



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 15TH DAY OF JUNE, 1999 AT 2:00 P.M.

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

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

817

TIME CERTAIN: 4:00 PM – Adopt amendments to the South/North Locally Preferred Strategy to designate the N. Interstate Avenue MAX alignment from the Steel Bridge to the Expo Center as the preferred alignment, project conditions and intent to provide City funding to construct the project (Hearing; Resolution introduced by Commissioner Hales)

Discussion: Mayor Katz outlined the procedures to be followed and noted that Council will hear testimony tonight and vote on the resolution tomorrow.

Commissioner Hales said this is not just a question of what light rail will do for the regional transportation system but whether this project will help neighborhoods and the people who live in them. Will it better connect them to jobs, help solve transportation problems and achieve neighborhood plan goals? Council's agenda in this case is the revitalization of Interstate Avenue and if light rail is going to accomplish this, Council needs to hear the specifics of how it should fit into the neighborhood.

Fred Hanson, General Manager, Tri-Met, said this determination is the first step in completing the Environmental Impact Statement before proceeding with more engineering work. That will include wrestling with more issues, which are not yet on the table, i.e. the exact nature of the design. The first issue before Council today is changing the original South/North locally preferred alignment to Interstate Avenue. The second determination concerns the intent to fund. Everyone recognizes the region will face increasing transportation problems as it continues to grow and that an integrated system is needed that includes all modes of transportation as well as transit-oriented development that protects neighborhoods and allows people to make connections without reliance on the automobile. Mr. Hanson noted that in November the voters clearly said no to any large property tax-based light rail project. It is also clear, however, that they want to solve the problems connected with increasing neighborhood congestion. With regard to the Interstate alignment proposed today, two issues must be addressed: 1) traffic and parking on Interstate Avenue itself; and 2) additional and existing bus service within the North/Northeast quadrant, which has the highest transit usage of any area. Because of citizen concerns about losing bus service in North Portland, Tri-Met will move ahead and prepare a draft plan to address that issue by September.

Commissioner Francesconi asked if there would be any loss of bus service.

JUNE 15, 1999

Mr. Hanson said Tri-Met expects transit service to increase within the region. But first Tri-Met needs to understand the origination and destination of transit ridership in order to design a system that really meets the community's needs. Its commitment is to design an enhanced system that will increase transit use within that area and they expect no loss of bus service.

Commissioner Francesconi asked about cost overruns.

Mr. Hanson said they expect to complete the project within budget and on time.

Commissioner Francesconi said there is concern that the track needs to be paved in order to do the kind of development that is desired. Can that be done within the existing budget?

Mr. Hanson said they are committed to determining those exact costs over the next several months before the final decision is made.

Commissioner Francesconi asked if this will help connect residents in North/Northeast Portland to suburban jobs and what resources might supplement these efforts.

Mr. Hanson said Tri-Met's goal is to have a fully integrated transportation system, both rail and bus, that can transport people from their homes to jobs and the other places they must go. This line will help do that.

Commissioner Sten noted that this project is moving very quickly and asked about the time line.

Mr. Hanson said they would like to take advantage of federal tax dollars authorized for a set number of years for projects such as this. With the defeat of the South/North proposal by the voters, only a very short window remains to take advantage of those federal dollars. A number of elements, such as selection of the preferred alignment and the local funding commitment and a final Environmental Impact Statement, must be completed this fall. Waiting longer would mean the loss of several years' time and could be crucial as these dollars are very hotly sought after. Moving ahead with this project now will allow them to seek a higher percentage of dollars and take advantage of the public/private partnership that is building a light rail line to the airport, which the federal government sees as a part of the City's overall system. Consequently, Tri-Met can seek a higher percentage of dollars from the federal government but the two lines must be built contemporaneously.

Commissioner Francesconi asked about operating costs for buses versus light rail.

Mr. Hanson said light rail initially costs more to build but has substantially lower operating costs over time because many more people can be carried on a light rail line and light rail cars have over twice the useful life of buses. The dedicated right-of-way, with a 100-year useful life, also lowers long-term operating costs.

Dick Reiten, Tri-Met Board of Directors, said since federal funding is still available, they determined that a scaled down version of South/North could be done without additional taxes if the affected jurisdictions came up with the match. The business community wanted to put a process in place to secure those federal funds using the match and sees this as a one-time only opportunity.

JUNE 15, 1999

Felicia Trader, Director, Portland Development Commission (PDC), said PDC first reviewed the possibility of financing light rail out of Convention Center Urban Renewal District funds. That idea was put aside after PDC heard the community's strong concerns about diverting dollars from projects designed for the Lloyd District and the King Boulevard area. PDC then was asked to examine the possibility of forming a new urban renewal district along Interstate to cover part of the City's contribution to light rail but also to support revitalization of this area. Last week, at the Mayor's request, PDC passed a resolution directing staff to examine the possibility of creating an Urban Renewal district for North Interstate at the request of the Mayor. It will report back in August on whether that is feasible.

Commissioner Francesconi asked how much money a new urban renewal district will generate.

Ms. Trader said that will really depend on the boundary of the district. PDC will be looking at a number of variations as representatives of several neighborhoods have indicated their interest in being part of the district.

Commissioner Francesconi asked about the effect on the general fund.

Ms. Trader said new districts are calculated under a "divide the taxes" formula, which means they do not increase taxes but do affect the distribution of the tax revenues collected. That will affect both the City and County's general fund dollars. In August PDC will return to see if Council wants to go ahead with a very thorough feasibility study which will really get into the detailed projections.

Steve Iwata, project coordinator, Portland Office of Transportation (PDOT), said this resolution calls for three action items: 1) amendment of the locally-preferred strategy to select the Interstate alternative as the preferred option on the South/North project; 2) declare Council's intent to provide \$30 million as its share of the project; and 3) adopt Exhibit B, a list of issues that need to be responded to in the next phase of the project.

Regarding Exhibit B, Mr. Iwata said it has two parts. The first calls for a North/Northeast Portland revitalization strategy, reinforcement of transit service with light rail and diversification of the work force with an emphasis on hiring women and minorities during project construction. There are five design concepts that need further exploration, including alternatives to the tie and ballast concept of the rail lines, development of traffic and construction management plans, traffic mitigation during construction and lower Albina truck access issues.

Citizens testifying in support of the line included:

Araceli Reyes, 9221 N. Lombard, #17, 97203
Ann Gardner, Association for Portland Progress
Reyna Ramos, 9530 N. Woolsey, 97203
Cynthia Valdez, Roosevelt High School student
Maelry Rodrigiez, Roosevelt High School student
Carolina Ramos, Roosevelt High School student
Oswaldo Garcia, Roosevelt High School student
David Rodriguez, Roosevelt High School student

JUNE 15, 1999

Joel Campos, Roosevelt High School student
Joseph Ingles, 1849 N. Kilpatrick, 97217
Dave Eatwell, 2601 N. Willis, 97217
Jeanne Pulliam, 2241 N. Menzies Dr.,
Jose Alvarado, Deputy Consul, Mexico
Doug Hartman, 4615 N. Colonial, 97217
Vern Ryles, Portland Vancouver I-5 Trade Corridor Committee
Karen Williams, 7634 SE 32nd, 97202
Nick Scovill, 2133 N. Argyle, 97217
Don Arambula, former chair, Kenton Neighborhood Association
Madeline Nosbush, 5765 N. Williams, 97217
Jeff Reed, 6545 N. Williams, 97217
Peter Teneau, 2715 N. Terry, 97217
Adonica Marshall, American Institute of Architects Design
Committee
Elise Scolnick, 1831 N. Going
Jim Howell, 3325 NE 45th Ave., 97213
Art Lewellan, 3205 SE 8th, #9, 97217
Jennifer Chacon, 2726 NE Ainsworth, 97217
Dustin Posner, 2831 NW Cornell, 97210
Deborah Howes, Arbor Lodge Neighborhood Association
Linda Kolokolo, 2261 N. Mississippi, 97227
Monica Taylor, 2631 N. Mississippi, 97227
Margaret Tigner, 2651 N. Mississippi, 97227
Verna Gill, 2631 N. Mississippi, 97227
Toni Tolbert, 2631 N. Mississippi, 97227
Ora Forthan, 2631 N. Mississippi, 97227
John Carlon, 4387 SW Macadam, owner of the Kenton Hotel
Jada Mae Langloss, Box 3346, 97208
Alan Hipolito, IMAX Committee, Director, Environmental
Programs for the Urban League
Rex Burkholder, Bicycle Alliance and Audubon Society
Phil Goff, City Bike Advisory Committee
Peter Mye, 1955 NW Hoyt, 97209
Clara Padilla, co-chair, Latino Network
Humberto Reyna, President, Hispanic Chamber of Commerce
Mildred Olled, Portland Community College, Cascade Campus
Maurice Hiaden, 3705 N. Killingsworth
Brian Hoop, Associate Director, Oregon Action, 3009 NE Emerson
Street, 97211-6905
Ray Polani, 6110 SE Ankeny, 97215-1245

Supporters said this will revitalize the Interstate community and benefit low-income residents who want better and faster access to jobs. They said forming an urban renewal district will provide a powerful tool and act as an impetus for substantial investment and revitalization both for those who live in the area and the City as a whole. It will also tie together Expo and the Convention Center. Many said this proposal is far better than the original South/North line where the focus was on an I-5 alignment which would have stifled development.

JUNE 15, 1999

Supporters did raise concerns about possible traffic congestion and diversion due to the removal of two travel lanes on Interstate. Other concerns included the need to provide additional bus service and bike lanes, to reconsider whether the Park and Ride should be located at Expo, the importance of a development strategy, particularly for station planning in Kenton, and the need to include residents of North/Northeast Portland on the project workforce. The importance of connecting to Vancouver as soon as possible was also noted, with many stating their belief that this will make the eventual connection across the river more likely. Ms. Marshall said the AIA recommends that the Kenton and Rose Quarter station platforms be revised to better fit their immediate settings and that the entire transit center be redesigned. Mr. Burkholder and others called for integrating bicycle and pedestrian access with light rail right from the beginning. Mr. Polani called for building a subway in downtown and moving ahead with plans to reach Vancouver and Milwaukie.

Several members of Spirit (Sisters in Portland Impacting Real Issues Together), said they are promoting the Youth 2000 and Beyond Plan (Y2K) which would allow kids to ride to and from school for free during school hours. They have heard over and over that the idea is great but there is no money. Spirit supports the use of light rail but urges Council to invest in the Y2K plan before investing \$350 million in light rail. They believe this is a matter of transportation equity.

Opponents of the proposed light rail route included:

Connie Hunt, North Light Rail Transit Citizens Advisory
Committee (CAC)

Jerry Johnson, North Light Rail CAC

Terry Parker, 1527 NE 65th,

Deborah Zecic, 2034 N. Killingsworth, 97217

Gayla Whitman, Hayden Island Neighborhood Network

Maggie Sullivan, 7034 N. Wellesley, 97203

Michael Sonnleitner, 5905 N. Montana, 97217

Roger Troen, 4226 N. Montana Ave. 97217

Sydney Most, 4226 N. Montana, 97217

John Charles, Cascade Policy Institute

Gerry Mildner, 3505 SE Grant Court, 97214

Cynthia Sulaski, 4005 N. Colonial, 97227

Steve Flagg, 4015 N. Concord, 97227

Patrick Driscoll, 5022 NE 27th, 97211

Rey Cabral, 1011 NE Prescott, 97211

Paul Mortimer, 1530 N. Highland, 97217

Kas Weigant, 3945 N. Longview, 97227

Opponents said they believe routing light rail along Interstate is the fatal flaw in this \$300 million project. They said it will not improve transportation or economic development because of the severe impact closure of two travel lanes will have on Interstate, diverting traffic to other streets and adding to already existing congestion. They said existing businesses will be displaced both during and after completion of the project and questioned whether formation of the urban renewal district will generate the tax dollars needed to complete the line. They called for designing the project right the first time rather than mitigating for problems afterwards. Some opponents called for spreading the density increases around more broadly, increasing them on the westside of Interstate so both sides

JUNE 15, 1999

will bear a greater share. They also questioned the location of the Park and Ride at Expo and expressed fear that it will be used mostly by Vancouver residents. Several suggested setting aside money to provide more express service and direct bus connections to outlying areas instead of sending everyone downtown. Several also called for extending the line to Vancouver, rather than dead-ending it in Kenton. Some expressed fear that the line will result in worse transit service, with longer commutes, because light rail will make fewer stops than the buses and be less safe, with only one driver for so many passengers. People will also have to walk further to get to the line. A number said Tri-Met could achieve its transit goals at much less cost by improving existing bus service. Mr. Posner asked Council to consider a station at Broadway and taking the line through the Rose Quarter itself. Mr. Charles said building this line will cause an even greater bottleneck than currently exists for trains trying to cross the Steel Bridge into downtown and called for opening transit. Mr. Mildner said while this project looks pretty, it is very costly to build and operate and the region would be better off focusing on a balanced transportation system, using such means as congestion pricing and HOV lanes. He added that ridership estimates have been exaggerated and the hidden costs associated with the stations, the Park and Rides and overruns have not been taken into account.

Tad Winiecki, 16810 NE 40th Avenue Vancouver, WA 98686, representing Highway Transit Research, called on Council to consider the advantages of Personal Rapid Transit (PRT) which uses small vehicles which travel on a monorail above surface traffic. It can be installed quickly, with minor disruption and less impact on the environment.

Mayor Katz listed some of the issues raised about traffic, parking, bus service, station platforms, track treatment, location of the Park and Ride, construction impacts and bicycle access.

Commissioner Hales said staff will try to capture those issues in revisions to the amendments (the City's conditions) to make sure they reflect a consensus of the Council as well as incorporating the points raised tonight. He said he believes there is actually a lot of agreement, even from those who disagree, about the importance of having an urban trackway that really fits into the neighborhood and that people can get to.

Commissioner Sten said another issue raised concerned zoning changes for housing and he believes Council ought to commit to look at that as part of the whole urban renewal discussion.

Mayor Katz said staff will respond to these issues tomorrow and then Council will vote.
Disposition: Continued to June 16, 1999 at 9:30 a.m.

At 8:00 p.m., Council recessed.

JUNE 16, 1999

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 16TH DAY OF JUNE, 1999 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales and Sten, 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 vote, the Consent Agenda was passed as follows:

CONSENT AGENDA - NO DISCUSSION

821 Cash investment balances April 29 through May 26, 1999 (Report; Treasurer)

Disposition: Placed on File

822 Accept bid of Brant Construction, Inc. to furnish Inverness Trails for \$281,990 (Purchasing Report - Bid 99142)

Disposition: Accepted; prepare contract.

823 Accept bid of Portland Freightliner, Inc. to furnish 18,000 GVW cab and chassis with flatbed body for \$143,480 (Purchasing Report - Bid 99169)

Disposition: Accepted; prepare contract.

824 Accept bid of K-2 Construction Company to furnish NE 158th Avenue bridge over Columbia Slough for \$337,773 (Purchasing Report - Bid 99189)

Disposition: Accepted; prepare contract.

825 Accept bid of J. P. Contractors, Inc. to furnish Farragut Park improvements for \$256,150 (Purchasing Report - Bid 99191)

Disposition: Accepted; prepare contract.

826 Reject all bids to furnish NW 110th Avenue CSO control project (Purchasing Report - Bid 99192)

Disposition: Accepted.

827 Accept bid of TEC Equipment, Inc. to furnish 18,000 GVW cab and chassis with flatbed body for \$87,288 (Purchasing Report - Bid 99196)

Disposition: Accepted; prepare contract.

JUNE 16, 1999

- 828** Accept bid of Northwest Outdoor Equipment, Inc. to furnish four wheel drive tractors for \$88,365 (Purchasing Report - Bid 99197)
- Disposition:** Accepted; prepare contract.
- 829** Accept bid of Northwest Outdoor Equipment, Inc. to furnish four wheel drive tractors for \$49,413 (Purchasing Report - Bid 99199)
- Disposition:** Accepted; prepare contract.
- 830** Accept bid of Copenhagen Utilities & Construction, Inc. to furnish improvements to SW Capitol Highway, Multnomah and Vermont sections, for \$1,466,538 (Purchasing Report - Bid 99204)
- Disposition:** Accepted; prepare contract.
- 831** Accept bid of VM Pilip & Sons, Inc. to furnish 10th and Yamhill parking garage enhancement for \$191,280 (Purchasing Report - Bid 99208)
- Disposition:** Accepted; prepare contract.

Mayor Vera Katz

- *832** Extend legal services agreement with Hoffman, Hart & Wagner LLP for outside litigation representation (Ordinance; amend Agreement No. 31579)
- Disposition:** Ordinance No. 173454. (Y-4)
- *833** Extend legal services agreement with Miller & Van Eaton for outside litigation representation (Ordinance; amend Agreement No. 32159)
- Disposition:** Ordinance No. 173455. (Y-4)
- *834** Call for bids for 1999/2000 fiscal year annual supply contracts for City's bureaus and departments, authorize contracts and provide for payment (Ordinance)
- Disposition:** Ordinance No. 173456. (Y-4)
- *835** Amend contract with Organizational Dynamics (Ordinance; amend Contract No. 31778)
- Disposition:** Ordinance No. 173457. (Y-4)
- *836** Agreement between Multnomah County Department of Juvenile and Adult Community Justice and the City for use of Local Law Enforcement Block Grant funds (Ordinance)
- Disposition:** Ordinance No. 173458. (Y-4)
- *837** Pay claim of Marnie Manor, Ltd. (Ordinance)
- Disposition:** Ordinance No. 173459. (Y-4)

- *838** Authorize agreement with Aon Consulting for the provision of employee benefit communication services to City of Portland benefit plan participants through FY 1999-2000 (Ordinance)

Disposition: Ordinance No. 173460. (Y-4)

Commissioner Jim Francesconi

- *839** Grant Specially Attended Transportation permits to AA Aardvark, Inc., KB's Express Medical Transportation, Portland Transportation and Willamette Valley Transportation (Ordinance)

Disposition: Ordinance No. 173461. (Y-4)

- *840** Authorize a contract with the lowest responsible and responsive bidder to re-coat the second floor decks at two Smart Park garages (Ordinance)

Disposition: Ordinance No. 173462. (Y-4)

- *841** Authorize the purchase of new progressive and modular system walls for the 10th floor of the Portland Building for approximately \$225,000 and provide for payment (Ordinance)

Disposition: Ordinance No. 173463. (Y-4)

Commissioner Charlie Hales

- 842** Set hearing date, 9:30 a.m., Wednesday, July 14, 1999, to vacate SW Porter Street west of SW Barbur Boulevard (Report; C-9955)

Disposition: Adopted.

- 843** Accept the contract with All Concrete Specialties, Inc. for the SE Ankeny Bicycle project as complete, approve Change Order No. 1 and make final payment, including interest (Report; Contract No. 31291)

Disposition: Accepted.

- 844** Declare the purpose and intention of the City of Portland to construct sewer, water, sanitary and storm sewer and install street lighting improvements in the NE Mason Street extension Local Improvement District (Resolution; C-9966)

Disposition: Resolution No. 35799. (Y-4)

- *845** Contract with Copenhagen Utilities & Construction, Inc. for the street, storm drain and water system improvements for the SW Capitol Highway, Multnomah and Vermont sections, for \$1,466,538 and provide for payment (Ordinance)

Disposition: Ordinance No. 173464. (Y-4)

JUNE 16, 1999

- *846** Increase intergovernmental agreement with the Portland Development Commission to complete work along NE Martin Luther King Jr. Blvd., NE Killingsworth and streetscape planning on NE Alberta (Ordinance)

Disposition: Ordinance No. 173465. (Y-4)

- *847** Contract and provide for payment for cast iron ornamental street light assemblies without advertising for bids (Ordinance)

Disposition: Ordinance No. 173466. (Y-4)

Commissioner Dan Saltzman

- 848** Contract with five consulting engineering firms for design related services as needed in support of sewer, drainage and water quality facility projects and provide for payment (Second Reading Agenda 770)

Disposition: Ordinance No. 173467. (Y-4)

Commissioner Erik Sten

- 849** Grant a franchise to IXC Communications Services, Inc. for a period of ten years (Ordinance)

Disposition: Passed to Second Reading June 23, 1999 at 9:30 a.m.

- *850** Authorize a contract and provide for payment for the construction of improvements to Well Sites Nos. 26, 29 and 32 (Ordinance)

Disposition: Ordinance No. 173468. (Y-4)

- *851** Authorize a contract and provide for payment for the Bull Run Road reconstruction project - 1999 improvements (Ordinance)

Disposition: Ordinance No. 173469. (Y-4)

- 852** Authorize an agreement with KPFF Consulting Engineers for \$162,145 to provide engineering and construction monitoring services for the seismic upgrade and renovation of the Westinghouse Building (Second Reading Agenda 807)

Disposition: Ordinance No. 173470. (Y-4)

City Auditor Gary Blackmer

- *853** Cancel City liens which must be extinguished because of Multnomah County foreclosure or which are otherwise uncollectible (Ordinance)

Disposition: Ordinance No. 173471. (Y-4)

- 818 **TIME CERTAIN: 9:30 AM** – Presentation on Portland Water Works, a children's book, by Buckman Elementary School students (Presentation introduced by Commissioner Sten)

Discussion: Commissioner Sten said 55 Buckman students worked with the Water Bureau to create this wonderful book.

Mike Rosenberger, Director, Water Bureau, said the book is getting rave reviews from everyone who has seen it.

Tim Lichen, Water Bureau Conservation, Education and Outreach Program, explained how this project came to be, growing out of concern about how to increase public comprehension of the complexity of the water supply system.

Janis Avadon, Buckman School teacher, explained how this project was integrated with other curriculum goals.

Buckman School students described the individual chapters and their roles in the project.

Disposition: Placed on File.

- 817 Adopt amendments to the South/North Locally Preferred Strategy to designate the N. Interstate Avenue MAX alignment from the Steel Bridge to the Expo Center as the preferred alignment, project conditions and intent to provide City funding to construct the project (Continued from June 15, 1999)

Discussion: Mayor Katz noted that some amendments will be proposed, based on Council's comments at last night's hearing.

Commissioner Hales said the amendments try to capture the major issues raised by the community. Residents want an economic development strategy that ensures that this light rail system advances the community plan. They also want bus service that is as good as it is today, if not better. There are also more specific new conditions about the Kenton Station location, commuter bike facilities, and the Park and Ride at Expo or at Portland International Raceway (PIR).

Steve Iwata, Portland Office of Transportation, explained the amendments to Exhibit B. These include more specifics about the economic revitalization program and direct the Portland Development Commission (PDC) to take the lead in carrying out the tasks listed and to report back this fall on the project funding. The second amendment addresses community concerns about bus service levels and calls for development of a 2004 service plan that focuses on sustaining or enhancing current service levels. The third amendment addresses the project development design issues, including the need to select an alternative to the tie and ballast design for the segment between the Overlook and Kenton neighborhoods. Concerns about the location of the Kenton Station, commuter bike lanes, and issues related to the design of the Expo Park and Ride and the station at PIR are also addressed in these amendments.

Commissioner Francesconi asked what will be done about the displacement of 500 vehicles and the capacity of surrounding roads to handle this.

JUNE 16, 1999

Mr. Iwata said the resolution calls for a traffic management plan to deal with traffic diversion, during and after construction. They will work with the community and Tri-Met to develop mitigation and traffic calming plans to minimize the impacts on adjoining streets.

Commissioner Francesconi asked if the neighborhood can handle 500 displaced cars.

Mr. Iwata said that information will be available by late October when the preliminary engineering design has been completed.

Commissioner Francesconi asked about freight movement on Marine Drive and the location of the Park and Ride at Expo. He also asked how the possible bottleneck at the Steel Bridge would be handled.

Mr. Iwata said the Port of Portland has a number of concerns about traffic capacity at the Marine Drive interchange but they are still at an early level of traffic analysis. They will look at the Park and Ride issue and also talk with the Park Bureau about traffic and parking needs at PIR and Delta Park. He said they could look at other alternatives, i.e. perhaps something closer to PIR.

Commissioner Francesconi asked whether Tri-Met could handle the 2.5 minute delays for cars crossing the Steel Bridge. He also asked if a four percent increase in ridership justified the cost.

Fred Hanson, Director, Tri-Met, said they expect to handle the added capacity based on their modeling and on other systems operations, such as traffic and light configurations in the downtown business core. He said Tri-Met wants an integrated transportation system with rail, bicycles, buses, etc. that preserves long term livability. While it recognizes light rail has higher capital costs, its operating costs are less. Light rail also contributes to revitalizing areas such as Interstate as investors seem to be unwilling to make similar investments around bus stops.

Commissioner Hales moved to approve the amendments (revised Exhibit B) outlined by Mr. Iwata. Commissioner Sten seconded. Hearing no objections, the Mayor so ordered.

Commissioner Francesconi said one reason to support this is because it is North Portland's turn to have some attention paid to it. Bringing light rail to North Portland is a good idea because of the connections it will provide to jobs and because it will revitalize the neighborhood. He also believes it will increase bus service to feeder lines as Tri-Met is committed to seeing there is no loss of bus service. There is a missing piece here -- the connection to Vancouver -- and he hopes this will make it more likely that a third bridge, a light rail bridge, will eventually be built. He said his concerns include: 1) possible traffic congestion due to the loss of two travel lanes on Interstate; 2) design issues; and 3) funding. He said it is critical to have a public discussion about where the funds are coming from and what the alternative uses are. He said while taking \$10 million from capital projects means other vital projects will not be done, this is a terrific project overall.

Commissioner Hales said he will vote to proceed as this will mean there will be three transit lines under construction at the same time in the year 2000 -- light rail lines to North Portland and the Airport plus the Central City Streetcar. For each rail project, the City has made it clear that it supports transit but also wants to make sure the neighborhoods it goes through

JUNE 16, 1999

become better places. He said he believes the Interstate route will work very well and thanked Tri-Met for bringing back something most people thought was dead.

Commissioner Sten said this is a landmark occasion as Council has now made a commitment to go beyond the revitalization of the Central City into the neighborhoods, such as Lents and North Portland. He said he has heard very few negative comments about the project as a whole but has heard a whole litany of problems that need to be solved. It is harder when a project of this kind is done in the neighborhoods as there are more problems with gentrification, housing, etc. Regarding economic development, he believes the transit system will not really work until people can go anywhere in the City without having to look at a schedule. In addition, to make this investment worthwhile, a higher level of transit ridership must be achieved. He said the City cannot build its way out of gridlock just with buses and light rail is its best chance to make North Portland work like the Central City.

Mayor Katz responded to three issues. First, people ask the City "what part of 'no' don't you understand," noting that the voters turned down the request to finance light rail to Vancouver. She said the 'no' votes came not from Portland but from Washington and Clackamas Counties. Two, she is continuing conversations with the Mayor of Vancouver about extending light rail there. Finally, she noted this is another case where the City has shown creativity in financing major projects through public/private partnerships rather than going to the voters and asking for higher taxes. Since this line is going right through a neighborhood, citizens have a lot of legitimate concerns and changes will be needed to make this work.

Disposition: Resolution No. 35800 as amended. (Y-4)

819 TIME CERTAIN: 9:45 AM - Accept the Police Bureau Future Plan: Taking Community Policing to the Next Level (Resolution introduced by Mayor Katz)

Discussion: Police Chief Charles Moose said this Plan will help the Bureau achieve its vision and goals for Community Policing. He said the Plan calls for improving and expanding the role of officers to allocate 40 percent of patrol time for community policing. It also recommends that the Bureau better educate citizens about the role of police and create a greater emphasis on customer service, improve police discipline and review procedures, develop a restorative community justice plan and increase collaboration with the private sector. He said a Steering Committee is reviewing this report and will issue recommendations. The Bureau's hope is that the Mayor and Council can then incorporate plans into the City's long-range plans.

Sharon McCormack, Crime Prevention Specialist, applauded the commitment of the Bureau to improving the quality of community policing. She said its collaborative efforts to make community policing work are very impressive compared to other cities. Among the needs she sees are: 1) continue to align precincts with neighborhood coalition boundaries; 2) expand problem-solving opportunities; 3) provide a training academy in Portland, not elsewhere; 4) increase officers' awareness of community values; and 5) focus more on crime prevention and the use of volunteers.

Police Officer Robert King, Employee Assistant Coordinator, said the Plan represents the Bureau's effort to strengthen community policing and look ahead to where it wants to be in 20 years. The Plan also lays out ways to improve the work force and support officers in

JUNE 16, 1999

efforts to cope with their work. He said the recommended return to the four/ten work shift has been met with enthusiasm by most officers.

Phil Columbo, President, Central Northeast Neighborhoods, said input was sought from many groups. He said the neighborhoods believe implementation of these recommendations will provide more visible police representation on the streets by encouraging the use of civilians to handle the more routine matters that currently keep officers off the streets.

Alice Edgecomb, no address stated, stressed the involvement of many interested groups and the need to increase staffing to meet the demands of citizens.

Commissioner Francesconi asked how youth could be made to feel more a part of the city.

Chief Moose described a number of steps the Police have already taken, including formation of a youth committee in Central Precinct. That committee asked for representation on the Chiefs Forum and there is now a full member representing youth. There are Boy Scout Explorer posts in three precincts and the goal is to expand those to all five. He said when Council members look at work plans from bureau managers they should ask what specific measures have been taken on youth involvement programs and demand that this be a priority.

Commissioner Francesconi said he is especially pleased to see measurement made a part of this.

Commissioner Hales said while demographic changes are noted, nothing is said about what will happen to a typical officer's workload because of those changes. Traffic safety is the fastest growing concern of citizens and the City needs to figure out how to include this concern within the culture of community policing. He said the report is sketchy about that aspect.

Commissioner Sten said the challenge is to go to the next level of community policing. He said this is a fine piece of work and a fitting last document from Chief Moose.

Mayor Katz said this is a wonderful legacy for Chief Moose to leave to the next Chief. She said this is about measuring continuous improvement and there are a lot of challenges here. One area of concern is the small, quality-of-life crimes which bureaus tend to think of as unimportant, such as traffic violations, graffiti, broken windows, etc. Now that the crime rate is down, the police may want to spend more time thinking about how to deal with those.

Disposition: Resolution No. 35801. (Y-4)

- 820 **TIME CERTAIN: 10:45 AM** – Adopt the 1999 River District Housing Implementation Strategy Update Report and Recommendations (Resolution introduced by Commissioner Sten)

Discussion: Commissioner Sten said in 1994 Council adopted a housing strategy for the River District and last December it asked the Portland Development Commission (PDC) to update the strategy to determine more specifically what future housing development should look like and the City's role in providing it. The goal is to have the 5,000 new units that reflect the demographics of the City as a whole. That would mean the percentage of units for the very poor would match the percentage of very poor people living in the City. No existing neighborhood in Portland currently has an income spectrum that matches the City as a whole and no one has yet pulled that off nationally in a central city district. To create a truly mixed-income community with transit is thus a very ambitious undertaking. The good news today is that the housing goals are being met and the River district is now more diverse than it was five years ago. There has been lots of development at the 50 percent median-income range and there has been an increase from zero to 17 percent in the homeownership rate. The other good news is that adoption of the tax increment financing district has given the City the resources to do what it said it would do. He believes that within the next 10 to 15 years there will be close to 6,000 units that reflect City demographics as a whole.

Commissioner Sten said he is recommending, as a result of this report, that Council look more closely at tracking specific income levels, rather than at some broader categories. With the increase in housing units, there is a decrease in units affordable to people at 30 percent of median income and below and a corresponding increase at 50 percent and below. This is probably because rents are slipping up beyond the reach of those on fixed incomes and towards the working poor. He noted that utility costs were counted in this survey, but not before, and that pushes these numbers up some. As encouraging as the increase in homeownership is, almost 100 percent of those units are coming in at 120 percent or above of median income so there is some work to do on the first-time buyer side. While these challenges remain, this is one of the most ambitious housing strategies in the country and it is working.

Bruce Allen, PDC, said the challenge will be to distribute this housing geographically. The private sector is primarily developing higher end housing and, with formation of the Urban Renewal District, the City now has the ability to balance that out more.

Margaret Bax, Housing Development Commission, said most of the lower income housing is in Old Town/ChinaTown and that area would like to see some higher end and even some homeownership opportunities. They are working now on a potential homeownership project there. There may be some projects in the River District that are predominantly lower-income. The goal is to truly try to build an integrated neighborhood.

Commissioner Francesconi said families are not moving there now and he wonders if the City should try to build bigger units and provide amenities for families or if it should go with the market and acknowledge that families might want to live elsewhere.

JUNE 16, 1999

Ms. Bax said 16 households reported families, eight in homeownership and eight in rental units. The survey indicated that most of the children were either babies, of high school age, or from separated families. No buildings were identified that had playgrounds or other facilities for children and none of the homeownership units with three or four bedrooms reported having families. It does not appear there is a strong market for them now but there may be more interest when parks and a grocery store go in.

Mr. Allen said that will come as the neighborhood evolves with parks and streets but it is hard to force the market now.

Commissioner Hales said the first people who choose to move into a brand new neighborhood are usually the "risk oblivious" and families usually do not fall into that category.

Mayor Katz said Northwest Portland has a longtime history of not welcoming children, even when families wanted to take some risks by living there. That has slowly changed.

Commissioner Francesconi asked if there is middle income housing and who is producing it.

Ms. Bax said the Union Station project has quite a bit.

Commissioner Sten said he knows of three projects in that range. Those are subsidized but not as much as low income.

William White, Housing Development Center and Advisory Committee member, commended PDC and the City for producing a thoroughly researched product which had the extensive involvement of a wide variety of parties. He said the present product sets out much more specific goals and is better able to respond to the dramatic changes going on there. He said Council's directive that new urban renewal districts reflect the income profile of the City as a whole is an important one. In the last seven years, the River District has gone from an area with a high concentration of low-income residents and no new housing to an area where development is booming and the income profile is very similar to the City as a whole. While that is good news, this report is just a snapshot taken in the Spring of 1999 in an area where powerful gentrification forces are at work. He said the City should continue to be very attentive to the side effects this very positive revitalization will bring. He said existing affordable housing in the River District will be under increasing pressure to increase rents or convert to condos. Council needs to carefully track the loss of affordable housing and provide PDC with the funds to preserve or replace units which may be lost. There is also the need for a policy Citywide for housing low-income populations, which are already over-concentrated in the lower-income neighborhoods, especially as the amount put into the new urban renewal districts has been capped. He suggested that Council waive Service Development Charges (SDCs) for all housing below 60 percent median income or, if that cannot be accomplished, at least waive them for housing below 50 percent and certainly for 30 percent or below median income. Otherwise, the City is inefficiently subsidizing such projects on the one hand and charging new City fees on the other.

Richard Harris, Executive Director, Central City Concern, and Advisory Committee member, said Council's directive to break down income brackets into smaller fractions is important because of the significant difference in the kinds of housing available below 50 percent median income. He said he feared that when they began counting existing low-

JUNE 16, 1999

income income, they would never see any more because of the pressures of gentrification. With the dramatic increase in higher-end housing, it was a pleasant surprise to see that they were still able to match the City as a whole. He said it will be a serious challenge to put in place 700 units below 50 percent, even with deep subsidies. He also supported abatement of SDCs for the very low-income units and said careful attention should be paid to existing housing stock as some of that is at risk.

John Carroll, Advisory Committee member, said he initially had real doubts that such a disparate group could generate a document with this much clarity and is pleased with the result. Infrastructure such as parks, transportation, safety and housing safety are all essential if families are to be brought into the District. As a private developer, he is looking at market rate housing which is doable at this time. However, the challenge is to come up with financing mechanisms for the other income levels.

Mayor Katz asked if market rate is doable in the heart of downtown without a subsidy.

Mr. Carroll said yes, because downtown urban living is becoming a very acceptable way of life. Also, as people grow older, they consider moving closer to the center of town.

Commissioner Sten said he thinks there will be unsubsidized market rate housing within the next year.

Tasha Harmon, Community Development Network, said the key finding of this study is that housing for people below 30 percent median income dropped by 73 percent between the last update and this one. At the same time there has been a 1,100 percent increase above 120 percent. That has moved the District quickly towards the goal of matching the City's demographics as a whole but she questioned how this strategy for urban renewal districts fits into the City's larger goals. Most neighborhoods do not match the City's demographics as a whole but are skewed to the high end and, until there is a strategy to create economic diversity in all neighborhoods, capping the City average in the urban renewal areas for low and very low-income people dooms most low-income people to either extraordinarily high shelter costs or homelessness. If housing for low-income groups is capped in urban renewal districts, which are expected to produce the bulk of new housing, how can that be reconciled with meeting the greatest housing needs, which are at the lower income levels. She likes the goal for the River District but believes there needs to be a similar goal for every neighborhood in the City. Another concern is that there is no strategy for housing very low-income people. That is an extraordinary problem Council needs to look at seriously. Ms. Harmon also questioned the \$15 million in the housing implementation strategy not allocated to any specific income group. That is kind of a "moosh" fund that says it will be used for preservation for very low income units and for moderate income homeownership but includes no discussion about the priorities or about a decision-making process for setting them. She said she supports creation of moderate-income homeownership but not at the expense of preservation.

Commissioner Francesconi asked her to elaborate on long term affordability requirements for homeownership.

Ms. Harmon said long term affordability requirements should be placed on moderate homeownership units if the City is serious about making sure the middle class can stay in the River District. She believes those units can be produced without public subsidy and that

JUNE 16, 1999

creating a mandatory inclusionary housing policy in the urban renewal districts is the way to make sure those units get built.

Commissioner Francesconi said the affordability requirement on home ownership makes sense to him. He asked what she thought about an ongoing subsidy for zero to 30 percent units.

Ms. Harmon said it is time to consider strategies such as debt-free housing for that segment. It may be necessary to look at this in the context of the regional strategies but it is time to stop dismissing it as undoable.

Mayor Katz said she thinks regional strategies are probably the best bet right now. She is not sure how much gentrification has yet occurred in the River District and would like to know what has been lost and where.

Commissioner Sten said in 1994, there were 1,594 units in the area and now there are 3,244. The biggest loss is the drop from 1,000 to just over 500 in the zero to 30 percent category. Over 100 of those are shelter beds that moved to the eastside. The 31 to 50 percent category has moved from 26 units to 492 so some of the losses below zero to 30 have shifted to the higher category. He said high-end units went from 27 to 787 so the percentage of units affordable to 80 percent median income and below is much lower because the high end has increased so much. Counting shelter beds as bottom-end housing is useful but somewhat deceptive because they are not housing units. The trend to him seems to be that the neighborhood is getting more diverse, affordable housing is increasing dramatically, but there is a squeeze on the very bottom end.

Ms. Bax said because tenant-paid utilities were included in the monthly housing costs in this survey, a large group of people identified as being in the zero to 30 percent category automatically bumped up into the 31 to 50 percent category.

Commissioner Sten said the questions for Council are the City's zero to 30 percent strategy over the next few years and its first-time homeowner strategy.

Mayor Katz said she is not sure including utilities is a comparable measurement in terms of what rents are.

Commissioner Sten said he also concludes that shelter beds should not be counted as housing units.

Ms. Bax said they tried to compare this study to what was done in 1994 when shelter beds were counted. The chart shown on Page 9, however, does not include shelter beds.

Mayor Katz said she would like to see the figures without the utilities included.

Commissioner Francesconi asked if local, state and federal resources will be used to accomplish these housing objectives separate from the tax increment dollars. Or will those resources be used in neighborhoods that do not have tax increment dollars.

Ms. Bax said the budget they put together assumes there are other resources such as bonds, state tax credits, etc., but does not assume the use of scarce federal and housing investment

JUNE 16, 1999

resources in an urban renewal district. Instead, they assume urban renewal funds will be used coupled with the use of elderly/disabled bonds and state tax credits when appropriate.

Commissioner Sten said Council's intent was not, in reaching these targets, to transfer housing that would have been built in Lents or northeast to the River District. He does believe, however, the issue of occasionally using nine percent tax credits will come up if the City is trying to serve the very poor.

Thomasina Gabriele, representing the Zimmerman Community Center, a United Methodist organization, said the group has chosen the River District as a potential location to create a new community center, fulfilling the intent of a \$1,000,000 legacy from Isabel Zimmerman. They support the subsidy for low-income housing and are pleased to see that the mixed-income housing goals are being met. She noted that the scope of this study did not address some questions about how to really make this a neighborhood, including who will be interested in living here and what needs to be provided. The Zimmerman group has commissioned a market study to interview current and potential residents and employees, realtors and social service agency people to see how best to fill in the "empty box" and find out what amenities residents want. They will be happy to share the results with Council.

Mayor Katz said that is wonderful news as they have been looking for a potential community center site. She believes the study will show support for a non-denominational spiritual place.

Commissioner Hales said when Council first approved the River District plan one of his major concerns was how to get non-profit organizations started in a new neighborhood started from scratch. There is no existing church, YMCA or community center because until recently there was no "there" there. Council may want to hold onto some of the publicly-owned property until that is resolved. The Zimmerman group can be one potential partner in that.

Mr. Allen said family housing and schools have been discussed for a number of years. The City has offered the Horse Barn site for a school but the School District has not yet pursued that. However, the land is being set aside for community use and there is a program to acquire the waterfront properties, which might include a community center on a portion of it.

Ms. Gabriele noted the \$1 million bequest will not be enough to cover the cost so the group will be seek partners from public and private property owners as well as other agencies.

Commissioner Francesconi suggested working with Parks staff on the survey to document community needs.

Commissioner Hales said he is glad to hear a site has been set aside. He said the tough challenge here is that no one person or group has the authority to say they are responsible for creating a whole neighborhood. For instance, the City cannot go out and recruit a church, something especially difficult to do when the trend is to build "big box" churches off freeway exchanges.

Mayor Katz said Mr. Allen is responsible, even though he cannot do it alone. She is confident the partners can build a neighborhood together.

JUNE 16, 1999

Ms. Gabriele said the reason the United Methodists picked the River District is because they are neighborhood-based churches and have long tradition of doing that.

Commissioner Francesconi said this represents enormous progress, considering where this was several years ago, in terms of the housing and polarization. Council also needs to look beyond the River District to broader Citywide strategies for low-income housing and first time homeownership.

Disposition: Resolution No. 35802. (Y-4)

REGULAR AGENDA

Mayor Vera Katz

- *854** Accept additional grant award in the amount of \$71,081 from the Center for Substance Abuse prevention on behalf of the Regional Drug Initiative (Ordinance)

Disposition: Ordinance No. 173472. (Y-4)

Commissioner Charlie Hales

- 855** Accept recommended revisions to the Streamlined and Purchase Speed Bump projects policies (Report)

Discussion: Donna Green, Portland Office of Transportation (PDOT), said they would like Council approval of these revisions to speed bump policies which will allow neighbors on collector streets to buy bumps if they meet certain criteria. It also removes the criteria that prohibits bumps on transit streets.

Commissioner Francesconi asked if the funding formula is the same as for other Local Improvement Districts.

Ms. Green said speed bump assessments will be the same for everyone, not based on frontage.

Disposition: Accepted. (Y-4)

- 856** Consider vacating the SW 62nd Avenue south of SW Pomona Street, as initiated by Resolution No. 35788, in connection with the consolidation of property owned by the Oregon Department of Transportation (Hearing; Report; C-9957)

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

City Auditor Gary Blackmer

- *857** Create a local improvement district to construct speed bumps in SE 71st Avenue/Powell to Division (Hearing; Ordinance; C-9964)

JUNE 16, 1999

Discussion: Donna Green, PDOT, said this is a simple project with six speed bumps to be constructed by Bureau of Maintenance. Because this was not high on the City's priority list, neighborhood residents asked if they could purchase the bumps. Residents circulated a petition and 43 out of 60 residents signed in support. The total cost is \$12,000 and the cost to each property owner is \$226. Those concerned about cost can be referred to the State Senior Deferral program.

Jay Russo, 3403 SE 71st Avenue, said he opposes the speed bumps as he is not sure they are needed. He said the speeding problem is no worse than on other streets but because of the proximity of the school there is a concern about safety. He said he had suggested to PDOT that it try the less costly alternative of placing stop signs on the street and installing cross walks to help school children and others trying to cross the street. However, staff told him that people would ignore the stop signs, which comes as a surprise to him. His second issue is why should this cost be borne by residents if this is truly a public safety issue. He questioned how the City can spend \$30 million on light rail but not \$14,000 on speed bumps.

Leon Boger, 2523 SE 71st Avenue, said the speed bumps are needed to slow cars down and, because the schools are not at intersections, stop signs will not work. He said over two thirds of the residents signed the petition and are fully aware it will cost them some money.

Mayor Katz asked the neighbors to see if they could raise some additional resources to help low income people.

Daniel Sekerak, 2419 SE 71st Avenue, said the bumps are geared to cars travelling 30 miles per hour and so will increase safety but still allow emergency vehicle access. No one wanted to pay for them but since this street was about 75th on the priority list, the neighbors felt this was the only alternative they had to address speeding.

Commissioner Hales moved to overrule remonstrances. Commissioner Sten seconded and, hearing no objections, the Mayor so ordered.

Disposition: Ordinance No. 173473. (Y-4)

Commissioner Sten excused himself from the meeting.

858 Assess property for sidewalk repair by the Bureau of Maintenance for billing processed through May 11, 1999, a special assessment (Second Reading Agenda 812; Y1033, Y1034)

Disposition: Ordinance No. 173474. (Y-3)

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

GARY BLACKMER

Auditor of the City of Portland

By *Cay Kershner*
Cay Kershner
Clerk of the Council

JUNE 16, 1999

WEDNESDAY, 2:00 PM, JUNE 16, 1999

DUE TO THE LACK OF AN AGENDA

THERE WAS NO MEETING