



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 27TH DAY OF AUGUST, 1997 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales and Kafoury, 4.

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

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

CONSENT AGENDA - NO DISCUSSION

1305 Accept bid of Brant Construction, Inc. for Wallace Park Improvements for \$138,810 (Purchasing Report - Re-Bid 218)

Disposition: Accepted; prepare contract.

1306 Accept bid of Amsign Corporation for furnishing an annual supply of aluminum sign blanks for \$31,967 (Purchasing Report - Bid 98019)

Disposition: Accepted; prepare contract.

1307 Accept bid of Safety & Supply Co. for furnishing an annual supply of leather fire fighting boots for \$32,242 (Purchasing Report - Bid 98021)

Disposition: Accepted; prepare contract.

1308 Vacate an unnamed right-of-way north of SE Powell Boulevard and east of I-205, under certain conditions (Ordinance by Order of Council; C-9902)

Disposition: Passed to Second Reading September 4, 1997 at 2:00 p.m.

Mayor Vera Katz

***1309** Authorize appointment of Lita Colligan and Loretta Young to the position of Program Coordinator - Construction Compliance at a rate of pay at the top of the range (Ordinance)

Disposition: Ordinance No. 171523. (Y-4)

AUGUST 27, 1997

- *1310** Agreement between Multnomah County District Attorney's Office and the City of Portland for use of local law enforcement block grant funds (Ordinance)

Disposition: Ordinance No. 171524. (Y-4)

- *1311** Agreement to provide photographic developing services to the Multnomah County Sheriff's Office for FY 97/98 (Ordinance)

Disposition: Ordinance No. 171525. (Y-4)

Commissioner Jim Francesconi

- 1312** Accept completion of roofing construction at Montavilla Community Center and authorize final payment of \$81,764 to McDonald & Wetle, Inc. (Report; Contract No. 30834)

Disposition: Accepted.

- *1313** Authorize acceptance of a 25' Recreational Trail Easement on the Columbia South Shore Slough from Fisher Broadcasting (Ordinance)

Disposition: Ordinance No. 171526. (Y-4)

- *1314** Authorize acceptance of a 25' Recreational Trail Easement on the Columbia South Shore Slough from Interstate Crossroads (Ordinance)

Disposition: Ordinance No. 171527. (Y-4)

- *1315** Authorize acceptance of a 25' Recreational Trail Easement on the Columbia South Shore Slough from Donald J. Kennedy, Leroy M. Rask and Gene B. Rask (Ordinance)

Disposition: Ordinance No. 171528. (Y-4)

- *1316** Authorize acceptance of a 25' Recreational Trail Easement on the Columbia South Shore Slough from Multnomah County Drainage District No. 1 (Ordinance)

Disposition: Ordinance No. 171529. (Y-4)

- *1317** Authorize acceptance of a 25' Recreational Trail Easement on the Columbia South Shore Slough from Wholesome and Hearty Foods, Inc. (Ordinance)

Disposition: Ordinance No. 171530. (Y-4)

AUGUST 27, 1997

- *1318** Grant revocable permit to Community Treehouse to construct improvements at an undeveloped City-owned lot at 4043 NE 7th Avenue (Ordinance)

Disposition: Ordinance No. 171531. (Y-4)

- *1319** Contribute \$21,250 towards the purchase of the Schultz Property in southeast Portland adjacent to Rocky Butte Nature Park (Ordinance)

Disposition: Ordinance No. 171532. (Y-4)

Commissioner Charlie Hales

- 1320** Accept Contract with Vancouver Paving for improvements to Irving Park as substantially complete, authorize final payment and release retainage (Report; Contract No. 30850)

Disposition: Accepted.

- 1321** Accept Contract with Brant Construction, Inc. for improvements to Clinton Park as substantially complete, authorize final payment and release retainage (Report; Contract No. 30870)

Disposition: Accepted.

- *1322** Grant revocable permit to the Portland State University Foundation / Kingston Saloon to close SW Morrison Street between 20th Avenue and 20th Place from September 5 through September 7, 1997 (Ordinance)

Disposition: Ordinance No. 171533. (Y-4)

- *1323** Grant revocable permit to the Portland State University Foundation / Kingston Saloon to close SW Morrison Street between 20th Avenue and 20th Place on September 20, October 4, 11 & 25 and November 8, 1997 (Ordinance)

Disposition: Ordinance No. 171534. (Y-4)

Commissioner Gretchen Miller Kafoury

- *1324** Contract with Portland State University-Center for Community Research and Urban League of Portland for \$20,000 to provide technical assistance to Bureau of Housing and Community Development target areas in developing project performance measures and tracking tools and provide for payment (Ordinance)

Disposition: Ordinance No. 171535. (Y-4)

- *1325** Amend Agreement with Volunteers of America to increase contract amount by

AUGUST 27, 1997

\$13,084, extend term and provide for payment (Ordinance; amend Agreement No. 30939)

Disposition: Ordinance No. 171536. (Y-4)

***1326** Amend Agreement with Bradley-Angle House to increase contract amount by \$34,651, extend term and provide for payment (Ordinance; amend Agreement No. 30821)

Disposition: Ordinance No. 171537. (Y-4)

***1327** Authorize a contract with Northwest Safety Clean for cleaning of fire turnout clothes for an estimated amount of \$40,000 without advertising for bids and provide for payment (Ordinance)

Disposition: Ordinance No. 171538. (Y-4)

Commissioner Erik Sten

1328 Accept contract with James W. Fowler Co. for SW Supply Main Improvements as complete, authorize final payment and release retainage (Report; Contract No. 30489)

Disposition: Accepted.

1329 Accept completion of the Insley Basin sump project - Unit 4, Phase 1 & 2, Project No. 5498, and authorize final payment to Moore Excavation, Inc. (Report; Contract No. 31090)

Disposition: Accepted.

***1330** Authorize a contract and provide for payment for the NW Ariel Terrace sewer rehabilitation, Project No. 6228 (Ordinance)

Disposition: Ordinance No. 171539. (Y-4)

***1331** Authorize a contract and provide for payment for the NW Germantown Road culvert renovation, Project No. 6033 (Ordinance)

Disposition: Ordinance No. 171540. (Y-4)

***1332** Authorize a contract and provide for payment for the NW 107th & NW 3rd utilities rehabilitation, Project No. 6140 (Ordinance)

Disposition: Ordinance No. 171541. (Y-4)

AUGUST 27, 1997

- 1333** Consent to transfer of Cedar Mill Disposal, Inc. solid waste and recycling franchise to Metropolitan Disposal Corporation, a subsidiary of USA Waste Services, Inc. (Ordinance)

Disposition: Passed to Second Reading September 4, 1997 at 2:00 p.m.

- 1334** Authorize contract for the chlorination facility improvements at the Columbia Boulevard Wastewater Treatment Plant (Second Reading Agenda 1292)

Disposition: Ordinance No. 171542. (Y-4)

REGULAR AGENDA

Mayor Vera Katz

- *1335** Further amend City Code Chapter 14.150 to add a prostitution-free zone, reauthorize current zones and add procedural protection and variances (Ordinance; amend Title 14)

Discussion: Police Commander Stan Grubbs, Southeast Precinct, requested that Council renew the current ordinance, which has proved to be an tremendously effective tool, and to add a new zone on the west side. He outlined some of the other changes, including allowing excluded persons to enter the zones to attend certain meetings without first obtaining a variance and to travel through the zones on public transportation or interstate highways without a variance. Individuals may also appeal the denial or revocation of their variance to the Code Hearings Office. Regarding the need for a new zone, Commander Grubbs noted that prostitution activity in the proposed west side zone along W. Burnside has more than doubled since 1995, when the zones were initiated.

District Deputy Attorney Tom Cleary, Southeast Neighborhood Prosecutor, reviewed the prostitution reports for the current zones both prior to and after their establishment two years ago. These reports include exclusions, arrests and other types of activities.

Commissioner Francesconi asked how much increase there has been in areas that are not prostitution-free zones.

Mr. Cleary said they have not seen any significant increase except in the west side area where the new zone is proposed.

Commissioner Francesconi asked if enforcement is more concentrated in those zones.

Commander Grubb said yes, they have concentrated on the designated areas where they are able to issue exclusions.

AUGUST 27, 1997

Mr. Cleary said since the zones have gone into effect they have seen a decrease in Zone 2, the lower Sandy Boulevard area, from 428 to 296 in reported prostitution offenses.

Mayor Katz asked for a breakdown so the police can tell if the numbers reflect old activity or new prostitutes coming into the area.

Mr. Cleary said in the two years since the zones went into effect there have been over 900 exclusions. The largest problem area is the Sandy Boulevard/82nd zone. Since the zone has gone into effect the offenses have jumped, reflecting the enforcement activity that has taken place there.

Commissioner Francesconi asked if the police had any data regarding the correlation of adult bookstores to the incidence of prostitution. He also asked whether prostitution activity was being displaced into Parkrose.

Mr. Cleary said adult bookstores in these areas tend to involve this type of activity. Some of the police missions indicate that prostitution and solicitation are taking place inside the establishments and evidence of that activity is found outside on the streets and parking lots.

Commissioner Hales said it would be helpful to continue to document that correlation so that such activity could be regulated.

Commissioner Francesconi asked about displacement into the Parkrose area.

Mr. Cleary said no activity was reported on 122nd Avenue although there are a few reports for the area just east of 82nd and Sandy.

Mayor Katz asked if the police would get more accurate data after running missions.

Mr. Cleary said that is how the reports are generated. He noted that prostitution activity seems to have been displaced into the West Burnside area where prostitution offenses have more than doubled since the establishment of the east side zones.

Commissioner Francesconi asked Mr. Cleary if he had any idea where the next zone might be.

Mr. Cleary said while that is difficult to say, they will watch the area between 102nd and 122nd, on streets with two lanes going both ways. He said one question that always arises is why the whole City cannot be designated a prostitution-free zone. However, in order to exclude people from public property and draw these zones, the City must show that an area is disproportionately impacted, relative to other similarly situated areas. That is

AUGUST 27, 1997

the reason for the 500-foot buffer. Otherwise the courts could throw this out completely.

Mayor Katz noted that a substitute page 5 had been filed and an amendment is needed. Commissioner Hales moved the amendment, Commissioner Kafoury seconded and, hearing no objections, the Mayor so ordered.

Officer Brian Duddy, Southeast Precinct, explained the need for the ordinance, noting that prior to establishment of the zones prostitutes who were arrested were usually released from jail shortly thereafter and then returned to the same area to continue working. The zones have made a big dent in street-level prostitution and many prostitutes have left town although there has been movement to the west side and downtown. He said during the life of the current ordinance, there have been 936 exclusions and 267 arrests for trespass.

Commissioner Hales asked what else might be done to discourage the customers of prostitution.

Mr. Cleary said in the prostitute-free zones, during customer missions the number of arrests are consistently at 15-17 while arrests of prostitutes have dropped from 15 down to five. What they need to concentrate on is dealing with first-time customers. He said they wish they could take all the "johns" to jail but they cannot because of the shortage of jail space.

Commissioner Francesconi noted the prostitution-free zone is applied on arrest, not conviction. He asked how it improves neighborhood livability to have exclusion based on arrest as opposed to conviction.

Officer Duddy explained how the exclusion works. He said most prostitutes who are arrested fail to show up in court and the cases drag out for years.

Commander Grubbs said other crimes are connected with prostitution that also affect neighborhood livability.

Commissioner Francesconi said he understands that the constitutional safeguards on procedures are the same for the drug-free zones. He asked about due process rights.

Mr. Cleary explained the exclusion process which goes into effect seven days after arrest, allowing an appeal to the City Hearings Officer. If an appeal is filed, the onus is on the City to prove that prostitution activity occurred at the time of arrest. Individuals who can certify that they live in the zone are given an immediate variance. Those who believe there is a wrongful denial or revocation can go to the Hearings Officer.

AUGUST 27, 1997

Commissioner Francesconi asked if the City can use the lesser, preponderance standard rather than a standard of beyond reasonable doubt, because an exclusion is not the same as conviction for a crime.

Mr. Cleary said yes. He said he is not aware of any pending legal action challenging this Code. The double jeopardy finding one judge applied to the drug-free zone said that by excluding someone from a zone and also charging them for a crime was in effect punishing them twice. Law enforcement officials then got together to decide where they wished to exclude but not charge and vice versa. They found that those charged with unlawful procurement activity had a string of criminal charges already pending against them. That would indicate that charging them does not dissuade them from engaging in this activity while exclusion does.

Commissioner Francesconi said that is proof that this is a powerful tool to protect neighborhood livability.

Mr. Cleary said the group of people who did not have significant criminal charges and were adequately dissuaded by being charged and convicted were those engaging in prostitution. So they generally are charged, rather than excluded. They cannot do both.

Rhett Deason, Crime Prevention Specialist North and Northwest Portland, said they are seeing increased prostitution activity along NW Burnside and Davis and Couch. In 1995 the Northwest District Association (NWDA) had a total of five prostitution cases. So far this year there have been 17 cases. Exclusion is much simpler than having the officers arrest the same people over and over. She cited some of the negative impacts on residents, businesses and schools in the area. She suggested that North Interstate might also be considered for such a zone.

Commissioner Hales said 500 feet north of Burnside does not appear to get to Davis Street. Is it in the zone?

Ms. Deason said she thought the zone covered the two blocks.

Renee Russo, Northwest Portland resident and Burnside foot patrol volunteer, described her observations of prostitutes in the area. She said she had noted a huge increase on Burnside over the last year.

Matthew Thomason, human resources specialist, Blitz Weinhard, said he has seen a lot of prostitutes traveling up and down Burnside between 11th and 14th Street. He said Blitz is a tourist attraction for Portland and does not want to subject its patrons to this kind of activity.

Officer Peter McAllister, Central Precinct, said he has noticed a huge increase

AUGUST 27, 1997

in prostitution activity in the last seven to eight months along upper West Burnside. He said they do not have the resources to deal with this and the problem is getting out of hand. He said he does not think opening an adult bookstore there has helped either but it is hard for him to make a direct connection.

Sue Frisker, administrator, Childpeace Montessori School on Park between Couch and Davis, said the beautiful area created on the North Park blocks is turning into a war zone. She said since January the prostitution activity there has been extraordinary and the school children regularly witness fights between prostitutes and their employers.

Susan Marshall, Kerns Neighborhood resident, said she supported establishment of the prostitution-free zone along Sandy in order to turn that neighborhood around. She believes such activity has lessened, leading to the closure of three sex shops and a decrease in visible street prostitution activities. Displacement has also made prostitution and drug dealing more visible, although there are still problems.

Others speaking in support of reauthorizing and extending the zones:

Bob Ueland, President, Hollywood Neighborhood Association, 3411 NE Sandy Boulevard 97213

William Warren, Central Northeast Neighbors staff person

Jennifer Young, 2722 NE 105th, 97220

Norm Stoll, 3830 NE Hancock, 97213

Helen Stoll, 3830 NE Hancock, 97213

Supporters suggested that adult businesses presently operating in prostitution-free zones be grandfathered in but that no more be allowed. The City should also look into a Eugene court decision requiring that exotic dancers be paid the minimum wage, which would probably put some clubs out of business. Ms. Young showed a video illustrating prostitution activity in outer Southeast and asked for an extension of the zone to 122nd Avenue, even though they have been told current statistics do not support it. They described the impact on livability of this "victimless" crime.

Commander Mark Paresi, East Precinct, endorsed the expansion to the west side but said he does not believe the Parkrose area should be included at this time. He said they have conducted four missions in the last eight months that include the Parkrose area. What the Police have done there is develop a hotel/motel trespass agreement with all the motels along Sandy Boulevard to no longer rent by the day or hour. He reported on the number of prostitution arrests from 82nd to 122nd from March 31, 1996 through April 1, 1997 and said they do not see that as an epidemic. He described police actions to discourage such activity.

AUGUST 27, 1997

David Lesch, Deputy District Attorney assigned to East Precinct, said in response to neighborhood concerns, they specifically looked at Sandy Boulevard beyond 82nd to see if they could get the numbers to justify extension of the prostitution-free zone. He described the number of arrests resulting from four missions and said they do not justify extending the zone at this time. They do not want to jeopardize it by risking a court case. They will, however, continue their efforts to work with the motels and take other actions.

Commissioner Francesconi asked what is the number you need to get to justify extension.

Mr. Lesch said there is no magic number. Whenever the missions focus on "johns" they get lot more numbers but they are not an accurate indicator of prostitution activity in any neighborhood. He said the police could put a decoy in any part of the City and "johns" will respond. They would rather focus on the number of prostitutes.

Commissioner Francesconi asked how the police justify the missions when they have so many other priorities and how they decide what neighborhoods should have them.

Commander Paresi said officers are very aware of what is going on and will report any increase in activity. They also respond to neighborhood complaints. He said 82nd Avenue is the area where they face the greatest growth in prostitution because of the two lanes going both directions.

Mayor Katz asked if there is a magic number for expanding the zones and if the new zone extends to NW Davis.

Commander Grubbs said there is no set number. The Police must show that an area is disproportionately affected by this type of activity, compared to similarly situated areas within the City. Regarding extension of the zone to NW Davis, he said all the experts told them that prostitution activity would be within 500 feet (roughly two blocks) of the main "drag" and all the maps prove that to be true. The purpose of that limit is to make the ordinance more defensible from legal attacks. He said 500 feet would include Davis, but not Everett.

Commissioner Francesconi said he believes there are adequate constitutional protections to enable this ordinance to survive any court challenges. He would like to see more discussion of prostitution alternatives for women. The City needs more police officers and jail space as well as less expensive means to fight crime. Documentation is a problem but he believes the Police are doing the best they can in that area. Finally, he still believes that citizens documenting prostitution and other activities are the most effective means of fighting crime.

Commissioner Hales said he supports the establishment of the west side zone

AUGUST 27, 1997

and believes the City ought to be able to move swiftly if a pattern can be documented anywhere else. He noted the need to deal with certain parks that are just outside the zones. He said adopting a separate ordinance stating that one cannot site any more adult businesses in these zones, as Mr. Warren suggested, might be worth a try. He would also like to increase the civil penalties for "johns."

Commissioner Kafoury said the Council for Prostitution Alternatives has been reformatted and the contract for this year went to Tualatin Valley, which also works with women in Portland. She believes this service fits within the County's range of services, as part of the corrections system.

Mayor Katz said the City is trying to focus evenhandedly on both the "johns" and the prostitutes. She would like to focus even more attention, however, on the pimps. Also, if the City can make the nexus between adult businesses or liquor licensees and increased criminal activity then it will have some grounds to regulate them under the Oregon constitution.

Commissioner Francesconi said the City needs to have the power to zone for adult bookstores and a constitutional amendment is needed to allow that. That should be a legislative priority at the next session.

Disposition: Ordinance No. 171543 as amended. (Y-4)

Commissioner Charlie Hales

***1336** Amend the Comprehensive Plan Map and Zoning Map for the property located on one block bounded by 14th Avenue, Burlington Northern Railroad, 17th Avenue and Thurman Street and one block bounded by Thurman, Savier Street, 15th and 16th Avenues from Industrial Sanctuary (IG) to Central Employment with a design overlay (EXd) (Ordinance; Findings; Previous Agenda 1303; LUR 97-00158 CP ZC)

Discussion: Susan McKinney, Planning Bureau, explained some proposed amendments to the ordinance, the text of the findings and the attached conditions. The amendments all concern the design guidelines applied to the historic building on the site, for which there are separate design review criteria.

Commissioner Hales moved the amendment to the findings. Commissioner Kafoury seconded and, hearing no objections, the Mayor so ordered.

Mayor Katz noted this was one of the first times the Council had overturned the recommendations of both staff and the Hearings Officer.

Ms. McKinney said staff met with Bob Stacey and Peter Fry to develop the findings and she is confident that they were able to tighten them up both to

AUGUST 27, 1997

reflect Council's wishes and address the fact that this is a unique situation.

Mayor Katz noted the split vote on this ordinance.

Commissioner Hales moved the amendment to the ordinance. Commissioner Kafoury seconded and, hearing no objections, the Mayor so ordered.

Commissioner Francesconi said he will not change his vote.

Mr. Stacey said his client understands the effect of removing the emergency clause and is prepared to wait the extra 30 days before the ordinance goes into effect.

Cay Kershner, Clerk of the Council, said if this is continued one week, Commissioner Francesconi will be absent and the item could then be passed as an emergency ordinance.

Council agreed to the continuation.

Disposition: Continued to September 4, 1997 at 2:00 p.m. as amended.

Commissioner Erik Sten

1337 Grant a franchise to GST Telecom Oregon, Inc. for a period of ten years (Ordinance)

Discussion: David Olson, Office of Cable and Franchise Management, said the Council has already granted GST an emergency permit to proceed with this project. He said the company expects to have its facilities hooked up in October.

Disposition: Passed to Second Reading September 4, 1997 at 2:00 p.m.

***1338** Authorize services agreement with Portland Cable Access (Ordinance)

Discussion: Mr. Olson said Commissioner Sten's office has been very active in renewing this contract, which required a tremendous amount of work in the reduced circumstances imposed by Ballot Measures 47 and 50. Fiscal, rather than policy, issues posed the major problems.

Robert Skelton, Portland Cable Access, said this was an 11-month process but they are now very ready to continue business with the City for the next five years.

Disposition: Ordinance No. 171544. (Y-4)

AUGUST 27, 1997

Communications

1339 Request of Harrell Graham to describe ideas for reducing light pollution
(Communication)

Discussion: Harrell Graham, 4912 NE Going, called for the placement of shields on outdoor security lights which currently turn night into day and create a trashy nighttime environment. He called for passage of a light pollution ordinance similar to those enacted in many other communities. The Sustainable Energy Commission has written a letter of support in hopes that he will find a sympathetic body to initiate the ordinance procedure.

Commissioner Hales said he thinks that at least downtown, the City has already accomplished this. However, he will review the light standards to see what can be done.

Disposition: Placed on File

At 11:35 a.m., Council recessed.

AUGUST 27, 1997

WEDNESDAY, 2:00 PM

**DUE TO LACK OF AN AGENDA
THIS SESSION WAS CANCELLED**

AUGUST 28, 1997

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 28TH DAY OF AUGUST, 1997 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales and Kafoury, 4.

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

- 1341 Liquor license application for Tennessee Red's Bar-B-Q Co., Inc. dba Tennessee Red's, 2133 SE 11th Avenue, Restaurant liquor license (new outlet); Favorable recommendation (Report introduced by Commissioner Francesconi)

Discussion: Judy Ritt, License Bureau, described the operation which began as a take out and has been expanded to a restaurant. The Bureau has received some letters of opposition due to litter, noise and odors. The applicants have been responsive to those concerns and are in the process of completing a good neighbor agreement.

Tom Munson, co-owner and applicant, described his contacts with neighbors regarding complaints about odors and garbage pickup. He noted that changes had been made to reduce the noise levels and that they have agreed to litter pickup. He added that parking and traffic are difficult on 11th Avenue and it would be nice to slow it down.

Mayor Katz asked if valet parking was a possibility and fit with the ambiance.

Mr. Munson said the restaurant is modeled after a southern barbecue joint and he has no desire to add hard liquor, nude dancing or later hours.

Marcia Palmer, Crime Specialists, Southeast Portland, said she met with the applicant and neighbors to forge the good neighbor agreement. She reviewed the terms of that agreement which include a litter patrol, trash and garbage pickup, additional lighting where needed and parking.

Gary Alexson, owner, Airway Supply Co., said parking demand for the restaurant, which has a lot of customers at noon, has adversely affected his business because many customers park in the truck loading zones with no fear of getting a ticket. He said barbecue smoke fills his warehouse and he fears it will affect the product. He said this restaurant is in the wrong place.

Mr. Munson disputed Mr. Alexson's contention that smoke fills up the warehouse, contending that occurs only rarely when it is windy.

AUGUST 28, 1997

Commissioner Francesconi moved to approve the favorable recommendation forwarded by the License Bureau. Commissioner Kafoury seconded.

Commissioner Francesconi said while parking may be a genuine problem it is not a criteria Council can use in deciding its recommendation.

Commissioner Hales noted this is an unusual street, which is dead on one side and has residences on the other side, leading to conflicts between uses. He said Mr. Munson has gone above and beyond in being a responsible licensee and he would like to send Transportation staff out to take a look at the parking.

Disposition: Favorably recommended. (Y-4)

1340 **TIME CERTAIN: 2:00 PM** - Liquor license application for Jung Ok & Kee Hyuk Lee, dba L B Market, 3629 SE Division Street, Package Store liquor license (new outlet); Favorable recommendation (Report introduced by Commissioner Francesconi)

Discussion: Ms. Ritt said two petitions in opposition to granting a liquor license to L B Market have been received, raising issues related to transients, street drinkers and the number of liquor outlets already in the neighborhood. The applicants have signed a good neighbor agreement with the Richmond Neighborhood Association and the License Bureau finds no basis on which to deny or restrict the licensee, who is not within an identified problem area.

Kee Hyuk Lee, applicant, introduced himself.

Phillip Cooper, 3604 SE 7th Street, said one thorny issue still outstanding is the applicant's refusal to agree to restrict the sale of fortified wines in the good neighbor agreement.

Gary McGrew, License Bureau, said no agreement regarding such sales have been made in this area, although it has been agreed to on a voluntary basis by outlets downtown where there is a documented problem. The applicant has agreed not to sell to street drinkers and it is hoped he will meet with the neighborhood if other problems arise.

Mayor Katz asked if any other outlets on that street have refused to sell fortified wine.

Mr. McGrew said no one on that street has entered into an agreement, nor has there been any demand to until now.

Commissioner Francesconi asked if the City has any authority to require that as a condition.

AUGUST 28, 1997

Mr. McGrew said the Bureau could make a recommendation to do so but there is no basis on which to support it at this time. He explained what was needed to document problems in the downtown area which then gave the Bureau the basis to ask outlets to accept the restriction on a voluntary basis. If they did not volunteer and were then identified as a contributor to the problem, they would then be brought before City Council.

Mayor Katz said Council is operating under fairly strict guidelines about where it can deny applications.

Mr. Cooper asked if the voluntary compliance area downtown could be extended outward to encompass his neighborhood.

Mr. McGrew said Mr. Cooper should bring this matter up at a meeting of his neighborhood association and invite Officer Calder, Portland Drug and Vice, and Ms. Ritt to discuss that.

Commissioner Kafoury said documentation that the sale of those products was adding to the problem was needed.

Police Officer Calder said street drinking has moved east from downtown out to 39th along Hawthorne and Division. He said perhaps neighborhood associations can get together to draft something and treat every outlet equally at the same time.

Commissioner Francesconi moved to accept the License Bureau's favorable recommendation. Commissioner Hales seconded.

Disposition: Favorably recommended. (Y-4)

At 2:40 p.m., Council adjourned.

BARBARA CLARK
Auditor of the City of Portland

Cay Kershner

By Cay Kershner
Clerk of the Council