

FROM THE OFFICE
OF
MAYOR TERRY D. SCHRUNK
303 CITY HALL
PORTLAND 4, OREGON

MAYOR'S ANNUAL MESSAGE TO THE COUNCIL

FOR THE YEAR 1957



CITY OF PORTLAND
OREGON

December 27, 1957

TO THE COUNCIL

GENTLEMEN:

In Accordance with Charter provisions in Article 3, Section 2-301, I am, as Mayor, communicating to the City Council the following general statement of the conditions and affairs of the city for the year ending December 31, 1957.

DEPARTMENT OF PUBLIC WORKS

The Department of Public Works, under the direction of Commissioner William A. Bowes, completed a year of extensive activity in maintaining an orderly physical growth of the city. These activities are manifold; therefore, it is impossible in this general report to detail all the facets of work operation carried out by the Department of Public Works, but a few pertinent and interesting highlights may be appropriate.

Some of the physical improvements included the construction, by contracts and permits, of 8.08 miles of streets, 153,318 square feet of sidewalk, 51,915 linear feet of curb, and 26.60 miles of sewer lines.

The Division of Street Cleaning cleaned 616,824 city blocks by hand, patrol or machine. The Division of Street Repair oiled 50.16 miles of street and reshaped and oiled 13.59 miles.

SEWERS

The Sewer Design Section has made studies and preliminary plans for three unsewered areas. The main area involved will serve Southwest Portland from Taylors Ferry Road northerly to Garden Home Road, and from S. W. 13th Avenue to S. W. 43rd Avenue. This proposed project will cover about 450 acres and will add eleven miles to the sewer system of the city. Petitions for sewer systems have been issued to property owners for circulation in two large areas; one near the east city boundary near N. E. Thompson Street and S. E. Lincoln Street; the other is the recently annexed Bridlemile area in Southwest Portland. Three sewage pump stations will be needed.

PLANNING

In 1957 the Portland City Planning Commission continued its record of a full year of accomplishments. Of the significant major projects completed, the publication and submission to the Council of the Fifth Draft of the new zoning code topped the list. Detailed maps to accompany this code are nearing completion. Public hearings by the Council will be held early in 1958.

"Land for Schools," prepared for School District No. 1, was published and becomes the first unit in the Comprehensive Development Plan for Portland. "Land for Schools" is a special study to guide the school district in selecting and acquiring school sites in advance of construction need and integrated with other community needs such as freeways, parks and industrial developments.

"Portland Economic Prospects" was published and also becomes a unit in the Comprehensive Development Plan. This is a detailed analysis of Portland's present economy and future prospects. They will provide the basic foundation for public as well as private decisions for Portland's improvement. It will serve as a guide for capital expenditures, set the scale, and determine the needs in all types of public facilities, and indicate the amount of land which should be made available through zoning for residential, commercial industrial and public use in the future.

The Workable Program was prepared by the Planning Commission and adopted by the Council. This program, approved by the Federal Housing and Home Finance Agency, is a seven phase attack on blight. The first concrete result was to make available to Portland special FHA mortgage insurance for families displaced by construction of the Exposition-Recreation Center and freeways. The City of Portland has the distinction of being the first city in the Northwest to obtain the liberal financing of this section of the Housing Act. The availability of relocation housing insurance is a step forward in encouraging greater home ownership in this community.

URBAN RENEWAL

In the field of Urban Renewal, the preliminary plan and report on the South Auditorium project was completed in May and approved by the HHFA in August. The final plan and report will be submitted to the HHFA in January. A survey to determine the income and re-housing needs of each person now residing in the project has been completed. At this time several potential developers of the project are being interviewed and screened. Interest in the opportunities to private enterprise offered by the South Auditorium project is nationwide. It has been most gratifying to all concerned to note the progress which has been made this past year with regard to Urban Renewal in Portland. The program to date is an indication of how much can be done when the citizenry, public officials, and the technicians cooperate, working toward common goals to the best possible living and working environment for their community.

At present plans are under way to establish a permanent development commission within the present city structure to administer the Urban Renewal Program. There will be a co-ordinating and operating agency within the municipal corporation, which, by the means of the tools of redevelopment or conservation, will encourage and assure the healthiest development for our city. It is well to remember Urban Renewal will be the biggest job we will have to face, but with the complete cooperation of every citizen, the challenge can be successfully met. Already a great many citizens have given of their time and efforts in order to insure Portland's future. The fifty-five members of the Mayor's Advisory Council on Urban Renewal have been meeting monthly in order to outline the plan of action. I wish to commend them for their interest and continuing contribution to the city. Although many accomplishments have occurred, much more can be done before we can fully stop the rate of deterioration and fully realize the great potential of our city. All branches of the Government are being readied to attack this problem, and the Federal Government is ready to offer money and technical assistance in any city that recognizes its problems and sincerely seeks their solutions. Already the taxpayers in Portland -- through their Federal income tax -- are helping to subsidize Urban Renewal programs in other communities throughout the country. Mr. Albert M. Cole, U. S. Housing Administrator, stated, "Any city without a comprehensive plan of action under way by 1960 would be facing municipal bankruptcy by 1965."* He meant that any city which fails to recognize the enormous demands of its rapid expansion simply will not have the physical and financial resources to meet these demands. The tax structure will not be able to support the demands imposed upon it. This is especially true of a city whose tax structure has already been weakened by the steady deficit imposed by its blighted areas.

Portland has taken the first step toward achieving a comprehensive plan of action, but only from increased efforts and cooperation on the part of every citizen, can our city fully realize its enormous and unlimited potential. An extensive program of education and information regarding the proposed Urban Renewal program in Portland will be under way soon.

METROPOLITAN PLANNING

At the close of 1957 a three year effort to secure a metropolitan planning program is drawing to a successful conclusion. The three surrounding counties and Portland will share planning commission staffs and funds to conduct studies in concert which each jurisdiction would need to do separately, but, of course, inadequately.

City and County boundaries are artificial barriers to sound planning in a metropolitan area such as ours. Too often in the past these barriers have resulted in inadequate and half-way measures that have not solved the problems, and at the same time were extremely expensive to our taxpayers. A sound metropolitan plan should deal not only with zoning and building regulations but also should move into such fields as sewage systems, water systems, mass transit, fire protection, etc.

*A. M. Cole, U. S. News and World Report, July 19, 1957. P. 85

The Federal Highway program makes metropolitan planning a must for metropolitan areas where social and economic interests are so closely related - Portland is one of these areas.

Through Council action money has been placed in our current budget to meet this city's share of the costs of such a program. Multnomah, Washington and Clackamas Counties have also budgeted their respective shares. Thus, this program is no longer in the formative stage and will move forward in the months ahead.

Completed, but awaiting publication, is a Comprehensive Development Plan for the St. Johns District.

CAPITAL IMPROVEMENT PROGRAM

Early this year each Commissioner was asked to review the operation of his department and project the capital improvements or additions that will be needed within the next five and ten year period. He was also requested to project the required replacements and/or repairs to operating equipment and/or facilities; also to provide an estimate of operating costs for the next five and ten years. After considerable discussions in Council Conference pertaining to several of these projects, a member of the Planning Commission was directed to coordinate all of these projects in a comprehensive plan and present the report to the Council. This work is now in progress and will soon be presented to the Council. The Council will then assign its priority to each item. The Finance Commissioner will develop a comprehensive plan of financing over a period of time for Council action. The entire plan will then be submitted to the Coordinating Council, consisting of representatives of all tax levying bodies in this area, to be integrated into a complete, realistic plan for orderly submission to a vote of the people. As a result of this study a new tax base will probably be asked of the voters for the City of Portland in order to allow the city to operate on a "pay as you go" basis for as much of the program as possible. School District No. 1 and Multnomah County have already secured a new tax base. Only the City of Portland is operating on a pre-war tax base.

At the present time it is estimated that 1958 will probably be one of the largest building years this city will have for quite some time. It is estimated, in the comparatively near future, approximately \$38,500,000.00 worth of work will be commenced in the City of Portland.

The Bureau of Transportation and Maintenance reports that the Municipal Shop, during the past year, handled 3982 jobs, varying from minor adjustments to complete overhauls and construction of special units with a total billing of over \$360,000.00.

The Bureau of Traffic Engineering reports the major expenditure in this Bureau is for the maintenance of existing traffic control devices spread over 1336

miles of streets within the city. In 1958 the new traffic improvement facilities, such as the Morrison Bridge, an extension of the Baldock Freeway, beside the city limits, will be open by the state and county. These new facilities will require signalization, sign and marking city street access locations. This program meets the demand for improved traffic control on existing streets and will require increased effort and expenditure by this Bureau to provide a safe, efficient and convenient flow of traffic.

The Traffic Safety Commission, under the jurisdiction of Commissioner Bowes, maintains a high level of efficiency and has stepped up its activities in all fields of traffic safety during the year.

The second annual Teen-age Traffic Safety Conference, which proved to be larger and better attended than last year's, was held under the auspices of the Traffic Safety Commission.

At the close of the year it was found that 80% of all pedestrian fatalities involved persons over 65 years of age. Every possible means of reaching these age groups is being explored, and it is expected with the coming of the new year that a new approach through a Church Safety Committee will be accomplished.

DEPARTMENT OF PUBLIC UTILITIES

Many improvements and additions were made by the Bureau of Water Works in the Department of Public Utilities under the supervision of Commissioner Nathan A. Boody. An access fire road was constructed to Bull Run Lake, the actual head of our water system, in order to rehabilitate an abandoned earthen dam and install a new control section. Approximately two billion gallons of additional storage has been made available for metropolitan use in 1958.

The Headworks was enlarged by an installation of another intake and screenhouse costing \$541,293.79. This installation assures the Headworks capacity for Conduit 5 when it is required. Much exploration and preparatory work to the construction of Bull Run Dam No. 2 just above the Headworks has been completed. The intake and diversion tunnels will be out for bid very soon. The dam, when completed, will form a lake extending upstream to the existing Bull Run Dam No. 1, and will impound approximately six billion gallons of water. When Bull Run Dam No. 1 was completed in 1928 penstocks were installed. Engineering studies reveal that approximately 58,000,000 kilowatt hours of electrical energy can be developed by the installation of power facilities at this dam.

With the completion of Bull Run Dam No. 2, approximately 40,000,000 kilowatt hours of electrical energy can be derived by the installation of turbines and generators. The anticipated revenue from the sale to the City of Portland of power at Bull Run Dams No. 1 and No. 2 can be in excess of \$200,000.00 per year, depending on the method of financing. The construction program now planned for

Bull Run Dam No. 2 has a tentative date for completion of all work by late Fall of 1959.

Negotiations are under way with Portland General Electric Company to buy excess water from Conduits Nos. 2 and 4 for approximately eight months out of the year; i. e., October to June, depending on stream flow conditions in the Bull Run River. Upon repayment of installation costs (approximately \$72,000.00) from money derived from the sale of water, the city can normally expect to receive approximately \$36,000.00 a year from this diversion project. The water diverted will be run through the Portland General Electric Company's power plant below Roslyn Lake and be converted into electrical energy during a period of time when normal production of power is low on the Columbia River. For years this water and energy for power production has been wasted.

The lake to be formed above Bull Run Dam No. 2 will cover an area presently heavily forested. Three separate logging contracts have been let for logging. The Water Bureau owns approximately 5000 acres of heavily timbered land below Bull Run Dam No. 1, both in and out of the water shed. Much of this timber is over-ripe and should be logged. The water supply will not be effected as the city owned lands are at comparatively low elevation; i. e., under 1500 feet, and being of such a low elevation, do not contribute to the water supply when needed, as the snow has already been melted early in the Spring. Depending on lumber prices, the city could realize approximately \$20,000,000.00 from the sale of this timber. The City of Portland has a tremendous potential wealth and income in the Bull Run Development; therefore, it behooves all of us to make the fullest utilization of this real and potential wealth.

Conduit No. 3, laid in 1925-26, has been relined with cement mortar for another eight miles and plans call for completion of this project next year. The southeast supply line has been extended approximately one and one-half miles to the intersection of S. E. Henry Street and 36th Avenue. This line will eventually be extended southwesterly over the Sellwood Bridge to bolster the city's service in the southwest area.

A 400,000 gallon tank has been built at the intersection of North Interstate Avenue and North Killingsworth Street, improving the pressures in the surrounding area.

SEWAGE DISPOSAL

The Bureau of Sewage and Refuse Disposal received 1,132,065 cubic yards of refuse at the fill and incinerator location. This represents an increase of 10% from the previous year.

The Sewage Distribution Plant treated an average flow of 55.37 million gallons per day. The digestors produced an average of 392,287 cubic feet of 650 BTU gas daily, some of which was converted into useful heat to keep the digesters at a

90 degree temperature and to heat the buildings.

Public Service Corporations have furnished the required financial and operating reports, and these have been filed by the Council with the Auditor.

In regard to utility franchises in the city, the major problem is in connection with the mass transportation franchise. During the past year and a half, bus service has been afforded Portland citizens on a two year permit granted to the Rose City Transit Company. So far the city has been unable to work out a long term franchise with the company.

The Rose City Transit Company was granted a fare increase in April of this year, and a request for further increases is before the Council now. The present permit under which the company now operates expires next year, and every effort is being made to interest the Rose City Transit Company or other prospective operators in a long term franchise when the present permit expires.

STREET LIGHTING

The Bureau of Light and Power has completed 80% of the over-all program of providing improvement. Approximately 107 miles of streets have been lighted bringing the total to 247 miles with adequate illumination, conforming to the recommendations of the "American Standard Practice for Street and Highway Lighting."

During 1957, 4075 mercury vapor lamps and 361 incandescent lamps were installed. The yearly cost of street lighting maintenance and energy consumption, as of December 1, 1957, is \$890,992.56.

DEPARTMENT OF FINANCE

The Bureaus and Divisions under the direction of Commissioner Ormond R. Bean, Commissioner of Finance, have carried out their tasks successfully during the year within a tighter budget operation.

The major problem in the preparation of the budget of 1957-58 was to provide salary adjustments in the General Fund approximating \$1,200,000.00 when the increase in the total estimated revenues was only \$590,000.00. In dollars the new budget represented an increase for personal service of \$574,900.00, and for expenditures other than personal service, of \$17,827.00. The budget for the General Fund increased \$752,898.00 from \$15,322,228.00 for 1956-57, to \$16,075,126.00 for 1957-58. The total budget for the City of Portland, including limited use funds and autonomous commissions, decreased \$444,207.00 from \$53,800,211.00 for 1956-57 to \$53,356,004.00 for 1957-58.

It is interesting to note that percentage-wise the City of Portland is using less of the 1957-58 tax dollar within the City of Portland the last year in comparison

to other tax supported bodies. For example, the 1957-58 tax dollar within the City of Portland was divided as follows:

School Districts	42.4%
City of Portland	31.5%
County	23.3
Port of Portland	2.8%

in comparison to the 1956-57 tax dollar distributed as follows:

School Districts	41.0%
City of Portland	32.3%
County	23.8%
Port of Portland	2.9%

Thus, the City of Portland is using less of the tax dollar, even though our burdens and demand for services have increased.

The Bureau of Licenses continued to provide a central enforcement agency for license regulations and the issuance of licenses in the manner prescribed by the City Charter. Under the newly passed ordinance regarding public solicitation regulations, the License Bureau has been given the responsibility to receive applications for solicitation permits and to issue these permits as directed by the Council. The manifold functions of the License Bureau are performed at a cost representing a very small percentage of the revenue received. The net gain of the General Fund, as a result of License Bureau action, is in excess of two and one-half million dollars annually.

EMPLOYEE RELATIONS

The Employee Relations Office during 1957 concerned itself mainly with the investigation and reporting to the Council on wage rates and related fringe benefits. In addition to studying and recommending rates for all classes for the 1957-58 budget year, many special wage studies were made of both individual classes and positions.

Secondary functions of the Employee Relations Office again covered a number of fields, including safety awards, and assistance on such individual personnel problems as staffing, promotion and discipline. In the important field of safety an effort was made to coordinate the activities of the individual units and to assist them in developing their own safety programs.

During 1957, twenty-three cash awards were presented by the Council out of over 200 suggestions submitted. Several of the outstanding suggestions offered immediate and welcome monetary savings to the city.

The Right of Way Agent under the Department of Finance coordinated the acquisition of the 104.81 acre Oaks Park site valued at \$50,000.00. Through the cooperation of the departments and bureaus, the city has acquired a valuable marine park site without cost. As a part of this transaction, certain street area was vacated for Portland General Electric Company, which consolidated the company's power plant site and placed an additional 4.4 acres of industrial property on the tax roll.

The City and County have entered into an agreement to purchase all of Block 57, Portland, for a City-County building. The necessary title reports and initial appraisals have been obtained and the authorized agent of the City and County are negotiating with the property owners. Negotiations for the purchase of the property is progressing in a satisfactory manner. Every effort will be made to complete this transaction within the next few months, and it is hoped that the City and County will be able to take possession of the property upon which the building is located on or before June 30, 1958. Present city functions that are using rented space in private buildings will be centralized in the existing building on the property, as well as some of the Water Bureau offices now located in City Hall. This centralization will continue until such time as the City and County can develop plans for construction and financing a new City-County building.

The City Treasurer reports that the total receipts for the period January 1, 1957, to November 30, 1957, were \$60,919,474.14, in comparison with \$53,231,335.47 for the same period in 1956. Total disbursements for the same period of this year were \$55,390,325.69, in comparison to \$47,529,779.01 during the same period in 1956. The city borrowed \$2,750,000.00 from various banks and paid interest at the rate of 2 3/4% per annum for a total of \$17,435,76.

The Bureau of Purchases and Stores was reorganized in February, 1957. All departments and bureaus are now required to send all requisitions for supplies direct to the Bureau of Purchases. Materials and supplies are being purchased in larger quantities at one time, thereby reducing the number of requisitions per annum and allowing the city to take advantage of quantity discounts.

The number of sealed bids requested and contracts awarded has increased at least 40% over previous years. This method of purchasing has created seller competition with a net gain in the city's favor. The total amount of purchases cleared through this bureau amounted to \$7,051,876.84 during the 1956-57 fiscal year.

The public Auditorium was used 277 times during the year with an estimated attendance of around 50,000 people.

During the past year park facilities were used by more people demanding more and better park recreational services from fewer qualified personnel than in the past several years. There appears to have been about a 13% increase in the patronage of facilities maintained by the Bureau of Parks over the year 1956. Although the recreational programming and maintenance were about 10% less effective due to the curtailment of personnel this year, the increase in park use can be attributed to better programming, more effective leadership through participating groups, and general population increase.

Commendation is in order for the 17,431 volunteers who donated their time and efforts in making the Park Bureau program a success during the year. The volunteers provided additional supervision that the city could not afford to obtain by hired personnel. Without this additional supervision, the summer playground program could not have been operated to any degree of success. The use of volunteers in the park program provides many parents with better understanding of what their youngsters and other youngsters are doing in the community. It is hoped that in the future budget allocations for supervision of the parks will be increased. Volunteer services have to be coordinated and directed by professional employees.

There were 658 picnic permits issued for a total of 82,430 persons in groups exceeding in number. There was an equal or greater number of persons using the parks in smaller groups than 50, for which no permits are required. Picnic facilities have reached the saturation point in our present developed parks. A total of 156,816 acres were added to the park system during the year through purchase, trade and gifts.

Probably the most spectacular promotion during the year regarding the parks was the acquisition of Portland's penguin colony, the finest in the world. This was worked out through remarkable cooperation of the Zoological Society, the Zoo Commission, the City Council, the Park Bureau, the United States Air Force, the United States Navy and the Military Air Transport Service. Assistance to the project was accorded by officials of Vancouver, B. C., and San Diego zoos. Portlanders were delighted with the success of the venture. 150,000 persons will have seen and enjoyed the penguins by January 1. Portland has registered another first in civic achievement.

ZOO

Progress has been very slow on the construction of the new Zoological Garden during the past year. Increase in construction costs since the funds for the zoo were voted have been about 22% and a corresponding reduction of work is being planned for the new zoo. The reduction will be made in the quantity of facilities and not quality, and is being done in such a manner to expand later to the previous plan with little or no changes in present work.

The Zoo Commission has met regularly to confer with architects and officials of the Park Bureau. Committees of the Commission have continued their work for such activity will be useful to the architects and the Park Bureau staff. The most difficult task of the Zoo Commission of the year was the necessity of cutting back the planned zoo structures to the extent of approximately \$750,000.00. Plans call for the opening of a portion of the new zoo about May 15, 1958.

PROPERTY CONTROL

The Bureau of Property Control reports the City of Portland is still paying low premium rates on all liability insurance which is placed annually with the lowest bidder. This low rate is due to the continuous efforts to reduce accidents, which reflect in the city's loss ratio, and the ability to furnish five year experience ratings from the records compiled by this bureau.

A central salvage depot is in full time operation collecting obsolete and un-needed equipment from the various bureaus. 1685 pieces of equipment have been transferred to the salvage depot. Of this number, 835 pieces of equipment were re-issued; 250 pieces were re-issued without repair, and 585 pieces were re-issued after repair, with a great savings to the city. All other obsolete and un-needed equipment was sold at public auction.

DEPARTMENT OF PUBLIC AFFAIRS

The Bureau of Fire, under the supervision of Commissioner Stanley W. Earl, reports fire losses for the fiscal year ending June 30, 1957, were \$3,782,927.77. This is an increase of \$1,540,031.07 over the total losses for the preceding fiscal year. This increase of more than one and one-half million dollars is generally reflected throughout all occupancy classifications except manufacturing. This is in contrast to the fiscal year 1955-56 when losses decreased in all but the manufacturing group. It will also be noted that the total number of fires increased in all general classifications except "Habitational" and "Manufacturing."

On September 5, 1956, a single fire of conflagration proportions resulted in a loss of some two million dollars, and represents approximately 55% of the total losses for the year. This loss involved the Zidell Machinery and Supply Company fire, which extended, under adverse weather conditions, to the Alaska Junk Company and the Barde Steel Company, and to several smaller properties to the west. According to records of the National Fire Protection Association, the Zidell fire is one of the 86 fires that occurred in the United States and Canada during 1956 involving individual losses of one million dollars or more. The effect of this huge loss upon the Fire Bureau's fiscal year record is obvious. Total values involved in fires during the fiscal year were \$192,380,839.35. Insurance on these values was \$98,528,095.81, and insurance paid was \$2,590,976.96.

Special fire prevention activities of the year, including a Fire Prevention

Week program, a Safety at Christmas Time effort, and an annual dwelling inspection campaign. Both of these activities have enjoyed cooperation and support by other governmental agencies and organizations.

City employees generally received salary adjustments as the fiscal year closed. The increased cost of salaries without a sufficient increase in the budget of the Bureau of Fire for personal services necessitated immediate action to realign the department's pattern of fire protection in order to operate within the limits prescribed by the Council. Five fire stations were closed. Engineering studies have been completed concerning long range requirements of the Bureau with regard to station locations and general rehabilitation and replacement of obsolete apparatus and equipment. As a result of these studies, it has been concluded that the over-all relocation and improvement program will cost \$3,000,000.00, and should generally include the following: Relocation and construction of several new fire stations; extension and renovation of fire alarm system; new fire apparatus for necessary additions to present equipment, and replacement of several over-age pieces of fire apparatus. Portland retained its favorable Class 2 rating for fire insurance during 1957, but because of the need for additional facilities and better utilization of manpower, this favorable classification may be in jeopardy.

CITY HALL

The Bureau of the City Hall lists its outstanding accomplishments during the past year. The Council Chamber **ceiling** was lowered and a suspended ceiling of acoustical tile was installed. The light fixtures were lowered several feet for better lighting and acoustics.

A new and larger mailing machine has been installed to provide for the increasing mail handling demands.

COMMUNICATIONS

The Bureau of Communications and Electronics had the busiest year in its history during 1957. The changeover from AM to FM two-way radio in the Fire and Police Bureaus is being completed. This completion will mean that Portland will have over 500 radio units, the second largest municipal owned system west of the Mississippi, excluding Los Angeles. The Bureau is now in the process of setting up a metropolitan inter-city police radio system on its own channel. This system will include Vancouver, Oregon City, Clackamas County, Multnomah County, Portland, Hillsboro, Washington County and the City of Beaverton. Preliminary work has been started on the design of a new police dispatching system and room known as the Complaint Board system. This will speed up the handling of incoming complaints.

DEPARTMENT OF PUBLIC SAFETY

The Bureau of Health has met the challenge of providing our citizens with

pleasant and healthful surroundings in which they may live. As with many other bureaus throughout the city, the Health Bureau is handicapped by the lack of personal service commensurate with the job to be done.

The Vital Statistics Division recorded up to November 30, 1957, a total of 11,378 births for the year in the City of Portland; 5877 to Portland mothers and 5501 to non-residents. There were 4790 deaths in the city during this period, 3474 of which were residents, and 1316 were non-residents. The Isolation Hospital handled 513 admissions. This represents an increase of approximately 30% over the same period last year.

The Tuberculosis Control Program has been concentrated in the use of the X-ray program amongst groups known to run the greatest risk of the disease in cooperation with the Oregon State Board of Health and the Oregon Tuberculosis and Health Association. The City Bureau of Health conducted a rapid tempo area survey in census tracts 51, 54 and 57 during February and March, 1957. These census tracts, with only 4% of the population, account for 20% of all new cases of Tuberculosis in the City of Portland. The Survey Center, for the ten month period ending October 31, 1957, took 57,488 miniature x-ray chest films. There were 31 new active cases of Tuberculosis discovered, 96 suspected of having Tuberculosis and requiring further study, and 37 suspected lung tumor.

The laboratory of the Bureau of Health carried on the usual routine bacterial and chemical procedures performed for other divisions within the Health Bureau. 4694 bacterial examinations of water were completed and 2726 sputums were studied relative to the Tuberculosis program.

The Emergency Hospital carried out 24,767 instances of treatment services and examinations during 1957. The largest number of these instances was medical care to prisoners.

During the past year the Public Health Nursing Division constantly expanded as a health agency in the community. Increasing requests have been made by medical, nursing, industrial, church, P. T. A. groups, as well as private citizens for the services the Division can render. It is gratifying to note that the staff has not grown to compete with these demands.

Previous health school services are being conducted with several new projects instituted during the past year.

The Division of Health and Sanitation highlighted their operation in the following areas of responsibility: Maintain continued cooperation with other divisions in the Health Bureau in apprehending and transporting contagious disease patients to hospitals for treatment and care; carrying on an annual inspection program of all hospital and institutional homes before permits were issued for obtaining licenses; surveyed and inspected 1500 restaurants in the city -- these

restaurants were graded twice through the year; conducted monthly classes for food handlers - some 5000 persons have completed this course in the year; sanitary surveys were made of lots in unsewered areas; 1518 pounds of treated bait was used for rodent control, and industrial hygiene services were carried out on an increased basis.

Air pollution activity for the Division has increased considerably in the past year. Many complaints have been corrected in several large industries. There are some large industries with air pollution problems that have been asked to correct the conditions. These plants are either in the process of correcting the conditions or have called on engineering firms to study their situation.

The Milk Division has been able to maintain exceptional standards of milk sanitation, even though the Division lacks the services of a director and other personnel replacements. The new method of milk sampling, which will allow milk inspectors to spend more time carrying out milk inspection work, will soon be initiated.

The Division of Meat Inspection and Veterinary Services carried out activities which included the monthly inspection of 15,000 meat animals of all species and slaughtering establishments, and the patrol inspection of more than 125 processing and wholesale jobbing establishments.

A meeting was recently held in the Mayor's office with representatives of the State Department of Agriculture, concerning the state's participation in the new meat inspection program. Plans now are under way whereby the state will take over in 1959 some of the red meat slaughtering establishments that the city presently inspects. This cooperation between the city and state will afford a more extensive meat inspection program because some inspectors who devote the bulk of their time inspecting red meat establishments that will be taken over by the state can concentrate more of their time in the processing phase of the meat business.

Health education activities have been continued as usual by cooperating with the Portland Public Schools in providing information, speakers, field trips, and planning the health education curriculum.

The Medical Department and the Disaster Relief and Civil Defense carried out extensive training courses relative to emergency medical treatment and procedures.

The Bureau of Insect Control completed a very successful mosquito control program during the year, even though the hatching was heaviest since 1949 and extended over a longer period of time. The Mosquito Division has disbursed 58,000 gallons of insecticide treating 72,500 acres. Many inquiries from out of state governmental agencies have been forwarded to the Bureau of Insect Control regarding the organizational structure and operation of the Bureau. These inquiries

indicate Portland enjoys a highly successful insect control program.

Since the first of July, 1957, the Portland metropolitan area had assigned a venereal disease investigator trained under the United States Public Health Service. The investigator is under the medical direction of the City Health Officer. The city is reimbursed fully for the expenses of this program through the State Board of Health; funds originally come from the United States Public Health Service. Because of the change in the follow-up system of investigation, we have been able to coordinate the program for the entire metropolitan area. The expanded follow-up program has been able to discover more disease carriers. Temporarily, this has resulted in the statistical increase of venereal disease reported to the Health Bureau, but actually we are in a position to better control the disease since the entire metropolitan area is coordinated by one inspector.

The Bureau of Disaster Relief and Civil Defense completed a year of memorable achievement and activity. Recognition of this achievement was culminated by the Federal Civil Defense Administration's selection of Portland as a featured city in the CBS television film entitled, "The Day Called X." The film was telecast, nationally, on the CBS network December 8, 1957.

Final acceptance of the Operations Center Building occurred in the latter part of June. Portland participated in a nationwide test exercise, "Operation Alert 1957." Extension of "Operation Green Light" evacuation system was accomplished by an additional installation of signal conversion units at 36 signalized intersections.

Local Conelrad emergency broadcasting facilities were tested five times during the year with the cooperation of participating radio stations.

The Civil Defense Training Center, with its rescue training facilities, was formally dedicated September 18, 1957. The volunteer enrollment program within most departments progressed satisfactorily without an extensive program of recruitment.

Protection plans for students, while attending public and parochial schools, have been completed or, in some cases, are nearing completion. Civil Defense films, on a circulating basis, and some radiological instruments have been furnished Portland schools for instructional purposes. Many other civic organizations and groups have been contacted and given instructional courses and material relative to Civil Defense operation. Portland is one of the few cities in the country having a well organized and operational Civil Defense program.

The Municipal Court, for the fiscal year, processed a total of 69,397 cases, of which 28,788 were on guilty pleas, handled through the "Violations Bureau" under the court's rules. Of this number only 256 cases were appealed to the Circuit Court.

During the fiscal year Criminal Court tried 29,136 cases, while the Traffic Court disposed of 40,261 cases. 345 cases were taken on probation and parole, and approximately 283 were given consideration. Over half the people paroled were for drunk offenses. There is no question but what this category is a No. 1 problem of the parole and probation office. Some progress has been made in regard to helping these people through the addition of increased facilities in the community. Greater community wide attention will have to be directed towards this problem. Serious thought and study is now under way for the establishment of a rehabilitation program for the habitual drinker. The city can not afford to ignore this problem any longer.

The office of the City Attorney, Alexander G. Brown, reports a heavier work load, particularly in the volume of work in the court. In the field of routine work, statistically the numbers are about the same as in prior years, except for a marked increase in the number of opinions, being 124, so far this year, as compared to 90 in the year previous.

The City Attorney represented the city at the 1957 legislative session, and working with the League of Oregon Cities and Counties, several beneficial acts were passed. It might be noted that the city's share of liquor revenues was increased 50% as the result of action by the legislature.

The legal aspects of the Urban Renewal program holds promise of greater participation on the part of the City Attorney's office.

Another activity which has taken a great deal of time is the work with the Exposition-Recreation Commission. The office has been called upon to pass on practically all steps taken by the Exposition-Recreation Commission. The year has been marked by an unusually large number of conferences and informal sessions with various members of the Council and other city officials, including such activity as another review of the proposed new Planning and Zoning Ordinance and active participation in the number of code revisions.

BUREAU OF POLICE

One of the first official acts of the new administration was the appointment of William J. Hilbruner as Chief of the Bureau of Police. A reorganization and revitalization was instituted in order to increase the effectiveness of the Bureau. Administrative procedures were streamlined, training requirements were increased, and Command authority was returned to the Captain of each Division; provided their action was not contrary to established policy. An effort was made to stabilize the experienced personnel in positions and locations consistent with their abilities and desires. Transfers were kept at a minimum and in no case were they used for disciplinary reasons.

The greater effectiveness of the Bureau of Police is well emphasized by the fact that arrests for Class I crimes increased 24.7% during the first eleven

months of 1957 compared to the same period in 1956, while Class I crime occurrence increased only 9.68%. In addition, a marked improvement was noted in the Traffic Enforcement Program by an increase in the Enforcement Index to 15.2, as of November 1, 1957, compared to 13.2 in 1956. Total traffic arrests have averaged over 5,000 per month. Greater attention to selectivity and continuity of enforcement has resulted in an improved traffic picture in all categories with the exception of fatalities.

This improvement was accomplished while the Bureau was operating with an average of 13.78 men less per month than for the comparable ten months of the year before. The accumulation of overtime was minimized, thereby eliminating the pattern set in 1956 when 1,829 man days of overtime plus 759 man days of extra days off were accumulated. This accumulation represented an average of slightly over 10 men per month, which when considered with the actual average reduction of 13.78 men per month, brings the realization that the Bureau of Police has been functioning with about 23 men less per month during this past year.

Two major changes were the closure of the Southwest Precinct and the abandonment of the Canine program. This action was taken to develop a more economical and efficient operation. The lack of funds and shortage of manpower demanded a better utilization of equipment, facilities and personnel.

Harbor Patrol Headquarters was moved to the foot of S. W. Clay Street and is now situated on city property, saving the previous cost of renting. The Patrol had an exceptionally busy year, as the Port broke all existing records for shipping.

The Auto Theft Detail of the Detective Division developed a hub cap marking plan which has reduced the theft of hub caps fully one-third over last year. This system makes the hub caps easily identifiable.

Vice enforcement entered a new era in the City of Portland with the abatement of two establishments which were conducting gambling operations. This was the first time in the history of Portland that a gambling house was closed in this manner. Constant vigilance combined with the effective use of undercover agents for arrests and uniformed officers for harassment have been successful in eliminating all known vice operations as rapidly as possible. Several important amendments to the Business and License Code have facilitated the taking of positive action against licensed establishments which are engaged in illegal activities.

The membership of the Auxiliary Police now exceeds 700 and has played an increasingly important role in the effective functioning of the Bureau of Police. Many hours of personal time were donated by the members while participating in training activities such as: park patrol; crowd and traffic control at football games, parades, and other stadium events; and civil defense exercises and tests.

All this was accomplished in addition to their regular meetings which are held monthly. The availability of trained personnel, on a volunteer basis, during times of emergency is of prime importance to the City of Portland.

Automotive equipment is generally recognized as being in the best condition in the memory of members of the Bureau. This is a result of the replacement of over one-third of the fleet with new vehicles during the year. All old "AM" radio equipment in the police vehicles has been replaced with "FM" radio equipment.

Juvenile crime increased, following a trend that has developed on a nation wide basis during the past few years. Over 50% of the arrests in almost all categories of Class I crimes involved juveniles. In January 1957, the Portland-Multnomah Citizens Committee on Juvenile Delinquency was formed through a cooperative effort of the Mayor and the Board of County Commissioners. The committee, under the chairmanship of Circuit Court Judge Virgil Langtry, has been hard at work during the year studying the juvenile delinquency problem in this area. It is scheduled to report its findings and recommendations in January 1958.

An increase of the amount of liquor revenue distributed to Oregon cities, provided by passage of Senate Bill 245, made it possible for the Additions and Betterments item of the Bureau of Police budget to be expanded to \$97,120.00. As a result some of the very necessary and long delayed improvements in our jail facility were initiated. Approval has been obtained and plans are being completed for further renovations in the jail proper and the Trusty quarters, which will greatly improve the sanitation of the facility.

The extremely crowded conditions in the jail were reduced by making arrangements to send prisoners to the County Jail. This was accomplished through the cooperation of the Board of County Commissioners. During the year approximately 300 prisoners were transferred to the County Jail for completion of their sentences. Most of these were long term prisoners; therefore, there has been an average daily count of 45 city prisoners at the County Jail.

A strong continuous program has been carried on against the narcotic users and peddlers in this area with the close cooperation and assistance of the Federal Narcotic Agent for Oregon and the District Attorney's office. One city police officer has attended the Federal Narcotic school in Washington, D. C., and another officer is scheduled to attend this school in the very near future.

Emphasis has been placed on the responsibility of each officer on patrol or walking beat regarding the need for his having full knowledge and cognizance of the activities in his district. Each officer has full authority to take whatever measures are necessary to enforce the law in all fields including juvenile problems and vice activities. The regular uniform officers are the "backbone"

of any good law enforcement agency when they are clothed with both the authority and responsibility to obtain the facts and take the indicated action. Specialists then back up the district officers and act upon information passed on through the Bureau by reports from the officers in the districts.

To hold and attract officers that can carry this responsibility, the need for adequate salary schedules for police officers, like all city employees, is just good sound business practice for any city government.

COMMISSION OF PUBLIC DOCKS

The Commission of Public Docks has completed a signal year of achievement and expansion. The fiscal year just concluded by the Commission saw the volume of revenue tonnage climb to record heights. The total inbound and outbound cargoes handled over the Commission's three facilities totalled 1,716,429 tons, an increase over the previous fiscal year of 81.7%. Gains were large in the import field. Where in previous years Portland has not been especially strong, Portland ranks first place on the Pacific Coast in terms of volume of dry cargo tonnage handled.

During the fiscal year the Commission completed and initiated several large projects pertaining to the physical facilities of the Port. These programs included rehabilitation, improvement, and construction of terminal facilities. At the beginning of the fiscal year, in August 1956, the Commission presented to the City of Portland a new harbor patrol boat. This vessel, which cost approximately \$50,000.00 to build, had the effect of returning to the people of Portland the entire \$59,000.00 tax levy which had been allocated to the Commission during the previous year.

The statement of financial condition of the Commission of Public Docks shows an excess of operating revenues over expenses, representing a net income of \$655,598.21, more than four times the net income for the previous fiscal year. At the close of the fiscal year the Commission had on hand \$18,803,725.00 invested in fixed assets, and cash on hand for debt service, current obligations, and improvement of facilities in the amount of \$4,423,802.00. The equity of the people of the City of Portland in their public terminal facilities is \$30,417,741.00.

During the past year the Commission of Public Docks has been very active in the field of public relations and development of better trade relationships between the Columbia River Empire and foreign countries. The Commission plays host to many distinguished visitors and groups interested in our Port facilities. Probably the highlight of this activity for this year was the entertainment and sightseeing terminal tours the Commission of Public Docks furnished for the Japanese Mayors and Chamber of Commerce Presidents in their recent visit to this city.

Our port development and expansion program plays a vital role in the economy of this city and metropolitan area. The future should point to even greater achievement.

In cooperation with the Department of State and the American Municipal Association, I have invited the City of Nagoya, Japan, to affiliate with the City of Portland on a sister city relationship basis. This affiliation with other cities in foreign countries is a part of the White House "People-to-People" program. The plan, if consummated, will mean that our two cities can engage in artistic, cultural, recreational, economic, and other mutual activities, which we hope will be of benefit to both cities and increase the understanding and good will in not only the cities of Portland and Nagoya, but of our two countries.

EXPOSITION-RECREATION COMMISSION

The year 1957 will go down as a year of great progress for the Exposition-Recreation Commission. The following dates and events stand out:

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| March 29, 1957. | The Broadway-Steel Bridge area was selected by unanimous vote of the five man Commission as a site for Portland's multi-purpose Center. |
| May 23, 1957. | The first option to purchase land in the Broadway-Steel Bridge area was approved by the Commission. |
| August 27, 1957. | The first contract for demolition of buildings in the area was awarded to the John L. Jersey Company. |
| November 24, 1957. | Final preliminary designs for the structure were submitted by the architects, Skidmore, Owings and Merrill. |

Since the first option to purchase property was approved on May 23, 1957, the Commission has expended \$1,598,270.00 for 126 parcels of land, leaving only two parcels remaining to be obtained before the Commission's present land acquisition program is completed. The Commission, its appraisors and negotiators can take pride in the fact that condemnation proceedings have been necessary in only five instances; a very remarkable record when you consider the number of property owners involved in the undertaking. Every consideration to the welfare of the property owners, without violating good business practices, was carried out. Demolition should be virtually completed by the end of February, and rough grading is scheduled to get under way in early April. The architect's timetable calls for the completion of the structure for late 1959 or early 1960.

The fiscal policies of the Commission have been in accordance with accepted practices of governmental agencies, limiting the investments to

United States Government Treasury Bonds and bank time deposit accounts. So far this year funds invested by the Commission earned interest totalling \$185,107, 30. The Commission at all times has avoided any semblance of speculation of the investment of Exposition-Recreation funds.

Twenty-seven formal meetings of the Commission were held during the year. The attendance was excellent at all of these sessions. Numerous informal meetings were held with governmental agencies and civic organizations interested in the Exposition-Recreation Center development.

The day when the doors to this beautiful structure swing open is not far away, and when that time comes, it will be a memorable occasion in the history of our city, marking the start of a new era.

The Air Pollution Committee continued in an advisory capacity to the city regarding air pollution problems and control. Early in 1957 the committee counselled with the health officer regarding budgetary support for a technically competent staff, together with space and equipment for an augmented air pollution control program. The City Health Officer formulated a plan for attacking the air pollution problem and included a request for necessary funds in the budget. Although there was a need for more activity in this area, the request for funds was deleted by the budget committee of the City Council for the lack of finances. The State of Oregon has expanded its air pollution control activity. It is hoped that the city can derive more benefits from this increased activity than were gained before.

The Aviation Commission held three scheduled meetings. Numerous aviation activities were attended by Chairman Al Vaughn, representing the City of Portland Aviation Commission. Several dockets were reviewed pertaining to the disposition of air routes passing through Portland. Important matters concerning the future of aviation are now pending in this area. The Aviation Commission will continue to play an important role in acting as an advisory body to the city government in these matters.

Inter-Group Relations Commission spent the greater portion of their year's activities attempting to act as a facilitating and liaison group concerning itself in the relocation of residents of the Exposition-Recreation Center. Many agencies of the city consulted with the Inter-Group Relations Commission in regard to this relocation. It may be reported that the relocation of the residents met with very few problems.

CIVIL SERVICE BOARD

During the year the Civil Service Board announced 72 examinations which attracted 3017 applicants. Of this number 2200 appeared and 1100 were subsequently placed on eligible registers. There were 367 appointments made from these registers, of which 59 were promotions within the service. At the end of the year there were 3287 employees in 232 different classes covered by civil service.

Probably the outstanding piece of legislation enacted by the Board during the year was the adoption of a clear and concise statement of promotional requirements and transfer possibilities in the Bureau of Fire. The adoption of this statement was the result of 18 months negotiations with the Fire Bureau and the Firefighters Association. The effect of the statement was to show clearly to all employees of the Fire Bureau the avenues of promotion open to them. As a result of this statement the number of examinations necessary to fill the positions in the Bureau was substantially reduced and restrictions on assignments of individuals by the Chief of the Bureau were diminished without adversely effecting the seniority and tenure of the employees concerned. The Board operated on a budget of \$57,200.00, which means that the cost to the city of maintaining this unit, was approximately \$15.00 per position. The figure is about half the average for West Coast cities.

The Art Commission met during the year on a regular basis. Several recommendations were made concerning the disposition and placement of public fountains, namely, the Skidmore Fountain and the Thompson Fountain. The Commission recommended to the City Council that the area adjacent to the Park Blocks be placed in a special restricted district. Several meetings were held with members of the Exposition-Recreation staff and its architect to learn the objectives of that body and to learn wherein the Commission might contribute to the usefulness and artistic worth of this endeavor. A series of meetings were held with various cultural groups to effect an exchange of ideas with the hope of increasing the Commission's value to the community.

The Portland office, Bureau of Municipal Research and Service, University of Oregon, with offices in the City Hall, provided assistance to various city departments during the year. Reports were prepared on municipal income taxes, municipal regulation of billboards, forms of city government, and other subjects of interest to city officials. The office has provided information and assistance on city-county cooperation of various types, including special assistance in organizing the Metropolitan Planning Commission.

HOUSING AUTHORITY OF PORTLAND

The Housing Authority of Portland carried out a year of extensive operations relative to the management of rental units, property disposition, maintenance work, and additional unit planning.

The Housing Authority continued to be the Urban Renewal Agency of the City of Portland. Processing of all papers for urban renewal to the Housing and Home Finance Agency were handled through the Authority office.

Plans are now under way for the Housing Authority to construct 40 additional units in Columbia Villa. It is planned that there will be thirty 3 bedroom units and ten 4 bedroom units. These units are planned for the accomodation of large families that are now housed in limited space.

RECOMMENDATIONS

CAPITAL IMPROVEMENTS

The five and ten year Capital Improvement plan that is nearing completion must be coordinated with other tax levying agencies in this area and then presented to the voters of Portland with a realistic tax base that will provide a "pay as we go" plan for many of our capital improvements and deferred maintenance projects.

URBAN RENEWAL

Portland, in order to prevent the deterioration of its assessed valuation, must not only move forward on the South Auditorium Renewal program but must institute a regular continuing program of Urban Renewal and rehabilitation throughout the entire city. Such a program must be based on sound plans developed by the Planning Commission to provide the best possible land use within our city.

As we move forward with these programs, additional industries and business will be attracted to our city and will provide not only more jobs for our people but will increase our assessed valuation and result in property tax relief for every home owner and property owner in the city. It should definitely be understood that Urban Renewal is important to everyone in the entire city and not just to those within the particular area being developed.

MASS TRANSIT

Public transit is in trouble throughout the United States. Fares are constantly being increased on almost all of these systems with a corresponding decrease in riders. More and more cities are establishing municipal ownership systems. Because fewer people use mass transportation service, more automobiles are constantly congesting our narrow streets and causing serious traffic jams at peak hours. A "vicious circle" is developed which constantly costs the taxpayers more money for traffic control.

Unless a satisfactory franchise or permit can be developed with a private company in the next few weeks, I recommend that the City of Portland establish a Mass Transit Authority with full power to procure equipment and operate mass transit within the City of Portland. I am opposed to the city buying the Rose City Transit Company at any inflated price, but would rather recommend the procurement, if possible, of new equipment. The present fare structure should be maintained at least for the present.

It should be understood that municipal ownership will undoubtedly result in a property tax subsidy by the city and will consequently cost each property owner money. However, we should realize that mass transit is the only public utility in Portland that does not at this time have a standby charge to guarantee the availability of service when desired by the users.

During any period of transition the people of Portland must realize there is a definite danger of stoppage of service by the present company. We must be prepared to pool our resources through car pools, temporary busses, jitneys, etc., to meet this emergency, should it come.

WATER SUPPLY - BULL RUN

The City must push forward the completion of the second dam in Bull Run Reserve and then move forward to establish additional storage facilities, both in the Reserve and near Portland to meet the peak needs of the metropolitan area.

Conduit No. 5 should be completed in the next four years, and sooner, if possible.

Power plants should be installed immediately in Dam No. 1 and in Dam No. 2 as soon as it is completed in order to take advantage of the water power so long wasted. Power facilities should be owned and operated by the city with the power sold at or near the power plant to private companies or agencies for distribution.

A sound program of sustained yield, based on the recommendations of forestry experts, must be placed in operation on the Water Bureau timber lands. This yield will pay for many of the developments recommended. We must think in terms of a Water Bureau able and willing to serve this entire metropolitan area. Piece-meal water service development has been necessary in many areas but it is proving quite expensive in the long run.

METROPOLITAN PLANNING

We are moving firmly in the right direction in the Metropolitan Planning program. Portland must be willing to continue to provide its share of the financing of the program next year.

This new organization spreading across city and county boundaries is one of our first attempts to meet the problems caused by our economic and social interdependence here in this rapidly growing area. In the days ahead it must concern itself with standardizing building codes, land use (zoning), metropolitan sewage disposal, water supply, mass transit, roads and highways, parks and recreation areas, and many other subjects necessary for urban living.

CITY-COUNTY COOPERATION

The City of Portland and Multnomah County have enjoyed a year of close cooperation and coordination of activities. Frequent meetings have been held between the City and County Commissioners. As mentioned before in this report, good progress has been made toward the acquisition of the full block between the City Hall and the County Court House for the joint construction and occupancy of

a City-County Building. This program should be carried forward to completion as soon as practical. A plan for a functional and attractive building should be developed with the thought in mind of centralizing government administrative functions in one location.

Preliminary discussions have been informally carried on concerning the development of a joint City-County rehabilitation farm for city and county prisoners. Additional studies should be made relative to joint purchasing, combination of city and county health services, joint use of shops, laboratories, business machines, etc. The establishment of a joint City-County Planning Commission should be explored. Civil Defense activities for both the City and County should be carried on by one agency. Eventually the radio and communication activities should be combined and a centralized Record Bureau for fingerprints, photographs, and other identification records should be formed to service both city and county.

Through such continued cooperation and progress, local government can and will become more efficient and economical and better serve all of our people.

INTERSTATE BRIDGE

A strong position in opposition to placing a toll on the new Interstate Bridge has been taken by your City Council in cooperation with other governmental bodies in both states. The support of Congresswoman Edith Green and Senators Richard L. Neuberger and Wayne L. Morse has been assured for the introduction of legislation at the next session of Congress to include the new Interstate Bridge in the Federal Highway Program. Such a toll bridge would be an economic bottleneck and all steps possible must be taken to insure that it is toll free so that interstate commerce can flow smoothly between the States of Oregon and Washington.

WEST VANPORT

Some 640 acres of federally owned property at West Vanport has been declared surplus and transferred to the General Services Administration. The United States Air Force has tentative plans for the construction of an ammunition storage depot at this location. It has been your Mayor's position and the opinion of the City Council that such use of this property is not in the best interests of the city or this area. The property should be acquired by the city or other local governmental agency as soon as it becomes available and used for industrial and recreational development.

ADDITIONAL AIRPORT

This metropolitan area needs a second major airport. With the constantly increasing air traffic over Portland International Airport, a serious hazard is created by the continued operation of the regular Air Force Jet Interceptors from this location. Portland has a great future in domestic and

world wide air transportation of both passengers and freight. A second major airport in this area would aid this growth. Both Washington and California have many major airfields and military installations. In regard to national safety, the development of air commerce, and in fairness to the State of Oregon, the United States Air Force should reactivate its plans for the construction of a major airbase near Portland in the Willamette Valley.

ANNEXATION

This metropolitan area is a social and economic unit with a common requirement for good sound efficient local government. Many areas immediately adjacent to the city boundaries should rightly be an actual physical part of the city. As a city government, we should be more aggressive in assisting residents in the areas desiring annexation to the city. I'm afraid that many times the city government has been too passive in meeting such problems. While an aggressive annexation policy will create many short term problems, it will avoid larger problems and result in actual savings to both the city and the area directly concerned in tax dollars over a period of time.

TAXES

Portland must have a new realistic tax base that will provide for orderly maintenance of public facilities and services, and will provide for a continuous program of capital improvements on a "pay as we go" basis. Such a proposal can only be considered after a comprehensive capital improvement program has been completed and explained fully to our people based on both short and long range planning.

Relief should be provided for our property tax payers wherever possible. In line with this thinking, we were able to double, at the last session of the Oregon Legislature, the share of the cities of Oregon in the revenue produced by the tax on alcoholic liquors. This money rightly so, is primarily used to help defray the costs of local law enforcement.

Through the cooperation of Governor Holmes and by administrative order, the services of the Oregon State Motor Vehicle Division, in looking up motor vehicle registrations for the Municipal Court, is now provided at no expense to the cities. This action saves Portland between \$7,500.00 and \$10,000.00 annually.

I recommended to the League of Oregon Cities and the Governor that at least 1% of the gross income tax collected by the state from the people of our cities and counties be returned to the cities and counties to relieve property taxes. I still believe we must move toward this goal.

ROSE FESTIVAL

The Rose Festival of 1958 will mark the 50th anniversary of this important civic event. Plans are moving rapidly forward to make this the

biggest and finest event ever undertaken in "The City of Roses." The suggestions of all of our people have been solicited and studied and, as a result, many new approaches to this event will be undertaken. Since this festival is extremely important to our entire city, both for the enjoyment of our own citizens as well as the attraction of tourists from all over the nation, it is entitled to the active and financial assistance of not only our business firms but all of our citizens, both inside and outside our city limits. The Festival definitely should have the active support and participation of our City Council and government.

OREGON CENTENNIAL 1959

In 1959 the State of Oregon will celebrate its 100th birthday as a state. Plans are rapidly moving forward for a one hundred day celebration of this historic event. Portland and Portlanders should join with citizens throughout the state to assist in making this Centennial celebration an outstanding event that will attract to this state tourist and business representatives from all over the world. Our Centennial observance can give Oregon the same kind of economic lift that the Lewis and Clark Fair did in 1905. We, as citizens, must join with our neighbors in urging our friends from across the world to visit Oregon in 1959 for this event. It is not too early to start 'selling' Oregon by letters and personal contacts now. As a city we must move rapidly forward to increase the beauty of our city, businesses, and homes in order to properly impress our distinguished visitors.

CONCLUSION

The year 1957 has been a historic one, not only for Portland but for the world. Much progress has been made; however, much remains to be done. Our future as a city, the same as the future of our state and nation, depends upon the teamwork and dedication of the great majority of our people to a firm belief in God, the inherent dignity of all our citizens and the basic soundness of our form of government. If we really believe in these principles, we will have no need to fear Communism or any other form of government. Fortified with these beliefs, we will be able to face the future with confidence.

To members of the City Council, the Auditor, the city employees, the County and State officials, and employees and the members of the Oregon delegation to Congress who have been so helpful and cooperative during my Freshman year as Mayor of the City of Portland, I extend both my official and personal thanks. To the many fine citizens, business firms and organizations that have contributed so much in ideas, time and effort for the orderly growth of Portland, I say, "Thank you." To the few that for one reason or another found it necessary to stand in the way of progress and orderly development

of this great city, I invite you to join "the team" in '58 that is moving forward as builders of the future of the City of Portland.

Respectfully submitted,


MAYOR

December 27, 1957