



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 23RD DAY OF JUNE, 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; Harry Auerbach, Deputy City Attorney; and Officer Chuck Bolliger, Sergeant at Arms.

Agenda No. 894 was pulled from Consent upon approval of a motion to reconsider Council's original vote. On a Y-5 roll call, the balance of the Consent Agenda was adopted as follows:

CONSENT AGENDA – NO DISCUSSION

- 867** Accept bid of Nutter Underground Utilities, Inc. to furnish NE MLK Jr. Blvd., NE Portland Blvd. To Dekum Street, medians for \$154,848 (Purchasing Report – Bid 99172)

Disposition: Accepted; prepare contract.

- 868** Accept bid of EC Company to furnish emergency standby generators for \$48,726 (Purchasing Report – Bid 99190)

Disposition: Accepted; prepare contract.

- 869** Accept bid of Brattain International Trucks, Inc. to furnish 33,000 GVW cab and chassis with flatbed body for \$110,404 (Purchasing Report – Bid 99195)

Disposition: Accepted; prepare contract.

- 870** Accept bid of Tice Electric Co. to furnish traffic signal interconnect installation for \$232,900 (Purchasing Report – Bid 99200)

Disposition: Accepted; prepare contract.

- 871** Accept bid of Nutter Corporation for NE 32nd/33rd and Hassalo Street traffic calming project for \$191,276 (Purchasing Report – Bid 99206)

Disposition: Accepted; prepare contract.

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Mayor Vera Katz

- *872** Amend contract with Kenetic Computer Solutions, Inc. for training services (Ordinance; amend Contract No. 32104)

Disposition: Ordinance No. 173475. (Y-5)

- *873** Authorize an amendment to the contract with Pinnell-Busch, Inc. to provide technical assistance services for state certified minority, women and emerging small businesses (Ordinance; amend Contract No. 31398)

Disposition: Ordinance No. 173476. (Y-5)

- *874** Pay claim of David Manners (Ordinance)

Disposition: Ordinance No. 173477. (Y-5)

- *875** Pay claim of Victoria Hernandez-Ruiz (Ordinance)

Disposition: Ordinance No. 173478. (Y-5)

- *876** Approve cost of living adjustments to pay rates for nonrepresented classifications and elected officials, specify the effect upon employees in the classifications involved effective July 1, 1999 and provide for payment (Ordinance)

Disposition: Ordinance No. 173479. (Y-5)

- *877** Contract with Local Government Personnel Institute for labor agreement negotiator services (Ordinance)

Disposition: Ordinance No. 173480. (Y-5)

Commissioner Jim Francesconi

- 878** Accept partial completion of energy management and control system by Pacific Cascade Controls, Inc. and make partial release of retainage (Report; Contract No. 31364)

Disposition: Accepted.

- 879** Accept completion of Portland Heights Park improvements by CEMS, Inc., authorize final payment and release retainage (Report; Contract No. 31672)

Disposition: Accepted.

- 880** Accept contract with Brant Construction, Inc. for Council Crest Park improvements as substantially complete, authorize final payment and release retainage (Report; Contract No. 31759)

Disposition: Accepted.

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- 881** Accept contract with Michael J. Watt, Inc. for Multnomah Center site improvements and architectural barriers removal as substantially complete, authorize final payment and release retainage (Report; Contract No. 31798)

Disposition: Accepted.

- 882** Accept contract with Ruffin Construction for Kenilworth Park restroom renovation as substantially complete, authorize final payment and release retainage (Report; Contract No. 31801)

Disposition: Accepted.

- 883** Accept contract with Pacific Coast Construction, Inc. for Lincoln Park improvements as substantially complete, authorize final payment and release retainage (Report; Contract No. 31945)

Disposition: Accepted.

- *884** Authorize a contract and provide payment to GeoEngineers, Inc. for geotechnical engineering for unstable slope at Mt. Tabor Park (Ordinance)

Disposition: Ordinance No. 173481. (Y-5)

- *885** Increase landscape architectural flexible service contract with Murase Associates in order to complete design services for Holladay Park by \$24,354 (Ordinance; amend Contract No. 30106)

Disposition: Ordinance No. 173482. (Y-5)

- *886** Contract with MIG, Inc. for \$55,000 to provide planning services for the preparation of Level of Service Guidelines and a survey of recreational use (Ordinance)

Disposition: Ordinance No. 173483. (Y-5)

- *887** Increase agreement with Hills & Associates for the Portland Building 4th and 12th floor remodels for the Office of Finance and Administration (Ordinance; amend Agreement No. 31636)

Disposition: Ordinance No. 173484. (Y-5)

- *888** Amend agreement with Donnoe & Associates for assessment centers for the Fire Bureau to extend the scope of work, increase the amount by \$8,500 and extend the completion date (Ordinance; amend Contract No. 32130)

Disposition: Ordinance No. 173485. (Y-5)

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Commissioner Charlie Hales

- 889** Set hearing date, 9:30 a.m., Wednesday, July 14, 1999, to vacate N. Alberta Street east of N. Greeley Avenue and west of N. Delaware Avenue (Report; C-9960)

Disposition: Adopted.

- *890** Authorize contract and provide for payment for the W. Burnside Street at SW Tichner Drive rockfall mitigation project (Ordinance)

Disposition: Ordinance No. 173486. (Y-5)

- *891** Amend agreement with The Larkin Group, Inc. for professional services for the Steel Bridge pedestrian/bicycle walkway project and increase contract time (Ordinance; amend Contract No. 31780)

Disposition: Ordinance No. 173487. (Y-5)

- *892** Execute an intergovernmental agreement with Multnomah County to provide roadway maintenance to certain roads west of the Willamette River during FY 1999-2000 (Ordinance)

Disposition: Ordinance No. 173488. (Y-5)

- *893** Contract with 14 consulting firms for flexible services in support of transportation engineering, planning, traffic signal and street lighting projects (Ordinance)

Disposition: Ordinance No. 173489. (Y-5)

Commissioner Dan Saltzman

- *895** Contract with Janus Youth Programs for operation of City's graffiti abatement program to operate from July 1, 1999 through June 30, 2000 for an amount not to exceed \$218,852 (Ordinance)

Disposition: Ordinance No. 173490. (Y-5)

- 896** Authorize intergovernmental agreement with Multnomah County for vector control services and provide for payment (Ordinance)

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

- *897** Authorize agreements for the conveyance of two properties from Gary L. King and from Dale R. and Kay N. Haney to the Bureau of Environmental Services, subject to certain conditions being fulfilled, and authorize acceptance of deeds and payments of expenses (Ordinance)

Disposition: Ordinance No. 173491. (Y-5)

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Commissioner Erik Sten

- *898** Authorize a sole source contract with Integrated Utility Group, Inc. to conduct an economic utility rate structure study at a cost of \$100,000 and provide for payment (Ordinance)

Disposition: Ordinance No. 173492. (Y-5)

- *899** Amend agreement with Multnomah County to decrease General Funds for intensive supervision services by \$37,500, increase General Funds for homeless youth by \$350,000, increase Community Development Block Grant funds by \$58,075, increase Emergency Shelter Grant funds by \$7,000, change the subcontractor authorized to deliver intensive supervision services, modify the Scope of Work and provide for payment (Ordinance; amend Agreement No. 32045)

Disposition: Ordinance No. 173493. (Y-5)

- *900** Increase contract with Housing Development Center by \$9,500 to train and support potential lead hazard control contractors and provide for payment (Ordinance; amend Agreement No. 31917)

Disposition: Ordinance No. 173494. (Y-5)

City Auditor Gary Blackmer

- 901** Transmit Certificate of Completion for the NE 55th Avenue/NE Ainsworth HCD street Local Improvement District (Report; C-9929)

Disposition: Accepted.

- *902** Assess system development charge contracts and Private Plumbing Loan program contracts (Ordinance; Z0705, Z0706, Z0707; T0023, T0024, K0007, K0008, P0043)

Disposition: Ordinance No. 173495. (Y-5)

REGULAR AGENDA

- *894** Amend Title 24 to clarify Office of Planning and Development Review Director's authority to restrict grading activities in order to limit impacts (Ordinance; amend Code Chapter 24.70)

Discussion: Commissioner Saltzman said he would like to offer amendment language that recognizes the need, during the rainy season, to limit the amount of soil exposed at one time on new construction sites. The amendment would give the Office of Planning and Development Review (OPDR) some new enforcement abilities for soil and erosion control permits, if necessary, and impose a seasonality factor on certain types of grading and erosion control activities. His amendment will also bring private utilities working outside the public right-of-way into the permitting program as sediment coming off utility trenches is no different from sediment coming from an exposed subdivision lot. Kermit Robinson of

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OPDR has slightly different language which he also finds acceptable. He agreed to wait until next week to formally propose the amendment.

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

- 859 TIME CERTAIN: 9:30 AM** – Proposed use of State Revenue Sharing Funds (Hearing introduced by Mayor Katz)

Discussion: The Mayor read a statement regarding the City's proposed use of these funds

Disposition: Placed on File.

- 860** Accept recommendation for expenditure of State Revenue Sharing Revenues in FY 1999-2000 (Report introduced by Mayor Katz)

Disposition: Accepted. (Y-5)

- 861** Certify that certain services are provided by the City of Portland for eligibility of State Shared Revenues (Resolution introduced by Mayor Katz)

Disposition: Resolution No. 35803. (Y-5)

- *862** Elect to accept funds from the State of Oregon under the State Revenue Sharing Program for FY 1999-2000 (Ordinance introduced by Mayor Katz)

Disposition: Ordinance No. 173496. (Y-5)

- *863** Create three new funds in FY 1999-2000, and rename two funds effective July 1, 1999 (Ordinance introduced by Mayor Katz)

Disposition: Ordinance No. 173497. (Y-5)

- *864** Levy taxes for the City of Portland for the fiscal year beginning July 1, 1999 and direct the Director of Financial Management to submit said tax levy and other certifications to the County Assessors of Multnomah, Clackamas and Washington counties (Ordinance introduced by Mayor Katz)

Disposition: Ordinance No. 173498. (Y-5)

- *865** Adopt the annual budget of the City of Portland and establish appropriations for the fiscal year beginning July 1, 1999 (Ordinance introduced by Mayor Katz)

Discussion: Mayor Katz said she kept a list of Council members' suggestions for using the additional resources, including affordable housing where Council did not provide resources from the Bureau of Environmental Services' budget. There are some technical adjustments and some areas where Council might want to direct additional expenditures, depending on the resources available. It depends on which column the resources come from, onetime or ongoing

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Ken Rust, Director, Bureau of Financial Management, said while resources are up from the initial projections, so are expenditures. The City identified additional resources in the forecast of \$3.3 million, of which about \$700,000 was put in contingency until final adoption of the budget. Based on its handling of the technical adjustments, the City now has \$1.4 million in additional resources that have not yet been budgeted. Because of a number of uncertainties, including the outcome of labor negotiations and forecasted business license revenues, he recommended that Council defer spending decisions until the actual ending fund balance is known. The decision packages Council has approved for the 1999-2000 budget have a lot of cost momentum built into them and while they were approved on a one-time basis, many of them are either permanent or multi-year ongoing expenses.

Mr. Rust said the \$100,000 budget item for ongoing maintenance in the Parks Bureau, for instance, which was funded on a one-time basis, should be considered an ongoing expenditure that is permanent in nature. Other projects that are listed as one-time expenditures should be considered as multi-year, ongoing expenditures that need to be funded over several years. In addition, there are pure one-time activities that have no ongoing costs after one year, i.e. equipment purchases. He said they have made an effort to acknowledge costs that are ongoing so Council is aware of the nature of those expenditures.

Mayor Katz said she is not a happy camper about treating ongoing programs as one-time expenditures in this budget. Her intent is to go back and put these onetime expenditures that should be ongoing back on an ongoing basis before anything else is funded.

Commissioner Francesconi said there are basic things such as Parks maintenance and the program guide that need to be ongoing. There are also some categories, such as the youth school partnerships, that are multi-year now but may become ongoing later.

Mayor Katz noted that funding for the endangered species program is counted as a one-time expenditure now but is actually an ongoing cost, although no one knows what that will be over the next 10 to 15 years.

Mr. Rust said his office tried to indicate, as much as possible, what items they knew would be ongoing and would appear in the next budget cycle. These will affect future budget decisions and the City's ability to transfer those from one-time to ongoing in the face of a slowing down in revenue growth, additional wage and salary compensation and the expenditure momentum already built into the budget. That will make for a very lively budget process next year.

Commissioner Francesconi said he would argue that Parks maintenance and marketing are so essential that they need to be labeled as permanent expenditures now so they will be built into the budget.

Mayor Katz said she is committed to translating these anomalies onto the ongoing side of the ledger.

Commissioner Sten said it would be a mistake, however, to take the current endangered species numbers and make those permanent. He hopes to have the numbers for a long-range capital plan by this fall. Right now Council is addressing the cost to fund the planning process.

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Commissioner Francesconi said the \$1.48 million pot has been broken down between \$850,000 in ongoing and \$600,000 in one-time expenditures.

Mayor Katz asked what staff recommends regarding the \$1.48 million.

Mr. Rust said given the uncertainties, especially about wage and salary negotiations, they would like to see the money spent on a one-time basis only as that will give them the most flexibility. Staff would like to wait until August when they will know what the final numbers are before making any expenditures from the \$1.48 million as there are a number of things that could adversely affect the City's operations.

Mayor Katz asked if Council did choose to spend the \$1.4 million should that be done on a onetime basis only?

Mr. Rust said yes, although they would prefer waiting until August to spend any of it.

Mayor Katz said there are concerns about funding the collective bargaining agreements.

Mr. Rust said they can be used on a one-time basis but they do not really solve the problem, which is the ongoing commitment of resources.

Mayor Katz asked if the \$850,000 in ongoing had been moved into the one-time category.

Mr. Rust said yes, that would give the City more flexibility in the following fiscal year.

Commissioner Francesconi said, based on that advice, he does not think expenditures for Parks maintenance or the program guide should be changed to ongoing for now. He has changed his position. There are other issues that involve purely one-time dollars that have equal if not greater priority than other things Council has funded recently.

Mayor Katz said if Council only wants to use the \$1.48 million for one-time programs, the next question is whether Council members want to spend it today or identify the programs now and wait until August. For instance, there is the issue of affordable housing where there is some sense of obligation that the City should do "x" amount of units of affordable housing. She proposed that at least \$500,000 of what is available be designated for that. There will be other proposals as well.

Commissioner Sten suggested doing it now.

Commissioner Saltzman asked if Council should consider using the one-time to help defray possible salary increases. He noted that each one percent increase in salary for police and fire personnel equals \$1.4 million. He does not understand why, because this is one-time only, it does not affect the City's ability to settle with the bargaining units.

Mr. Rust said the problem is the bill for wage agreements will be ongoing and reserving this money will not make it easier to solve that problem as future commitments will drive the financial plan. They try to match ongoing resources with ongoing expenditures and, if they know additional costs are coming, they plan for that. Spending the one-time money will not compromise the City's ability to accommodate higher expenditures in the future.

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Mayor Katz said if Council really wanted to be prudent it would only spend \$600,000 of the one-time money and leave the \$850,000 of ongoing money on the table for the next fiscal year.

Tim Grewe, Director, OFA, said staff is recommending that the money be spent only for one-time purposes so that in the next fiscal year recurring funding capacity is preserved in the event of labor negotiations and other events that require more money.

Commissioner Sten said he does not think Council should have a "start from scratch" approach for spending the money. However, because of a change of direction on the Systems Development Charges (SDCs), there is a hole in the budget, not a new expenditure. If major resources are needed to fix the labor contract he is not comfortable starting from the assumption that the first \$500,000 to pay for that is the hole in the Housing Investment Fund. He would prefer looking at the whole City budget.

Mayor Katz said technically Council only has \$600,000 one-time money. If it wants to be very prudent that is the only amount it would consider spending. Mr. Rust is recommending that all the \$1.48 million be considered as one-time until August.

Commissioner Francesconi said he agrees with Commissioner Sten. The only other item he thinks Council should fund now is the Greenway. Planning staff has been expecting Council to fund this since Commissioner Kafoury introduced it and has proposed a budget of \$275,000 in additional dollars plus \$100,000 carryover and \$100,000 the Mayor put in. This is a hole Council has never gotten around to funding adequately and it needs to be done now.

Mayor Katz said she would like to review this with Planning first.

Commissioner Sten agreed with Commissioner Francesconi on spending money only for those two things right now.

Mark Murray, Office of Finance and Administration, said there is enough money, about \$289,000, for Planning to move forward initially.

Commissioner Saltzman said he still likes option of waiting until August to spend the entire \$1.4 million even though he supports the \$500,000 expenditure for housing and possibly the Greenway.

Commissioner Hales said the \$500,000 Commissioner Sten refers to is to pay for SDC waivers for affordable housing projects. Right now different bureaus are doing different things regarding the waivers and he would like to move ahead and fund the SDC waiver policy at the beginning of the fiscal year so bureaus will know the fund will cover the Council's general direction rather than having some bureaus eat the cost while others do not get around to it.

Mayor Katz said Council's list of expenditures included additional money for housing, one-time money for store-front improvements, clerical staff support for Buildings and a siting mediation coordinator for the Office of Neighborhood Involvement. There was also a clarification of the housing numbers, a request for a Latino outreach program and a request

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for upgrade enhancements from the Auditor.

Gary Blackmer, Auditor, said he recognizes this is the second year of the budget process and he has decided to wait until next year and bring in a broader package then that can be matched up against all the other requests. Council should try to control the things that are approved in the second year as it tends to become a slippery slope.

Mayor Katz said other requests for funding were from the Bureau of Information Technology on the virus problem and the Greenway.

Mr. Murray said there was also a request for closed captioning which starts out at \$30,000 for next year and then ramps up.

Mayor Katz said this was a request supported by ex-Senator Hatfield. She asked staff to consider the possibility of applying for a grant from the Cable Commission for the hardware.

Commissioner Francesconi said he does not think Council should spend any ongoing money, including ongoing money for Parks. Two, he believes Council should plug the hole in the Housing Investment fund for \$500,000 now and give the Mayor an opportunity to look at the Greenway request, as that is something he wants to pursue. The rest should be reserved for the future.

Mayor Katz said she tends to agree with Commissioner Francesconi but wants to see if the City can get the grant for the closed captioning equipment. At some later time Council may want to look at the virus and the other issues.

Mr. Murray clarified that no decisions have been made although there has been discussion about funding the housing beginning July 1 and holding off on anything else.

Mayor Katz said there is money to begin the Greenway process now and in August that can be reviewed as well as the two other small items. She asked if there were changes to the budget notes.

Mr. Murray said a list of suggested budget notes has been proposed, based on conversations with the Council members.

Commissioner Saltzman said he would like the school districts to come to Council with a plan for spending their share of the \$3 million that has been allotted to them.

Mayor Katz said money will not be released to the Portland School District until Council knows how it will respond to the performance audit.

Commissioner Saltzman said the budget note does not refer to the audit anymore. If the City is serious about tying their share to the audit, that needs to be put in the budget note.

Mr. Murray said he will add language ensuring that the funds not be spent until there is a spending plan.

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Commissioner Francesconi said he understands separate contracts are being negotiated with the districts so he does not think a budget note is needed.

Commissioner Saltzman said the school districts need to be held to a standard of accountability and if the money for the Portland School District is to be tied into the audit that needs to be stated.

Mr. Murray suggested adding a statement that the City will not release funds to the school districts until they produce spending plans acceptable to Council.

Mayor Katz said she would like the language in the contract reflected into a budget note which relates to the audit and productivity improvements.

Mr. Grewe said there will be a contract for review early next week, tied to the audits, academic performance and other conditions.

Mayor Katz said a number of items of interest were identified for expenditures, including completion of the Southwest Community Plan which will require additional resources. In addition, beginning July 1, Council will allocate \$500,000 for affordable housing to cover SDC waivers for BES.

Commissioner Sten moved to amend the budget to include an allocation of \$500,000 for the Housing Investment Fund. Commissioner Hales seconded and, hearing no objections, the Mayor so ordered.

Mayor Katz said Council has also agreed to wait until August or September to consider the anti-virus issue, facilities siting mediation support, the Greenway, closed captioning, a position in Buildings, plus the Southwest Community Plan. Some may fall off the list between now and the end of August.

Commissioner Francesconi said he is not agreeing to wait until September or October for the Greenway or that the funding be at the same level.

Commissioner Saltzman said he wants specific language in the budget note tying disbursement of the funds to the Portland Public Schools to the audit.

Commissioner Sten said both he and Mayor Katz have received a lot of communications about the need for shelters for women and they are trying to address that need. It will probably involve a change in the housing allocation instead of a budget issue. But it should be added to the list.

Commissioner Francesconi said Council has not yet addressed how it might deal with the schools over the long run, depending on what the legislature does.

Disposition: Ordinance No. 173499 as amended. (Y-5)

866 TIME CERTAIN: 10:15 AM – Declare land known as Johnswood Park to be surplus to the City and authorize its sale to HOST Development, Inc. (Ordinance introduced by Commissioner Francesconi)

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Disposition: Susan Hathaway-Marxer, Parks Bureau, reviewed the City's acquisition of this land and the agreement for joint development with the Portland Public Schools. In 1994 the School District announced its intent to declare the land surplus and entered into a purchase agreement with HOST. That decision severed the City's obligation to develop the land as a park and HOST then approached the City about its purchase. Parks concluded that land was surplus, based on its finding that the St. Johns area was not park deficient, and told HOST that if all land approvals were granted then it would consider the sale, with conditions, including preservation of open space. All legal appeals were concluded last fall and an appraisal concluded that \$250,000 was a fair market price. Today Parks is requesting approval of its sale, with conditions, for \$267,000. HOST will build a community garden and Parks will assume responsibility for maintenance of the grove of fir trees.

Commissioner Francesconi said the sale was delayed at his request because he wanted to wait until all the appeals were done. He has also placed a moratorium on the sale of any further parkland but this property was not affected as its sale was in process prior to the moratorium.

Individuals speaking in support of the sale to HOST included:

Leora Mahoney, 9971 N. Tioga, 97203
Leeanne MacColl, League of Women Voters
Dick Wilson, 7706 N. Crawford, 97203
Beverly Wilson, 7706 N. Crawford, 97203
Gary Boehm, St. Johns Boosters, 7325 N. Alta, 97203
Jean Hoops, Chair, Cathedral Neighborhood Association
Raymond Piltz, 7209 N. Buchanan, 97203
Felicia Tripp, 101 SW 5th Ave., Suite 1225, 97201

Supporters said increasing the number of homeowners in St. Johns will add to its stability and is the key to engendering business growth. They said the property was underutilized and in a poor location along Columbia Boulevard, a street with heavy truck traffic. Several commented on the quality of other HOST projects, which should allay fears that this development will become a poverty pocket. Ms. MacColl suggested that the sales proceeds go towards the purchase of additional parkland.

Opponents of the sale included:

Tom Cropper, P.O. Box 18025, 97218
Liz Callison, 6039 SW Knightsbridge Dr., 97219
Rose Marie Opp, 11135 SE Yamhill, 97219
Kevin O'Sullivan, President, Friends of Johnswood Park
Dennis Keepes, prior chair of the St. Johns Neighborhood Association
Sam Oakland, 3446 NW Thurman, 97210
Cynthia Eardley, 1325 SW Evans, 97219

Opponents said it is a betrayal of the public interest to sell off parkland for housing, especially as there is no written criteria or procedure for declaring public land surplus. They questioned the lack of notice to interested persons and claimed that Commissioners Sten and Saltzman have a conflict of interest because they served as members of the HOST board.

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Several also said the City is selling the land to HOST at less than the fair market price and Mr. Oakland offered to buy the land for an outdoor school.

Mayor Katz noted that no one is receiving financial remuneration.

Harry Auerbach, Deputy City attorney, said the State statute indicates there is no conflict of interest for persons serving on non-profit boards that are tax exempt. He also reviewed the State regulations regarding the notice requirements for declaring land as surplus and noted that they have been met.

Commissioner Sten explained why he had recused himself from voting on the land-use appeal but said he intends to vote on this sale as he believes this is a policy matter where he is called upon to use his best judgment.

Ted Gilbert, Chair, HOST, said he had no involvement in the appraisal but noted that its price cannot be compared to property where infrastructure is already in place. He said this involves about 7.78 acres, less two acres reserved for open space plus space for a community garden and very expensive berms. Bringing sewer and water to the property and building streets will also entail a substantial amount of infrastructure. He said HOST has spent \$90,000 already and is prepared to pay fair market price and then some. He said while he supports parks, the challenge is to balance all City priorities, including the need for housing, transportation, etc.

Tim Ramis, attorney representing HOST, said today's hearing meets public meeting requirements and allows every person the right to argue their case. Regarding the letter from Lewis Marcus alleging violation of the federal fair housing act, Mr. Ramis said this claim was raised at LUBA and rejected there. He said the allegation that the City is conspiring with HOST to bring low-income people to an area which will not benefit is neither responsible nor valid.

Commissioner Francesconi said while there is a tremendous need for parkland in some areas, such as east of 82nd Avenue, the issue in North Portland is to keep park activities going. He said citizens should think about true community needs and advocate for more housing, for stabilizing St. Johns and adding to its vitality.

Commissioner Hales contrasted the large amount of parkland the City has acquired as opposed to the small amount it has sold. Building a good addition to the neighborhood will make it less likely that schools will have to be closed.

Commissioner Saltzman said the City needs to look at the right balance of community needs, including schools, affordable housing and parks. He believes this qualifies as a legitimate sale of surplus land but he does support the moratorium on future sales.

Commissioner Sten said the opponents have a valid point that the City needs to be very careful about selling public land. But the idea that a lot of parkland is being sold off is totally erroneous and it is really a stretch to say this has been a park. It was more a vacant lot and was only labeled as a park because the Parks Bureau owned the land. He noted that in addition to purchasing parkland, the City is spending millions to buy properties in the flood plain and turn them into natural places. Commissioner Sten said increasing the number of first time homeowners is vital and 106 new units is a significant number. The

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notion that this project is a violation of the fair housing act is an outrageous assertion as HOST has really worked hard in this very difficult housing environment, building homes with very little subsidy.

Mayor Katz said she agrees on the need for additional green space and said the City is making sure that will be provided in urban renewal districts, including the River District, North Macadam and the outer eastside. She said Council is committed to purchasing green spaces with the money received from the sale of this property.

Disposition: Ordinance No. 173500. (Y-5)

Mayor Vera Katz

- *903** Accept an additional \$5,000 from Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms for the G.R.E.A.T. program grant (Ordinance)

Disposition: Ordinance No. 173501. (Y-5)

Commissioner Jim Francesconi

- 904** Amend City Code relating to Parks, General Provisions and Permits, to make it more understandable, enforceable and consistent (Ordinance; repeal and replace Chapters 20.04 and 20.08)

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

- *905** Accept a \$400,000 grant from the US Public Health Services for Portland Fire and Rescue (Ordinance)

Discussion: Captain Bill Morris, Fire Bureau, said this will help the City respond to terrorist threats. He described what the grant money will do to assist the City in acting as emergency responder.

Disposition: Ordinance No. 173502. (Y-5)

At this point, Mayor Katz left the meeting.

Commissioner Charlie Hales

- 906** Accept contract with Pro-Landscape, Inc. for street improvements on NE Martin Luther King Jr. Blvd. urban tree planting as complete, release retainage and make final payment (Report; Contract No. 32052)

Discussion: Andre Baugh, Portland Office of Transportation (PDOT), said the goal of this program was to provide on-the-job training for chronically unemployed youth. He said the City teamed up with the Federal Highway Administration and the Oregon Department of Transportation and then worked with the Urban League to recruit the trainees. The project included the preparation of tree wells and planting of 75 large trees along Martin Luther King Jr. Blvd. plus installation of decorative tree grates.

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Linda Ginenthal, PDOT, described the role the Urban Youth Corps Program played in identifying primarily minority inner-City youth who were either at risk or had a history of chronic long-term unemployment. A total of 15 young people completed a three-week training program and were then eligible for additional training and employment opportunities.

Mr. Baugh said the biggest accomplishment was having well-trained youth ready to contribute to the community. He said this is an award-winning program that can be used as a model around the country and the Federal Highway Administration has authorized another year of funding for another similar project.

Commissioner Hales said the City did get national recognition for this project, which was a labor of love.

Commissioner Francesconi said it is great to have models but the City needs to have a more systematic way to use public works construction projects to accomplish similar goals. He said he would like to do this in Parks.

Commissioner Sten said this is a terrific economic development approach.

Disposition: Accepted. (Y-4)

Commissioner Erik Sten

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

Disposition: Ordinance No. 173503. (Y-4)

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

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 23RD DAY OF JUNE, 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.

- 908 TIME CERTAIN: 2:00 PM** – Amend Title 33, Planning and Zoning, to change sign regulations to clarify the regulation of certain signs and make Title 33 consistent with Title 32, Signs and Awnings (Ordinance introduced by Mayor Katz)

Discussion: Cary Pinard, Bureau of Planning, said at one time the City had different regulations for on- and off-premise signs but, after losing a legal challenge, it has tried to be content-neutral in all the regulations since imposed. She noted that in 1996 Council decided to treat billboards the same as all other signs and, in October, 1998, it dealt with painted wall sign issues and, in February, 1999, it passed regulations about video signs. She said the perceived need to communicate with the public has intensified over the past few years and the City has as a consequence had to be much more detailed about its regulations. In addition, technology is changing faster and faster and the City must look forward to the future when it considers sign regulations.

Stevie Greathouse, Bureau of Planning, said late last year full motion video signs were installed at several prominent locations in the City and Council took action to amend the Building Code to prohibit these and other changing image signs. This action created an inconsistency between the City's Building and Zoning Codes. The aim of the project before Council now is to reconcile these differences and give the City a unified base upon which to move forward. The Planning Commission recommends that the Zoning Code be amended to be consistent with Title 32 by adding a prohibition of changing image signs to the Zoning Code and grandfathering in existing ones if they were legally established. The Council's prohibition in February implements public policy which supports reducing the impact of all signs on the visual character, livability and safety of the City. The prohibition covers several features currently regulated under different terms in the Zoning Code sign regulations. These include rotating signs, moving parts and electronic information. These regulations do not reflect the existence of emerging sign technologies such as full motion video signs which have recently been installed in Portland and many other communities. In the future, animated signs will likely rely on a large variety of new technologies and continue to become brighter, faster and increasingly intrusive. At its last hearing on this subject Council asked for an investigation of whether the prohibition could be refined to affect fewer signs. The Planning Commission also suggested that the follow-up should occur after the inconsistencies between Title 32 and Title 33 are removed. Staff believes the prohibition of all changing image signs implements public policy, is legally defensible and anticipates future technologies. Any attempt to create distinctions among different types of changing image signs while still maintaining the strength of the prohibition will be difficult. The Planning Commission recommends that, in addition to eliminating the Code inconsistencies, Council later consider amendments to both Code titles, if such amendments

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will better implement public policy. Staff is also proposing a minor amendment to clarify that the definition does not prohibit static signs that turn on in the morning and off at night.

Commissioner Sten asked what resulted from the conversations that were held to consider a narrower definition of what the City is banning, rather than all moving signs.

Commissioner Hales said he held one meeting with sign industry representatives and his staff had two but found it very difficult to draft a particular standard without creating favorites within the industry and inviting a legal challenge. If the Sign Code is simple, clear and consistent it has a better chance of standing the test of time and litigation, given the Oregon constitution's limitations on the regulation of speech.

Commissioner Sten said three months ago he did not think banning everything that moves, such as temperature signs, was a great idea and he thought Council had agreed to look at narrower options. He does not believe the City has yet taken that look.

Commissioner Hales said they have taken a look, although they may not be finished.

Commissioner Sten said he has seen no options.

Ms. Pinard said staff looked at whether it is feasible to measure brightness and found that very difficult to do. Proposals were made to regulate the rate of change and that may be most promising option but they need more time to figure out the impact.

Ms. Greathouse said technology is changing so quickly that these regulations may not apply to tomorrow's technology.

Commissioner Sten said he thought the City was going to talk with the sign industry and look at all options before making a decision.

Jeff Rogers, City Attorney, said his office supports this action and will continue to explore whether there is a legally sound way to adopt a policy that narrows the prohibition.

Commissioner Francesconi asked him why he believes the two titles need to go together now rather than waiting until the options are studied further.

Mr. Rogers said Title 32 is under challenge right now and he is concerned about delaying Title 33.

Commissioner Francesconi asked if moving on Title 33 exposes the City to further liability.

Mr. Rogers said no, it strengthens the City's legal position.

Commissioner Sten said he thought the reason Council did not deal with Title 33 the last time was because the Planning Commission had to consider any new regulations first.

Mr. Rogers said that was correct. He described meetings with staff and with the electric sign industry and noted that at the Planning Commission meeting on May 25 the industry proposed language that tried to distinguish video boards from traditional message centers using the technology that the two different kinds of signs employ. They later withdrew that

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definition and proposed a different approach, based on the frequency of frame changes. That approach has some merit but is not crafted well enough at this point to withstand legal challenge. It is also proving difficult for the sign industry itself to come up with definition that works.

Commissioner Francesconi asked if it is constitutional to have regulations that limit brightness and how often images change.

Mr. Rogers said while such regulations are constitutional, defining how often a sign changes is surprisingly difficult, as the industry will testify. For instance, scrolling is one problem and regulations may be hard to understand and hard to enforce.

Commissioner Sten said he is uncomfortable about limiting all moving image signs but feels it is necessary right now because citizens are so up in arms about the video signs. He would like to find some middle ground as he believes this is the City's problem to solve, not the sign industry's and he wants the City to be proactive about it.

Mayor Katz said if the City takes a proactive approach it may be able to find language that both Council and a large part of the sign industry likes. The work will continue, with the hope that a language change can be made soon.

Mr. Rogers said the key issue is whether that is possible as the City has been looking for a good middle ground for 20 years. The problem has been that good policy has been bad law, not that the City has not tried to solve it.

Commissioner Saltzman said there has been a recent ruling on other signs and he does not want to spend four years working on this. He questioned whether Council should not postpone this until it has held an executive session on the A K Media court decision to see if a settlement strategy can be determined.

Mr. Rogers said he would recommend against that as taking action now will strengthen the City's legal position.

Commissioner Saltzman said right now the City is stuck with \$500,000 in attorney fees and continued litigation. This discussion only looks at part of the picture.

Commissioner Hales said it is the City Attorney's opinion that adopting this change will strengthen the City's legal position.

Mayor Katz said Council can adopt this item and reopen this issue later if common ground is found that all can agree on.

Mr. Rogers said passing this will strengthen the City's legal position but does not preclude other options or discussions. He said he will explain in the executive session why he believes the A K Media decision represents a substantial victory for the City.

Commissioner Francesconi said the fact that he wants alternative proposals on electronic signs or on the A K Media situation does not mean he will approve them. He said the problem is the City has had bad law that is costing the taxpayers a lot of money. He believes Council should proceed now and then consider a policy recommendation within 90 days and

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decide whether to stay the present course or save taxpayer dollars by coming up with an alternative approach.

Jim Worthington, 32325 SE 153rd, 97236, said he does not see how the electronic sign at 122nd and Division affects public safety or welfare and thinks Council is scratching at a gnat. He said right now the City has an ordinance limiting all changing lighted signs, including time and temperature, movie theatres, stock tickers, etc. He said that should be changed to exempt moving letters and numbers. He said he does not believe this legislation is suit proof as he has heard that before from the City Attorney.

Roland D. Bentley, Sr., 2211 SW First, Chair, American Plaza Condominium Assoc., said residents there still are concerned with signs that have been grandfathered in, i.e. the one on SW 5th Avenue. The intensity, brightness and flashing is a constant distraction to residents. He noted, however, that the sign owner has turned the sign off at night but it is still unwelcome during the day and evening hours.

Daniel Keppler, representing Emerald Outdoor Advertising, said no studies indicate these signs are a traffic safety issue. This is an aesthetics issue and that is why Council is having so much difficulty coming up with a definition that satisfies the free speech protections contained in the Oregon constitution. There is no way to legislate aesthetics and if the City persists in such regulations this will be litigated again and again.

Mayor Katz asked if he read the case studies included in the report.

Mr. Keppler said those studies involved static signs and predate the kind of sign technology that now exists. That report was a summary from an anti-billboard interest group which reviewed the literature and concluded the signs must cause traffic problems. But none addressed moving image signs.

Mayor Katz said five of the accident studies found a positive correlation between billboards and traffic difficulties. Three studies found no correlation. The bottom line is that additional work is needed but to say there is nothing in the record to indicate a correlation is false.

Commissioner Francesconi asked if the City can constitutionally limit the number of changing images or brightness.

Mr. Keppler said that is very difficult to do as it could be construed as a content-based restriction. The City might be able to regulate brightness if a standard could be established that would not adversely impact a certain type of speech. The City would have to show what public interest a limitation on brightness would fulfill.

Dan Chandler, attorney representing the Oregon Electric Sign Association, said the tough question is how to allow signs that have been allowed for years. He noted the Powell Park scoreboard as one the City would like to keep. He said size, brightness and full motion video are what people object to about these signs and handed out an ordinance the Association thinks will work. Nothing would affect the subject if a limit on changes to only once per second were set. He said full motion video changes at 30 to 40 times a second. Mr. Chandler said the City Attorney told them he was unable to meet with them unless so

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directed by Council. He said they have filed a LUBA appeal on the Title 32 regulation but are willing to put that on hold to work on this.

Terry Sandblast, A K Media Northwest, requested that Council table this proposal to create more time to dialogue with the industry. He said A K Media was not part of the initial changing image sign discussions but now has five permits for them and is confident this can be worked out if the City is willing to make a good faith effort. He agreed to wait 90 days to put up the five signs to allow the City to look at the whole issue.

Joe Willis, attorney representing A K Media Northwest, asked Council to postpone this for 90 days and not to put A K Media in the position of having to go to court again. He said he believes there is zero chance for the City to win, given the very broad definitions contained in this ordinance. He said Council should carefully review Judge Marcus' opinion in its executive session.

Rick Farasay, Oregon Electric Sign Association, said the Association made an effort to put language together to resolve the issue of having jumbo electronic billboards out there while merchants are unable to use the latest technology to sell on-premise products. He said they are frustrated as they feel like they have been having this conversation with themselves. He said from the outset Commissioner Hales made it very clear that he would set the standard very high and they have not gotten anything back.

Darryl Paulson, Ramsey Signs, agreed with Mr. Farasay that there had been no interaction and that the sign industry had been stonewalled by Planning staff. He said this ordinance has been driven by only one side and his Association would like to work with the City to solve the problem without legal recourse. He said the industry is willing to sacrifice and accept one frame per second and not have video board aspects. Brightness could be handled under the nuisance part of the ordinance.

Robert Johnson, a small business owner, said he believes signs such as "open" and "closed" should still be allowed. He said the language the City has now is too vague and needs to be clarified.

John Captain, 8028 SE Stark, small business owner, said he has concluded that his business could not show a sign saying "tan available" under this ordinance. He said while existing businesses will be grandfathered in, this will put a burden on new ones.

Kurt Wehbring, 3733 NE 18th, 97212, said this is a very important issue to City Club members. There is some concern that by working with the sign industry to find some way to accommodate them, the City will end up with a done deal with no public representation. One image change a second is still a lot. He said Council should keep in mind the many people who come to Portland because it is an aesthetically pleasing place. Video signs threaten that reputation and the City's livability.

Dr. Joanne Jene, 2221 SW 1st, #1625, said as an American Plaza resident she appreciates the fact the sign on SW 5th is turned off at 10 p.m. but is concerned that the studies cited in the report are 20 years old and do not recognize new sign technology. She said as a doctor she knows that epilepsy and seizures can be triggered by flashing lights and suggested that the City consult with the Oregon Health Sciences University on that. As a neighborhood resident, she finds the signs intrusive and also a traffic hazard.

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Paul Leistner, Research Director, City Club, said the City needs to negotiate from a position of strength and commended Commissioner Hales for setting a high standard. While Mr. Willis says the City is forcing A K Media into filing lawsuits, most citizens do not buy that argument. The industry is very good at seeing weaknesses in the Code and going after them and the City Attorney has been working for years to tighten up the Code to get the kind of community citizens really want. He said Council should not make deals with the industry in "smoke filled rooms" as in the past these have lead to deals that do not serve the public interest and are legally vulnerable. The ten-year monopoly that Ackerly got out of a previous court case was legally questionable. He asked what will happen if a few companies make deals with the City and then a new company comes to town that is not a party to them. He said Judge Marcus' decision does give the City a basis to regulate signs for size and structure. He said the City should go after the sign on the Morrison Bridge as it clearly violates the Code as it stands now, which was upheld by this decision.

Commissioner Francesconi asked him what the Club's position was on on-premise signs.

Mr. Leistner said it is the industry that is forcing the City to take tough stands. He said the industry uses its financial resources to intimidate communities by suing and suing and suing. He said there are no cheap answers and suggested that Council turn to the community for guidance.

Richard Leishner, architect, said this issue goes right back to who runs the public realm – the sign companies or Council as representative of the citizens. He said there is nothing wrong with saying that the aesthetics of the public domain are important. He questioned why the City is able to tell even the most famous architects they must meet the City's design code for downtown but yet is unable to do anything about eight lousy signs. He said he is afraid the City will have to play hard ball here.

Ms. Greathouse said what they are proposing here is to add a definition for abandoned signs in Title 33 and to not permit permanent signs on undeveloped sites. It is the same as what is in Title 32. This is a technical amendment, not anything new.

Commissioner Sten said he thought he heard A K Media say it would hold off on suing if the City waited 90 days to pass this. Is that worth considering?

Commissioner Francesconi said he heard Mr. Sandblast say that even if this is passed, A K Media would not put up their video signs for 90 days.

Mr. Rogers said A K Media will sue any time they think it is possible to use that threat as legal leverage or as intimidation. He believes they will be unsuccessful, however, if they sue the City over the Code amendment.

Commissioner Saltzman asked about the amendments presented by the Oregon Electric Sign Association.

Mayor Katz said if he wants to move those, he should do so today.

Commissioner Francesconi said he would like a clearer work plan by next week with some alternatives as he needs more definition to ensure that something will happen. He would

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also like a clear game plan about litigation so within 90 days Council knows where it stands on all of this.

Mr. Rogers said a comprehensive approach is very important.

Commissioner Sten said he does not doubt passage of this will strengthen the City's case but Council is split over some of this. He personally would like to look at some of the compromise positions that have been proposed to see if they can work. If A K sues it will cost the City money whether it wins or not. If they agree not to sue, is there any value in having a longer window to look at these issues?

Mr. Rogers said he does not think this should be postponed as this will take at least five weeks to be effective so there is time for additional discussions.

Mayor Katz said the language proposed by the Electric Sign Association is the starting point for trying to get to some closure on this rather narrow issue. She would like staff to try to put together a work plan on the flashing electronic signs that were not meant to be covered by this regulation and come up with a time line. The A K Media issue will come up at the upcoming executive session and she is less comfortable about getting to closure on that but she is willing to try, although she is concerned about giving special treatment to one part of the industry.

Mr. Rogers sought advice about who is to be involved in these discussions.

Council members suggested that the Oregon Electric Sign Industry, A K Media and some citizens be involved.

Commissioner Saltzman said he believes Council should adopt the language suggested by the Oregon Electric Sign Association to deal with electronic message centers and such things as time and temperature. Right now the language is too broad-based. He moved those amendments to Title 32 and 33. There was no second and the motion failed.

Ms. Pinard described the technical amendment staff submitted, which adds language about otherwise static signs that turn on and back off no more than once every 24 hours.

Commissioner Hales moved that amendment. Commissioner Francesconi seconded, and hearing no objections, the Mayor so ordered.

Mayor Katz said Council will discuss the work plan next week and take a vote on the ordinance then.

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

At 3:40 p.m., Council recessed.

JUNE 24, 1999

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 24TH DAY OF JUNE, 1999 AT 2:00 P.M.

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

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

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TIME CERTAIN: 2:00 PM – Amend Title 33 of the City Code relating to base zone tree requirements and amend Chapter 33.248, Landscaping and Screening, and authorize the establishment of a Tree Fund (Previous Agenda 813; amend Title 33)

Discussion: Commissioner Francesconi said after the last hearing he asked Parks to review the fee structure, in terms of reducing it and creating a structured system on the remodel side. Parks has now come up with a graduated system. He believes Parks needs a halftime arborist in order to carry out these requirements and, to cover that cost, has come up with a fee of \$45.00 for remodels. On new construction under \$100,000, they propose a fee of \$85 and \$108 for over \$100,000. Parks has also eliminated about \$8,000 in administrative overhead to make this fairer. They have also been talking with Friends of Trees which believes it can plant the trees for \$25 per tree. He said they are unable to support Commissioner Saltzman 's proposed amendment.

Brian McNerney, Urban Forester, said OFA found their fee structure and figures were valid but, to respond to the need to make it more equitable, Parks did buy down some of the permit fees. Staff also prepared a brief report on some of the new methods that can be used when roots break through the sidewalks but would like to prepare a more in-depth report this fall. Finally, staff looked at how they might relieve some of the financial burden to property owners. One idea is to allow people to arrange with Friends of Trees to do the plantings and Parks could extend the permit period to the next planting season. Details still need to be worked out. He described the proposed lower fee structure.

Commissioner Francesconi said these fees will be tracked and if they become a problem they will be adjusted.

Jane Leo, Portland Metropolitan Association of Realtors, applauded the effort to reduce the fee structure but noted that there is no new residential housing under \$100,000. She said it amazes her that there has to be a permit structure to plant a tree, even though she realizes planting on a street means certain requirements must be met.

Kermit Robinson, Office of Planning Development and Review, said the \$100,000 value is the construction value and does not include land costs.

Commissioner Francesconi said if more revenue than projected comes in, then they will reduce the permit fee. The goal is to earn \$46,000, not more than that.

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Mr. McNerney said there are a lot of variables that need to be tracked.

Commissioner Saltzman moved to adopt the fees. Commissioner Sten seconded and, hearing no further objections, the Mayor so ordered.

Commissioner Saltzman said earlier he proposed an amendment to the Tree Fund which says the fund will be spent on tree plantings on public or private land and added the words "in the watershed" to the section calling for planting to be done in the area that pays the fee. That has been incorporated in what is before Council but he had also suggested that the Urban Forestry Division consult with local watershed councils before making a decision about how the funds should be spent. He said this is a minor point and he fails to see why there is concern about this.

Commissioner Francesconi said he does not believe the Code should be cluttered up with something like this. For the small amount of money there will be in the Fund, it creates an administrative burden that is not worth it. Finally, the City wants to consult with the watershed councils but also wants to consult with the Urban Forestry Commission and Friends of Trees and he would rather not put in the Code everyone they will consult with.

Commissioner Saltzman said he does not regard it as cluttering up the Code if Council is making good Code. He said this would help citizens find the policy all in one place and figure out how this works and that watershed councils will be involved in Tree Fund disbursement decisions.

Ms. Hartnett said if Council wants to give direction at this level of detail, the language needs to be moved out of Title 33 and into Title 20, which covers the Parks Bureau. It is not appropriate to put directives to another bureau in Title 33. The language about the Tree Fund was only included because the citizen working group felt strongly it should be written down someplace. But when it becomes a directive about exactly how things get done, Title 33 is not the place for it.

Mr. McNerney said his division works with many different groups and he believes to put one group ahead of the others might cause problems. He said they do not have a formal process for consulting with the watershed councils but they do monitor their activities for items of interest.

Commissioner Saltzman said he would be agreeable to adding his language to Title 20 then so that people can piece together the legislative history.

Harry Auerbach, Deputy City Attorney, said he could prepare some language for Code Section 20.40 about consulting with the watershed councils for Council to consider next week.

Commissioner Francesconi said perhaps other groups can be added too.

Commissioner Sten said he does not think consulting with the watersheds needs to be codified and he will not support the amendment.

Ms. Hartnett reviewed four other amendments to Title 33. Two are simple clarifications (Amendments Nos. 2 and 4). Amendment No. 1 has to do with the ability to double count

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trees planted on private property for multiple uses, such as meeting a minimum landscape requirement or to meet stormwater management requirements. Staff suggests that the commentary of the report be amended, but not the Code language, which will make it clear that double counting is Council's intent. Amendment No. 3 covers fund use and administration where the first portion of Commissioner Saltzman's amendment request is included but not the second portion. If direction on the use and administration of the Tree Fund is going to be placed in Title 20 it should be deleted from Title 33.

Jim Worthington, 3232 SE 153rd, asked if Commissioner Saltzman's amendment meant that fees for the Tree Fund collected in a specific watershed would be spent in that watershed. He said that is too wide an area as money could be spent on trees four or five miles away from the area where they were collected. In some ways, saying the "general vicinity" would be better than expanding it to a large watershed area, such as Johnson Creek.

Amanda Fritz, Portland Planning Commission, said there is also the question of what is a recognized watershed council and, while she loves the concept of including them, doing so could be difficult. The Taskforce on Neighborhood Involvement decided that neighborhood associations are the groups recognized to give the City most of its advice. Shifting to the watershed councils, instead of neighborhood associations, may be appropriate but it is a shift in City policy.

Commissioner Sten questioned how much of a consultation process is needed to decide where two or three trees should be planted.

Commissioner Francesconi moved the new fee structure and the other amendments outlined by Ms. Hartnett. Hearing no objections, the Mayor so ordered.

Disposition: Passed to Second Reading as amended July 1, 1999 at 2:00 p.m.

- 910** Extend street tree planting requirements to residential construction and improvements that exceed \$25,000 and to all land divisions, provide for the enforcement of these requirements, and authorize inspection fees (Previous Agenda 814; amend Code Sections 20.40.070 and 20.40.110)

Disposition: Passed to Second Reading as amended July 1, 1999 at 2:00 p.m.

At 2:45 p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

Cay Kershner

By Cay Kershner
Clerk of the Council