



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 26TH DAY OF MAY, 1999 AT 9:30 A.M.

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

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

Members of the Rose Festival Court were introduced and described upcoming Festival events.

Agenda No. 723 and 735 were pulled from Consent. On a Y-5 roll call, the balance of the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

- 712 Cash investment balances April 1 through April 28, 1999 (Report; Treasurer)
Disposition: Placed on File.
- 713 Accept bid of Ben-Ko-Matic to furnish one 12-cubic yard catch basin and sewer cleaner for \$226,723 (Purchasing Report - Bid 99087)
Disposition: Accepted; prepare contract.
- 714 Accept bid of Tigard Electric, Inc. to furnish pump station equipment retrofit at various locations for \$293,690 (Purchasing Report - Bid 99133)
Disposition: Accepted; prepare contract.
- 715 Accept bid of Portland Excavating, Inc. to furnish the NE 27th, from Lombard to Columbia Blvd., improvement project for \$99,598 (Purchasing Report - Bid 99135-SMP)
Disposition: Accepted; prepare contract.
- 716 Accept bid of Brattain International Trucks to furnish two 50,000 GVW cab and chassis with 12-cubic yard dump body for \$192,448 (Purchasing Report - Bid 99170)
Disposition: Accepted; prepare contract.

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- 717 Accept bid of All Pure Chemical Company to furnish sodium hydroxide (caustic soda) for \$198,555 annually (Purchasing Report - Bid 99184)

Disposition: Accepted; prepare contract.

- 718 Accept bid of Gutermann Messtechnik to furnish leak detection equipment for \$93,550 (Purchasing Report - Bid 99185)

Disposition: Accepted; prepare contract.

Mayor Vera Katz

- 719 Approve amendments to Personnel Rules increasing hourly maximum employment for PERS retirees (Resolution)

Disposition: Resolution No. 35797. (Y-5)

- *720 Authorize bureaus to pay for health benefits for PERS retirees who continue to work upon retirement without a break in service (Ordinance)

Disposition: Ordinance No. 173390. (Y-5)

- *721 Accept amendment to increase compensation and length of contract with Howard L. Deitch of Northwest Assessment Centers (Ordinance; amend Contract No. 31040)

Disposition: Ordinance No. 173391. (Y-5)

- *722 Agreement between Multnomah County Sheriff's Office and the City for use of Local Law Enforcement Block Grant funds (Ordinance)

Disposition: Ordinance No. 173392. (Y-5)

- *724 Pay claim of Philippa Ribbink (Ordinance)

Disposition: Ordinance No. 173393. (Y-5)

- *725 Authorize contract with FirstWorld Northwest to supply data communications equipment and services to the Development Services Building and other City facilities (Ordinance)

Disposition: Ordinance No. 173394. (Y-5)

- *726 Extend legal services agreement with Marten and Brown LLP (Ordinance; amend Agreement No. 31627)

Disposition: Ordinance No. 173395. (Y-5)

- *727** Authorize the Mayor and Auditor to execute a ground lease agreement and a parking agreement between Northwest Natural Gas Company and the City relating to the development of the Classical Chinese Garden (Ordinance)

Disposition: Ordinance No. 173396. (Y-5)

Commissioner Jim Francesconi

- *728** Contract with Ruffin Construction, Inc. for \$67,500 to perform window replacement construction at Fulton Park Community Center (Ordinance)

Disposition: Ordinance No. 173397. (Y-5)

- *729** Call for bids for materials for green and tee construction at Progress Downs Golf Course (Ordinance)

Disposition: Ordinance No. 173398. (Y-5)

- *730** Authorize the purchase of office system and furniture for the Office of Finance and Administration through an Oregon State Price Agreement for \$340,634 and provide for payment (Ordinance)

Disposition: Ordinance No. 173399. (Y-5)

- *731** Increase purchase order with Vertex Computer Consultants for PC desktop and network maintenance and management services (Ordinance; amend Purchase Order No. 1021890)

Disposition: Ordinance No. 173400. (Y-5)

- *732** Authorize a contract with Platinum Construction Services, Inc. for an interior remodel of the Portland Police East Precinct and provide for payment (Ordinance)

Disposition: Ordinance No. 173401. (Y-5)

- *733** Authorize a contract with JVC Contractors, Inc. to renovate the Office of Finance and Administration portion of the 12th floor of the Portland Building and provide for payment (Ordinance)

Disposition: Ordinance No. 173402. (Y-5)

- *734** Contract with Emmons Company to provide architectural and engineering services for the remodel of Fire Stations 4, 22 and 41 (Ordinance)

Disposition: Ordinance No. 173403. (Y-5)

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Commissioner Dan Saltzman

- 736** Authorize a contract and provide for payment for the construction of the Columbia Boulevard Wastewater Treatment Plant odor control project for the sewer cleanings unloading area, Project No. 6551 (Ordinance)

Disposition: Passed to Second Reading June 2, 1999 at 9:30 a.m.

- 737** Authorize contract and provide payment for the construction of the Columbia Boulevard Wastewater Treatment Plant outfall pipeline rehabilitation project, Project No. 6405 (Ordinance)

Disposition: Passed to Second Reading June 2, 1999 at 9:30 a.m.

- *738** Authorize a contract and provide payment for the construction of the Falling and Tryon Creeks enhancement project, Project No. 6576 (Ordinance)

Disposition: Ordinance No. 173404. (Y-5)

- *739** Authorize a contract and provide for payment for the construction of Whitaker Ponds stormwater pollution reduction facility, Phase 2 of 2, Project No. 5736 (Ordinance)

Disposition: Ordinance No. 173405. (Y-5)

- 740** Authorize a contract with the lowest responsible bidder and provide for payment for the construction of the Inverness Trail, Project No. 5841 (Second Reading Agenda 697)

Disposition: Ordinance No. 173406. (Y-5)

Commissioner Erik Sten

- *741** Authorize a professional services contract with Montgomery Watson on behalf of the Regional Water Providers Consortium to assist in the regional Transmission/Storage Strategy Development element of the consortium work plan for FY 1999/2000 (Ordinance)

Disposition: Ordinance No. 173407. (Y-5)

- 742** Agreement with SPECTRUM Technology, Inc. for \$50,000 for a business flow/process review analysis for the Engineering Services Group within the Water Bureau (Second Reading Agenda 698)

Disposition: Ordinance No. 173408. (Y-5)

REGULAR AGENDA

- *723** Apply for a US Department of Justice, Office of Community Oriented Policing Services, methamphetamine grant (Ordinance)

Discussion: Captain Jim Ferraris, Drug and Vice Division, said this is an opportunity to apply for funds to deal with the problem of rising methamphetamine production and use in this community. Twelve percent of all juvenile probationers in Multnomah County have admitted methamphetamine use, a significant number, and 13 methamphetamine deaths have been reported so far this year. This grant would award the City a one-year, \$300,000 no-match grant to deal with this issue. He explained some of the strategies the City has devised to use this money most effectively.

Jim Peterson, Multnomah County Office of Addiction Services, said they are currently putting together a funding package to provide a comprehensive education, prevention and intervention strategy for these very high-risk youth.

Karne Gresse, Regional Drug Initiative, said they are committed to working with the Police Bureau to reduce problems related to methamphetamine.

Commissioner Saltzman asked if methamphetamine is the most pervasive illegal drug of choice.

Captain Ferraris said it ranks third, behind alcohol and marijuana. He said demand has increased, which probably accounts for the rise in the death rate. The Bureau plans to use some of the grant funds to analyze the data so resources can be channeled in the right direction.

Tom O'Keefe, United Community Action Network, said crank is a cheap drug and that is why it is being used. He said the Police should go after the people who sell the chemicals to make it, rather than the users.

Commissioner Francesconi said he is pleased that the Police plan to involve the Turnaround School in this program.

Disposition: Ordinance No. 173409. (Y-5)

- 735 Codify existing ordinance relating to use of polystyrene foam packaging by food vendors (Ordinance; add Chapter 9.28)

Disposition: Continued to June 2, 1999 at 9:30 a.m.

- 709 **TIME CERTAIN: 9:30 AM** – Accept the 1999 Seasonal Water Supply Augmentation and Contingency Plan (Ordinance introduced by Commissioner Sten)

Discussion: Commissioner Sten set the framework for both this Item and Item 710. He said because there has been so much rain, there will be no shortage of water this season. The main issue that is different, however, is the Endangered Species Act (ESA) listing on the Bull Run. The primary issue is that, when water is held back for summer usage, there is insufficient flow for the fish and the temperature rises too high. This year will be the first time the Bureau plans to take concrete steps to see that there is sufficient water for the fish. There is no shortage of water but, because of the lack of storage, there is a problem in ensuring there is enough water for both people and fish in the summer months. Agenda No. 710 outlines an agreement with a variety of other parties to allow them to treat the

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Sandy Basin as one area. Under the ESA, it is likely that the dams on the Little Sandy and Bull Run will be treated differently and, while the ESA listing makes it hard to do things worse, it provides no mechanism for making them better. By treating the Sandy Basin as one ecosystem the affected parties will be able to work together to take actions that have the most impact, sharing the cost rather than working separately. Today the City will announce its intention to remove the Little Sandy and Marmot dams, the first steps to be taken under the Sandy River Basin agreement. These are major efforts which could not be done without this kind of cooperative agreement. The first step is to free the Little Sandy and restore the fish habitat and the second step is to figure out ways to increase storage in the Bull Run, i.e. adding a third dam or raising one of the two already existing dams. In the interim, the City has to address the issue of summer flow and the Bureau is proposing to take a small amount of water during the summer months from the Columbia South Shore well fields, somewhere between five and ten percent, and blend it with Bull Run water. Because there has been so much rain, the Bureau can probably provide for fish without using the wellfields but staff may wish to try a 30-day test period to see how the system works.

Mike Rosenberger, Director, Water Bureau, said the primary difference from past years is inclusion of an increment of Bull Run Lake in the base line capacity. The City has a permit that outlines the manner in which some Bull Run Lake water can be used. Part of the wellfield is included in the base line supply and, although there is sufficient water in the Bull Run, the Bureau may wish to use some of the wells to make sure they are working. The Bureau met with 150 stakeholders, environmental groups, wholesale customers and other interest groups.

Rosemary Menard, Director, Watershed Resource Management Division, said one link to the Sandy Basin Agreement has been a cooperative assessment process about downstream flows from the Bull Run. In August and September they plan to do test flow releases to help evaluate the relationship between flow releases and temperature.

Regarding contamination in the well fields, Mr. Rosenberger said they found fairly low amounts in the monitoring wells. Their assessment is that whatever is there now has five to 20 years travel time before it gets anywhere near the production wells. That means the problem can be remediated.

Commissioner Saltzman asked if the Department of Environmental Quality will be involved in this process.

Mr. Rosenberger said right now the issue is characterizing what is there. That will followed by a remediation plan and identification of the sources and responsible parties.

Commissioner Hales asked if the technology is there to treat contaminated water and whether the City would begin treatment before the responsible parties are legally determined.

Mr. Rosenberger said right now the Bureau is taking a preventive approach although there are treatment approaches, almost identical to what the City of Milwaukie has done. However, to date building in-ground barriers has worked, rather than installing additional treatment. They are also looking at the Aquifer Storage and Recovery (ASR) alternative which would provide additional protection from spreading the plume.

Commissioner Hales asked when would the Bureau know whether to go ahead with some of those actions.

Ms. Menard said a pilot test will be conducted over the next few years of the ASR alternative, which will add Bull Run water to the aquifers during the winter and then draw it out in the summer over next several years. They are pretty confident this will give them more capacity in the summer.

Commissioner Francesconi asked if the contamination was a surprise.

Mr. Rosenberger said no, given the history of industrial use in the area, the expectation is that they may find evidence of this solvent in other places.

Commissioner Saltzman asked what danger use of the wellfields might present.

Ms. Menard said there are 20 wells in the wellfield, with two that potentially influence the movement of this plume. Staff will make sure they do not impact the flow on the ones that might be used.

Mr. Rosenberger said taking five million gallons out of those two wells would still leave them with access to 50 million gallons a day. If they use any well water, they would only use between five and ten million gallons, a minimal percentage.

Commissioner Francesconi said conservation efforts need to be intensified.

Disposition: Accepted. (Y-5)

710 Authorize Commissioner Erik Sten to sign the "Sandy River Basin Agreement" to foster communication and collaboration with parties involved in salmonid protection in the Sandy River basin (Resolution)

Discussion: Rick Applegate, Assistant Regional Administrator for Habitat Conservation, National Marine Fisheries Service, said this agreement is a huge step forward, especially with the added agreement to remove the two dams on the Sandy River. Everyone knows that other issues need to be addressed, however, and that is at the heart of this agreement, which will provide opportunities to look at flow issues, culvert passage questions and fish management. He said they are heartened by the progress that has been made since the Endangered Species Act (ESA) listing of the fish last year.

Frank Gearhart, Citizens Interested in Bull Run, said the Oregonian article about the contaminated plumes means the City cannot depend too much on the wells. His group has found that citizens, including those in Tigard and Wilsonville, want Bull Run water and do not want it mixed with well water. He suggested that the City look seriously at immediately beginning work on a third reservoir on the Bull Run to increase water storage capacity.

Tom Cropper, PO Box 18025, 97218, said the City should avoid putting anything contaminated into the water system. The City must plan now for more water storage,

including a reservoir and a third dam to serve the increased population. Corporate use of the water also needs to be addressed as the status quo is not satisfactory.

Regna Merrit, Oregon Natural Resources Council, congratulated the City for its proactive efforts to protect the watershed, the forest and the fish. She said she has grave concerns, however, about use of the wellfields as part of the baseline for the seasonal water supply plan. She said there have been significant problems with the wellfield for years and many people had deep reservations about increasing the City's reliance on use of the wellfields. She said the City is also not doing much to protect it from new sources of contamination. She requested that the wellfields be removed from the base line and that no mixing of Bull Run with wellfield water be allowed. She said more emphasis should instead be placed on conservation efforts and on integrating them with everyday activities. Industry could also be encouraged to use more non-potable sources of water, i.e. the Willamette River.

Commissioner Francesconi said he understands one reason to use the groundwater in case of a drought is to protect the fish by providing adequate flow. He asked Ms. Merrit which she would choose – using well water or protecting the fish.

Ms. Merrit said that is a false choice because the community has not even come close to treating water as the valuable resource that it is. There are a lot of things that can be done to conserve water but once people talk about adding new infrastructure for water, there will be no incentive to conserve.

Commissioner Sten said one side says build a third dam immediately and the other side says push conservation much farther. He agreed that conservation efforts do need to be ramped up but a decision on providing more storage capacity in the Bull Run needs to be made within the next few years. It is hard to make that decision until they can determine how many customers they have, i.e. Tigard and Wilsonville, and how much increased conservation efforts affect water usage. In order to protect the fish if there is not enough Bull Run water, it is absolutely necessary to have a backup plan for the wellfields although he agrees that it would be preferable to take the steps Ms. Merrit has noted. Eventually new storage will provide sufficient water for the fish but in the short term the best way to get the water is through conservation, with the wellfields as the fallback. The projection right now is that there will be enough water without drawing on the wells but they would like the option of testing the blended approach this summer. At the same time he wants to push conservation very hard to reduce the likelihood of having to turn to the wellfield.

Mayor Katz suggested that the Bureau return to Council before the wellfield is tapped, and, in the meantime, heighten conservation efforts.

Dan Aspenwall, Citizens Interested in Bull Run, 3565 SE Clinton, 97202, described the history of ownership of the water rights on the Little Sandy, giving exclusive rights to the City. He said Enron/PGE has no right to negotiate water rights on the Little Sandy with the National Marine Fisheries Service. He said the City should bear no financial burden whatsoever for the removal of Enron/PGE structures. He said it is outrageous that the municipal water supply of one-third of the people in the State is being ranked below fish recovery. No river in the lower 48 States has recovered its salmon and while plans are underway, no fish have been saved. He said the City must move ahead with more storage in the Bull Run to guarantee its continued purity and availability.

Tom O'Keefe, United Community Action Network, said he hopes the wellfield will not be turned on as it makes the City more liable down the road. The DEQ, the City of Rockwood and other entities have been reimbursed by Boeing and Cascade Corp. for well contamination while the City has spent \$2 million monitoring contamination but has been reimbursed nothing. Portland should ask these corporations to reimburse the ratepayers. He said more conservation efforts are also needed.

Mr. Rosenberger said he would like to schedule a Council informal to tie these issues together. He said the City does have a wellfield protection program, i.e. certain industries cannot locate within designated areas. They are doing an extensive analysis of pre-existing and existing businesses to determine the risk to the wellfield and are also holding talks with Gresham to extend the program beyond the city limits. He outlined some of the conservation measures planned as part of the summer supply plan and noted a transmission analysis that is being done on behalf of the Regional Water Supply Consortium to see how can best they can steward existing resources.

Commissioner Francesconi asked why the City needs to test the wells.

Mr. Rosenberger said it is a huge mechanical system and periodically needs to be checked to make sure it works and can be activated within a matter of hours, if needed.

Mayor Katz said the City needs to build in conservation efforts, not just activate them when there is a drought.

Commissioner Francesconi said this is an historic day for the fish, the citizens, PGE and the government, indicating that it can successfully tackle difficult problems.

Commissioner Hales said this is a great piece of work and a good example of moving beyond mere regulatory compliance to real environmental stewardship.

Commissioner Saltzman said one question still not answered is whether the fish will actually come back once these streams are established.

Commissioner Sten thanked Council for being very supportive in pushing for creative solutions. Since no one has removed any dams yet, no one knows if the fish will come back but Portland has shown that the urban area is serious about these issues. He noted that the City has been in court for some time with PGE over who has the senior water rights to the Little Sandy and if this agreement goes forward, PGE will relinquish its rights to the City.

Mayor Katz said the fish need to be counted to see if this works. The experts say that dam removal is one way to restore the fish runs but there is still a lot to learn.

Disposition: Resolution No. 35798. (Y-5)

- *711** **TIME CERTAIN: 10:30 AM** – Amend City Code Title 31, Fire Regulations, adjust fee schedules and add penalties for certain delinquent accounts (Ordinance introduced by Commissioner Francesconi; substitute City Code Title 31)

Discussion: Commissioner Francesconi noted that while the fire inspection fee program has been controversial with some businesses, the Bureau has been able to greatly increase the number of fire inspections as a result of this program.

Jim Crawford, Fire Marshall, said today Council is adopting a new Title 31, a model fire code with some additions including adding hourly rates to the fee structures for Enhanced Fire Prevention (EFP) programs. Penalties have been added for delinquent payments and language has been added to allow the Commissioner to waive certain fees. He said Council authorized the program last July and the Bureau began the first inspections for fees on August 1, 1998, resulting in a dramatic increase in the number of inspections. Charging the fee forces the Bureau to act much more like a business and reduce the time needed for inspections. They are also working with the business community very seriously as they expect to be able to provide evidence that public safety is increased because of this program. Complaints are being tracked, as are the concerns of the business community. He noted that about 200 calls are generated by the 2,000 invoices sent out per month and most callers are concerned about the difference between a service and a tax. As a result of those concerns, the Bureau has recommended reducing the charge from \$30 to \$5 for out-building inspections. The reason for this program is that the Bureau's fire prevention efforts are producing results, resulting in a downward trend in fire losses. Some very serious fire code infractions have been identified as a result of these inspections, i.e. the warehouse on MLK where hazardous materials were found. He is committed to a serious outreach program to convince businesses about the overall value of the program and noted that the United States still has the worst fire loss record of any industrialized nation in the world. Among the programs the Bureau is most proud of is the "risk watch" program in the schools, aimed at reducing the number of injuries caused by incidents other than fires.

Fontaine Hagedorn, Program Manager, Fire Bureau, said he takes the calls from those who are now charged a fee for what was a free service before. No matter what they think about this approach, there is a lot of support for the Fire Bureau.

Commissioner Hales asked if this initial jump in the number of inspections is sustainable.

Fire Marshall Crawford said he expects it to be sustainable, with moderate increases from this point.

Commissioner Saltzman said he is philosophically opposed to charging for what is fundamentally a basic service which improves the community as a whole. He is also concerned about having the Fire Bureau use a collection agency. Is this related to positioning the Fire Bureau to go after the ambulance franchise bid?

Commissioner Francesconi said there is no connection at all. In voting aye, he said the real test will not be the number of inspections but whether the number of fires decreases. However, no matter what the number, the City still needs a standing crew ready to fight fires. He is pleased that the Bureau was able to reduce fees and get businesses closely involved.

Commissioner Hales said thanks to the good work here a fairly controversial fee schedule seems to have been pretty well accepted. He said there is nothing mundane about tripling productivity although how to pay for it is a fair question.

Disposition: Ordinance No. 173410. (Y-45)

- 743 Accept bid of Kasey Cooper Excavation, Inc. to furnish 8" and 6" water mains, SE 26th and Belmont, for \$89,921 (Previous Agenda 676; Bid 99158-SMP)

Discussion: Sue Klobertanz, Purchasing Director, said after reviewing questions raised by a potential subcontractor about the ability of Kasey Cooper to perform the work, staff confirmed that the company had all the appropriate certifications and licenses. An issue was also raised by the subcontractor about the fair contracting and employment strategy, particularly the good faith effort and sheltered market programs. She noted that Purchasing is currently reviewing this policy and Council has scheduled a work session to look at the sheltered market program and related items. In the meantime, Purchasing recommends approval of this bid.

Disposition: Accepted; prepare contract. (Y-5)

Mayor Vera Katz

- 744 Authorize an agreement with the Portland Oregon Visitors Association, waive the provisions of City Code Chapter 5.68 and provide for payment (Ordinance)

Discussion: George Forbes, Chair, Portland Oregon Visitors Association (POVA), described some of the progress POVA has made in the last three years, including establishment of a cultural tourism office and a sales office in Chicago.

Joe D'Allesandro, Manager, POVA, described the benefits tourism brings to the community. He noted that visitor spending reached \$1.9 billion last year in the Tri-County area, with \$1.4 billion spent in Multnomah County. He said \$23 million was generated in Multnomah Council in local taxes and another \$23 million in State taxes. Overall spending since 1991 has increased by 55%, far surpassing the national growth level. It also generated 16,000 jobs in Multnomah County, helps support local businesses and contributes to the arts and cultural scene. Challenges faced include the need to expand Convention Center capacity and meet transportation challenges. They would love to see the expansion of "Fareless Square" to the Lloyd Center to bring both sides of the River together. In the short term, there is hotel overcapacity and occupancy rates will decline for a while because so many new hotel rooms have been added, a 33 percent increase. Uncertainty in the Asian economy and the need to increase efforts to attract international visitors are other concerns. Mr. D'Allesandro said Portland needs to continually invest and reinvest in new attractions in order to remain competitive with other cities.

Roy Jay, President, Oregon Convention and Visitors Services Network, said Portland has become a national leader in multi-cultural tourism marketing efforts. He said his job is to send visitors home happy and broke.

Commissioner Hales said sometime it would useful to have a strategic thinking session with POVA about some of the other factors outside marketing and promotion. For instance, what happens to a State parks system that has not been expanded for 20 years. He believes that could begin to have a negative marketing effect.

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Mr. D'Allesandro agreed and said these issues are of concern to all the Western states. They hope to develop some common strategies to maintain and support the quality of these natural resources.

Disposition: Passed to Second Reading June 2, 1999 at 9:30 a.m.

Commissioner Jim Francesconi

- *745** Accept a grant from the Oregon Department of Forestry in the amount of \$3,000 for FY 1998-1999 to create an Urban Forestry Display (Ordinance)

Disposition: Ordinance No. 173411. (Y-5)

Communications

- 746** Request of the Citizens Highway 18-22 Safety Committee to address Council regarding accidents on Highways 18 and 22 (Communication)

Discussion: No one appeared to discuss this request.

Disposition: Placed on File.

Four Fifths Agenda

- *746-1** Amend the Rail Finance and Framework Agreement with the Port of Portland, Tri-Met and Cascade Station Development Company, LLC, for the construction of the light rail system to the Portland International Airport (Ordinance)

Disposition: Continued to May 26, 1999 at 2:00 p.m.

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

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 26TH DAY OF MAY, 1999 AT 2:00 P.M.

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

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

- 748 Increase Pay and Park parking fee surcharges and administrative fee (Second Reading Agenda 704; amend Code Chapter 14.36.045)

Disposition: Ordinance No. 173413. (Y-5)

Commissioner Charlie Hales

- *749 Amend Ordinance No. 162156, which granted a Comprehensive Plan Map amendment and Zone Change on property at NE 16th and Multnomah from RHS (Residential) to CXDS with a B, (Buffer), overlay (Commercial) and (OS) RHS (Residential), to amend Condition 6 and add conditions (Ordinance; LUR 99-00054 CP ZC)

Discussion: Kathleen Stokes, Office of Planning and Development Review, described the proposed development at NE 16th and Multnomah and listed the approval criteria and other requirements that must be met. She noted that the applicant has proposed providing \$40,000 in signage in lieu of improving the jogging path. Staff and the Hearings Officer recommended approval, with additional conditions, of an amendment which would delete a condition in the original decision calling for a jogging path along the southern edge of the property. The conditions call for applicants to provide neighborhood amenities in lieu of the jogging path as outlined in the agreement with Sullivan's Gulch Neighborhood Association. The conditions must be met within one year of the date of the final decision.

Steve Larson, Chair, Sullivan's Gulch Neighborhood Association, said the Board supports this proposal as they believe this is a win-win solution for the neighborhood, allowing it to get the kind of signage it has wanted for a long time and at the same time help the developer by eliminating a condition that was problematic at best.

Steve Pfeiffer, attorney representing the applicant, said what pushed this forward were the public sector improvements on NE 15th and 16th which no longer made the jogging path necessary.

Disposition: Ordinance No. 173412. (Y-5)

747

TIME CERTAIN: 2:00 PM – Appeal of Samson Cheung, applicant, against Hearings Officer's decision to deny an eight-lot subdivision with a variance and adjustments, located at 2919 SE 90th Place (Previous Agenda 505; 98-01057 SU AD VZ)

Discussion: Kathryn Beaumont, Senior Deputy City Attorney, outlined the procedures for hearing this appeal and presenting testimony.

Duncan Brown, Office of Planning and Development Review, said a minor amendment is needed as the Portland Office of Transportation (PDOT) has recommended amending Condition K to require a five-foot wide "clear" sidewalk to ensure it is not obstructed. He said applicant's proposal is for a site on SE 90th Place between Division and Powell, on a lot backing on a Bureau of Environmental Services (BES) stormwater detention pond. The proposal is for detached development with a common open space tract along the back side and a private cul-de-sac street. The applicant has requested a reduction in the required street width from 28 to 20 feet and asked for a variance to eliminate the cul-de-sac turnaround. Adjustments were requested to increase the building coverage on individual lots and reduce the side-yard setback on Lot 1. The latter, however, is no longer necessary. The Hearings Officer recommended denial based on insufficient parking and no assurances that the private street would be kept clear of parked vehicles and no justification for the setback adjustment. At the April 14 hearing, Council opened the record to allow submittal of a new site plan and continued the hearing until today. A new site plan is being presented that replaces one of the home sites with seven parking spaces, enlarges Lot 1 to eliminate the need for the side yard adjustment and includes a sidewalk in a private street tract. He noted the differences in the two site plans, including placement of a sidewalk on the north side within Tract A rather than an easement extending across Lots 2, 3 and 4. Mr. Brown listed the applicable approval criteria and other required provisions. He said the service bureaus have reviewed this, including the Bureau of Transportation Engineering and Development, and believe the revisions do address the Hearings Officer's concerns. Staff recommends approval with the changes noted above. He said neighbors were notified about the revised site plan but he has not heard from them.

Commissioner Hales asked if PDOT said anything about the discontinuous sidewalk on the north side.

Mr. Brown said if the sidewalk were located on the south side it might interfere with the sewer easement connecting to the detention pond.

Commissioner Hales asked why a discontinuous sidewalk that goes 70 feet and then stops and then starts again was approved.

Jeffrey Armstrong, representing the applicant, said on private streets, sidewalks usually are put on just one side. It was put on the north side because on the south side there would be a lot of curb cuts interrupting the continuity of the sidewalk. With the new site plan and the placement of more parking on the north side, it would be possible to put the sidewalk on the south side.

Commissioner Hales said that is what he would recommend if it is feasible.

Mr. Armstrong explained how that might be feasible and the tradeoffs involved.

Commissioner Hales said he would forego the request about the sidewalk.

Mr. Brown noted that another change should be made to indicate that it is a seven-lot subdivision.

Commissioner Hales moved to grant the appeal with the conditions as amended.
Commissioner Saltzman seconded.

Disposition: Appeal upheld with amended conditions. (Y-5)

Commissioner Dan Saltzman

750 Amend Title 17 of the City Code to revise sewer and drainage rates and charges in accordance with the Fiscal Year 1999-2000 Sewer User Rate Study (Second Reading Agenda 706; amend Code Chapters 17.34, 17.35 and 17.36)

Disposition: Ordinance No. 173414 as amended. (Y-5)

Commissioner Hales moved to bring forward the item on the Four-Fifths Agenda.
Commissioner Saltzman seconded and, hearing no objections, the Mayor so ordered.

FOUR-FIFTHS

***746-1** Amend the Rail Finance and Framework Agreement with the Port of Portland, Tri-Met and Cascade Station Development Company, LLC, for the construction of the light rail system to the Portland International Airport (Ordinance)

Discussion: Linda Meng, Chief Deputy City Attorney, said most of the agreements for the development of light rail have been entered into by the Portland Development Commission (PDC) on its own. This agreement, the first and original one, listed the City as a party and it has been modified in ways that are significant, although they do not change the financing method. Because the City was a party to the original agreement, Council must approve any amendment.

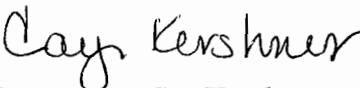
Bob Alexander, PDC, said this does not change the proportionate shares each partner contributes but does change the structure in order to maintain the tax-exempt nature of the deal. This is, in effect, using public funds for a public purpose but at the same time PDC wants to retain the original restraints to the funding. Urban renewal funds need to be spent within the Portland International Center and the PDC funds need to be spent on the terminal segment, the section from 82nd Avenue to the Airport. Under this new structure, the City becomes a party to the Master Development Agreement that was previously between the Port and Cascade Station Development Company. The City will accept the development rights from the Port and build the infrastructure on the site. In turn, Cascade will repay a portion of the infrastructure costs and part of the bonds used to build the Gateway segment. There is no additional risk to the City.

Disposition: Ordinance No. 173415. (Y-5)

MAY 26, 1999

At 3:30 p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland


By Cay Kershner
Clerk of the Council