



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

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

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

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

Agenda Nos. 1744 and 1745 were pulled from Consent. On a Y-4 roll call, the balance of the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

- 1740** Accept bid of Lloyd's Excavating Co. for the demolition of the packaging resources building at the Wastewater Treatment Plant for the Bureau of Environmental Services for \$57,207 (Purchasing Report - Bid 98062)

Disposition: Accepted; prepare contract.

- 1741** Accept bid of Pacific Utility Equipment for two chassis with aerial lift for \$182,218 (Purchasing Report - Bid 115)

Disposition: Accepted; prepare contract.

- 1742** Accept bid of Hessel Tractor for one articulated loader for \$148,419 (Purchasing Report - Bid 183)

Disposition: Accepted; prepare contract.

- 1743** Accept bid of Clyde West for two street sweepers for \$257,868 (Purchasing Report - Bid 195)

Disposition: Accepted; prepare contract.

Mayor Vera Katz

- *1746** Authorize temporary loans from the General Fund to the Fire and Police Disability and Retirement Fund in an amount not to exceed \$10,000,000 (Ordinance)

Disposition: Ordinance No. 171768. (Y-4)

***1747** Pay claim of Cheryl Rohloff (Ordinance)

Disposition: Ordinance No. 171769. (Y-4)

***1748** Settle the claim of Nancy Dunford (Ordinance)

Disposition: Ordinance No. 171770. (Y-4)

***1749** Authorize contract with Walsh Moncada and Company for conducting a classification and compensation study of all District Council of Trade Unions (DCTU) represented positions (Ordinance)

Disposition: Ordinance No. 171771. (Y-4)

Commissioner Charlie Hales

1750 Set hearing date, 9:30 a.m., Wednesday, December 17, 1997, to vacate a portion of NE 50th Avenue north of NE Beech Street (Report; C-9941)

Disposition: Accepted.

1751 Accept contract with Cedar Landscape, Inc. for Duniway Park renovations as complete, authorize final payment and release retainage (Report; Contract No. 30559)

Disposition: Accepted.

***1752** Amend professional services agreement with Becker Projects, Inc. to increase the amount by \$10,000 (Ordinance; amend Contract No. 30650)

Disposition: Ordinance No. 171772. (Y-4)

***1753** Institute Minor Structural Label program for commercial and industrial installations (Ordinance; amend Code Chapter 24.10)

Disposition: Ordinance No. 171773. (Y-4)

***1754** Institute Minor Mechanical Label program for commercial and industrial installations (Ordinance; amend Code Chapter 27.03)

Disposition: Ordinance No. 171774. (Y-4)

***1755** Approve an Intergovernmental Agreement with the Oregon Department of Transportation to provide for services and receive compensation for these services in an amount up to \$189,852 for the I-5 Bridge trunnion repair project traffic management plan (Ordinance)

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Disposition: Ordinance No. 171775. (Y-4)

- *1756** Grant a ten-year property tax exemption for Fifth Avenue Court LLC for new multiple-unit housing on a three-quarter portion of the block bounded by NW Everett, Davis Streets, Fifth and Sixth Avenues (Ordinance)

Disposition: Ordinance No. 171776. (Y-4)

Commissioner Gretchen Miller Kafoury

- *1757** Contract with the Salvation Army for \$127,654 to provide emergency winter shelter to homeless adults and families and provide for payment (Ordinance)

Disposition: Ordinance No. 171777. (Y-4)

Commissioner Erik Sten

- *1758** Extend the terms of three Portland Utility Review Board members for an additional 90 days to ensure a quorum (Ordinance)

Disposition: Ordinance No. 171778. (Y-4)

- 1759** Increase and extend contract with Stoner Associates, Inc. for network analysis software and support (Ordinance; amend Contract No. 50428)

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

- 1760** Amend City Code to modify Solid Waste and Recycling Regulations for residential and commercial haulers, businesses, multifamily complexes and construction projects (Previous Agenda 1720; amend Code Chapter 17.102)

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

City Auditor Barbara Clark

- *1761** Contract with the Port of Portland to provide towing hearings (Ordinance)

Disposition: Ordinance No. 171779. (Y-4)

REGULAR AGENDA

- *1744** Authorize \$15,000,000 of interim financing obligations (Ordinance)

Discussion: Mayor Katz said this was pulled because there is no reason to authorize interim financing at this time.

Disposition: Withdrawn.

- *1745 Authorize temporary loans from the Sewer System Rate Stabilization Fund to the General Fund in an amount not to exceed \$10,000,000 (Ordinance)

Discussion: Mayor Katz said this also was pulled because the loan authorization is not needed at this time.

Disposition: Withdrawn.

- 1738 **TIME CERTAIN: 9:30 AM** - Announce recipient of 1997 Lowenstein Award (Presentation by Commissioner Kafoury)

Disposition: Commissioner Kafoury noted the achievements of the late Steve Lowenstein, who created this trust fund upon his death.

Margie Harris, Chair, Lowenstein Trust, announced Crystal Richter and Connie Olson of Kelly House as the recipients of this year's award and presented them with a check for \$5,000.

Disposition: Placed on File.

- 1739 **TIME CERTAIN: 9:40 AM** - Accept the Carbon Dioxide Reduction Strategy Update report and continue to aggressively promote efforts to enhance energy efficiency and the use of cleaner, renewable resources in our community (Report introduced by Commissioner Sten)

Discussion: Commissioner Sten updated Council on the City's carbon dioxide reduction plan. He noted that while not much progress is being made worldwide, Portland is doing a very good job.

Susan Anderson, Energy Office, said CO2 emissions worldwide are up 27 percent for 1990-95 while Portland's are down three percent. She outlined some of both the good and bad news about what is happening worldwide regarding energy consumption.

Sam Sadler, State Energy Office, said scientific evidence indicating the negative effect people have on climate conditions clashes with economic interests. He said the State has a new standard for CO2 emissions at new plants and now the rest of the country needs to step up to do its share and then reach out to other countries.

Bill Edmunds, PacificCorp, said climate change is obviously not a local problem and one must look globally to solve it. He addressed the use of renewables and offsets,

which are only one part of what must be a comprehensive approach. He discussed President Clinton's market-based approach which aims to get the biggest bang for the buck. Another part of the President's program is "credit for early action" toward mandatory targets. Offsets allow a company to do work somewhere else and get credit for it against its own emissions. PacificCorp has begun a series of pilot projects, including ones in Belize and Boliva, to test whether low cost reductions in energy use are available elsewhere in the economy. To foster educational efforts at home, PacificCorp began the Earth Stewards Program which will spend \$1 million over the next five years in visible partnerships with schools and other jurisdictions. Finally, he noted that renewable energy sources, such as wind plants, tend to be more expensive than traditional sources such as fossil fuels and hydro power. In the world of deregulation, new ways of getting green power to customers will be found, including granting credits to those who chose renewables.

Wayne Lee, Director, Environmental Affairs, Portland General Electric, said in other countries, nuclear power may be the only alternative power available and it is presumptive for Western nations not to recognize this. His company's program to cut CO2 emissions has been relatively successful, especially demand-side management (energy conservation) programs. These programs have won national awards for their effectiveness and the company has moved beyond the residential market into commercial and industrial sectors. The flag ship construction program is Earth Smart and renovated City Hall is an example of a building which has chosen to participate. He said while demand-side management will be decreased as a result of deregulation, the program will not be abandoned and they will continue to be active in the Northwest Energy Efficiency Alliance and will also support the systems benefit charge which will be before the Public Utility Commission soon. This will help fund the transition of conservation from mandated programs to a more market-based situation. He cited some of those programs, including Portland General's participation with Portland in the highly efficient fuel cell program. He praised the City's efforts in promoting energy-efficient buildings.

Mayor Katz asked what the reduction in conservation efforts due to deregulation means.

Mr. Lee said they will have a 50 to 60 percent reduction and will be targeting conservation savings of around five megawatts for each of the next two years. In past years, savings have been as high as 10 or even 20. As technologies have evolved to create more energy efficiencies, it becomes less cost effective to go the next step.

Mr. Edmunds said his company's reduction is about the same. Dollars are going into the Northwest Energy Alliance and the Alliance is saying instead of going after homeowners' doors and windows, the most cost effective conservation will be in market transformation, i.e. producing a more efficient refrigerator.

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Commissioner Francesconi asked how the percentage of energy produced by coal and gas could be reduced.

Mr. Edmonds said some reductions might be achieved by having customers pay a little more for renewables and making renewables more cost effective. However, it will be hard to reduce the use of fossil fuels by much, although the percentage will decline.

Commissioner Sten said the City may be able to take aggressive measures to see that its purchase power supports renewables.

Mr. Lee said the City should take a look at the customer choice programs available right now in Sandy, Hillsboro, Oregon City and St. Helens. Deregulation will allow jurisdictions to aggregate market power.

Mayor Katz asked Commissioner Sten for a report on what other Oregon communities are doing.

Commissioner Francesconi noted that there has been a 7.6 percent increase in CO2 emissions in the Metropolitan area and that weekday vehicle miles traveled is expected to increase from 22 million in 1994 to 33 million. He asked how much is attributable to Portland and how much to the region and what the region is doing about it.

Ms. Anderson said this report encompasses the entire Metropolitan region, as most of the issues need regional answers. Regarding what will happen to conservation programs given deregulation, mandates as well as market-based programs are an option. If mandates do not happen at the federal or State level, then the City can look at its power to make changes.

Commissioner Hales said one needs to look at regional policy to see whether it aids or confounds City policy. He said the region is heading the wrong way regarding massive automobile use, noting that last week JPACT voted to make alternative modes of transportation "a key" criteria for transportation funding in the region, not "the key" priority as the City wanted.

Commissioner Francesconi said State incentives and disincentives are needed if this strategy is to succeed. He asked if Ms. Anderson was part of a team to ensure that the City's energy policies are integrated into land use, planning and transportation policies.

Ms. Anderson said she has been trying to do this on an informal basis, although global warming and energy are not issues people generally care a lot about. She said there are some excellent planning tools that could be used in places like the North Macadam project to show the impacts on energy use, affordable housing and transportation. To date they have not been pursued.

Commissioner Francesconi said the City needs to come up with a better strategy for integration.

Commissioner Sten said he will try to increase the stature of the City's "green" team.

Commissioner Francesconi said citizens generally feel powerless to do anything about global warming. He suggested helping cities in Asia reduce pollution by exchanging technologies and people with expertise to help grapple with some of these problems.

Ms. Anderson said Portland is a member of the Sustainable Community Section of the Asian Pacific Economic Cooperation Group (APEC). The Group looks to the United States for an exchange of technologies and making sure Portland remains a partner is very important.

Mr. Lee said APEC plans to locate a resource center at the World Trade Center and a foundation has been created to do this.

Commissioner Sten said he and Commissioner Francesconi will try to use the Sustainability Commission to integrate some of its expertise into the entire fabric of the city and play a role in environmental and transportation decisions.

Disposition: Accepted. (Y-5)

City Auditor Barbara Clark

1762 Assess property for large lot deferral contracts through October 6, 1997 (Second Reading Agenda 1731; L0051)

Disposition: Ordinance No. 171780. (Y-5)

1763 Assess property for sewer connection contracts processed through the Private Plumbing Loan Program for the period ending November 3, 1997 (Second Reading Agenda 1732; P0030)

Disposition: Ordinance No. 171781. (Y-5)

1764 Assess property for sidewalk repair by the Bureau of Maintenance for billing processed through October 6, 1997 (Second Reading Agenda 1733; Y1023)

Disposition: Ordinance No. 171782. (Y-5)

1765 Assess property for sewer system development contracts for period ending October 6, 1997 for the mid-County sewer project and non mid-County area (Second Reading Agenda 1734; Z0674, Z0675, Z0676, Z0677)

Disposition: Ordinance No. 171783. (Y-5)

Communications

1766 Request of John M. Bradley, Northwest District Association Parking Committee Chair, to present a recent motion from the Board asking for Council help concerning Northwest's parking and livability problems (Correspondence)

Discussion: Frank Bird, President, Northwest District Association (NWDA), read a resolution passed November 3 by the NWDA Board asking City Council to develop a fair and objective process to address the severe lack of on-street parking in Northwest and consider all potential solutions before arriving at a conclusion. He said there is no consensus in the neighborhood currently on how to deal with the all the livability issues that have arisen from increased density. He said the rest of the City is watching Northwest Portland as a bellweather of urban density and the way the City manages density here will assure other neighborhoods that density is either acceptable or should be resisted to the bitter end. There is no consensus in the neighborhood now as to how to address in a holistic way the many density issues such as traffic congestion, pedestrian safety, noise, air pollution, affordable housing and the continuing loss of families. The City should participate in the process since any holistic solution will require Council action. He noted that certain stakeholders have very firm ideas about what to do and some of the issues arouse anger and conflict between neighbors. As a result, the neighborhood has seen the issues fester to a point that has brought NWDA to Council today. He said the expertise needs to be "outsourced" to get the process back on track, with all the stakeholders involved and with a definite time line.

Mayor Katz asked if they wanted mediation to resolve this.

Mr. Bird said the Board is requesting professional "outsourced" expertise, instead of mediation or arbitration. He said the issue is beyond mediation now and is no longer just about parking.

Commissioner Hales said he had asked Diane Linn, Office of Neighborhood Associations, to design a facilitation process and select a facilitator acceptable to the community by January 1 to begin a six-month effort to resolve these issues.

Commissioner Francesconi asked what happens if the parties are not successful by that time.

Commissioner Hales said there are some options about parking but this is about a larger set of livability issues and about how the commercial district and residents work together.

Disposition: Placed on File.

1767 Request of Steve Fosler, Manager of Transportation Projects, Nob Hill Business Association, to address Council about Association goals and accomplishments regarding transportation/parking issues and community cooperation initiatives (Communication)

Discussion: Steve Fosler, representing the Nob Hill Business Association supported NWDA's request for a focused facilitation process and said he believes very little stands in the way of an agreement between the two organizations. He cited, as an example, the agreement for shared parking at Good Samaritan that had been reached. However, shared parking is only part of the solution as a severe lack of on-street parking remains. He asked Council to fast track the process so that solutions can be implemented soon.

Mayor Katz said the problem is how the mix between residential and commercial parking works.

Commissioner Sten said there needs to be concurrent work by the Office of Transportation regarding other measures and it will also need to make decisions on those issues that cannot be resolved.

Commissioner Hales said there is substantial agreement among all parties about the short-term solutions. Now is the time to go beyond those. However, he does not plan to call for more Transportation studies.

Mayor Katz said the parking issue needs to be resolved because so much time has been spent on this that other issues, such as public safety and livability, are being shortchanged.

Disposition: Placed on File.

At 11:15 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 19TH DAY OF NOVEMBER, 1997 AT 2:00 P.M.

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

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

1768 **TIME CERTAIN: 2:00 PM** -Amendments to Multnomah County - City of Portland Urban Planning Area Agreement (Ordinance introduced by Commissioner Hales)

Discussion: Commissioner Hales said this is an excellent piece of collaborative work between Multnomah County and the City to minimize duplication and do the best job of Metro 2040 planning between the two agencies.

Dan Saltzman, Multnomah County Commissioner, said this modifies the Urban Planning Agreement, driven by the need, under the 2040 Regional Growth Concept Plan, to allocate job and housing targets to each jurisdiction. It seemed sensible for the City Planning Bureau, which has the urban expertise, to do the 2040 planning in the unincorporated parts of Multnomah County that adjoin it. Principally this would be Dunthorpe and pockets of Skyline and Sylvan. He noted that the County's planning functions are becoming more and more related to rural areas. Mr. Saltzman said the one concern of residents in the affected areas is that this not be an end-run annexation attempt. This agreement does not do that but instead is designed to initiate job and housing plans that will not necessitate expansion of the Urban Growth Boundary.

Commissioner Kafoury asked why they decided to do this rather than functionally consolidating the bureaus as has been talked about for years.

Mr. Saltzman said both bodies are considering consolidation but this is something that needed to be done now.

Commissioner Hales said another reason is because the City does not have expertise in planning rural areas.

Commissioner Kafoury said there is a capacity issue between the bureaus, the technical expertise, the GIS systems, etc. She said a subgroup could do rural planning.

Mr. Saltzman said for the purpose of meeting 2040 job and housing targets, the instruments are supposed to be in place by September, 1998.

Commissioner Hales said this could lead to further recommendations regarding other issues of joint concern, such as Code conformity, where there is overlap or

where there could be more efficiencies.

Scott Pemble, Multnomah County Planning Bureau, said this is a baby step towards consolidation taken in order to complete some products by September, 1998. Actual Code administration work in incorporated urban areas will be conveyed to the City as well when the Functional Plan work is completed.

Bob Clay, Bureau of Planning, said in addition to the Functional Plan compliance work the City will be doing for the County, there is a second amendment spelling out the City's responsibility for the transition between rural and urban zoning. An intent statement calls for the City and County to look at the City's administration of the zoning code inside these unincorporated areas, comprised of about 18 pockets. The Planning Commission unanimously approved the amendments and Multnomah County has already taken action.

Commissioner Hales said this got the affected communities constructively involved in planning for their future and was well accepted.

Mayor Katz said she hopes the next step will be consolidation.

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

1769 TIME CERTAIN: 2:30 PM - Report from the Mayor's Growth Management Committee (Report introduced by Mayor Katz)

Discussion: Steve Schell, Chair, Mayor's Growth Management Committee, described the membership of the group, which provides constructive advice about how to manage growth and implement the broad objectives in Future Focus. He said there are four strategies: 1) maintain livability; 2) transportation systems; 3) consolidation of services; and 4) regional housing efforts. One of the major concerns is preservation of open spaces. Of great importance is getting local officials to deliver a consistent message throughout the region.

Nohat Toulon, Dean, Portland State University Department of Urban Studies and Public Affairs, said there is definitely an affordable housing problem and statistics point to the fact that the Urban Growth Boundary (UGB) has increased housing prices by 60 to 65 percent over the past eight or nine years. These, however, do not take into consideration property tax reductions which were capitalized in the value of the housing. In addition, median income in the area is low compared to housing prices so economic development that leads to higher paying jobs cannot be ignored. The City will not be able to meet its goal of providing 70,000 new housing units simply by adding increased density systematically in all neighborhoods or by changing the zoning requirements. Instead it needs to develop high density urban corridors to maximize housing and build seven- to eight- story apartment buildings, similar to those in Northern Virginia. The difficult question is how far government will go in subsidizing developers to do this kind of housing, not just low

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income but also middle and upper-middle income units. He cited the Beaverton/Hillsdale corridor as a place where such development would work well. The UBG cannot be protected unless the City is prepared to look at some very radical measures to solve the growth problems.

Commissioner Kafoury asked if the Committee took a position on inclusionary zoning or accessory units at Metro.

Mr. Schell said not yet on inclusionary zoning. The Committee has supported accessory units for a long time but did not get into the issue of owner-occupied units. Mr. Schell said the committee was also concerned that the proposals to do transit-oriented development required huge subsidies from developers.

Pat Prendergast, private developer, said it took the private sector a long time to appreciate the public sector's vision and accept its planning and zoning road maps. Over time, however, the private sector has accepted a pattern of mixed-use and transit-oriented development. The early success of the initial projects was the key to that acceptance. The creation of a livable environment in the Central City enabled creation of the River District and the popularity of condominiums. The availability of mass transit is a key to this revitalization as it will allow private developers to build without having greater parking ratios and cited Pearl Court as one example. People need to be better educated as to the benefits of developing along the corridors but first, the public sector needs to designate where that development is going to occur.

David Knowles, Planning Director, said the context in which planning is done is very different now than it was 20 years ago. Then neighborhoods were asking how to get people to move back. Now the problem is not getting more people but how to deal with stormwater. The value of the Committee's work is long term and the payoff may not be evident for 20 years. That puts an added burden on elected officials to shape a shared vision and mission for the community. That would be a tremendous help to the bureaus as they plan for the future. He noted that there may be conflicting visions, i.e. among those who think the Greenway should be left unfettered and those who believe it should have the intense urban development of River Place.

Mr. Schell said it is crucial that the City have a shared vision with the region as a whole.

Ned Look, former Executive Director, Oregon Community Foundation and Committee member, said he is pleased to see less finger-pointing and more cooperation among the regional governments. He said the livability, transportation, economic and environmental problems today are all regional and great progress has been made in recognizing this. Regional governmental structure needs to be studied further, extending beyond just the consolidation of the City and County. He is concerned about citizen participation and communication and

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stressed the need to educate people about their interdependency.

Mr. Schell said it is important to agree on some basic objectives: 1) the need for a strong downtown; 2) support for regional government; 3) continued commitment to a strong transit system; 4) revitalize neighborhood activity; and 5) develop and articulate a shared vision of place and community.

Mayor Katz said she believes this Council has a shared vision but that begins to splinter when it gets down to deciding where to spend the first dollar and whether there are enough resources to go around. It will help if Council members can agree that the resources are available if the economy remains strong, even though each Council member may have specific issues they want addressed immediately.

Commissioner Kafoury said Mr. Schell's vision involves physical stuff while hers focuses on people. That is a major difference on this Council too.

Commissioner Sten said Council has the same goals for housing but there is a long-running argument about where to put cash. He has always called for giving it to lower-income housing because the need is greater. He said he is not convinced the private sector is taking its share of the risk on medium-income housing. For instance, the City tied up a lot of cash on the Belmont Dairy project because it was a demonstration project and it rented out 30 days before it was built. He asked how the City could get a little more leverage and have the developers shoulder these risks.

Dr. Toulon said when he said the City should not subsidize only low-income housing, he meant that the housing policy should be flexible. If a middle-income housing project brings stores and restaurants and encourages other developers to build low-income housing next to it, then perhaps a subsidy is justified. The investment is in the neighborhood and the totality of the project, not necessarily a specific housing project. The only way the middle class will move to high-density corridors is if high-quality housing is available. Housing can also become affordable because of the critical mass of units.

Mr. Prendergast said the City can be a catalyst for an area, not just a project and cited the River District as an example. He said one does not see a lot of risk taken by private developers because the returns are not there. Profit margins shrink when one builds urban rather than suburban units. Projects such as the Belmont Dairy are a perfect place for the City to invest on a short-term basis and get its money back.

Commissioner Sten said often the question is a competitive return versus putting the capital to work somewhere else.

Commissioner Francesconi made five requests. He asked the committee to: 1) identify project areas, other than the Beaverton/Hillsdale corridor; 2) take positions

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on tough issues, such as inclusionary zoning and accessory dwelling units; 3) clarify policy on City/County consolidation and how to build regional alliances; 4) clarify for whom this vision is intended; and 5) educate citizens about this shared vision.

Mayor Katz said this group has been instrumental in retaining the UGB and is now in a position to address some of these other issues.

Disposition: Placed on File.

At 3:25 p.m., Council recessed.

NOVEMBER 20, 1997

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 20TH DAY OF NOVEMBER, 1997 AT 2:00 P.M.

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

OFFICERS IN ATTENDANCE: Larry Robb, Acting Clerk of the Council; Adrienne Brockman, Deputy City Attorney; and Officer Chuck Bolliger, Sergeant at Arms.

1770 **TIME CERTAIN: 2:00 PM** - Appeal of Madison South Neighborhood Association against Hearings Officer's decision to approve with conditions the application of Chet Antonsen for a subdivision, conditional use and zone change in order to develop the property with 128 units in multi-unit structures, located northeast of the intersection of NE 84th Avenue and Russell Street at 84th Avenue (Hearing; 97-00390 SU CU ZC)

Discussion: Adrienne Brockman, Deputy City Attorney, outlined the procedures to be followed. Council members declared no conflicts or interest or ex parte contacts.

Mayor Katz said both parties have requested that the record be opened in order to enter an agreement even though the applicant did not agree to waive the 120 days at the beginning of the process. She asked Ms. Brockman for an opinion as to whether this would be possible. Mayor Katz added that if the record is opened this would violate the policy agreed to by Council at a recent Informal.

Ms. Brockman said some time ago Council adopted a policy which states that when an application is filed, the applicant needs to elect either a "de novo" process, with no time limits, or to have the City act within 120 days, as State law requires. Allowing new evidence at the Council level exceeds the 120 days so a waiver is required if that is to be done. This applicant did not sign a waiver so that the matter comes to Council "on the record" and its policy has been not to accept new evidence. The question today is whether Council wants to make an exception when the applicant agrees to waive the 120 days because he has reached a written agreement with the neighborhood. The new evidence would be limited to the agreement and the minutes. The other way to do this is for Council to ask the parties to this agreement to provide, as part of their testimony, agreed-upon conditions of approval. That way the elements of the agreement would be embodied in the conditions contained in the final decision. This is a private agreement and would remain enforceable among the parties.

Mayor Katz dismissed the request from the applicant's attorney for the waiver.

Duncan Brown, Planning Bureau, said the Madison South Neighborhood Association appealed the Hearings Officer's approval of this 35-lot subdivision on

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5.6 acres. The applicant has requested a zone change to delete a "b" (buffer overlay) from the site. Because residential uses are not allowed by right in the General Employment base zone (EG2), the applicant has also requested a conditional use review. Applicant proposes a 42-foot wide public street connected on NE 84th Avenue, east of NE Russell Street at about 86th Avenue. Applicant also proposes to dedicate 30 additional feet of right-of-way to Russell Street to create a 60-foot wide street with curbs, planter strips and sidewalks. Other street improvements are also proposed. Mr. Brown cited the applicable approval criteria.

Mr. Brown said after Madison South appealed the Hearings Officer's decision, the appellant and applicant met and resolved their differences through a written agreement. Both parties would like to incorporate those items of agreement as conditions of approval. Planning staff concluded that the agreement in no way affects the approval or conditions imposed by the Hearings Officer. He showed slides of the site to illustrate the residential character of the neighborhood and the current condition of the streets and storm water drainage system. He noted that the north boundary is an old land-fill site that has since been decommissioned and capped. The property being developed, however, was never used for land-fill operations.

Larry Derr, representing Myron Nelson, owner of the Nautilus Club and President of the Madison South Neighborhood Association, said Mr. Nelson totally concurs in the settlement agreement which has been struck between the applicants and the Neighborhood Association. Madison South appealed because there are no density limitations on property which does not have a residential zoning designation. They feared there would be no transition between the single-family low-density neighborhood and the high-density proposed on the site. They were also very concerned about increased traffic and speeding when NE Russell became a paved, through street. A compromise has now been reached and a written settlement agreement was signed between the Neighborhood Association and the applicant. It was approved by a majority of those attending the neighborhood association meeting, although there was some opposition. The parties would like to submit the settlement agreement as part of the record for incorporation into Council's decision and are prepared to propose findings and conditions that incorporate those elements.

Mike Robinson, attorney representing Chet Antonsen, summarized the conditions. First, the applicant would limit the number of units to 104, instead of the 122 units approved by the Hearings Officer. The second condition relates to where the various types of units are to be located. Lots 1 through 10 would be duplex units while Lot 11 will include 20 to 24 off-street parking spaces and a certain number of storage units. Lots 12 through 15 would be limited to triplex units; lots 16 to 23 will be triplex units with four-car garages to provide additional off-street parking spaces. Lots 24 and 25, which are closer to the commercial zone, are four-plex units as are Lots 26 through 35, where an alley will provide access. Applicant also agrees to work with the City at final plat stage to come up with either traffic circles or

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speed bumps at the intersections of 84th and Russell and 86th and Russell. The applicant agrees to prepare covenants, conditions and restrictions to be recorded regarding where residents may park, the off-street parking spaces and storage units and agreement to install a wall and landscaping along NE 84th. The Nautilus Club is being given the right to enforce parking restrictions. There are specific agreements regarding the half-street improvements to NE 84th Avenue which attempt to not adversely affect parking at the health club which partly relies on that road.

Mr. Derr said with respect to 84th, where the neighborhood is concerned about on-street parking, the applicant has agreed to request a two-hour parking limit.

Commissioner Hales asked about the purpose of the wall.

Mr. Deere said it reflects residents' concern that there be a buffer between the commercial area to the west and the development. There are no common open spaces in the development.

Mr. Robinson said there are side- and rear-yard setbacks.

Susan Hamilton, 9016 NE Russell, opposed the negotiated density. She believes this and all increased density in the City is detrimental to the livability of its neighborhoods and to the safety and well-being of its residents. She said Northeast Portland is the only area of the City where the crime rate is rising and adding excessive density will only add fuel to the fire. The only concession made to the neighbors was to agree to have the site tested for environmental hazards.

Joe Guinn, 8706 NE Russell, said Mr. Robinson stated that either traffic calmers or speed bumps would be requested. As he understood it, the applicant would ask for both.

Mr. Robinson said Mr. Guinn is right and both will be requested. He said there is no good evidence to support Ms. Hamilton's argument that increased density equals crime. Even so, the subdivision has been designed so that the front entrances of the units have windows facing the street. They also requested that the buffer overlay be removed along NE Russell and both staff and the Hearings Officer agreed. By placing a solid wall there, the potential for crime is increased by the barrier between people's doors and the street. In terms of environmental hazards, the issues are related to the storm drainage site and methane gas generation from the land-fill to the north. Two environmental studies in the record indicate that any methane gas generation that existed a number of years ago has been corrected by the property owner and is now well below the maximum standard. With regard to site storm drainage, the Hearings Officer placed at least four conditions requiring further work with various City bureaus on acceptable plans before final plat approval. Regarding transportation, City bureaus are comfortable with the street system's ability to handle this site's traffic. More on-site parking is provided than

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required per dwelling unit and the development also has access to very good transit service.

Mayor Katz said density is not the issue where crime is rampant. However, she would hope the developers would agree to sign trespass agreements with the Police Bureau if a problem occurs and that residents agree to locked mail boxes.

Mr. Robinson said his client agrees to those.

Mayor Katz also suggested that the owner undergo landlord training for screening clients.

Mr. Robinson said Mr. Antonson agrees.

Commissioner Hales said he is concerned about the combination of the new conditions and the old ones. If a storm water detention facility is required, is there enough room on Lot 11 to do that and still provide the number of parking spaces needed.

Mr. Robinson said the provision for parking on Lot 11 was heard by the Hearings Officer and they are confident the site complies with the conditions of approval.

Chet Antonson, applicant, Pacific Western Homes, said they are comfortable that Lot 11 will provide enough space to do both.

Commissioner Hales moved to tentatively uphold the Hearings Officer's decision but modify the findings to reflect the items in the agreement attached to Mr. Brown's November 19th memorandum. Commissioner Francesconi seconded.

Commissioner Hales said this site was zoned commercial, so a well-built and well-managed multi-family community could be a lot better than some of the uses allowed by right.

Disposition: Tentatively deny appeal; prepare findings for December 17, 1997 at 2:00 p.m.

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

BARBARA CLARK
Auditor of the City of Portland

Cay Kershner

By Cay Kershner
Clerk of the Council