul. Paul is brilliant. Do you hear that about your daddy? Sincere, balanced, patient, and eloquent. He's organized and thoughtful. Usually one of the first people to step up to the plate. His heart and his head are in the right place. He's truly an exceptional person and deserving the spirit of Portland award. Now he's been president of his neighborhood association, mt. Tabor, for three years. Anybody who can survive the presidency of any neighborhood association for three years deserves an award. But -- and he's been involved in testifying before this city council, metro, on a variety of issues. In fact, he helped write the neighborhood plan. But he's also a founder member of the friends of mt. Tabor park, and again, the two last issues and i'm going to read them, he's involved in discussions on the policies and issues regarding dogs off leash in parks with members of the city council, with animal control, and the park bureau. Now I have to tell you, that's an incredible task. And he's still going to continue doing that, because we haven't resolved all these issues. The last bullet on this presentation that was given to us is, he helps to resolve neighborhood disputes and in parentheses it says, ongoing. [ laughter ] so even they recognize there's a lot of work to be done in the mt. Tabor neighborhood. Paul, thank you for all your service and thank you when we call you to serve on a committee that you're there and you are patient, and you are tolerant and you come up with wonderful ideas to help us solve some of our problems, including a doggy -- the doggy poop in the parks. [ laughter ] [ applause ]

**Saltzman:** Our next volunteer of the year is erwin bergman. Erwin has been involved in the cully neighborhood, and he's also been living there and been involved in their issues for the last seven years. Through the neighborhood association and through central neighbors northeast, central northeast neighbors, he's working on livability issues such as the columbia slough stakeholders committee, airport and groundwater problems at Portland international, and he also serves on the noise advisory committee. As a volunteer I can personally attest to the long hours and expertise he brings to issues related to livability concerning the airport and noise issues, and he is truly bettered

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the lives of many people in the Portland area, and particularly in north and northeast Portland, and truly demonstrates the spirit of Portland. So thank you, erwin. [ applause ] [ applause ]

**Sten:** Our next winner is will levinson. If you're not familiar with schools uniting neighborhoods initiative, it's something the parks bureau and the schools district and the county and particularly commissioner Francesconi have worked very hard on over the year, and the idea is that a neighborhood school really becomes not just a school, but a center for activities and a place for people to go for -- from morning to night and be together and really become a center for things rather than something that shuts down when school gets out. Will has exemplified and obviously that's a theory that only works if there's people who are going to make it happen, and will I think has exemplified at wriggler school the spirited and idea behind the s.u.n. School initiative. He's been a constant source of mentorship and enthusiasm and hard work for all of the kids in the community, and has particularly taken on the task of the community garden project, which have you -- if you haven't seen, you need to see, and i'm quite positive will show you all the crops and also probably put you to work. Will, for all your work, creativity and responsiveness, and deep compassion for the community, thank you. [ applause ]

**Francesconi:** Actually, between the last -- go ahead, will.

**Will Levinson:** Thanks. If I could just have a quick, brief comment, i'd like to thank the council. It's really an honor to be here with all of the activists of Portland. I think a lot of us are rare in the fact that it's all of our friends, maybe not -- might not be like us that we're volunteering all the time, and might think it's odd, so it's cool to be surrounded by all the odd birds in the same house. I have to say anybody who hasn't volunteered who's maybe thinking about it, i've found it to be a very empowering and great activity, but this -- I also feel that this award is really shared with everybody who's participated and I just -- just -- i'm just a convenient face to get it. I'd like to thank the boys and girls aids society of Oregon. Their mission is child advocate and -- advocacy and adoption. They've stepped outside the box to sponsor the s.u.n. Program and have been tremendous partners for us as well as the bureau of housing and community development, who gave us a \$12,000 grant to get going, bora architects is a firm that helped do drawings for us and they truly are a business that believes in serving the community and my work as well, the richmond group, which invests in affordable housing, and we had our first investment in pendleton, so we're finally in Oregon now. And last, my wife pam, who I love very dearly and who's been so nice to let me run off and do all these things. But thank you very much. [ applause ]

**Francesconi:** In between this last recipient and our next one, maybe it's appropriate to -- for me to say we do appreciate the work of the housing community development. But I -- if anybody who was counting, and I am counting, I did notice that 35% of the award recipients are directly connected to the parks bureau. So anyway. [ laughter ] including this next recipient. Bruce kerr. Bruce, if you could come forward, where are you? Bruce and your kids. [ applause ] that's terrific. In addition to being a tremendous family person, as he's demonstrating, and also being the ceo of the partners group, which is a very busy firm that takes an enormous amount of his time, listen to all else he's done. He served as the past president of rotary. Rotary has a slogan, service above self. He's been recognized by the rotary as being one of the people most who's demonstrated that motto and put it into practice. He's received the coveted president's award from the rotary. One of the reasons he received that is that he helped raise -- get this -- \$9 million with other rotarians for the children's museum, and he was terrific in that. He also has gone beyond other fund-raising to doing things like helping organize the bell ringing for the salvation army, the latest thing he's done, he's had all his employees from the partners group go to lane community school where he pays for flair time, but he has 50 employees mentoring students and raising scholarships for the kids. So what he's done is set a standard for other employers to do the same thing. And finally, he has -- is one of

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the founding members of the Portland parks foundation, from which he is getting other employers to contribute to our parks. Thank you, bruce. [ applause ]

**Katz:** Bruce, did you want to say anything? On behalf of the parks bureau? [ laughter ]

**Francesconi:** It's okay with me if you lobby for money. Don't listen to the mayor.

**Bruce Kerr:** Kids, these kids, your kids, my kids, kids are the foundation of our city. They may not be today, but they will be tomorrow. Not next week, but tomorrow. And parks, that's where kids start. That's where they get their culture, their foundation for life. So what could be better than the parks foundation? Come support us: [ applause ]

**Sten:** That was a good pitch. Our next volunteer is austin waltz. [ applause ] austin was nominated by many people. Austin is a caring and dedicated role model who volunteers at hillsdale terrace to help children at this public housing site get their homework done and he teaches in -- and assists them with reading and math and computer learning center. I don't quite believe this, but i'm told he didn't know anything about computers when he started volunteering. And he's learned along the way with the kids. Since then he's put in over 1,000 hours at this site and become just an incredible steady presence in the lives of children who very, very much need that. He's gone beyond just teaching them, he's worked to set up a system at their computer lab so they're safe and they don't go to places on the internet they shouldn't, and he's -- the mayor is laughing -- that's important. And he's become not only a teacher, but a friend and a mentor and a guiding light, and obviously it's from the response we've had today, just a key part of this community. Thank you very much, austin. [ applause ] [ applause ]

**Austin Waltz:** Would I like to thank everybody for the award. When I found out about this a couple weeks ago I wasn't sure what to say. Honestly i'm still not sure what to say. Is a real honor, and it's something that's really a big surprise and beyond anything I would have ever expected. I just want to say thank you very much. I appreciate it. [ applause ]

**Francesconi:** The last award which I get to present today, it's a really privilege for me to present it to joey pope. Joey, come on up. [ applause ] in the couple things about joey. In the nomination form it said a lot about her ability to bridge people, to bring people together, to lead people, her tenaciousness. It also had a phrase that we should all try to be like. She unearths potential. And she's done that in a variety of ways. She's done it at the city club, where she's been a long-time member and chair of committees. She's done it at northwest pilot project, where she's volunteered one day a week for years. And I don't know if many -- I didn't know that. She's done it at catlin gable school, where she was the president and organizer. And then comes parks. She's done it at hoyt arboretum, where she's a long-time volunteer and president of the board, and helps keep that together as one of our jewels. And now she's the first chair of the Portland parks board, and she's very active in the foundation, and she's been a tremendous inspiration not just to me, but more importantly to those parks staff that frankly have been out there for a lot of years not recognized and supported by people like joey pope. I guess the last thing I want to say, and I don't say this lightly, I think in the history of Portland parks, of course we'll start with the olmsteads, we'll move then to dorthea lynch, and there will be great people in between, and we will move to charles jordan, but joey for the work you're doing in really ramping up citizen involvement and institutionalizing and supporting our legacy, you will be there as well. Joey pope. [ applause ]

**Joey Pope:** I did want to just briefly echo esther mcguinness's remarks and turn the tables just slightly. I would like to thank you, mayor Katz, council members, commissioners, gentlemen, and our other public servants, there are many here, but particularly commissioner -- director jordan and deputy director judd. We have wonderful public service -- servants and it really is because of you that we are able to make a difference. All of us here owe you a great deal of gratitude. Thank you. [ applause ]

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**Hales:** This next one is difficult to choose, because we have 5,000 city employees, and so many of them are innovative and do the extra thing and go out of their way to help make this a better community. But I'm very proud to announce this year's city employee of the year is an employee of the office of transportation and the bureau of maintenance, Tom Olman. [ applause ] This man has -- is transportation's energizer bunny, but that's the wrong metaphor, because the bunny runs on batteries and Tom is trying to get the world to run on solar power and wind power. You've read about some of his projects and ideas that are here described in our program for today, but he's gone way beyond that project, the one he originally got noticed for, the kind of innovation he's been doing over there of converting this auxiliary power system in one of our work vehicles to solar power, but he's gone on to help the David Douglas high school electrical program build a working light rail system, he convinced first PGE and then his union and then a bunch of other contributors to contribute \$20,000 to have a thousand watt wind turbine and solar panels out there to run that system. And because of his work there and at PDOT, he's become a teacher not only through a grant from the League of Oregon Cities teaching kids, but even last month in helping conduct an in-service training at Metro for science teachers from all over the state. So he's not only a resource in-house, but he's become a resource for the large area community. And it's even more amazing to me that he's done this because I really love what they do over at the bureau of maintenance, but it's a different world than where innovation might normally happen. You might think of this work bench with scientific instruments. No. The bureau of maintenance is a place underneath the east side ramps of the Fremont bridge of diesel engines and asphalt and big hand tools. It's not Edison's laboratory. And yet in that environment, this place of very conventional technology and people in flannel shirts doing hard physical work, he's figured out how to adapt that world to this -- these ideas of sustainability and power from natural sources. So we're proud of you, Tom, and we think the work you're doing is important to us as a city, and to the larger community as well. Congratulations to Tom Olman. [ applause ]

**Tom Olman:** Thank you for this award. I really feel privileged. One thing I need to do is inform city council of my latest activities. In a couple weeks you'll be seeing an intergovernmental agency agreement that we have struck with the port of Portland for the new 10,000 watt wind turbine that we're going to apply to the FAA for acceptable determination. And that is the only stipulation that we're governed as far as being accepted. And the other one will be a solar-powered pool beacon project that we'll be putting at 131st and Fremont.

**Katz:** Thank you. Congratulations on that. Thanks a lot. [ applause ]

**Katz:** The next two that I'll present of the nonprofit employees of the year, the first one is representing the African-American health coalition, Lorenzo Johnson, Jr. Is he here? Come on up. There you are. This is a gentleman that exemplifies outstanding community involvement, and what he does as part of his work and his love, is educating our young people on the risks and the dangers of HIV. And he also spends a lot of time listening and probably giving tremendous amount of comfort to the elderly people in our community. He promotes wellness among Afghan Americans living in Portland through health education, through advocacy, and through research. And if that's not enough, he also got a grant from the Robert Wood Johnson Foundation to reduce underage drinking. And he's been successful in doing a lot of that work. And if that isn't enough, then he goes and volunteers as a life skills specialist and a therapist working with prison inmates to teach them to change their lifestyles, especially when they come back to the community to live with all of us. So congratulations on your award. [ applause ]

**Katz:** Does anybody have a camera? [ laughter ]

**Hales:** Here we go.

**Lorenzo Johnson, Jr.:** First of all I want to say thank you for this honor and this award. I need to thank my guardian angel, whoever that is that threw my name into the hat. I need to give thanks to

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god that gives me the courage every day to get up and do the things I do in the community. Thank you.

**Katz:** Thank you. [ applause ] the next person receiving the award representing a nonprofit employee of the year is project manager for sustainable communities northwest, melissa mederos. [ applause ] now, for those who don't know, the word "sustainable community", sustainable development, sustainable practices are the magic words of this council. And they're the magic words of the 21st century here in this community. And so it was very important that we honor somebody committed to that. She's worked tirelessly on projects with the sustainable community northwest, including the supervision of the construction of low-income people in recovery from drug and alcohol addiction, the duplex as a model for green affordable housing, the other magical word is green buildings, where she used primarily salvaged wood for its framing, a more efficient heating system, less toxic finishes in cabinets and other innovations. When she finishes with that kind of work, then she also was involved in putting in place an edible landscape and vegetable garden for low-income residents at the johnson creek commons. Now, I didn't know this, but the organization had a difficult year this year, and they are closing their doors in october. Correct?

\*\*\*\*\*: Yes. We've just closed.

**Katz:** But this lady continues to work during that period of time with passion on the projects that were still remaining. And was very important to the people's lives that she has touched and her organization has touched at the time when their doors are closing. So thank you, melissa, thank you and we're very happy to recognize all your efforts.

\*\*\*\*\*: Thanks. [ applause ]

**Katz:** She's looking for work, too. [ laughter ] is there a camera?

\*\*\*\*\*: That's okay, really. Okay.

**Melissa Mederos:** I should just thank my boss, rosemary, who has been great to work with, and -- thanks very much. [ applause ]

**Saltzman:** Our final category before we get to the mayor's spirit of Portland award is our youth volunteer of the award, youth volunteer of the year award. Brian lewis. Brian has invested time and energy in his community with integrity, enthusiasm, and fortitude. Through his interest in civic affairs and volunteerism he has helped others while breaking gender, ethnic and special education stereotypes. As a busy freshman at cleveland high school, last year he was a voice for young people while on the honor roll, and he also serves on the 60-county youth advisory board, which is a group of some 16 to 17 high school youth who actually take time out of their schedules and meet every other sunday afternoon here in city hall and provide advice to the city and county on how we can be more responsive to the needs and concerns of youth, and to anybody else who seeks their counsel. So we appreciate all you're doing, brian. [ applause ]

**Brian Lewis:** I would like to receive this award on behalf of all youth at volunteer, and I know as well that my grandmother would be very proud of knowing myself and all of us who have done such wonderful feats to receive this great award. So thank you.

**Katz:** Thank you. [ applause ] this is going to take a little bit of time, but before we start, let me start by reading just a recent e-mail that I got just november 7th. So it's -- they're still writing to us.

In another e-mail we got a little earlier, for those of you who aren't familiar with what this group that i'm going to honor did, this is the e-mail that came october 9th. Dear mayor. Who I am is not important. Though i'm a police officer here in new york. This e-mail is not about that. I simply wanted to be one of what I hope will be many new yorkers who simply say thank you to you and the hundreds of Oregonians who came to new york. I first heard of your planned trip last week and it brought tears to my eyes. I spent five days on and off at the site digging, clearing, moving debris, waiting, and sentiments from all over the country were posted everywhere. It meant quite a bit to see a nation doing whatever it could to boost our morale. Then I see you and your planned trip on

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tv one night. You have no idea how that made me and i'm sure others feel. Thank you, thank you, thank you. Everything from the idea to come to the t-shirts is unbelievable. I am one voice, but I wanted to say thanks from one new yorker to you and all who made this trip. We are down, but we'll never be out, and much of that is because the nation is made up of americans like all of you." this one just came the other day. It's from coos bay. I want -- "i want you to know how important your trip to new york was. I just returned from a week's vacation in manhattan and we regularly heard how much they appreciated our visit. This is not just, have a nice day, but, we really appreciate you visiting new york. If you had any doubts about the impact your trip would have on new yorkers, we need to let everybody know what a great thing we have done for them, let me impress upon your timely support shown in new york. I have no idea what possessed you to make a trip like that, but that is what public officials can do, support and energize citizens to rise up and do what is best for the country. You will never know the full impact you've had on new york, what a great city, what a great attitude and best of all, what energy. It's all still there and intact." [ applause ] the dictionary defines "spirit", a person's essential being, strong loyalty or dedication, or a real sense or significance of something. And this spirit of Portland award goes to loan and sho dezono and the 1,000 people who got on the plane and went to new york to comfort, to share part of themselves with new yorkers and in return, and in return, became different human beings and with different missions, and changed our lives. New yorkers also changed our lives. So let us honor first the organizers of this wonderful trip. [ applause ] wait a minute, i'll call them up. I'll call them up later. [ applause ] you know, it's easy to have a big idea. This gentleman standing over here had a big idea, wrote me -- roped me into that one as well, and that was the 25,000 student marchers to help support more funding for schools in the city of Portland. He made that happen as well. But it's always important -- [ applause ] -- it's also important to execute big ideas, and such -- set your business aside for a while. Not that his business was blooming during this time, but he still had a business going, and he set it aside and he and his wife, and I think originally it was her idea -- and like all great ideas, you know where they start from. And he organized and she organized volunteers and handled all the hotel and the travel arrangements and did some marvelous, marvelous things. But they didn't do it alone. They did it with a lot of other people. And i'm going to read people's names, first the organizers. Betsy aims from my office is standing here. You all are getting awards. And the rest of you, the rest of the 950, you will be able to get your award from the web. You'll be able to punch a button and your award will come out from the printer. Certainly the honorary chair was jerry frank. The organizers were sho and loan. There were also several other coorganizers, jack mcgowan, executive director of stop Oregon litter and vandalism, solv. Former chair of the Portland metropolitan chamber of commerce. George passadoor and jim rudd, I don't think they're here. Meteor and public relations, lynn burkstein and alyssa desonyo. Now, len did not go on the trip. But -- but we communicated with len throughout the entire columbus day parade on the route, talking to him and the phone bill was just incredible. But we wanted to honor len and let him know what was happening. We had two police officers who went with us, Portland police officers, cliff madison, cliff, I know you're here. Did you have to leave? Where is he. All right, cliff. [ applause ] chief of the school police now under the banner of the Portland police bureau. And lieutenant frank claymont. [ applause ] frank worked as a police officer in new york and cliff is from new york, and they joined us on the trip. John ray is here, media consultant. [ applause ] I should have known this, but I really didn't realize that if you don't have somebody that does the media for you, nobody knows that you've even arrived. And because of the work of john, john's work and the work of other media people that i'm going to recognize, new york knew who we were. There was no question about it. Karen widner. She did a lot of the t-shirts, the button, she was wonderful. We had local media participate. Now, the media has to be distant from what was going on. But I have to tell you, not only did they do their job as reporters, but they also were part

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of the picture. They were outside the picture and part of the picture. And I want their representatives who are here to come up. Katu channel 2, kgw, koin, kpdx, fox 49, we had radio, kex, knrk, we had kpam, kxl, come on up: We had "the Oregonian," we had the Portland observer, we had the asian reporter, we had somebody from bbc, and we had somebody from the jewish paper in new york, and the villager, and I think somebody made "people" magazine, and everybody was there. But the important part, let me see if I left anybody -- yes, I did leave somebody out. Nick fish. He was the new york protocol liaison. Nick fish. [ applause ] nick was able to get ten of us into the same -- st. Francis feast -- what's the technical term?

\*\*\*\*\*: Feast of st. Francis.

**Katz:** Where they bless the animals. And it started with an american eagle, and four to six dogs who were doing the search. I have to tell you, there wasn't a dry eye in the church, st. Johns the divine that morning. So I want to thank nick fish. Bill harmon, tina harmon, terry hunt. [ applause ] they were with azumano travel, helping sho and loan make all of this possible. Jan woodruff and gina Olson also helped with media, including "good morning america." is jan here? [ applause ] did I miss anybody else? Yes, I did. Greg macy and rick love. [ applause ] also from azumano. I want all of you, everybody here in the audience to thank all of these wonderful people and the thousands that went, because Portland and Oregon left their mark on new york. We are now all new york citizens. They have asked us to carry that banner with us here in Portland, and they have all become Portland citizens, and I hope one of these days to bring mayor giuliani with the help of this group and a thousand new yorkers to Portland and celebrate with us. But this could not have been possible without sho and loan. Thank you. [ applause ]

**Katz:** If you want these pins, you can buy them. [ laughter ]

**Sho Dozono:** It's an honor to receive this award. I took this marvelous trip. One of the highlights, one of the media persons asked me as I was arriving here, what was my highlight. When you think about so many spirit of Portland winners today talked about the spirit, and what was the highlight for me, marching down 5th avenue on columbus day, knowing mayor Katz's personal story, returning to the city where she landed, her family was escaping nazi germany 1940, 61 years later she can come back to that city, leading a thousand Oregonians, and marching in this parade on the very same day, columbus day. I told her only in america that could happen. [ applause ]

**Jack McGowan:** I think sho really said it all. The people of Oregon are very special. While the rest of the country was absolutely reeling in shock over the horror of september 11th and we in Oregon and in Portland were crying just along with the rest of the world, it was truly an international tragedy, Oregon has a special way. Oregon does things is that the rest of the country kind of look at and wonder. And once again, by an absolute call it a fluke, call it providence, call it a vision, call it the water that we drink in Oregon, whatever it may be, once again Oregon did something that the rest of the country and the rest of the world marveled at and said, my god, look what they're doing. But it had to start somewhere. And it was really loan and sho that came up with this remarkable idea. Vera grabbing on to it and saying, i'll lead the city delegation, and then the rest of Oregon following suit. And the rest of the country once again shook its head and said, my god, look at Oregon. And as one of the organizers and as a former new yorker, it meant an awful lot to me to go back to my hometown and see the people that I love. But it made me so immensely proud to be an Oregonian, and to be part of this remarkable group. And I want you to know everyone that is not only gathered here in city council, but is watching this on the air, that we kept the Oregon name and we kept the Portland name in the highest, highest most profound way. We walked the walk, we just didn't talk, we did it. And all of the united states thanks us, but especially we did it for our fellow Oregonians and thank you so much for that.

**Katz:** Thank you. [ applause ]

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**Dozono:** I did have one other comment. Just listen to the various award winners, it did -- did I take some notes. One gentleman talked about natural resource and mayor you talked about sustainable resources. One thing we do have is this human spirit, which is renewable. And that's what made this happen. Thank you.

**Katz:** Thank you. Thank you, everybody. [ applause ] we'll be back: We'll be back next year. They'll probably will all be back next year as well. And for now, though, we stand adjourned. There are refreshments downstairs for everybody and betsy has certificates for all of you. At 4:23 p.m., Council adjourned.