CITY OF

PORTLAND, OREGON

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 12TH DAY OF AUGUST, 1992 AT 9:30 A.M.

OFFICIAL

MINUTES

THOSE PRESENT WERE: Mayor Clark, Presiding; Commissioners Blumenauer, Bogle, Kafoury and Lindberg, 5.

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

Agenda No. 1410 was pulled from Consent. On a Y-5 roll call, the balance of the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

1402 Cash investment balances for July 1, 1992 through July 29, 1992 (Report; Treasurer)

Disposition: Placed on file.

1403 Accept bid of Paul Brothers, Inc., for construction of Waterfront Story Garden for \$64,548 (Purchasing Report - Bid 1)

Disposition: Accepted; prepare contract.

1404 Accept bid of Silco Construction Company for Kenton Park renovation for \$198,100 (Purchasing Report - Bid 10)

Disposition: Accepted; prepare contract.

Mayor J. E. Bud Clark

1405 Adopt City of Portland Investment Policy (Resolution)

Disposition: Resolution No. 35027. (Y-5)

***1406** Pay claim of Dale Larson (Ordinance)

Disposition: Ordinance No. 165722. (Y-5)

***1407** Pay claim of Judson Jusell (deceased) (Ordinance)

Disposition: Ordinance No. 165723. (Y-5)

*1408 Authorize Contract with Sylvia Gillpatrick for IBIS project management services (Ordinance)

Disposition: Ordinance No. 165724. (Y-5)

*1409 Grant revocable permit to Art Celebration, Inc., to close certain streets to hold their Artquake Festival, September 4-8, 1992, waive fees for permits and inspections (Ordinance)

Disposition: Ordinance No. 165725. (Y-5)

*1411 Modify agreement with Geotechnical Resources, Inc., to provide professional geotechnical engineering services for design of a Public Safety Facility at Ed Benedict Park Site (Ordinance)

Disposition: Ordinance No. 165726. (Y-5)

Commissioner Earl Blumenauer

1412 Set hearing date, 9:30 a.m., Wednesday, September 16, 1992, to vacate a portion of NE Wasco Street and NE 92nd Avenue (Report; Petition; C-9801)

Disposition: Adopted.

*1413 Call for bids to furnish recycling containers for multi-family residences, authorize a contract, and provide for payment (Ordinance)

Disposition: Ordinance No. 165727. (Y-5)

*1414 Contract with Kimley-Horn and Associates for professional services to conduct analyses and research for the Sandy Boulevard-Parkrose Parking Study, not to exceed \$40,000, and to establish an agreement for funding with the Office of Transportation (Ordinance)

Disposition: Ordinance No. 165728. (Y-5)

*1415 Call for bids to provide medium voltage electrical equipment three-year preventive maintenance services for the Bureau of Environmental Services, Wastewater Treatment Branch, authorize a contract, and provide for payment (Ordinance)

Disposition: Ordinance No. 165729. (Y-5)

Commissioner Gretchen Kafoury

*1416 Contract with Multnomah County Department of Community Corrections for an amount not to exceed \$100,000 to provide a diversion program for drug offenders and provide for payment (Ordinance)

Disposition: Ordinance No. 165730. (Y-5)

*1417 Contract with Multnomah County for \$148,500 for the Weatherization Grant/Sewer-On-Site Demonstration Program and provide for payment (Ordinance)

Disposition: Ordinance No. 165731. (Y-5)

*1418 Contract with the Private Industry Council, Inc., for the Comprehensive Youth Employment Program for \$557,460 and provide for payment (Ordinance)

Disposition: Ordinance No. 165732. (Y-5)

*1419 Contract with Union Gospel Ministries for \$56,622 for emergency night shelter services and provide for payment (Ordinance)

Disposition: Ordinance No. 165733. (Y-5)

*1420 Contract with REACH Community Development to provide support for development of a target area improvement plan for the Sunnyside neighborhood and provide for payment (Ordinance)

Disposition: Ordinance No. 165734. (Y-5)

*1421 Contract with K.J. Murphy Construction for \$11,727 to demolish the floating structure moored in the North Portland Harbor, 100 yards east of 2335 N. Marine Drive, and provide for payment (Ordinance)

Disposition: Ordinance No. 165735. (Y-5)

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1422 Accept a 40-Mile Loop Recreational Trail and Bikeway Easement from property located at 1514-1530 NE Marine Drive; commonly known as the 18th Tee Townhomes, at no cost to the City (Second Reading Agenda 1388)

Disposition: Ordinance No. 165736. (Y-5)

Commissioner Mike Lindberg

1423 Approve the FY 1992-93 Metropolitan Exposition/Recreation Commission Budget pursuant to Intergovernmental Consolidation Agreement No. 25921 (Resolution)

Disposition: Resolution No. 35028. (Y-5)

*1424 Authorize Bureau of Water Works to execute an earnest money agreement for the purchase of a parcel of property from R.E.H. Incorporated for the "Whitwood Replacement Pump Station", provide for payment; and authorize acceptance of a deed (Ordinance)

Disposition: Ordinance No. 165737. (Y-5)

*1425 Amend Ordinance No. 165613 to extend the option period from 45 to 60 days (Ordinance)

Disposition: Ordinance No. 165738. (Y-5)

REGULAR AGENDA

Mayor J. E. Bud Clark

*1410 Establish new rates of compensation for the Fiscal Year beginning July 1, 1992, for certain classifications, establish effective dates, and provide for payment (Ordinance)

Discussion: Cay Kershner, Clerk of the Council, said this needed to be heard on the regular agenda because it approves raises for elected officials.

Disposition: Ordinance No. 165739. (Y-5)

1399 TIME CERTAIN: 9:30 AM - Report on status of water supply (Report introduced by Commissioner Lindberg)

Discussion: Commissioner Lindberg said a massive, complex change in the billing system for water usage is underway. He said in the past week consumption has averaged 109 million gallons, compared with averages of around 170 gallons in July of previous years. He said the Water Bureau is getting over 2,000 calls from citizens per day, the majority of which are not complaints, but suggestions and requests for information. He assured citizens that the City will not run out of water and the Bureau is doing everything it can to augment supply and to implement new conservation activities.

Mike Rosenberger, Water Bureau Administrator, said citizens are saving an average of almost 60 million gallons per day over normal consumption patterns. He said they have received 1,500 calls about potential violations, or about 25 percent of the total.

Mr. Rosenberger said drought declarations have been passed by Clackamas and Multnomah County, which will allow businesses particularly hard-hit to seek financial assistance. He noted the joint study by the Bureau of Environmental Services and the Water Bureau regarding reuse of storm water and said additional water supply is being brought in from Clackamas and Lake Oswego. Groundwater testing has also begun.

Mr. Rosenberger said the billing system replacement and the restructuring of rates for both water and sewer, with consumption-based billing built into it, is underway. He acknowledged the contributions of Water Bureau staff, the media and businesses who have made efforts to reuse and conserve water.

Commissioner Lindberg asked why there had been no fines.

Mr. Rosenberger said he believed it was because those who have received warnings have not repeated their behavior. He said due process is an overriding concern and the Bureau is more concerned with altering behavior rather than fining people.

Commissioner Blumenauer said the Bureau of Environmental Services and the Water Bureau plan to coordinate their studies of the billing system and rate structure. He said they hope to bring something to to Council this fall showing how the two pieces will fit together.

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Commissioner Blumenauer said the Bureau of Environmental Services and the Water Bureau plan to coordinate their studies of the billing system and rate structure. He said they hope to bring something to to Council this fall showing how the two pieces will fit together.

Commissioner Lindberg said the number one question to him is why not implement conservation pricing right now.

Mr. Rosenberger said the main impediments to implementation of such a system are the complexity of the rate structure and their inability to change the current billing system right away. He said the current billing system lacks both the hardware and the operational capability of handling monthly meter readings. He said the City chose to do quarterly billings and meter readings because they are much cheaper than a monthly billing system. However, now the Bureau has decided it can no longer do this, partly for pricing reasons and partly for the value now being placed on utility services. Mr. Rosenberger said very serious equity issues also arise in determining who pays what and that it is important to take the time to do it right and involve the public.

Commissioner Blumenauer stressed the importance of public involvement and the need to educate people about how the pricing mechanism will affect behavior and conservation.

Commissioner Lindberg noted that some businesses, such as high tech companies, specifically located here primarily because of the availability of plentiful, cheap water supply.

Maxine Fisher, 4229 SE 103rd, Portland, asked if rate payers would be charged more because less water is being used and thus the City is receiving less money.

Mr. Rosenberger said they do know they have a serious revenue shortfall and are trying to absorb internally as much of it as they can so that any rate increase will be minimal. Regarding capital spending, they are considering deferrals or outright drops.

Disposition: Placed on File.

1400 TIME CERTAIN: 10:00 AM - Acknowledge creation of a steering committee and draft scope of work for the study of the River District Vision as called for in Resolution No. 34970 (Resolution introduced by Commissioner Kafoury)

Discussion: Bob Stacey, Director, Planning Bureau, reminded Council of the charge it gave the Planning Bureau in March to devise a joint plan of action for the River District study. He said they have been working with the Portland Development Commission, Office of Transportation, Parks and area property owners on a program to review the development concept as well as the infrastructure and service needs and return to Council with a coherent plan within 18 months. He said the resolution today establishes a public and private steering committee to oversee this work.

Individuals speaking in support of the study included:

Pat Prendergrass, North Downtown Consortium Bob Ames, 12500 SW Bull Mountain Road Bill Naito, 5 NW Front

Commissioner Kafoury said the group membership has been broadened to acknowledge the importance of social services.

Commissioner Blumenauer said one of the things the technical study will do is help them determine whether they can "daylight" Tanner Creek which is currently in pipes and going directly into the sewer system.

Disposition: Resolution No. 35029. (Y-5)

*1426 Authorize an application to U.S. Department of Housing and Urban Development for a \$350,000 Grant (Ordinance)

Discussion: Carol-Linda Casson, Portland Development Commission, said this request is for a special fund of HUD money set aside for urban empowerment. The Northeast Workforce Center will get two thirds of the grant proceeds and the other third will provide technical assistance to small businesses within the enterprise zone.

Disposition: Ordinance No. 165740. (Y-5)

Commissioner Earl Blumenauer

1427 Consider vacating a portion of SW Texas Street west of SW 45th Avenue at the request of Corinne Weber and Barbara Melvin (Hearing; C-9791)

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Discussion: Corinne Weber, petitioner, said she thought it was selfevident that there was no impediment or controversy, about this.

Disposition: Approved. City Engineer Prepare Ordinance. (Y-5)

*1428 Accept a Deed from the Portland Development Commission for property rights acquired for construction and operation of the NE Airport Way Street Improvement Project (Ordinance)

Disposition: Ordinance No. 165741. (Y-5)

*1429 Authorize a Contract with Barney & Worth, Inc., to provide professional public involvement and facilitation services in connection with the combined sewer overflow (CSO) program (Ordinance)

Disposition: Ordinance No. 165742. (Y-5)

Commissioner Mike Lindberg

*1430 Accept a \$6,000 donation from the Rose Festival Association for the purchase of play equipment for Harney Park (Ordinance)

Discussion: Commissioner Lindberg said this is the second year that the Rose Festival Association has specified a donation to a specific park.

Disposition: Ordinance No. 165743. (Y-5)

City Auditor Barbara Clark

*1431 Create the SW Palatine Street Improvement Project (Hearing; Ordinance; C-9783)

> **Discussion:** The Clerk said a report on a remonstrance was distributed with a recommendation from the City Engineer that it be overruled. Commissioner Bogle moved to overrule the remonstrance. Commissioner Lindberg seconded and the motion carried. (Y-5)

Disposition: Remonstrance overruled. Ordinance No. 165745. (Y-5)

1432 Assess property for sidewalk maintenance through April 30, 1992 (Second Reading Agenda 1396)

Disposition: Ordinance No. 165744. (Y-5)

1401

TIME CERTAIN: 10:30 AM - Authorize Ed Benedict Community Park reuse agreement and park development (Resolution introduced by Mayor Clark and Commissioner Lindberg)

Discussion: David Kish, Director of the Bureau of General Services, said this ends the long process of finding a site for the 911 facility as well as the long process begun by Commissioner Lindberg to develop a park in southeast Portland on a piece of property originally part of the Mt. Hood freeway corridor. He explained how the property, now known as Ed Benedict Park, was acquired from the State with the condition that it be developed within 5 years as a park and their intention to include a revenue-generating community-use element in the planning efforts. He said the Park Bureau made several proposals to develop the revenue generator but never really found one that worked. In 1990 the Bureau of General Services approached them about using it as a site for the 911 facility but the neighborhood was not receptive, partially because it felt inclusion of a police precinct would increase traffic substantially.

Mr. Kish also described a concurrent proposal to locate the facility at Eastport Plaza but noted that negotiations ended after they found that the Eastport proposal would have required an additional \$900,000 above the \$5.3 million budget already approved. General Services then made a second proposal to the Parks Bureau for a slightly smaller piece of the park property, without the police precinct. He said the property at Ed Benedict Park, where they will seek a zone change, can be developed for the 911 facility within the approved budget.

Mr. Kish said he is confident there is neighborhood support, noting that Powellhurst Neighborhood voted 28 to 2 in favor, Lents voted 15-8 in favor and at a combined meeting, the vote was 28 to 17 in favor. He added that a petition came in later, however, with 300 signatures in opposition.

Mack Fisher, 4229 SE 103rd, spoke in support of locating the 911 facility in Ed Benedict park. She said she believes Al Clark, initiator of the petition effort, misstated the program and frightened residents. She said siting the facility at Eastport would cost more money and she believes any traffic problems can be worked out.

Richard A. Jacobsen, 4154 SE 103rd, said he does not think the petition signatures should be considered valid. He noted that the land must be

developed as a park by 1993 or it will revert to the State.

Kenneth Brummer, 4409 SE 105th, said this facility will save tax dollars and serve the public.

Raymond Hites, President, Lents Neighborhood Assoc., said everyone in the neighborhood wants the park but not everyone wants 911. He said at the August 10 joint neighborhood association meeting, the vote was 28 yes, 17 no. However, the Powellhurst-Gilbert Neighborhood Association bylaws allow written proxies and it appears that the signatures on the petition count as proxy votes. Complicating things further, the Lents Neighborhood Association follows Roberts Rules of Order which do not allow proxies. If the proxies are considered legitimate votes, the yes total would be 31 and the no's would be 330. He said this is a case where there are incompatible bylaws and where they failed to write special rules for this particular meeting. He said he did not realize Powellhurst allowed written proxy until after he heard about the petition.

Donna Urquhart, 5216 SE 132nd Ave., volunteer coordinator at Ed Benedict Park, said while many of her neighbors think the State is bluffing about taking the park back if it is not developed, she does not. She said the park needs to be developed and the only way it can be done is to have 911 go in there.

Harry Auerbach, Deputy Senior Attorney, said in his experience the State is very serious about their time deadlines and would hold City to the 5 year limit.

Al Clark, 3147 SE 129th, said he circulated a petition after finding that the Powellhurst-Gilbert Neighborhood Association bylaws permitted proxy votes. He said 96 per cent of the people around the park oppose placing the 911 facility there. He said he believes the signatures on the petition constitute proxy votes and contended that the Lents Neighborhood Association board wants to change its bylaws to allow proxies so that a similar situation does not arise again. He said the proxy vote was 330 no, and 30 yes.

Mr. Clark called for location of 911 somewhere other than Ed Benedict park. He said Eastport Plaza offered \$260,000 for the park if the 911 facility is located on its property. He estimated that a total of \$1,040,000 is available for park improvements from various sources, including Housing and Community Development. He concluded by requesting that Council agree that the 313 signatures on the petition

gives them the right to appeal the zone change, if it is approved.

Mayor Clark asked where the City would get the \$900,000 to pay the additional costs at Eastport for the 911 Center.

Mr. Clark said he wants the park left alone and he would pay extra taxes for the extra million dollars it would take.

Commissioner Blumenauer noted that Mr. Clark requested that Council find that the petition gives standing for an automatic, free appeal of the zone change. He said he does not feel comfortable making such a decision.

Mr. Auerbach said this is not the proper time to make such a determination. He said a decision could be made when and if it becomes an issue.

Commissioner Blumenauer said he does not want anyone to leave here believing they have a free appeal to the Council. Mayor Clark agreed, noting that the petition also specifically calls for location of the facility at Eastport Plaza, which would cost \$900,000 more.

Commissioner Kafoury, noting Mr. Clark's reference to the use of Community Development resources for the Park, said they are trying to remedy years of neglect in Southeast and believe this contribution of community development money is very positive for the neighborhood. She added her belief that the proposal is a good compromise and thanked Mr. Kish for his hard work.

Mayor Clark said the City is very lucky to have this property available for a park. He said it is essential to go forward as soon as possible to get both a quality park and a 911 facility.

Commissioner Lindberg said this is a creative utilization of resources that allows the City to have both of these things done at one time. He said with existing resources it is very difficult to develop a new park and getting the \$260,000 for this land is a major development. He emphasized that the three acres slated for the 911 facility is the only part of the 14.5 acres that would be used for anything other than a park.

Disposition: Resolution No. 35030. (Y-5)

At 11:07 Council recessed.

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 12TH DAY OF AUGUST, 1992 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Clark, Presiding; Commissioners Blumenauer, Kafoury and Lindberg, 4.

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

1433

Tentatively grant appeal of St. Mark's Evangelical Lutheran Church against Hearings Officer's decision to deny application for a conditional use permit to expand a parking lot at 5415 SE Powell Boulevard (Findings; Previous Agenda 1364)

Discussion: Commissioner Kafoury noted that Council had already voted tentatively to grant the appeal.

Disposition: Findings Adopted. (Y-4)

At 2:05 p.m., Council recessed.

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 13TH DAY OF AUGUST, 1992 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Clark, Presiding; Commissioners Blumenauer, Bogle, Kafoury and Lindberg, 5.

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

1434 TIME CERTAIN: 2:00 PM - Accept report of the Peninsula Multiservices Planning Committee and recommend that citizens and City agencies proceed with evaluating feasibility and cost implications of locating certain services within St. John's City Hall (Resolution introduced by Commissioner Blumenauer)

> **Discussion:** Commissioner Blumenauer said this is an example of the community really coming together and demonstrates community policing at its best.

Clarice White, Peninsula Multi-services Planning Committee chair, said this cooperative project has brought about a new sense of trust between St. Johns citizens and the City. She described the survey conducted in St. Johns which calls for establishment of a multi-service center with an emphasis on public-safety services and asked that all aspects of the January 16, 1992 agreement be implemented before the precinct moves.

Tom Potter, Police Chief, recognized community leaders active in achieving this agreement. He described establishment of a neighborhood foot patrol and other activities that support a "win-win" community policy effort.

Helen Miles, President St. Johns Heritage Association, presented a petition with 260 names in support of retaining the Heritage museum in old City Hall where North Precinct is currently located.

Others speaking in support of retaining the museum on the second floor of the facility included:

Elsie Norris, 7034 N. Ivanhoe, Portland, OR 97203 Louis Stone, 11440 NW Rock Creek Road, Portland, OR 97231 Heber Heine, 5801 N. Warren, Portland, OR 97203

Austin Brown, 9846 N. Syracuse St., Portland, OR 97203

Rachel Jacky, Office of Neighborhood Associations, said her office will be coordinating development of the Peninsula multi-service center. She clarified that the museum is one of 13 that the committee is recommending be included in operation of the center.

Ms. Jacky complimented the Peninsula group, noting that its work may well have established a prototype for the rest of the City to follow. She recognized the extraordinary efforts of Clarice White in this endeavor.

Disposition: Resolution No. 35031. (Y-4)

REGULAR AGENDA

Commissioner Dick Bogle

1435 Liquor license application for Steve Hospodar and Kim Cooper, dba Pot Belly Deli, 2327 NW Kearney, Restaurant liquor license (new outlet); Unfavorable recommendation (Report)

> **Discussion:** Henry Emrich, License Bureau, said the Bureau initially submitted a report calling for an unfavorable recommendation because of the likely negative impact to neighbors of a restaurant serving alcohol, having outdoor patios and some musical entertainment. Since the staff report was filed, the Northwest District Association voted again to oppose the license, the Bureau received a number of letters in support and the licensee submitted a business plan. Some of the changes proposed in the plan include a 6 p.m. closing, unamplified music, the addition of a fence and shrubbery and erection of a 15-foot noise barrier. Mr. Emrich said there is not a clear consensus in the neighborhood, despite continued NWDA opposition.

Stephen Hospodar, co-applicant, said the deli will only be open from 11 a.m. to 6 p.m. and outlined plans to have outdoor seating for 26 customers, split between the front and back decks, where acoustic music will be offered on Fridays and weekends. He said the second floor will be occupied by the owners. He said they believe parking congestion will be limited because they seek to attract the customers from those already in the neighborhood. He said beer and wine sales will be about 10 percent of their business and they will monitor sales by having limited seating and business hours, with a limited selection of Oregon microbrews and wines.

Kim Cooper, co-applicant, said they will not disturb the peace or tranquility of the neighborhood. She said the backyard, where music is planned, is already enclosed and surrounded by retail business. She said they did a marketing survey and found there is sufficient interest to include beer and wine on their menu, adding that they are only open to 6 p.m. She noted that of 21 phone calls received by the OLCC, five were strongly in favor.

Mayor Clark asked if there would be on-site manager.

Ms. Cooper said both she and Mr. Hospodar plan to be there.

Individuals speaking in support included:

Peg Gepford, 2323 NW Irving, #1, Portland, OR 9210 Rick Silenzi, 2370 NW Pettygrove David Schnake, 2370 NW Pettygrove Joe Wilson, SE 104th Avenue James Stewart, NW Portland resident

Supporters said the applicants have tried hard to appease everyone and argued that this outlet would primarily serve people who already live and work in the area, not those from outside. They contended that those who live here should expect such a mix of commercial and residential as this represents. Mr. Silenzi said the flyer distributed by opponents mislead neighbors about the impact of the deli. Mr. Schnake submitted a petition with names of supporters.

Individuals speaking in opposition included:

Dennis Seals, 1314 NW Irving, #511 Jessica Marlitt, representing State Rep. Vera Katz Heath Silberfield, 1819 NW 25th, #205

Opponents said a beer and wine outlet is inappropriate in this location and would negatively affect neighborhood liveability. They objected to having a commercial operation intrude so far into the block and to the added parking problems it will cause. They said the presence of drinking on outside decks will reduce adjacent property values. Gil and Jan Prince, 2327 NW Kearney, Portland, OR 97210, said they were never notified about the NWDA meeting prior to the negative vote against use of their property. They said they plan on living in the building and do not see a problem with the proposed use.

Ruth Roth, 2227 NW Johnson, Portland and NWDA Board member, said at the NWDA Board meeting they realized after their first vote that they had neglected to invite the applicant. They then called an emergency meeting to which the Princes were invited to make a presentation. She asked Council to uphold the negative recommendation. She said the Northwest area is a delicately balanced neighborhood where intrusive commercial uses need to be limited.

Heath Silberfeld, NWDA President, recommended denial based on the negative effect on liveability and increased parking problems. She said the Board voted six to two in favor of denial. Ms. Silberfeld said commercial encroachment threatens the neighborhood and it is a fluke that the building was zoned commercial in the first place.

David Rorvik, 2337 NW Kearney, said the owners' sons assaulted him following one meeting. He said the Princes also misrepresented their intention to live there, as they actually plan to spend little time there.

Gary McGrew, Program Manager for the License Bureau Regulatory Section, said the Bureau would like to change its recommendation to favorable, based on new information received since the initial unfavorable recommendation was forwarded to Council. He recommended that a condition be added calling for the applicants to operate as proposed in their business plan. He said this is a restaurant license with no off-premise sales in a location that does not typically cause problems for a neighborhood.

Mayor Clark expressed surprise about the change in the License Bureau recommendation and about the commercial designation. He said this neighborhood is overwhelmed with liquor outlets already and that some other kind of commercial use would provide a better buffer. He said he is very much opposed to carrying this commercial use further into the neighborhood.

Commissioner Bogle said he will support the Bureau's favorable recommendation, noting that the key points of the business plan address the concerns raised and that he believes these innovations will make this licensee a good neighbor. Commissioner Bogle moved to send a favorable recommendation to the OLCC. Commissioner Kafoury seconded. The motion failed to carry. (Y-1, Bogle; N-3)

Commissioner Blumenauer said he appreciated the earnestness of the applicants but believes there are already enough liquor outlets there. He said after the restaurant establishes a track record with the neighborhood they may return with another request for a liquor license.

Commissioner Kafoury said this is a neighborhood oversaturated with liquor outlets.

Commissioner Lindberg said this is a great concept in the wrong location and the rights of existing neighbors are greater than those of a new business.

Commissioner Kafoury moved to forward an unfavorable recommendation to the OLCC. Commissioner Lindberg seconded.

Disposition: Unfavorably recommended. (Y-3; N-1, Bogle)

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

BARBARA CLARK Auditor of the City of Portland

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By Cay Kershner Clerk of the Council