



CITY OF

PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 31ST DAY OF JULY, 1991 AT 9:30 A.M.

THOSE PRESENT WERE: Commissioner Lindberg, Presiding; Commissioners Blumenauer, Bogle and Kafoury, 4.

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

On a Y-4 roll call, the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

1352 Accept bid of System Construction Company for construction of NE 105th Ave. and NE Knott St. sanitary sewer system for \$171,737 (Purchasing Report - Bid C-9733)

Disposition: Adopted; prepare contract.

1353 Vacate the north 9 feet of SW Madison Street between SW Ardmore Avenue and SW Vista Avenue, under certain conditions (Ordinance by Order of Council; C-9758)

Disposition: Passed to second reading, August 14, 1991 at 9:30 a.m.

Mayor J. E. Bud Clark

1354 Accept report on 1991 Series A Golf System Revenue Bonds (Report)

Disposition: Accepted.

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1355 Confirm the appointments of James E. Verdick and Daniel G. Vizzini, and the reappointments of Rebecca Chao and Myron J. Fleck to the Hospital Facilities Authority (Report)

Disposition: Confirmed.

***1356** Establish eight salary rates for the Compensation Plan in accordance with the Personnel Rules adopted by the City Council (Ordinance)

Disposition: Ordinance No. 164491. (Y-4)

Commissioner Earl Blumenauer

***1357** Correct definition of Conduct Business to include selling (Ordinance; amend Code Section 17.26.020(a))

Disposition: Ordinance No. 164492. (Y-4)

***1358** Contract with Barney and Worth, Inc., to provide project management services at \$30,000 (Ordinance)

Disposition: Ordinance No. 164493. (Y-4)

***1359** Revocable permit to Portland Opera to maintain banners on ornamental street light poles from September 10, 1991 to October 5, 1991 (Previous Agenda 1342)

Disposition: Ordinance No. 164494. (Y-4)

***1360** Revocable permit to Portland Federal Executive Board (a federal agency) to maintain banners on street light poles from September 10, 1991 to November 10, 1991 (Previous Agenda 1343)

Disposition: Ordinance No. 164495. (Y-4)

***1361** Grant a revocable permit to Arts Celebration, Inc., to maintain banners on street light poles from August 11, 1991 to September 9, 1991 (Ordinance)

Disposition: Ordinance No. 164496. (Y-4)

***1362** Grant a revocable permit to Sullivan's Gulch Neighborhood Association to hang banners across NE Broadway between 15th and 16th, at 32nd and Broadway, and on the east side of Multnomah, east of 21st Avenue (Ordinance)

Disposition: Ordinance No. 164497. (Y-4)

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***1363** Accept a street deed for the NE Wasco Street and NE 122nd Avenue Street Improvement Project, granted by Albertson's, Inc., a Delaware corporation, at no cost to the City (Ordinance)

Disposition: Ordinance No. 164498. (Y-4)

***1364** Continue negotiations to purchase two permanent sewer easements and two temporary construction easements for the reconstruction of the NW Harbor Boulevard, NW Elva Avenue and NW Hardy Avenue sanitary sewer system, commence condemnation proceedings, if necessary, and obtain early possession (Ordinance)

Disposition: Ordinance No. 164499. (Y-4)

Commissioner Gretchen Kafoury

***1365** Contract with Multnomah County for \$68,000 for emergency basic services and provide for payment (Ordinance)

Disposition: Ordinance No. 164500. (Y-4)

Commissioner Mike Lindberg

***1366** Lease of King Broadcasting Company property for use by West Delta Park (Ordinance)

Disposition: Ordinance No. 164501. (Y-4)

***1367** Lease the Firehouse Theater (1435 SW Montgomery) building and grounds to The Training Ground Actors Studio from September 1, 1991 through June 30, 1992 (Ordinance)

Disposition: Ordinance No. 164502. (Y-4)

***1368** Authorize a contract between the City of Portland, Bureau of Water Works, and GNR Corporation for the sale of a firm supply of surplus water for a five year period with an additional five year renewal (Ordinance)

Disposition: Ordinance No. 164503. (Y-4)

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- *1369** Authorize a contract between the City of Portland, Bureau of Water Works, and Green Valley Water Co. for the sale of a firm supply of surplus water for a five year period with an additional five year renewal (Ordinance)
- Disposition:** Ordinance No. 164504. (Y-4)
- *1370** Authorize a contract between the City of Portland, Bureau of Water Works, and Hideaway Hills Water Co. for the sale of a firm supply of surplus water for a five year period with an additional five year renewal (Ordinance)
- Disposition:** Ordinance No. 164505. (Y-4)
- *1371** Authorize a contract between the City of Portland, Bureau of Water Works, and Lorna Water Company for the sale of a firm supply of surplus water for a five year period with an additional five year renewal (Ordinance)
- Disposition:** Ordinance No. 164506. (Y-4)
- *1372** Authorize a contract between the City of Portland, Bureau of Water Works, and Skyview Acres Water Company for the sale of a firm supply of surplus water for a five year period with an additional five year renewal (Ordinance)
- Disposition:** Ordinance No. 164507. (Y-4)
- *1373** Contract with the Private Industry Council for the provision of services related to youth employment (Ordinance)
- Disposition:** Ordinance No. 164508. (Y-4)
- *1374** Grant a revocable permit with conditions to U.S. West Communications for the installation and maintenance of a manhole and utility vault in Washington Park (Ordinance)
- Disposition:** Ordinance No. 164509. (Y-4)
- *1375** Accept deeds for two parcels of former Hazelwood Water District property near NE Glisan Street and NE 100th Avenue, declare the property surplus and authorize the Water Bureau's Chief Engineer to dispose of property (Ordinance)
- Disposition:** Ordinance No. 164510. (Y-4)

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1349

TIME CERTAIN: 9:30 AM - Accept report on Performance Standards and Contract Streets and adopt accompanying Resolutions (Report introduced by Commissioner Blumenauer)

Discussion: Commissioner Blumenauer said these proposals deal with citizen concerns about unimproved streets and about improved streets that are too big, too fast and too expensive. He said citizens want more choices and more flexibility.

Terry Bray, Bureau of Transportation Engineering, said in 1988 a citizens committee was created to look for solutions to problems associated with unimproved neighborhood streets. The committee, working with Cogan, Sharpe and Cogan, recommended: 1) development of a contract streets program that would allow residents the option to construct non-City maintained streets; and 2) creation of less costly performance standards for City-maintained streets.

Mr. Bray noted that while about 95% of Portland's streets are already improved and maintained by the City, there remain 80 miles of unimproved public streets. Currently, benefitting property owners pay the costs of local street construction. He said citizens complain that streets built to City standards are too costly, encourage speeding because of their size, contribute to water pollution, and are wasteful of natural resources.

Because of the City's currently inflexible standards, Mr. Bray said, some residents have hired contractors to pave their streets, an illegal process known as "bootlegging." The new concepts of Contract Streets and Performance Standards are an attempt to plug the gap between this illegal method and the City's current requirements. Performance Standards expand the options citizens will have, while Contract Streets provides a legal alternative to "bootleg" streets.

Mr. Bray outlined the changes proposed for street standards and explained the concept of a "queuing street", which will provide a single traffic lane and one or two sides for parking in low-density, single family residential areas. He also described changes in sidewalk standards and cul-de-sacs.

Citizens speaking in support included:

Drake Butsch, Home Builders Association of Metropolitan
Portland
Martha Schulte, 7145 SW 36th
Rick Michaelson, 906 NW 23rd

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Dorothy Gage, 8000 SW 54th, a member of the Unimproved Streets Committee, said the proposed program masks the problem of the unimproved 84 miles of streets by failing to address the fact that many property owners on unimproved streets will not agree to pay for any improvements. She said it puts an inordinate burden on civic-minded citizens who do agree to abide by these rules.

David Niederloh, 1840 SW Marigold, also a member of the Unimproved Streets Committee, asked for an exception which would allow unimproved streets to be less than 20 feet wide. He said the proposal before Council today gets the City half way where it needs to be and the Committee will return later with the other half.

Gordon Hunter, 5260 NE 74th, praised the Performance Standards but said the Cully Association of Neighbors voted to oppose Contract Streets because it will not solve the real problem -- finding money to improve them.

Commissioner Blumenauer said he does not pretend this is the final solution but that both items are a step forward, particularly the Performance Standards.

Disposition: Accepted.

1350 Accept the City Engineer's report and authorize the Bureau of Transportation Engineering to implement Performance Standards for neighborhood streets (Resolution introduced by Commissioner Blumenauer)

Disposition: Resolution No. 34885. (Y-4)

1351 Authorize the Bureau of Transportation Engineering to implement a Contract Streets Program (Resolution introduced by Commissioner Blumenauer)

Disposition: Resolution No. 34886. (Y-4)

Commissioner Lindberg announced that the bear sculpture stolen several days ago from the Transit Mall had been recovered and should be back in place within two weeks.

REGULAR AGENDA

***1376** Contract with Central City Concern for an amount not to exceed \$100,000 to provide a diversion program for drug offenders; transfer appropriations; establish a trustee account; and provide for payment (Ordinance introduced by Mayor Clark and Commissioner Kafoury)

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Discussion: Commissioner Kafoury noted Judge Harl Haas' role in initiating this treatment program for drug offenders. She said the City's cost will be offset by reductions in Police overtime costs and by fees paid by program participants. She added that the City's commitment is only for one year at which time the program will be reviewed.

Commissioner Bogle said this program has exciting possibilities. He said he believes most of the savings will be in reduced overtime police costs.

Commissioner Blumenauer acknowledged Judge Haas' leadership in initiating this much-needed program.

Disposition: Ordinance No. 164511. (Y-4)

Commissioner Earl Blumenauer

***1377** Authorize contract with David C. Smith & Associates, Inc., to provide aerial mapping service for the Eastside Aerial Mapping Project, Area D, in Southeast Portland, transfer funds and provide for payment (Ordinance)

Disposition: Ordinance No. 164512. (Y-4)

***1378** Authorize contract with Spencer B. Gross, Inc., to provide aerial mapping service for Eastside Aerial Mapping Project, Area A, B and C, in North and Northeast Portland, transfer funds and provide for payment (Ordinance)

Disposition: Ordinance No. 164513. (Y-4)

***1379** Authorize the execution of a Stipulation and Final Order with the Department of Environmental Quality in connection with abatement of combined sewer overflows (Ordinance)

Discussion: Commissioner Lindberg noted that a request had been made to continue this item to the afternoon session.

Disposition: Continued to July 31, 1991 at 2 p.m.

Commissioner Gretchen Kafoury

***1380** Authorize application to the U.S. Department of Housing and Urban Development loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974 as amended, in the amount of \$13,750,000 (Ordinance)

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Discussion: Commissioner Kafoury said the parties involved in this project believe it is time to submit the application for Section 108 funds but noted that this action does not commit the City to purchase the properties. If the application is approved, they will return to Council to ask for acceptance and will later seek Council approval of contract terms with PCRI (Portland Community Reinvestment Initiative, Inc.), the non-profit organization that has been formed. She said the main activity going on now is inspections and appraisals in order to get site-specific information. She said they estimate that the loan should be enough to both purchase the property and cover the cost of the rehab work.

Ray Ramsey, Director, Oregon Housing and Community Development Office, said the State supports this and is looking for ways to help with financing and technical assistance.

Patrick Clancy, member of Board of PCRI, said this program should result in a significant increase in the number of affordable and decent properties in Northeast Portland. He said they will not proceed with the loan unless they are convinced there is sufficient coverage to warrant it.

Commissioner Blumenauer asked about the over-all liability and whether the project will ultimately be self-supporting.

Mr. Clancy said at this point current rehab costs and rent levels provide sufficient coverage on the debt service. He said they are looking at ways to bring rents down and still have sufficient coverage to maintain the properties.

Commissioner Kafoury said they will not proceed with the project if they believe that it will in any way jeopardize block grant monies.

Disposition: Ordinance No. 164514. (Y-4)

Commissioner Mike Lindberg

***1381**

Authorize agreement with Multnomah County for operation of an integration program for senior citizens with mental retardation/developmental disabilities through the Park Bureau's Special Recreation program (Ordinance)

Disposition: Ordinance No. 164515. (Y-4)

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City Auditor Barbara Clark

1382 Assess property for sidewalk maintenance through April 30, 1991 (Ordinance)

Disposition: Passed to Second Reading, August 14, 1991 at 9:30 a.m.

1383 Create the NE 33rd and Marine Drive Local Improvement District and provide for constructing a sanitary sewer (Hearing; Ordinance; C-9770)

Discussion: Commissioner Lindberg asked if anyone wished to testify. No one responded.

Disposition: Passed to Second Reading, August 14, 1991 at 9:30 a.m.

Cay Kershner, Clerk of the Council, asked Council to reconsider Item 1383 in order to rule on a remonstrance that had been filed. Council voted Y-4 to reconsider Item 1383. Commissioner

Blumenauer moved to overrule the remonstrance. Commissioner Kafoury seconded and the motion carried. (Y-4)

At 10:50 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 31ST DAY OF JULY, 1991 AT 2:00 P.M.

THOSE PRESENT WERE: Commissioner Lindberg, Presiding; Commissioners Blumenauer, Bogle and Kafoury, 4.

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

Commissioner Gretchen Kafoury

1385 Adopt special design guidelines for the design zone area of the Central Eastside District of the Central City Plan and direct the Design and Landmarks Commissions to use the guidelines (Second Reading Agenda 1338)

Disposition: Ordinance No. 164516. (Y-4)

1387 Tentatively grant appeal of North-Northeast Business Boosters and uphold Hearings Officer's decision to deny application of Coverall Uniform Supply for a comprehensive plan map amendment and zone change at 2522 NE Martin Luther King Jr. Blvd. (Findings; Previous Agenda 1311)

Discussion: Commissioner Kafoury said it is clear that a policy on no-net-loss housing is needed but believes it is best to move forward with the findings on this case.

Disposition: Appeal Granted. (Y-4)

1388 Adopt Natural Resources Inventory, ESEE Analysis, Northwest Hills Natural Areas Protection Plan; amend Comprehensive Plan, Title 33 and Title 34 of the City Code; and amend Comprehensive Plan Map and Official Zoning Maps of the City of Portland (Previous Agenda 1339)

Discussion: Commissioner Kafoury noted that testimony is closed on this item. She moved to amend the ordinance to add an emergency clause. Commissioner Blumenauer seconded and the motion carried. (Y-4)

Commissioner Kafoury then moved to amend the Plan to correct a mapping error concerning Joe Angel's property. Commissioner Blumenauer seconded and the motion carried. (Y-4)

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Regarding the TDRs (Transfer of Development Rights), Commissioner Kafoury said a value of from \$10,000 to \$15,000 has been discussed. She said she wants the record to show that Council believes there is a monetary value attached to this concept, demonstrating that the TDRs are a mechanism for compensating property owners.

Disposition: Ordinance No. 164517 as amended. (Y-4)

1384

TIME CERTAIN: 2:00 PM - Appeal of Reid Iford against decision of Cable Regulatory Commission authorizing transfer to Portland Cable Access of TCI obligations to provide westside cable access services (Hearing; CRC Order 91-3)

Discussion: Bill June, Chair of the Cable Regulatory Commission, explained that after January, 1993, when the TCI franchise expires, federal law will preclude compelling it to pay for the operating costs of cable access. The Commission also believes it is better policy to have a single access provider, in this case, Portland Cable Access and has viewed the continued operation of the TCI studio as somewhat of a policy anachronism.

Mr. June said the Commission did not find there were the dollars available to support continued operation of the TCI studio past January, 1993. He said it believes a balance has been found through creation of a facility at Wilson High School which, although not a full studio, will offer editing and other services to students and citizens on the West side. He said there will be transition training for the TCI producers at PCA plus a year of dedicated air time and a one year transition period. He urged that the decision be upheld but suggested that some of the individuals testifying today be considered for membership on the PCA Board because of their intense interest.

Commissioner Lindberg asked about the change in the City's ability to regulate cable access.

Mr. June said after January, 1993, federal law will not allow cities to require cable companies to use operating funds to pay for cable access.

Reid Iford, appellant, asked why the studio is being closed in 1992 if the dollars are there for another year. He contended that a conflict of interest exists for some members of the CRC because of their close connection with Portland Cable Access. He said closure of this studio gives PCA sole control of all cable access in Portland and a windfall cash award of another studio's entire budget. He also charged that the Commission made a deal with PCA prior to the hearing, making public testimony pointless.

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Mr. Iford said he believes allowing TCI to get out of its contractual obligations is a dangerous precedent, noting that the closure saves TCI a considerable amount in administrative costs. He said all he is asking for is to have TCI continue to fund the studio through the end of the contract. He argued that the facility at Wilson High School in no way replaces the fully functioning and unique studio that TCI operates now.

Individuals speaking in support of the appeal included:

Paul Richmond, 1834 SW 5th
George Slaning, Jr., 3027 SE Yamhill
David Strayer, PO Box 9752, Portland 97207

They urged that TCI be held to its obligations and that the studio be kept open. They expressed fear about their ability to use PCA facilities.

Commissioner Lindberg asked if the fears about people on the Westside having access to PCA studios and air time were valid.

Debbie Luppold, General Manager, Portland Cable Access, said the order includes guaranteed transition training for existing TCI producers as well as allocated facility and air time through December 31, 1991. She said, however, PCA cannot guarantee that everyone at TCI will have all of the time they currently have because of limited resources.

Commissioner Lindberg asked if that meant that after December 31, 1991 there would be no guarantees and all the people on the Westside would go to the end of the line.

Ms. Luppold said PCA is not now at capacity and they are trying to balance series programming against individual programming. She said public access is established on a first come, first serve basis, with limits on the length of series, and no one has a perpetual guarantee of facility or air time. She said their goal is to train people so they can compete for both time and facilities.

Commissioner Blumenauer said he thought the CRC had done a good job of balancing interests.

Disposition: Appeal Denied. (N-4)

***1379**

Authorize the execution of a Stipulation and Final Order with the Department of Environmental Quality in connection with abatement of combined sewer overflows (Ordinance)

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Discussion: Mary Nolan, Director, Department of Environmental Services, said this order requires the immediate commencement of a very aggressive program to deal with the problems in the Willamette River and the Columbia Slough. She said the order has 37 enforceable requirements, the last of which must be in place by 2011.

She said this is probably the most ambitious plan in any city in the country to address combined sewer overflows. She said two principal changes have been made since the Order first came to Council. The first adds a number of interim measures where there is clear evidence that they will have an immediate impact on water quality. The second change calls for an analysis of the feasibility and cost of completing the program five years earlier, in 2006. She said the process for arriving at this Order has involved considerable public involvement and that the Bureau is committed to meeting all the requirements by the deadlines specified.

Commissioner Lindberg asked when the analysis had to be done.

Ms. Nolan said both plans, for 2011 and for 2006, must be submitted by 1993, but that they would like to find ways to accelerate the time frame.

Commissioner Blumenauer said as changes occur in federal regulations and technology, additional choices for action will come before Council.

Nina Bell, Northwest Environmental Advocates, said the City should have been more involved in initiating the Plan and not left it to the Oregon Department of Environmental Quality. She said the Order has some serious deficiencies and called upon the City to mandate an earlier deadline for cessation of dryweather discharges. Instead of the five years proposed by the Order, the NEA proposes they be stopped in one year. She contended that dry weather discharge of raw sewage into the Willamette continues unabated, particularly at the outlet on Jefferson Street. She also criticized the signage there, which warns of potential danger only during rainy weather.

Other individuals calling for immediate cessation of drywater sewage discharge and the need for better signage at the outlets included:

Donald Francis, 133 SW 2nd
Eugene Rosolie, 133 SW 2nd
Mark Platt, 822 N. River

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Those testifying also displayed samples of waste they had recently collected at the outlets.

Commissioner Bogle asked about the suggestion to screen the outfalls by covering them with a sock.

Ms. Nolan said there needs to be a mechanism to clean the screens. She said a sock would not work because of the problem of maintenance.

Commissioner Lindberg asked about dry weather discharges.

Ms. Nolan said they continue to believe the principal problem occurs after heavy rain storms. She said the Order specifically addresses dry weather outflows in three different ways.

Gene Suhr, CH2M Hill Senior Vice President, supported approval of the Order. He said the terms are much more stringent for a problem of this magnitude than is common in the rest of the country.

Commissioner Blumenauer said that, after talking to people in other cities, he is satisfied that this is the most aggressive program anywhere in the country for a city of this size.

Barbara Burt, Manager, Municipal Wastewater Section for the Department of Environmental Quality, said the DEQ believes immediate elimination of dryweather discharges is not required. She noted that the City is being required to rebuild diversion structures and, if this does not stop the dry weather discharges, other measures will need to be taken. The City must also inspect 111 diversion structures on a weekly basis, which should provide sufficient information about the extent of the problem. Ms. Burt said this is an extremely aggressive program and the City should feel proud about coming up with a very workable plan.

Commissioner Blumenauer said this is a framework, not a final answer. He said these projects are massive undertakings and he is convinced of the City's commitment to move ahead as quickly as possible.

Disposition: Ordinance No. 164518. (Y-4)

1386

Consider revised Council findings in response to LUBA remand for the Comprehensive Plan map amendment and zone change requested by Renaissance Group for expansion of an existing building at N. Vancouver and N. Alberta (Hearing; 7996 PA)

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Discussion: Greg Wethers, appellant, disputed the revised findings. He argued that expansion of commercial use at this vacated site is unjustified, non-conforming, and fails to properly provide for housing as required by the Comprehensive Plan. Mr. Wethers noted that state workers have been working in the building despite the fact that it has been red tagged. He said the Renaissance Group is not the lessor and is thus misrepresenting its role as the developer. He urged that the revised findings not be approved.

Chad Debnam, 302 NE Martin Luther King Boulevard, said Renaissance group is a joint venture partner on the development even though its name does not appear on the lease. He said the red tag was for a technicality but that they were never in any major violation. He said Mr. Wethers' argument regarding preexisting rights concerning use of the building is moot because of the zone change request. He said this project has enhanced the neighborhood and is far preferable to having an abandoned building there.

Tom McGuire, Planning Bureau staff, said non-conforming use rights were established on the site, noting that a mental health center occupied the site until July, 1989. However, because the Renaissance proposal called for expansion of the existing site onto a parking lot which was zoned residential, a zone change was requested. The zone change was confined to one-quarter of the block. With the Code rewrite and commercial rezoning effective January 1, 1991, the entire node is now zoned CN2.

Commissioner Kafoury moved to adopt the revised findings.
Commissioner Bogle seconded.

Disposition: Appeal Denied. (N-3; Commissioner Blumenauer abstained)

The Clerk announced that no Thursday session had been scheduled to allow Council members to attend Future Focus meetings and that no Council meetings were scheduled for August 7 and 8 due to lack of a quorum.

At 4:00 p.m., Council adjourned.

BARBARA CLARK
Auditor of the City of Portland

Cay Kershner

By Cay Kershner
Clerk of the Council

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THURSDAY, 2:00 PM, AUGUST 1, 1991

DUE TO THE LACK OF A QUORUM
THE MEETING WAS CANCELLED