



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 22ND DAY OF DECEMBER, 1999 AT 9:30 A.M.

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

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

Agenda No. 1791, 1808 and 1809 were pulled from Consent. On a Y-4 roll call, the balance of the Consent Agenda was adopted as follows:

**CONSENT AGENDA - NO DISCUSSION**

**1787** Accept bids of Emergency Medical Products, Inc., Promed Co., Inc. and Aero Products Corporation to furnish medical supplies for \$164,257 annually for three years (Purchasing Report - Bid 99472)

**Disposition:** Accepted; prepare contract.

**1788** Accept bid of City Center Parking to operate the Goose Hollow replacement parking lot for \$47,858 (Purchasing Report - Bid 99579)

**Disposition:** Accepted; prepare contract.

**1789** Accept bid of Manuel Q. Franco Reforestation to furnish annual planting services for an estimated annual amount of \$203,850 (Purchasing Report - Bid 99590)

**Disposition:** Accepted; prepare contract.

**1790** Vacate a certain portion of SW Bertha Court south of SW Capitol Highway, under certain conditions (Ordinance by Order of Council; C-9974)

**Disposition:** Passed to Second Reading December 29, 1999 at 9:30 a.m.

**Mayor Vera Katz**

**1792** Confirm reappointment of Susan B. Taylor to the Multnomah County/Portland Business License Appeals Board (Report)

**Disposition:** Confirmed.

**\*1793** Authorize contract with Davis & Hibbitts, Inc. for professional surveying of City of Portland households to provide information to be utilized by the City Council in developing the FY 2000-02 Budget (Ordinance)

**Disposition:** Ordinance No. 174022. (Y-4)

**\*1794** Extend contract with Arbitrage Compliance Specialists, Inc. for arbitrage rebate work (Ordinance; amend Contract No. 30160)

**Disposition:** Ordinance No. 174023. (Y-4)

**\*1795** Authorize contract with Boucher Mouchka Larson Architects for professional and technical architectural services related to the Memorial Coliseum and Rose Quarter parking garages (Ordinance)

**Disposition:** Ordinance No. 174024. (Y-4)

**\*1796** Amend intergovernmental agreement with the Metropolitan Service District for Consolidation of Regional Convention, Trade and Performing Arts Facilities (Ordinance; amend Contract No. 25921)

**Disposition:** Ordinance No. 174025. (Y-4)

**\*1797** Agreement between Emmanuel Community General Services and the City for use of Local Law Enforcement Block Grant funds (Ordinance)

**Disposition:** Ordinance No. 174026. (Y-4)

**Commissioner Jim Francesconi**

**1798** Accept completion of Dawson Park restroom renovation, make final payment and release retainage (Report; Contract No. 31988)

**Disposition:** Accepted.

**\*1799** Authorize contract amendment by Change Order 04 with Silco Construction for additional roadway construction and to construct tenant improvements at the new maintenance building in Washington Park and increase the contract amount to \$2,088,483 (Ordinance; amend Contract No. 32148)

**Disposition:** Ordinance No. 174027. (Y-4)

**\*1800** Authorize a contract with W & H Pacific for surveying services for SE Ivon Street to SE Umatilla Street on the Springwater corridor (Ordinance)

**Disposition:** Ordinance No. 174028. (Y-4)

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- \*1801** Authorize agreement for acquisition of the Asaph property adjacent to Hoyt Arboretum in the Botanical Gardens local share target area from Providence/Portland Medical Foundation (Ordinance)

**Disposition:** Ordinance No. 174029. (Y-4)

**Commissioner Charlie Hales**

- \*1802** Increase an existing contract with Tice Electric from \$232,900 to \$538,230 to install fiber optic cable (Ordinance; amend Contract No. 32398)

**Disposition:** Ordinance No. 174030. (Y-4)

**Commissioner Dan Saltzman**

- 1803** Accept completion of the Columbia Boulevard Wastewater Treatment Plant fuel cell power plant installation, Project No. 6175, and authorize final payment to Baseline Industrial Construction, Inc. (Report; Contract No. 32065)

**Disposition:** Accepted.

- 1804** Accept completion of the Alder Basin Phase 2, Unit 2, sewer repair, Project No. 6477, and authorize final payment to Insituform Technologies, Inc. (Report; Contract No. 32223)

**Disposition:** Accepted.

- 1805** Accept completion of the Beech/Essex outfall line repair, CIPP installation, Project No. 6522, and authorize final payment to Insituform Technologies, Inc. (Report; Contract No. 32598)

**Disposition:** Accepted.

- \*1806** Authorize the Purchasing Agent to sign a Purchase Order as a contract with Aerator Products for floating mixer equipment for the Columbia Boulevard Wastewater Treatment Plant and provide for payment (Ordinance; Project No. 6512)

**Disposition:** Ordinance No. 174031. (Y-4)

- \*1807** Authorize purchase order to serve as a contract with Dunn Construction, Inc. for the N. Sumner at Interstate emergency sewer reconstruction project, Project No. 7635 (BES EPO #221), for \$110,000 and provide for payment (Ordinance)

**Disposition:** Ordinance No. 174032. (Y-4)

REGULAR AGENDA

1791 Confirm appointment of Ethan Seltzer to the Portland City Planning Commission (Report)

**Discussion:** Mayor Katz said the City is very lucky to have Mr. Seltzer agree to serve on the Planning Commission.

**Disposition:** Confirmed. (Y-4)

\*1808 Authorize a contract with KCM, Inc. dba Tetra Tech/KCM, Inc. for professional services for the Southwest parallel interceptor design, Project No. 5502 (Ordinance)

**Discussion:** Commissioner Saltzman said some questions have arisen about how minority and women businesses are counted when contracts are awarded.

Kathy Thomas, President, Thomas Wright, protested the award of this bid, noting that her company was one of three asked by the Bureau of Environmental Services (BES) to submit bids. She said she believes there was something wrong with the selection process and called attention to the proposal ratings sheets summary. She said the process discriminates against women-owned and minority-owned businesses and the selection process was unfairly manipulated against her firm. She asked Council to reverse the decision of the selection committee.

Harvey Lockhart, BES, explained the evaluation process. He said in this instance Thomas Wright used their utilization of (Minority Business Enterprises/Women Business Enterprises/Emerging Small Business Enterprises (MBE/WBE/ESBEs subcontractors but Bureau policy does not count the prime contractor's status as an MBE/WBE/ESBE. That is one of the core issues. He said he believes the contract should be awarded as recommended and then the Bureau will review its policy as a lot of underlying issues need to be considered. He said to suddenly shift the policy would result in companies not being that anxious to work with the Bureau in the future.

Dean Marriott, Director, BES, said it is not be appropriate to use this contract as a vehicle to change City policy. He believes BES did everything right and that some of Ms. Wright's allegations are untrue regarding the manipulation of the process in a way that worked against her company.

Commissioner Francesconi said the applicant is asking for change based on the process, not policy. The Bureau's Contracting Task Force needs to see if extra credit should be given in such circumstances, as he believes, and to also see if one person on the selection committee can unfairly distort the process.

Commissioner Hales said these are legitimate issues but Council should not make policy on horseback. Staff should review these issues and address the policy questions.

Commissioner Saltzman agreed that having a minority contractor as the prime should count for something and would like to see this issue taken up soon.

Mayor Katz said the Fair Contracting Task Force should take a look at this as it could be an issue Citywide.

**Disposition:** Ordinance No. 174033 (Y-4)

**City Auditor Gary Blackmer**

**\*1809** Assess system development charge contracts and Private Plumbing Loan program contracts (Ordinance; Z0717, Z0718, K0016, K0017, T0032, T0033, P0048)

**Discussion:** Cay Kershner, Clerk of the Council, said an amendment was submitted by the Auditor's Office to correct several of the charges. Commissioner Hales moved the amendment, Commissioner Francesconi seconded and, hearing no objections, the Mayor so ordered.

**Disposition:** Ordinance No. 174034 (Y-4)

**1784** **TIME CERTAIN: 9:30 AM** – Recognize recipient of the Lowenstein Trust Award (Presentation)

**Discussion:** Art Alexander, President, Lowenstein Trust, said this is given annually to individuals who best serve those in the community who are most in need. This year's recipient is Kevin Fuller, founder of the Bridge Builders.

Sandra Hicks Lowenstein presented the award to Mr. Fuller.

Kevin Fuller, Bridge Builders, explained how he got the idea for this program for young people and his desire to bring light and inspiration to others.

Mr. Alexander also presented a check for \$5,000 to Mr. Fuller in addition to the award.

Commissioner Francesconi said this raises a crucial issue as to roles for African-American males in this country and shows that collectively they can contribute even more than they could individually.

**Disposition:** Placed on File.

**1785** **TIME CERTAIN: 9:45 AM** – Accept the Housing and Community Development Commission Report entitled Third Annual Housing Evaluation Report July 1, 1998 to June 30, 1999 (Report introduced by Commissioner Sten)

**Discussion:** Janice Frater, Chair of Housing and Community Development Housing Evaluation group, summarized the report, noting that over the past three years about 4,000 new units of housing have been built with the vast majority built to be affordable to people at median income. In addition, over 170 new homeowners have been created and rehab services have been provided to over 750 units.

Baruti Atharee, Housing Manager, Portland Development Commission (PDC), described how the fund is allotted among rental units, home ownership and rehabilitation services. He said the working relationship between the Bureau of Housing and Community Development

(BHCD) and PDC has improved greatly in the past few years. He also noted improvements in PDC's data collection, outreach and RFP processes.

Steve Rudman, Director, BHCD, said the guidelines Council set have largely been met, particularly those concerning neighborhood revitalization and capturing more growth inside the City. However, a third goal, to build more new affordable housing units remains elusive as the need for affordable housing continues to increase because people at 50 percent of median income cannot afford current rental rates. With limited funds, staff is looking at more rehabs of existing units, especially in tax increment districts. He said there is a need to think holistically about all resources, including fee waivers and the impact of tax waivers. As the inner neighborhoods improve, more lower-income people are moving to the City's fringe areas and surrounding suburbs. As this happens, housing, jobs and transportation need to be tied together.

Mayor Katz noted that tax increment funds, fees and abatements are not included in these figures. She would like to bring all that information together so that Council can get a more realistic picture of what is actually being done in the community.

Mr. Artharee said he feels the citizens group has helped improve PDC procedures and added great value to this effort.

Commissioner Francesconi asked if any of the recently adopted guidelines need to be changed. Should the City, for instance, concentrate more on those at zero to 30 percent of median income.

Mr. Rudman said in the next budget process Council should state its priorities, i.e. for specific geographic areas or income levels, depending on the amount of resources available.

Mr. Artharee said before the guidelines were in place, there was a lot of concern about the zero to 30 median income group getting too large a share of available resources. He said with the 60-year affordability clauses, PDC has to make sure it builds quality housing that will last that long. PDC also needs to ensure that it has adequate reserves for maintenance.

Mr. Rudman said more and more funds have been going to people in dire straits. A big issue right now is lead-based paints and the City may be forced to divert funds that would otherwise go to rehab to deal with lead contamination in some of the older Portland neighborhoods.

Mr. Artharee said he hears more positive comments about the home repair program than anything else as it allows people to stay in their homes and neighborhoods.

Commissioner Francesconi asked if the next plan will include more about urban development as opposed to just the housing.

Mr. Rudman said community development is clearly important and housing is but one piece of a larger strategy. However, about 60 to 65 percent of federal funds available to the City are allocated to housing.

Mayor Katz said when BHCD reviews its budget, it may want to change some priorities and allocate more money to housing. She said it will be important to overlay fee abatements, tax increment financing and Housing Authority of Portland (HAP) dollars into the budget.

Mr. Rudman said units produced locally by HAP are included in the BHCD budget but direct funds to public housing and Section 8 housing are not.

Commissioner Saltzman asked if the Water Bureau has a lead abatement program.

Mr. Rudman said HCDC and the Water Bureau are both working with the County health department to educate people about the risks. It will be a long-term effort.

Commissioner Francesconi said he is glad to see PDC and HDCD working so well together now. Getting accurate data a big step forward and having a balanced citizens group is very useful. He said he cannot tell if there is a consistent housing policy in PDC's various target groups and would like to have that addressed. He is also concerned about the quality of housing, not just the number, so that ghettos are not created out of good intentions. Keeping people in their homes through a home repair program is important in dealing with gentrification and needs to be highlighted when the budget is analyzed. Finally, community development in addition to housing is an important element that citizens need to be more engaged in. Workforce development and small and minority business issues should be integrated with the housing.

Commissioner Hales said Council should celebrate the success it has had with the Housing Investment Fund and stressed the need to highlight good design and durability on future projects. The quality of what gets built is very important.

Commissioner Saltzman said he also supports considering sustainable design and green investments, especially when building new apartments.

Mayor Katz said Council has informally reached consensus on the importance of design and quality of materials. Good design is not always a matter of higher costs and the City is reviewing its processes to see what can be done to ensure that development has strong design components and uses materials that last. Her final issue is the need for more family wage jobs in the City so there is less need for subsidized housing.

**Disposition:** Accepted. (Y-4)

1786

Implement recommendation in the Housing and Community Development Commission's Third Annual Housing Evaluation Report July 1, 1998 to June 30, 1999 that it gather information and advise Council on how all City housing programs further City goals as set forth in the Adopted Comprehensive Plan Housing Policy and the Consolidated Plan (Resolution introduced by Commission Sten)

**Disposition:** Resolution No. 35851. (Y-4)

Mayor Vera Katz

1810 Amend the Zoning Code to establish minimum and maximum parking ratios as required by Title 2 of the region's Urban Growth Management Functional Plan (Previous Agenda 1710)

**Discussion:** Mayor Katz said Susan Hartnett of the Bureau of Planning did a matrix of recommendations and options for Council to review and discuss. Council may want to consider minimum parking spaces in residential areas now or ask the Planning Commission to do so at another appropriate time. She asked Planning Commission members to respond to some of issues raised earlier.

Steve Abel, Chair, Portland Planning Commission, said this needs to be placed in context, especially some of the testimony the Commission considered in determining how to implement Metro's Title 2 into the City Code. At the Planning Commission hearing it was acknowledged that City had done a very good job of dealing with parking, especially in the Central City. Metro representatives were asked if the City's existing Title 34 provisions were adequate to satisfy the provisions of Title 2. There was some acknowledgement that it might be appropriate for the City to request an exception to Title 2 and provide evidence to Metro about the City's existing Code. The Planning Commission did not choose to do that but that is the context in which some of the amendments to the Code were approved. There was also a long discussion about how to view parking. Many people believe reducing parking will move people to choose alternative transit modes and reduce the amount of land used for parking. However, the Planning Commission found that often there are unintended consequences and some members were sensitive to parking restrictions in the Central City that might have contributed to dislocation of businesses into suburban communities. When parking is restricted, what exactly happens? He said the Commission believes the City does a better job of parking when it deals with it district by district rather than setting parking ratios across the City. The Planning Commission decided to take the least aggressive form of adoption of Title 2 that it could and keeps the current Code in place.

Rick Michaelson, Vice Chair, Planning Commission, said he believes simply eliminating commercial parking ratios, as they did starting in the 1980s, was a mistake as that transferred a private responsibility to public without any compensation. Cars do not go away -- they park on the street and cause congestion. Even in Northwest Portland, the most pedestrian oriented non-downtown district, 60 to 70 percent of customers arrive by car. He said instead of eliminating the parking ratios, the City should have implemented a transportation requirement. Every parking place a builder does not provide in Northwest is \$4,000 to \$5,000 worth of land that can be used for other purposes. He said parking should be dealt with on a district basis and not just by eliminating the parking requirement. Residential parking requirements are no longer rational or consistent and are causing other problems. Those districts with the least availability of on-street parking also have the lowest off-street parking requirements so parking is not being provided for residents as needed. He said in some medium sized housing developments, the unit-by-unit parking requirements are causing serious design concerns. The Planning Commission had some discussion about eliminating parking minimums but did not feel there had been enough input so recommended that the current minimums be retained but to go forward with a study very quickly.



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Commissioner Hales said he does not believe it is likely the City will ever get back to dealing with the parking issues district by district, with the possible exception of Central City. He asked how Council would get back at the residential issue if Option 1 is selected.

Mr. Michaelson said the City could eliminate or reduce the residential parking minimums, keep the status quo, eliminating parking for certain types of housing or give people credit for street frontage. The Planning Commission could hold a public hearing on those choices and return to Council with recommendations. That could lead to a conclusion a lot faster.

Mr. Abel said the Planning Commission believes this is a live issue that should be placed on the work program soon.

Commissioner Hales asked if Option 4 of Issue 5, regulations and incentives for structures, could be explored as part of the CCTMP update.

Ms. Hartnett agreed that it could.

Commissioner Hales asked when Council will select its options.

Ms. Hartnett said she would like to have Council give staff direction today so that they can prepare the City Council's revised recommendations. They would have to come back for another hearing unless Council adopts the Planning Commission regulations without any changes. As part of that hearing, some additional elements could be added. Commissioner Saltzman asked if it is possible to do these regulations on a district by district basis.

Ms. Hartnett said district by district plans tend to take from two to three years as they look at the entire vision for the area, not just parking. She said Council could look at a smaller scope of work but Planning would need direction about where to start.

Mr. Abel said when the Planning Commission voted to adopt Zone B maximums citywide, the acknowledgement was to adjust the parking requirements as district plans were completed.

Mr. Michaelson said this could be looked at as part of the main street reviews and it may not be necessary to look at each individual district.

Commissioner Francesconi said there are three reasons for parking requirements: 1) restrict it to protect the neighborhoods; 2) protect neighborhoods against too much commercial parking spillover; 3) promote economically viable business districts. He said the City needs to deal with the automobile a little more realistically because of the unintended consequences. The Planning Commission testified that it thought its recommendation would comply with Title 2 but at the last Council hearing Metro testified that the City did not comply.

Mr. Abel said if Metro's position is that the City must adopt A and B zones, then the City is not in compliance. But there is nothing wrong seeking an exception as it is allowed under the Metro code. Exception is the wrong word as it is more an effort to customize a way to reach the purposes of Title 2.

Ms. Hartnett said the standard for compliance is substantial compliance and that means the City can go beyond what Metro requires and the City clearly did that with the commercial restrictions. That in essence would be the application of Zone A as the Citywide standard. The City could also make an argument to Metro that it is has gone beyond the standards in some areas while others may have lagged and that therefore they equal out and the City is still in substantial compliance. She said testimony from Metro staff at the Planning

Commission said the City could try a substantial compliance proposal. Metro will make that determination and if they believe the City has not met the substantial compliance burden they will tell the City it must request an exception. She noted the letter from Metro Director Mike Burden that makes it clear that adopting the Zone B standard as the Citywide standard does not meet the requirement and an exception would have to be requested if that route is chosen. Council thus has some choices.

Mr. Michaelson said the Planning Commission believed the City was meeting the substantial compliance burden.

Ms. Hartnett said she believes Metro staff led them to that conclusion.

Commissioner Francesconi asked if she agreed with him about the three purposes for regulating parking.

Ms. Hartnett said there might be additional purposes, such as encouragement of alternative modes.

Commissioner Francesconi said another one would be regional air quality.

Commissioner Francesconi said his problem with Metro's Zone A is that it basically makes only one purpose the litmus test and labels every business district Zone A because there is transit service within 20 minutes. He said the City Attorney drafted a memo at his request to see if the City was in compliance or not and it notes other factors, such as the lack of adjacent neighborhoods close enough to generate sufficient pedestrian activity. Or there is not significant activity within the business district. He said often there is not enough pedestrian activity as yet to sustain these businesses if there is no parking available.

Ms. Hartnett said in order to comply with most of its titles, Metro has provided a standard option that meets their minimum requirements. The other choice is to go through an exception process. She said in the City and many inner neighborhoods, the argument could not be made that the other desired goals are being met because the residential densities are such that walkable distances are provided. In some of the outlying areas, particularly in Southwest, that is clearly not the case. Two things should be kept in mind regarding the application of Zone A. First, the Zone A maximums are largely equivalent to 100 percent of the peak demand that Department of Environmental Quality found in its regional study. Second, staff proposed an exception in the zoning code to state that if a site can be shown to be remote from transit access, that site can automatically go to the Zone B higher standards. The second possibility for a site with inadequate pedestrian activity but within the 20 minute transit service area is to request an adjustment to the parking maximums through a land-use review on a site-by-site basis.

Commissioner Francesconi said one option would be Zone B with a request for an exception. The second might be to be more specific about where Zone A is and call other areas Zone B, instead of the whole City

Ms. Hartnett said she believes the City could successfully make a substantial compliance argument for the second option if they are able to state the reasons why a business district, because of the nature of the uses there, should not have Zone A even if it meets 20 minute transit service test.

Commissioner Francesconi said the third option is to accept staff's recommendation and apply Zone A everywhere because practically speaking there is enough parking. Then Council should also add to the purpose statement to indicate other purposes such as economic development, business activity and so forth.

Mayor Katz said staff will review those options and acknowledged that it is a little awkward because Planning Bureau staff and the Planning Commission came up with different recommendations.

Commissioner Francesconi asked Mr. Michaelson to elaborate on what applying Zone B would do to the quality of life in the neighborhoods, given the amount of surface parking, and whether there is adequate parking for neighborhood businesses under Zone A.

Mr. Michaelson said the majority of the Planning Commission believed that what it was doing met the substantial compliance test and that was its goal, not to seek the exception. He said if it had the DEQ information about actual parking uses at the time, the Commission's decision might have been somewhat closer to staff's. He did some analysis later to see what the transportation and land use impacts of either Zone A or B were and concluded that if the City is clear that structured parking is exempt from the limits and that shared parking will be encouraged, then they are really talking about an urban design issue, not a transportation issue, as even Zone A provides enough parking opportunities in almost all circumstances. If one were to build a 10,000 square foot one-story office building with all the parking as surface parking at the Zone A ratio, over 50 percent of the site would be devoted to surface parking. Zone B would be much worse and one would end up with an isolated building in a sea of parking, which significantly defeats the City's urban design goals.

Commissioner Hales said that is the point that has not been made. He said form follows parking and in Zone A they are talking about ratios that say restaurants can be as bad as Chilli's in Beaverton and meet Zone A. Office buildings can be as bad as One Center Point in Kruse Way and retail can be as bad as the Aloha Bi-Mart and meet Zone A. Zone A is pretty suburban so Council should not get too concerned about how tough Zone A is going to be.

Mayor Katz asked Mr. Michaelson about restrictions on structured parking.

Mr. Michaelson said if there are no restrictions on structured parking, then the transportation problem has been taken care of since, if a particular business needs more parking than allowed under the ratios, then it has the option of structured parking.

Commissioner Francesconi asked about the issue of commuter parking in structures. If structured parking is allowed without limits in the Central Eastside and River District, that will encourage commuter parking, according to staff.

Mr. Michaelson said in the Central City, with its restricted access and higher transit goals, the number of parking spaces continues to have a transportation impact as well as an urban design impact. He believes the City should do something to encourage developers to move to structured parking from surface parking lots but not with an unlimited exception.

Ms. Hartnett reviewed the options and listed the materials included in the record that were used in preparing the proposals and today's presentation, including research and data on parking utilization, maps, information from Metro, meeting materials and so forth.

Mayor Katz said after Ms. Hartnett presents each option, she will ask each Council member where they stand.

Re parking maximums, Ms. Hartnett said they need to be applied in areas which do not have them right now. Title 2 allows for two different standards based on the area's proximity to good transit and Council members need to decide which maximums it wants to apply and whether it wishes simply to comply with the Title 2 objective, which is focused on the efficient use of land for commercial purposes, or if it wants to include other elements such as congestion management, air and water quality, encouragement of alternative modes, viable business districts, etc. The first option is to go with the Planning Commission's recommendation to apply Zone B as the Citywide standard. The second option would be to apply the Title 2 Zone A maximums as the Citywide standard and provide an exception in the Zoning Code for those areas which do not meet the transit-accessibility standard so they can have a higher maximum. The purpose statement should acknowledge that the City has other concerns beyond 20-minute transit service.

Mayor Katz asked if that purpose statement would set a different standard for the adjustments.

Ms. Hartnett said it would give staff clearer guidance.

Commissioners Hales, Francesconi, Saltzman, Sten and Katz stated their preference for Option 2.

Regarding Issue 2, parking minimums, the question is whether to just meet Metro Title 2 requirements or open the discussion to the effects of minimum parking requirements in a broader context. The options are to adjust the parking minimums as the Planning Commission recommended (Option 1-A) in order to comply with Title 2. Another option (2-A) would be to make those changes but also identify potential future work programs to address upcoming activities. The second set of options is to look at some of the residential issues as part of this project. One (Option 2-A) would be to consider looking at the Central City requirement for residential parking. She said to include that as part of the Title 2 project would take only a minimal amount of additional work. The second option (2-B), to reduce the residential parking Citywide, would be a much more ambitious work program. Option 2-C, eliminating residential minimums in all zones and plan districts, would clearly require a lot of work and public outreach. Option 3, to reduce or eliminate parking

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minimums citywide for all uses, including residential, is a really large undertaking and will delay the Title 2 work by months and months.

Commissioner Hales said he assumes that the options grouped under Option 2 also includes doing what the Planning Commission recommended plus the others listed under Option 2. He said he would like to eliminate the minimums but is persuaded there is a process problem here. The minimum he would like to do is Option 2-A.

Mayor Katz noted that what he is really recommending is Option 1-A and 1-B and Option 2-A.

Commissioner Francesconi said he is not anxious to eliminate parking minimums in residential areas as he believes it will create a counterproductive backlash in the neighborhoods. The Central City, however, is a special area so he can support 2-A if there is a hearing that gives those affected a chance to testify.

Commissioner Sten said he is ready to go with Option 2-a with the understanding that there will be another hearing. He believes Mr. Michaelson is right in that parking ratios for residential areas are irrational but is wary of getting rid of the minimums until the rules are known. He said this is a big issue and Council needs to figure out where it should go on the work schedule. He believes Council should go with 2-A in the meantime and get the problem fixed in the Central City.

Commissioner Saltzman said he could support 2-B but given the need to have the public consider the impacts on residential areas, he will go with 2-A.

Mayor Katz summarized that so far Council has selected 1-A, 1-B and 2-A.

Commissioner Hales asked if there are some weird glitches in 1-A, such as getting rid of all the curbs when row houses are built.

Ms. Hartnett said a report on small lot development will come to Council in January from the Planning Commission. One thing they believe needs more work is parking requirements around row houses and small lot developments will be a part of that. That will accomplish part of 1-B.

Mr. Michaelson said the Commission has a series of amendments to both Title 34 and Title 2 that it did not act on because it needed additional input. For instance, they left the row house subdivision portion of the Code alone because there were some issues tied to Title 2 they could not process. They would like to work with Council to see if they could package them in a way that could be processed quickly.

Commissioner Francesconi said when residential minimums are addressed, the issue of whether the public sector is taking on responsibility for parking that the private sector should be picking up should be specifically examined.

Ms. Hartnett said Issue 3 involves setting office maximums in various subdistricts in the Central City, including Lower Albina, four subdistricts in the Central Eastside (#1, 4, 5 and 6), North Macadam and River District #1 and 2. The Planning Commission and staff concurred on not doing anything on North Macadam right now. In Lower Albina and

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Central Eastside where the zoning is primarily IG1 and office uses are constrained, the Planning Commission recommended applying the Zone A while staff recommended that a 2.5 per 1,000 maximum be applied for office uses in those areas. The third option, proposed by the Central Eastside Industrial Council, is to adopt the Planning Commission's recommendation and apply the Zone A standard but exempt structured parking from the maximums.

Commissioners Hales, Saltzman and Sten and Mayor Katz supported the staff's recommendation, Option 2.

Commissioner Francesconi supported Option 1.

Ms. Hartnett said Issue 4 concerns parking maximums in River Districts Sectors 1 and 2. She noted a memo from Tri-Met regarding anticipated transit service changes anticipated as part of the startup of the streetcar next year. The options include: 1) apply the Zone A standard of 3.4 per thousand for all office uses in both River District 1 and 2; 2) apply a maximum of 2.5 per thousand but allow adjustments to 3.4 per thousand; 3) move the boundary farther north as the real barrier to transit is the rail line and establish different maximums for the two subdistricts, establishing a higher maximum for the area along Naito Parkway which is transit remote; 4) establish regulations that would transition the amount of parking downward over time and; 5) establish an office ratio of 3.4 per 1,000 for surface parking but to exempt structured parking.

Commissioner Francesconi asked if it is feasible to do a parking study in the River District first. Right now he is leaning toward Option 1 and then implementing 2 or 3 after the study.

Ms. Hartnett said PDC is working on a parking survey right now geared towards determining whether a Smart Park garage is appropriate. The Planning Bureau has no plans to do any studies in the River District but the parking issue might be a part of the CCTMP update.

Commissioner Hales said he prefers Option 3, because of the rail line.

Commissioner Francesconi said he prefers Option 1 with a study to determine whether Option 2 or 3 is a better solution.

Commissioner Saltzman said he will vote for Option 2.

Commissioner Sten said he does not like the adjustment process called for in Option 2. He acknowledged the huge parking problem in the District right now but noted that Council was recently convinced to give a huge chunk of money to run the streetcar line through there. If parking ratios are not lowered there, they will not be lowered anywhere. He leans towards Option 3 but he could go lower if the City did something on the structured parking that offered more flexibility.

Mr. Michaelson said the Planning Commission felt this was one area where parking needed to be considered on a district wide basis, not building by building. That is why they felt a study was needed before a final decision was made.

Mayor Katz said she will support Option 3 until she sees the parking report.

Ms. Hartnett said she will return then with Option 3.

Regarding the regulations and incentives for Structured Parking, Ms. Hartnett said the City intentionally pinched the amount of parking available in the Central City, allowing less than the 100 percent peak office demand. Council needs to decide on the purposes and decide if it wants to exempt structured parking. If Council really wants to use structured parking as an incentive it may want to go less than Zone A as the citywide standard. Structured parking can also be looked at in the context of urban design. The options are to exempt structured parking from maximum parking ratios as the Planning Commission recommended but with no changes in the Central City or Gateway. The Commission also wants to make sure the maximums for structured parking are applied to medical centers and colleges. Staff recommended applying the maximums to structured parking everywhere. Option 3 is to apply a higher maximum for structured parking while Option 4 would exempt structured parking in areas outside the Central City but make a link to urban design issues by establishing regulations that require ground-floor active uses. Option 4 is to explore some options for creating incentives, probably through the CCTMP, but there is a whole variety of things to incent underground parking that have nothing to do with the zoning code.

Commissioner Hales said he prefers Option 3, with the urban design element but to add that all parking structures must meet the ground-floor active uses requirement.

Ms. Hartnett asked if he proposed using the Zone A standard, with a higher ratio for structured parking and something lower for surface parking. She believes surface parking needs to be constrained in order to provide the incentive for structured parking, especially as requiring ground-floor uses is a disincentive.

Commissioner Hales said he said what the City really wants to say is do not build any more bad parking structures. He said the mistake the City made in the CCTMP was to not look closely enough at urban design issues and get the big picture.

Ms. Hartnett suggested staying with Zone A as the Citywide standards and perhaps applying 150 percent of Zone A as the parking structure maximum.

Commissioner Francesconi said he agrees with the exemption and would go with either Option 1 or 3. He would like to require ground-floor uses but he is unsure of economic consequences but the City does need to incent parking structures as cars need to be taken off the neighborhood streets. He needs to know a little more and do some more outreach.

Commissioners Saltzman and Sten and Mayor Katz voted for Option 3, with the understanding that it would be monitored for several years.

Ms. Hartnett clarified that Council wanted to keep the current numbers in place for the number of spaces in parking structures in the Central City and Gateway but to apply the active use requirement everywhere, as Commissioner Hales suggested.

Mayor Katz said she is nervous about the exemption for structured parking as eventually those cars will hit the streets and impact air quality.

**Disposition:** Continued; date to be announced.

DECEMBER 22, 1999

**Commissioner Jim Francesconi**

**\*1812** Authorize acceptance of a conservation easement from William Wright for a property in northwest Portland adjacent to Forest Park (Ordinance)

**Disposition:** Ordinance No. 174035. (Y-4)

**S-1811** Establish Business Property Management License Fee for Lloyd Business District (Second Reading Agenda 1748; amend Code Chapter 6.06)

**Disposition:** Substitute Ordinance No. 174035. (Y-4)

Mayor Katz and Commissioner Saltzman left and Commissioner Francesconi became the presiding officer.

**Commissioner Charlie Hales**

**1813** Tentatively overrule recommendation of Hearings Officer and grant a Comprehensive Plan amendment and Zone Change from R2cx to IG2cx as requested by Kevin Flanigan, Sea Maritime Group LLC and Steve Purchase, Division of State Lands, for proposed boat building and repair facility (Findings; LUR 99-00486 CP ZC EN)

**Disposition:** Ben Walters, Deputy City Attorney, said he had a prepared statement but believes the applicant and staff have reached an arrangement.

Kate Green, Office of Planning and Development Review (OPDR), said a memo was sent to the Mayor December 17 from OPDR staff and copied to all Council members. They ask that this not be included in the record. The applicant has also agreed to withdraw his letter in response to that staff memo. She said the applicant, staff and City Attorney are still working on preparation of the findings and would like to continue this matter to January 12.

Mr. Walters said there should be an amendment to reject from the record the inventory that was prepared and distributed.

Commissioner Hales so moved and Commissioner Saltzman seconded. As Presiding Officer, Commissioner Francesconi so ordered.

Phil Grillo, attorney representing the applicant, said they did prepare the findings in a timely manner but want to make sure staff has an adequate opportunity to review them. He said for the record, his clients will withdraw the letter they sent responding to the staff information.

**Disposition:** Continued to January 12, 2000 at 2:00 p.m.

At 12:20 p.m., Council adjourned.



DECEMBER 22, 1999

GARY BLACKMER  
Auditor of the City of Portland

*Cay Kershner* /bo

By Cay Kershner  
Clerk of the Council

**DECEMBER 22, 1999**

**WEDNESDAY, 2:00 PM, DECEMBER 22, 1999**

DUE TO THE LACK OF AN AGENDA

THERE WAS NO MEETING