



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 19TH DAY OF MARCH, 1997 AT 9:30 A.M.

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

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

Agenda Nos. 348, 349 and 375 were pulled from Consent. On a Y-5 roll call, the balance of the Consent Agenda was adopted as follows:

**CONSENT AGENDA - NO DISCUSSION**

**347** Cash investment balances February 6 through March 5, 1997 (Report; Treasurer)

**Disposition:** Placed on File.

**350** Accept bid of Boyington Construction, Inc. for restroom renovations at Brooklyn, Couch and Clinton Parks for \$137,700 (Purchasing Report - Bid 119)

**Disposition:** Accepted; prepare contract.

**351** Accept bid of G.R. Morgan Construction for Rose City Park improvements for \$101,131 (Purchasing Report - Bid 136)

**Disposition:** Accepted; prepare contract.

**352** Accept bid of Moen Machinery for three 4-wheel drive tractor backhoe loaders for \$73,458 (Purchasing Report - Bid 139)

**Disposition:** Accepted; prepare contract.

**353** Vacate a portion of NE 16th Avenue south of NE Halsey Street (Second Reading Agenda 334; C-9931)

**Disposition:** Ordinance No. 170991. (Y-5)

**Mayor Vera Katz**

**\*354** Pay claim of Jonathan Wadman (Ordinance)

**Disposition:** Ordinance No. 170992. (Y-5)

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- \*355** Amend labor agreement between the City of Portland and the District Council of Trade Unions (DCTU) to correct a mathematical error in the calculation of pay steps in the wage rates for certain classifications in the agreement approved by the City Council by Ordinance on October 23, 1996 (Ordinance; amend Ordinance No. 170663)

**Disposition:** Ordinance No. 170993. (Y-5)

**Commissioner Jim Francesconi**

- \*356** Authorize an Intergovernmental Agreement with Multnomah County for printing and duplicating services (Ordinance)

**Disposition:** Ordinance No. 170994. (Y-5)

- \*357** Approve an alternative contracting process and create an exemption to competitive bidding for the renovation of Peninsula Community Center and pool mechanical systems (Ordinance)

**Disposition:** Ordinance No. 170995. (Y-5)

- \*358** Contract with Nelson's Nautilus for use of their aquatic facilities by Portland Parks and Recreation Aquatic Section, commencing April 8, 1997 through March 31, 1998 (Ordinance)

**Disposition:** Ordinance No. 170996. (Y-5)

**Commissioner Charlie Hales**

- 359** Set hearing date, 9:30 a.m., Wednesday, April 16, 1997, to vacate an unnamed street lying west of NW Bridge Avenue (Report; C-9786)

**Disposition:** Adopted.

- 360** Accept contract with Nutter Underground Utilities Co., Inc. for SW Skyline Blvd. slide repair, South project, as complete, approve Change Order No. 1, make final payment and release retainage (Report; Contract No. 31016)

**Disposition:** Accepted.

- \*361** Amend City Code seismic design requirements for existing buildings (Ordinance; amend Chapter 24.85)

**Disposition:** Ordinance No. 170997. (Y-5)

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- \*362** Remove deadlines from ordinances establishing interim seismic regulations (Ordinance; amend Ordinance Nos. 168626, 168627 and 169427)

**Disposition:** Ordinance No. 170998. (Y-5)

- \*363** Grant a ten-year property tax exemption to Oregon Pacific Investment Development Company for new multiple-unit housing at SW Lincoln between Fourth and First Avenues (Ordinance)

**Disposition:** Ordinance No. 170999. (Y-5)

- 364** Amend Portland Plant List (Second Reading Agenda 318)

**Disposition:** Ordinance No. 17100. (Y-5)

**Commissioner Gretchen Miller Kafoury**

- \*365** Increase agreement with Southeast Uplift, Inc. for the Brentwood Darlington Harney Park targeted area project by \$18,524 and provide for payment (Ordinance; amend Contract No. 30740)

**Disposition:** Ordinance No. 171001. (Y-5)

- \*366** Increase Agreement with Human Solutions, Inc. by \$14,488 from the City of Gresham's HOME Investment Partnership Program in the City of Portland's role as HOME Consortium Administrator and provide for payment (Ordinance; amend Agreement No. 30766)

**Disposition:** Ordinance No. 171002. (Y-5)

- \*367** Authorize a contract and provide for payment for restroom remodeling at Stations 3, 19 and 22 (Ordinance)

**Disposition:** Ordinance No. 171003. (Y-5)

- 368** Intergovernmental Agreement with the Department of State Police, Oregon Emergency Management, for Portland to provide training to local emergency management and disaster services personnel (Second Reading Agenda 321)

**Disposition:** Ordinance No. 171004. (Y-5)

**Commissioner Erik Sten**

- 369** Accept completion of the Insley Basin CSO sump project, Unit 1.1, Phase II, Project 5923, and authorize final payment to S-2 Contractors, Inc. (Report; Contract No. 30976)

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**Disposition:** Accepted.

- \*370** Authorize Director of Environmental Services to enter into an agreement with Bob Voris, Executive Trustee of property at 4916 SW 56th Avenue, for installation and maintenance of monitoring equipment in Fanno Creek (Ordinance)

**Disposition:** Ordinance No. 171005. (Y-5)

- \*371** Authorize a contract and provide for payment for the NE 92nd and NE Marx Drives sanitary sewer extension, Project 5629 (Ordinance)

**Disposition:** Ordinance No. 171006. (Y-5)

- \*372** Authorize the Purchasing Agent to sign a purchase order to serve as a contract with Jensen Drilling Company for emergency construction work at an estimated amount of \$200,000 (Ordinance)

**Disposition:** Ordinance No. 171007. (Y-5)

- 373** Authorize a contract and provide for payment for the construction of 6-inch and 8-inch water mains in the SW Primrose mains package (Ordinance)

**Disposition:** Passed to Second Reading March 26, 1997 at 9:30 a.m.

- 374** Authorize a contract and provide for payment for the construction of a 12-inch water main in NE 112th Avenue and an 8-inch water main in NW Pittock Avenue and NW Barnes Road (Ordinance)

**Disposition:** Passed to Second Reading March 26, 1997 at 9:30 a.m.

**REGULAR AGENDA**

- 348** Purchase five cargo vans per State Price Agreement for \$92,654 (Purchasing Report - Informal Bid 1120F)

**Discussion:** Mayor Katz said she wanted to hold this and No. 439 back.

David Kish, Director, Bureau of General Services, described the process for vehicle replacement and the condition of the vehicles being replaced.

Commissioner Hales asked why the motor pool was not used instead of purchasing vehicles that do not get much mileage.

Mr. Kish said in some cases the vehicles serve as offices in the field.

Council members asked for more information about vehicle use.

**Disposition:** Referred to Commissioner of Finance and Administration.

- 349** Accept bid of Wentworth Chevrolet for five compact 4x4 sport utility trucks for \$114,243 (Purchasing Report - Bid 53)

**Disposition:** Referred to Commissioner of Finance and Administration.

**City Auditor Barbara Clark**

- 375** Accept the independent auditor's report on the Comprehensive Annual Financial Report for the City for FY 95-96, including the general purpose financial statements (Report)

**Discussion:** Barbara Clark, City Auditor, said this completes the financial audit of the entire City by KPMG.

Joe Hoffman, KPMG Auditor, said they paid particular attention to areas where managers have to exercise their own judgment. They found all areas in excellent compliance. He said one major new area they reviewed was the use of grant money the City received from the Federal Emergency Management Agency (FEMA) following last year's flood.

Commissioner Francesconi asked Mr. Hoffman to name the City's number one strength and number one weakness.

Mr. Hoffman said the City has very good people in positions of responsibility and he has no concerns about the system of controls. The management information system however may be too decentralized and the City might want to put a more integrated system in place.

Mayor Katz said the Office of Finance and Administration ought to get credit for these good results although the City is still not moving fast enough in the technology area.

**Disposition:** Accepted.

- \*345** **TIME CERTAIN: 9:30 AM** - Withdraw territory from Tualatin Valley Water District effective July 1, 1997 (Ordinance introduced by Commissioner Sten)

**Discussion:** David Johns, Water Bureau, said this involves two very small parcels and the purpose of the withdrawal is to put them under one jurisdiction.

**Disposition:** Ordinance No. 171008. (Y-5)

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**346** **TIME CERTAIN: 9:40 AM** - Report on the City Hall renovation project from the Director of the Bureau of General Services (Report introduced by Commissioner Francesconi)

**Discussion:** David Kish, Director, Bureau of General Services, brought the Council up to date on the renovation. He said 98 percent of the demolition is complete and they have spent about 75 percent of their contingency fund. A subcommittee has identified \$250,000 in the renovation budget that could be moved to contingency and then returned later if not needed. He said they have met their goal of 15 percent use of MBE/FBE/ESBs and the moving in date remains the same, March 21, 1998.

**Disposition:** Accepted.

### Mayor Vera Katz

**\*376** Authorize the Mayor and Auditor to execute a labor agreement and approve letters of agreement concerning Mandatory Off-duty Training and the implementation of new pay rates for ECO trainees, between the City of Portland and AFSCME, Council 75, Local 189, relating to terms and conditions of employment of certain represented employees of the Bureau of Emergency Communication (Ordinance)

**Discussion:** David Rhys, Personnel Bureau, described terms of the agreement which is similar, if not equal, to other labor agreements. Some concerns recently raised by the union may require a return to Council with some minor amendments.

Sheryl Whitman, Bureau of Emergency Communications, said this is a very fair contract, the result of a very long process.

**Disposition:** Ordinance No. 171009. (Y-5)

### Commissioner Jim Francesconi

**377** Appeal of Bridge Pedal, Inc. requesting single permit for bike/bridge event and denial of permit to Willamette Light Brigade (Hearing on Appeal; Previous Agenda 300)

**Discussion:** Commissioner Francesconi said an agreement between Bridge Pedal and Willamette Light Brigade has been signed and the issue between the two groups has now been resolved. Because the City granted two permits, however, Council should vote to grant the Bridge Pedal appeal and condition that the written agreement between the two parties be accepted.

Dennis Nelson, Manager, Bureau of Licenses, said the agreement sets out how the parties will work together on this event.

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Dan Saltzman, Multnomah County Commissioner, said this will be a mega event for the City, encouraging biking while at the same time drawing attention to the bridges.

Diana Goodwin, attorney for Bridge Pedal, said this agreement removes the need for two permits. She asked, however, that it be amended to eliminate 1.C and 1.B and instead include the new condition both parties have agreed to.

Rick Bauman, Executive Director, Bridge Pedal, Inc., said this recognizes Bridge Pedal as the owner of the event and recognizes Willamette Light Bridge as the principle beneficiary. There is no financial obligation for the City.

Paddy Tillett, Willamette Light Brigade (WLB), said his organization is willing to withdraw its application for a similar event on August 17. He said WLB wanted revenues to fund part time staff to draw attention to the bridges. This will accomplish that.

Commissioner Francesconi moved to grant the Bridge Pedal appeal, accept the withdrawal of WLB, remove conditions 1.B and 1.C and add the new condition calling for acceptance of the new agreement by both parties. Commissioner Kafoury seconded.

**Disposition:** Grant appeal with amended conditions. (Y-5)

**\*378** Accept dedication of new public park land in Eastridge Park in SE Portland and assign responsibility to Portland Parks and Recreation (Ordinance)

**Discussion:** Commissioner Francesconi said this is a very small park in outer southeast Portland, the most park-deficient area in the City. It has taken 16 years to get to this point and later this year Council will have to decide to fund the money to maintain it.

Bob Baker, President, Eastridge Neighborhood Association, said this land was originally set aside for a park by the developer and is an area that is rapidly developing. The neighborhood wants to take an active role in the park's development.

Linda Bauer, President, Pleasant Valley Neighborhood Association, said Mr. Baker deserves credit for getting this together.

**Disposition:** Ordinance No. 171010. (Y-5)

**\*379** Adopt Portland Parks and Recreation policies and procedures governing non-park use of park property (Ordinance)

**Discussion:** Commissioner Francesconi said this policy addresses the need to limit

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the use of park lands for activities outside the parks' mission. This deals with such uses as cell phone antennae and private driveways. The Bureau is also reviewing its mission as it relates to issues like community centers.

Susan Hathaway-Marxer, Property Manager, Parks Bureau, said the Bureau receives many proposals to use park property and this policy provides an administrative tool to deal with such requests.

Commissioner Francesconi said the policy states that recreation is the prime goal and puts the burden of proof on the applicant to show that the use does not conflict with that goal. The Bureau is already doing this but this policy sets it out clearly.

Mayor Katz asked about food vendors.

Ms. Hathaway-Marxer said food vendors are treated as concessions and handled through the park permitting process when they are found to be complementary. This policy deals with less complementary uses, such as cellular antennae which currently add \$30,000 per year to the Parks Trust Fund.

Harry Auerbach, Deputy City Attorney, said the Code provides for bidding concessions competitively.

**Disposition:** Ordinance No. 171011. (Y-5)

### Commissioner Charlie Hales

380

Establish \$134,550 as the maximum price for a newly-constructed single family house eligible for limited property tax exemption in a distressed area (Resolution)

**Discussion:** Mike Saba, Planning Bureau, said this sets a new price limit for one of the City's four major tax abatement programs. That program provides a limited 10-year exemption on the value of improvements on any newly constructed single-family homes in distressed areas. The price limit is established annually and attempts to balance realistic new housing costs against the need for a cap that makes the housing affordable for first time home buyers. He said staff knows of Council's desire to review all the tax abatement programs but believes this is a reasonable price limit.

Commissioner Sten asked if the definition of "distressed" area has changed since 1990, when this program went into effect.

Mr. Saba said one reassessment has been done since then but overall staff found no major shifts in those neighborhoods which would justify deletion. However, several distressed neighborhoods were added as a result of the Outer Southeast Community Plan, including Foster/Powell and Lents.



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Mayor Katz said Council is concerned about an income qualifier and what to do about those who qualify initially but reach a much higher income level a few years later.

Mr. Saba said staff wants to review this with Council as part of a larger discussion. He said the cost to staff to qualify and monitor home buyers' incomes must be considered. Another question is whether to require owner occupancy. Some years ago the Council chose not to do that and has since found, as of December, 1996, that 87 percent of the homes are owner-occupied, achieving this result without a lot of administrative requirements.

Mayor Katz said a person could purchase more than one house and then rent both out, getting a tax break, too.

Mr. Saba said there is no income limit and he has no data on the income levels of the home buyers to date.

Mayor Katz said a Council Informal needs to be held on tax exemptions, especially regarding the income qualifier.

Commissioner Sten said he would support this if there was a time line for review. This was a tax policy created in 1990 when there were 1,000 vacant units in Northeast. Now there are virtually zero. He can support this in very distressed areas like Alberta Street but not in Eliot which is gentrifying rapidly. This resolution makes the program work within today's market but he is uneasy about the subsidy as people cannot afford a \$134,000 house unless they make about \$60,000 and, at that level, he questions why they should not pay property taxes. He would like to tighten this program up to help really distressed areas or add an income limit. That could turn a revitalization program into an affordable housing program, which may not be the goal.

Commissioner Francesconi said tax abatement is one of the few tools the City has to get affordable housing but he is concerned about owner occupancy and income levels. He needs to know how many homes will be built and where, as well as what the effect would be without the abatement. However, he is willing to go ahead now if there is a commitment to resolve this within four to five months.

Commissioner Kafoury said the Office of Finance and Administration is finalizing a report on tax abatement policy due for completion in April or May. She said one piece being considered by the housing managers group is long term affordability and whether to end eligibility for tax abatement if one's income rises too high.

Commissioner Sten said there is a role for tax abatement but it needs to reflect 1997 economics.

Mayor Katz said there should be a balance between public and private benefit and

right now the public benefit is a lot weaker than it has been in prior years. If this program continues, Council should at least look at income limits and home occupancy requirements.

**Disposition:** Resolution No. 35593. (Y-5)

381

Authorize application to Multnomah County for a grant under the Housing and Community Development Act of 1974 in the amount of \$1,800,000 for flood and landslide hazard mitigation (Ordinance)

**Discussion:** Commissioner Hales said this ordinance is under his name because Margaret Mahoney, Bureau of Buildings, chaired the staff committee that prepared this recommendation. However, he will vote against it as he believes while this may be "politically correct" it is financially irresponsible to spend all the mitigation funds to deal with the after effects of slides and flooding on land acquisition in Johnson Creek. Originally the committee came up with a more balanced recommendation but apparently the assumption now is that general fund money will be found to repair the damage caused to property owners by City-owned land sliding down on them. Ms. Mahoney's memo states that no other public source of funds, other than the general fund, has been identified as available for slide repair activities. The slide along Willamette Boulevard continues to slough onto Freightliner's property, posing a liability against the general fund. By diverting the \$640,000 originally recommended to repair this damage, the City will have to use general fund dollars. Another reason this is financially irresponsible is that it proposes that all this land along Johnson Creek be bought but there is some question as to whether the Bureau of Environmental Services (BES) will be able to afford the \$300,000 in Local Improvement District (LID) assessments already slated for the property, in the area of 162nd and Foster, where the City is creating an LID to build an intersection. He estimates a one million dollar impact on the general fund by spending all this money on land acquisition and none on slide repair.

Howard Cutler, Bureau of Housing and Community Development, a member of Ms. Mahoney's committee, explained that a landslide mitigation study was used to apply for FEMA funds and five projects were initially selected, including one for Johnson Creek. Later more projects were added, one for Willamette Boulevard. But the interagency committee evaluating them could not reach a consensus on one recommendation and instead proposed two options. One provided funding for Willamette Boulevard and the Raleigh slides projects and Johnson Creek. The other recommendation was that all the funds go to Johnson Creek.

Mayor Katz asked why the committee rejected some projects, why it was unable to get to consensus and why it did not think some projects would qualify for part of this money. She said they are really talking about slide repair of about \$644,000 for Willamette Boulevard and \$100,000 for Saltzman.

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Steve Barrett, Bureau of Transportation Engineering, said the total cost for the Willamette Boulevard repair would be \$3.2 million.

Commissioner Hales noted this is for land near Willamette Boulevard, not land on the public right-of-way, and this is the portion that can be funded through other sources.

Mr. Cutler said there were projects at Macleay Park, Saltzman, Raleigh and Malcolm. The grant is for \$1.72 million but their needs total \$10 million.

Ivy Frances, Bureau of Environmental Services (BES), and member of the evaluation committee, said BES rationale was to look at the cost of the Johnson Creek flood management program. This flood mitigation money would be a small piece of that. The amount requested for Willamette Boulevard would take care of the entire problem. The committee considered how they might distribute the funds percentage-wise to make it a little more equitable. Also, they believe providing property acquisition along Johnson Creek takes people out of harm's way and helps out low-income people. The public benefit versus the cost for flood plain management, especially in these two areas, far outweighs some of the technical solutions the committee heard. There were several lower-cost options for Willamette Boulevard, not just the one for \$600,000. Some of the flood-damaged homes designated for purchase have been flooded three times since February, 1996. Removing people from this hazard ranks high with BES in addition to solving the water quality problems and helping to revitalize the Lents neighborhood.

Steve Barrett, Bureau of Transportation Engineering, said the \$644,000 cost estimate will permanently fix the slide area on Willamette Boulevard. There is a slightly less costly option calling for a catchment but the slide would still continue to advance. They made this application for Willamette Boulevard because they are reasonably certain it would not qualify for Federal Highway funds because it does not directly impact the Willamette Boulevard roadway. The other slide sites along Willamette Boulevard do and they have applied for federal highway funds for those. This is only one of 11 sites along Willamette Boulevard. Regarding the Saltzman slides area, property owners are responsible for fixing it but do not have the over \$2 million to do so. If the slide advances, the access road will probably be closed. The slides on Melville also involve private property but could end up blocking access to three or four homes. The Willamette Boulevard slide was judged the most important to fix because it represented a general fund liability that there probably was no other way to fund.

Judith Rees, Parks and Recreation, said originally applications were made to FEMA for Macleay Park and, jointly with BES, for Johnson Creek. The joint application has received initial funding approval but the total amount is \$275,000 and requires a \$125,000 match. The Macleay Park application has been put on hold at this time. Parks believes the Johnson Creek project would meet multi-objectives.

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Commissioner Francesconi said Commissioner Hales made several incorrect statements. There was no consensus on the committee and now a difficult decision will have to be made by Council. One option would be to send this back. Or Council members could have discussed what course to follow but apparently that was not the course chosen. He said the issue of legal liability for Willamette Boulevard does not apply because public entities have "sovereign immunity" which grants them a great deal of discretion about how to spend limited dollars. He said there is less legal liability here than on the Portland Building. He said it is in the Parks Bureau's interest to have this motion pass and he supports it. He said the argument that this is motivated by political correctness totally escapes him. He said the City is looking at a \$6 million obligation to get people who are at risk out of harm's way. At the same time, Lents is the most economically underdeveloped part of the City, with the lowest job growth in the region. Citizens there have not been given the tools to develop the infrastructure to produce jobs while money is being spent in other parts of town, including Transportation projects he has supported. Supporting this will help find the balance between environmental and economic issues and give the City a chance to deliver on its moral responsibility to Southeast Portland. There are other alternatives for the Transportation project but no legal liability.

Terry Bray, Transportation Engineering and a member of the committee, said the committee worked very hard to reach consensus. He disagreed with Commissioner Francesconi about the legal liability. Transportation's final position was that \$644,000 is a guess at what it would cost to repair a single slide at that Willamette Boulevard location and that it was unlikely that Federal Highway Administration (FHWA) funds would be available. Transportation sees this slide as an unfunded liability and recommends that the money be held in abeyance and not all of it committed to Johnson Creek until Transportation can see whether funds are available elsewhere. Ultimately Willamette Boulevard needs to be fixed so that the slide does not impact the scenic area above it.

Mayor Katz asked if all the real liability had been captured while working through the budget.

Randy Webster, Office of Finance and Administration, said he cannot say with certainty. There is also some confusion about the term liability here.

Mayor Katz said if the City cannot get a grant, there is probably an obligation on the part of the City.

Mr. Webster said the slide will have to be repaired one way or the other.

Mayor Katz said she does not recall that these issues were identified in the proposed budget.

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Mr. Webster said they have a list of all the unfunded and funded capital projects but they have not yet been done in the budget process.

Mayor Katz said she wants those identified so Council is not faced down the road with the need to fund a responsibility no one else is going to pick up.

Commissioner Sten said he would like to know how Willamette Boulevard ranks among Transportation's priorities. He does not get much sense of urgency about this project and that is why he prefers to spend the funds on Johnson Creek.

Commissioner Kafoury asked if Willamette Boulevard is on the capital improvements list. She noted that Johnson Creek has been on the list for years.

Mr. Barrett said he did not think Willamette Boulevard was. He said Transportation has been in the middle of a continuing emergency repair process that is now approaching \$3 million since last February.

Mayor Katz asked Mr. Webster to check in with the other bureaus and flag any similar potential capital projects facing the City.

Commissioner Hales said slides have occurred all over the City since last February and this is not a matter of legal liability but of responsibility and obligation. He said the City is telling all the other property owners that when their land slides down the hill and ends up in the public right-of-way, they are responsible. He cited the memo from Margaret Mahoney, Director, Bureau of Buildings, stating that they do not believe the Willamette Boulevard site is eligible for federal highway funds because it is not a City street. He said he felt Ms. Mahoney's recommendation was a balanced one but the committee chose the other option, to put virtually all the money into Johnson Creek land purchases. That is why he disagrees. He suggested either referring this back to his office or amending it to select the other option.

Mayor Katz said the City needs to know up front what its obligations regarding slides are.

Commissioner Sten said this is the first time he has heard about the BES LID issue and wants to review the City's policy for undeveloped land that is part of an LID. He said there is a lot of frustration in the Johnson Creek area over the flooding and the City has more things that it is responsible for than it has money for. This is not a matter of "irresponsibility." He said over the next several months there will be a whole set of very controversial discussions about what kind of development should occur in the Johnson Creek flood plain. He and Commissioner Francesconi are trying to bring the two sides together as both environmental protection and economic development are needed there. He said his support of using the money for Johnson Creek has nothing to do with his willingness to make sacrifices in other parts of the City budget or to take care of transportation liabilities. But he needs to see how those stack up against other transportation projects the City is already

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spending money on. It is not irresponsible to worry about low-income people in the flood plain.

Commissioner Hales moved to amend Subsection b in the ordinance to direct that \$644,000 be available for the Willamette Boulevard slide repair. If not needed because of FHWA funding, then those funds would be available for Johnson Creek land purchases. That avoids a potential \$644,000 liability for the general fund. There was no second and the motion failed.

Commissioner Hales moved to return this item to his office for two weeks. There was no second and the motion failed.

Commissioner Kafoury said Johnson Creek has been a problem for years and the City has yet to come up with a plan for dealing with the flooding. She said this is a terrific use of flood relief money in an area of town that desperately needs it.

Mayor Katz said the City has must deal with its corporate resonsibilities, whether it is Willamette Boulevard or Saltzman Road, and she does not care which bureau it belongs to. If federal funds are found for one project, the City will have to find resources for the others. She said she would like to get a list in the next two weeks of those projects likely to come up and bite the City at some point.

Commissioner Kafoury moved to remove the emergency clause. Commissioner Francesconi seconded, and hearing no objections, the Mayor so ordered.

**Disposition:** Passed to Second Reading as amended March 26, 1997 at 9:30 a.m.

**\*382** Grant a revocable permit for the intersection of SE 9th Avenue and Sherrett Street to install a demonstration project (Ordinance)

**Discussion:** Monica Maynard, 8503 SE 9th, 97202, described how a tired intersection in Sellwood had been turned into a 24-hour tea station and gathering place. Its installation has allowed neighbors to get to know each other and increased feelings of safety. Although initially the Office of Transportation opposed this, eventually the neighbors won its support.

Mark Lakeman, 8512 SE 8th, 97202, said the gist of the project is that people need to have places where paths converge and they can come together. This creates a heart for the community and believes it could successfully happen elsewhere across the City. He noted support from SE Uplift.

Others speaking in support of the project included:

Linda Danenger, 1553 SE Clatsop, 97202  
Chevon Burke, SE Sherrett, 97202  
Tim Burke, SE Sherrett, 97202

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Dan Burke, SE Sherrett, 97202  
Ash Stewart, 8512 SE 8th, 97202  
Julie Johnson, 923 SE Sherrett, 907202  
Pat Tippett, 2624 NE 19th, 97212  
Philip Goff, 1955 NW Hoyt St., #7, 97209  
Sandra Locke, 1233 SE Taylor, 97202  
Sara Locke, 1233 SE Taylor, 97202  
Melanie Saunders, 13790 SW Knauss, Lake Oswego, 97034

Supporters described the way the intersection change had transformed their neighborhood and increased their sense of community. Some encouraged the City to construct more such projects as a way to create spaces where the auto is not king and provide focal points for the community.

Janet Conklin, 2635 SW Montgomery Dr., 97201, objected to the project. She said she owns a condo with her mother on 9th and Webster and finds the intersection garish and unsightly, attracting crowds of curiosity seekers to an otherwise small, quiet neighborhood. While she sympathizes with the intent of bringing people together and creating community, this should be done without manipulating the public streets or sidewalks.

Cathy Sykes, 2605 SE 145th, 97216, said more efforts need to be made to include the elderly and motorists who need to be able to see around corners. She said the committee should work with the artist on these areas of concern.

Commissioner Francesconi asked how other cities handle things that include use of the public right-of-way, especially when not all share the same vision. Is there a mechanism for evaluation?

Commissioner Hales said this is a unique Portland project. At first the City said no and then changed its mind and said "why not?" This is an experiment and he believes sometime magical is happening here that is worth trying even though the City is taking some risk. The project will be reviewed with the neighborhood.

Mayor Katz asked Mr. Lakeman to identify some benchmarks to measure the results of the project. They could be such things as lower crime rates, reduced traffic speeds, increased communication and lower fear levels. The project also needs to bridge the generation gap.

Commissioner Francesconi said this is the best example of community organizing he has seen. He said this may be a better way to organize than around a neighborhood plan and he would like to reevaluate the way citizen involvement occurs in the City.

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Mayor Katz said Council was touched by the support for this but there is a need to make everyone in the neighborhood feel included.

**Disposition:** Ordinance No. 171012. (Y-5)

**City Auditor Barbara Clark**

383 Accept Hearings Officer's annual report for 1996 (Report)

**Discussion:** Barbara Clark, City Auditor, said she had urged the Hearings Officers to be candid about the land-use process, identifying both trends and problems.

Elizabeth Normand, Hearings Officer, said when neighborhood plans are adopted, Council needs to consider the expectations that have been raised and be clear about what aspects are aspirational. A team of Code implementors needs to develop long range policy regarding stormwater treatment in developments. She noted that BES and the Planning Bureau did not get together on the current development regulations.

Commissioner Hales said it looks like Council and the Hearings Office are in pretty close philosophical agreement most of the time.

Commissioner Francesconi asked if there is a need to coordinate a single development review.

Ms. Normand said in addition to having a team to issue the permits, those interests should be brought together when the regulations are developed.

Commissioner Francesconi asked what should be done with neighborhood plans now.

Ms. Normand said the regulations should clearly state how the plans apply in quasi-judicial cases. Just a few words would be needed. While that may not make the neighborhoods happy, they at least will be clear about the City's intent.

Commissioner Francesconi asked what Council could do better regarding the land-use cases.

Ms. Normand said it would be helpful if Council communicated any concerns that arise beyond a single case.

Ms. Clark said with the neighborhood plans, Council should distinguish between what is encouraged and what is allowed. People need to know what is okay.

**Disposition:** Accepted.



**MARCH 19, 1997**

**384** Assess property for sewer connection contracts processed through the Private Plumbing Loan Program for the period ending March 11, 1997 (Hearing; Ordinance; P0024)

**Disposition:** Passed to Second Reading March 26, 1997 at 9:30 a.m.

**385** Assess property for sidewalk repair by the Bureau of Maintenance for billing processed through February 11, 1997 (Hearing; Ordinance; Y1015)

**Disposition:** Passed to Second Reading March 26, 1997 at 9:30 a.m.

**386** Assess property for sewer system development contracts for the period ending February 11, 1997 for the mid-county sewer project and the non mid-county area (Hearing; Ordinance; Z0648, Z0649, Z0650)

**Disposition:** Passed to Second Reading March 26, 1997 at 9:30 a.m.

At 12:25 p.m., Council adjourned.

BARBARA CLARK  
Auditor of the City of Portland

*Cay Kershner*

By Cay Kershner  
Clerk of the Council

**MARCH 19, 1997**

**WEDNESDAY, 2:00 PM, MARCH 19, 1997**

**NOTE:** This session was cancelled because Item 387 could not be addressed by Council, due to the fact that no findings had been filed.

**Commissioner Charlie Hales**

- 387** Consider findings on appeal of Kelly and Barbara Bruun, applicant, and approve modification of condition C.1 imposed by the Hearings Officer on application for a zone change to environmental zone boundaries located north of SW Humphrey Boulevard near SW Humphrey Court, including the abutting Highway 26 right-of-way (Findings; Previous Agenda 161; 95-00427 ZC)

**Disposition:** Continued to March 26, 1997 at 2:00 p.m.