



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 15TH DAY OF MARCH, 2000 AT 9:30 A.M.

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

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

On a Y-5 roll call, the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

- 338** Cash investment balances January 6 through February 2, 2000 (Report; Treasurer)

Disposition: Placed on file.

- 339** Accept bid of Snyder Roofing of Oregon LLC to furnish recoat of second floor deck at 10th and Yamhill garage for \$48,140 (Purchasing Report - Bid No. 99746)

Disposition: Accepted; prepare contract.

- 340** Accept bid of K&R Plumbing Co., Inc. to furnish HDPE pipe lining and rehabilitation for \$78,986 (Purchasing Report - Bid No. 99655)

Disposition: Accepted; prepare contract.

- 341** Accept bid of Dunn Construction, Inc. to furnish Taggart Basin CSP sump Project Unit 6 for \$408,181 (Purchasing Report - Bid No. 99716)

Disposition: Accepted; prepare contract.

- 342** Accept bid of Mt. Hood Oil Co. to furnish lubricating oils, greases and turbine oil for \$165,362 annually for two years (Purchasing Report - Bid 99601)

Disposition: Accepted; prepare contract.

Mayor Vera Katz

- 343** Adopt the Computer Virus Prevention and Recovery Plan (Resolution)

Disposition: Resolution No. 35870. (Y-5)

- *344** Amend contract with Grandma's Place to extend contract and increase compensation (Ordinance; amend Contract No. 32091)

Disposition: Ordinance No. 174237. (Y-5)

- *345** Authorize the Purchasing Agent to sign a Purchase Order as a contract with Seagull Software Systems to provide data and images to police patrol vehicles for the Portland Police Bureau and provide for payment (Ordinance)

Disposition: Ordinance No. 174238. (Y-5)

- *346** Pay claim of Diane McDougall (Ordinance)

Disposition: Ordinance No. 174239. (Y-5)

- *347** Pay claim of Pizzicato Restaurant (Ordinance)

Disposition: Ordinance No. 174240. (Y-5)

- *348** Restate Master Water System Revenue Bond Ordinance and authorize Water System Revenue Bonds, 2000 Series A (Ordinance)

Disposition: Ordinance No. 174241. (Y-5)

- *349** Extend legal services agreement with Lehner, Mitchell, Rodrigues & Sears, LLP. (Ordinance; amend Agreement No. 31530)

Disposition: Ordinance No. 174242. (Y-5)

- *350** Authorize an agreement for City employees Arlyn Stepper and Rick Cardoza to be "loaned" to AFSCME, Local 189, during the union's recruitment for a Council Representative (Ordinance)

Disposition: Ordinance No. 174243. (Y-5)

Commissioner Jim Francesconi

- *351** Authorize an agreement for Lloyd BID Program Management Services between the City and the Lloyd Business Improvement District (Ordinance)

Disposition: Ordinance No. 174244. (Y-5)

- *352** Amend the contract with MIG, Inc. for planning services for the preparation of Level of Service Guidelines and a survey of recreational use (Ordinance; amend Contract No. 32357)

Disposition: Ordinance No. 174245. (Y-5)

- *353** Authorize a contract with Snyder Roofing of Oregon LLC to recoat the second floor deck at the Smart Park 10th and Yamhill garage in the amount of \$48,140 and provide for payment (Ordinance)

Disposition: Ordinance No. 174246. (Y-5)

Commissioner Charlie Hales

- 354** Accept completion of the rockfall mitigation at W Burnside and Tichner Dr. and authorize final payment to LRL Construction Co. (Report; Contract No. 32555)

Disposition: Accepted.

- *355** Call for bids to complete Contract Asphalt Overlay Project 2000, authorize a contract and provide for payment (Ordinance)

Disposition: Ordinance No. 174247. (Y-5)

- *356** Call for bids to complete NE Marine Drive Contract Overlay 2000, authorize a contract and provide for payment (Ordinance)

Disposition: Ordinance No. 174248. (Y-5)

Commissioner Dan Saltzman

- 357** Accept completion of the NW Everett Street sewer reconstruction, Project No. 5985, and authorize final payment to Bonstan Construction Company (Report; Contract No. 31595)

Disposition: Accepted.

- 358** Accept completion of the N. Sumner St. emergency sewer repair, Project No. 6735, and authorize final payment to Dunn Construction, Inc. (Report; EPO No. 1023414)

Disposition: Accepted.

- *359** Authorize the Director of the Bureau of Environmental Services to execute revenue generating intergovernmental agreements in amounts not to exceed \$100,000 for the Watershed Revegetation Program (Ordinance)

Disposition: Ordinance No. 174249. (Y-5)

- *360** Amend wholesale sewer service agreement with Unified Sewerage Agency for pretreatment program oversight and standards until completion of Fanno Basin pump station (Ordinance)

Disposition: Ordinance No. 174250. (Y-5)

- *361** Authorize a contract and provide payment for the construction of SW Vermont trunk sanitary sewer, Project No. 5439 (Ordinance)

Disposition: Ordinance No. 174251. (Y-5)

MARCH 15, 2000

- *362** Authorize a contract and provide for payment for the construction of the 122nd Avenue sub-basin sand filter demonstration project, Project No. 5785 (Ordinance)

Disposition: Ordinance No. 174252. (Y-5)

- *363** Amend contract with TPST for additional transportation and disposal of stormwater facility sediments for a total not to exceed \$340,000 (Ordinance; amend Contract No. 40516)

Disposition: Ordinance No. 174253. (Y-5)

- *364** Accept a grant from Multnomah County in the amount of \$50,204 for FY 1999/2000 to support the delivery of community services by North Portland Neighborhood Services for the Caring Community of North Portland (Ordinance)

Disposition: Ordinance No. 174254. (Y-5)

- 365** Intergovernmental agreement with the East Multnomah Soil and Water Conservation District to administer monies for the Columbia Slough Watershed Council, to be used for program development and watershed assessment, stewardship, revitalization and education projects (Second Reading Agenda 322)

Disposition: Ordinance No. 174255. (Y-5)

Commissioner Erik Sten

- *366** Contract with Enterprise Foundation for \$98,000 for the Enterprise/BHCD Child Care Network Support Project and provide for payment (Ordinance)

Disposition: Ordinance No. 174256. (Y-5)

City Auditor Gary Blackmer

- *367** Assess system development charge contracts and Private Plumbing Loan Program contracts (Ordinance; Z0721, Z0722, T0036, T0037, K0018, K0020, P0050)

Disposition: Ordinance No. 174257. (Y-5)

REGULAR AGENDA

- 368** Authorize Amicus intervention in Dale v. Boy Scouts of America in United States Supreme Court (Resolution introduced by Mayor Katz, Commissioners Francesconi, Hales, Saltzman and Sten)

Discussion: Madelyn Wessel, Chief Deputy City Attorney, said this resolution provides Council an opportunity to take a stand on important Civil Rights issues without expending a lot of City resources. It deals with the exclusion from the Boy Scouts of an individual who was an exemplary person, citizen and Eagle Scout. After being invited to participate beyond his Eagle Scout years, he was thrown out of the chapter after he acknowledged he was gay. This case provides the Supreme Court an opportunity to test the broad proposition whether

state or city laws prohibiting discrimination apply to an organization like the Scouts, which fits anyone's reasonable definition of a public accommodation.

Commissioner Francesconi said he generally does not favor getting the City involved in national issues, but when the First Amendment of the Constitution is used to justify discrimination, it is time for us to raise the bar.

Commissioner Sten said the Boy Scouts can and should do a lot better on this issue. It is a good organization.

Disposition: Resolution No. 35871. (Y-5)

Mayor Vera Katz

369 Implement policy regarding emerging, minority and woman-owned businesses for City informal contracts (Resolution)

Discussion: Mayor Katz said it had been three years since Council adopted the Fair Contract and Employment Strategy (FCES). Since, a diverse group of community members have worked hard to improve the City's contract procedures. This will route City informal contracts through the Sheltered Market Program as a response to the contracting committee, employment forum, Coalition of Black Men and other small contractors. This change will help Minority and Women Emerging Small Business (MWESB) by providing smaller contracts for experience.

Sue Klobertanz, City Purchasing Agent, said since the FCES was adopted there have been some successes but there is still room for improvement. Based on feedback in the Purchasing survey of over 800 firms doing business with the City, an increasing number of MWESB indicate that performance bonds, access to financial assistance and their size and length of time in business continue to be obstacles. Informal contracts range from \$5,000 and \$48,500 and do not have to go out to formal bid. The bottom line of the three years of data Purchasing has gathered is that the contract size matters. She said as there is already an exemption for the Purchasing Agent to define procedures for informal construction, today's resolution is to go on record to provide policy direction on an order of preference for bid solicitation. The size of some informal construction contracts does not indicate the complexity of it. This resolution allows some avenues for bureaus to determine when the order of preference (if not enough firms bid to ensure adequate competition) -- sheltered markets, MWESBs and then the open market -- is not appropriate.

Bruce Watts, 5915 NE Mallory, 97211, former Executive Director of the Coalition of Black Men, said they surveyed African-American contractors. He support adding informals to the sheltered market program. It will help MWESBs contractors gain experience to build capacity. This resolution will encourage more firms to become involved in the sheltered market program. These informal bids definitely need to be rotated.

Tony Jones, 2627 NE Martin Luther King Blvd., 97212, coordinator of the Contractors Support program through the Housing and Development Center, said the program supports the inclusion of informal contracts in the sheltered market program. It works in partnership with City Purchasing and PDC for MWESBs to work on City-owned and funded development. Relationship building is the key to business success.

Cleophas Limbrick, 5216 SE 20th, 97211, partner in RJ Company Property Maintenance, said they are a participant of the sheltered market program, but have not seen any business. The informal bids would give them an opportunity to have City business.

Kenneth Shannon, 3809 SE 131st Avenue, 97236, owner of Cascade Concrete Cutting, said he had been in the sheltered market program from the beginning and echoes Ms. Limbrick. Also, the bigger firms which get most City contracts follow the letter of the law and give MWESBs an opportunity to bid, but when they solicit a quote from one of them, the large contractor knows it will be using their own teams. This resolution will help. The performance bonds are rather exclusionary since they often cannot meet the criteria

Commissioner Saltzman asked what the estimate of the total dollar volume for contracts in this category.

Ms. Klobertanz said in the last three years, the low was about \$1.3 million and the high a little more than \$2 million. MWESB firms got about 40 percent of that work. Multnomah County has had a similar program for a number of years and their certified firms get about 80 percent of the informal construction.

Commissioner Saltzman asked if this has any tie-in with our enterprise zone agreements.

Ms. Klobertanz said that is not part of the enterprise agreement.

The Council agreed that Commissioner Saltzman had a good point.

Commissioner Francesconi asked if the sheltered market included the Southeast Asian and Latino communities.

Ms. Klobertanz said they are trying to make inroads in those areas and more one-on-one work is needed.

Commissioner Hales said the marketplace is dynamic and the City needs to be, too. We are not looking for a silver bullet, we are looking for silver buckshot.

Mayor Katz said they found, not a big surprise, is that it takes community-based organizations to get the responses from the MWESB firms.

Disposition: Resolution No. 35872. (Y-5)

***370**

Accept an additional \$57,500 grant from Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms for G.R.E.A.T. regional training by the Portland Police Bureau (Ordinance)

Discussion: Merilee Laurens, Crime Prevention Division, Police Bureau, said she managed the G.R.E.A.T. grant for five years. This item's grant is for the regional training, with officers coming from throughout the country. They are trained to teach the core curriculum in schools across the nation. They have evaluated the program where half a school's children received the training and half did not in one-year and a five-year studies. As the change for the five-year program students was no better than for the one-year, the curriculum has been changed to incorporate more goal-setting, a family and a summer

MARCH 15, 2000

component and partnering nationally with the Police Activities League and with the Boys and Girls Club.

Mayor Katz said she has learned from the every-other Friday gang meeting that recruiting is occurring at a very young age, first, second and third grades, so this program's targeting sixth graders is probably too late.

Ms. Laurens said there is a third and fourth grade component, but the problem is to decide where to focus the attention with the number of trained officers. She will take the Mayor's direction to bring this to the federal agencies' attention.

Disposition: Ordinance No. 174258. (Y-5)

- *371** Accept \$298,750 from Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms for the G.R.E.A.T. program grant (Ordinance)

Disposition: Ordinance No. 174259. (Y-5)

- 372** Amend Portland City Code regarding occasional secondhand and secondhand dealers (Second Reading Agenda 337)

Discussion: Mayor Katz said this was a difficult issue for Council. Regarding the fingerprinting, she worked on the gun control bill in 1991 and there, too, it was determined the forms of identification could be falsified except for fingerprints.

Disposition: Substitute Ordinance No. 174260. (Y-5)

Commissioner Jim Francesconi

- *373** Accept a \$300,000 grant from the United States Department of Justice for the Bureau of Fire, Rescue and Emergency Services (Ordinance)

Discussion: Chuck (declined to give his last name) said there was a federal requirement of two firemen in and two fireman out when attending a fire. With the recent two and one-half budget cut, he said accepting this grant would be beneficial.

Commissioner Francesconi said the budget cut did not cut any on-line staff, it adds 12.

Disposition: Ordinance No. 174261. (Y-5)

Commissioner Charlie Hales

- 374** Provide guidelines for obtaining demolition search warrants (Ordinance; amend City Code Title 29)

Discussion: Commissioner Hales said, based on court cases, they have to acquire search warrants before dealing with derelict properties.

Ben Walters, Senior Deputy City Attorney, said there has been a series of court decisions regarding obtaining search warrants for demolition. The problem is the time line provided is

MARCH 15, 2000

not sufficient to match the amount of time to go in, demolish the building and remove the materials. Therefore, the Code needs to be amended to correspond with the practice and procedures of the Bureau.

Disposition: Passed to second reading March 22, 2000 at 9:30 am.

***375** Amend contract with Stacy and Witbeck, Inc. to purchase rail and special track work necessary for Portland State University urban center extension for the Central City Streetcar project (Ordinance; amend Contract No. 31987)

Discussion: Commissioner Hales said this rail is only manufactured a couple of times a year and that is why this order is here before the final operating and capital plans for this section of track.

Disposition: Ordinance No. 174262. (Y-5)

Commissioner Erik Sten

376 Grant a franchise to First World Communications, Inc. for a period of ten years (Ordinance)

Disposition: Passed to second reading March 22, 2000 at 9:30 am.

At 10:21 a.m., Council recessed.

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD AT ROSE CITY PARK PRESBYTERIAN CHURCH, 1907 NE 45TH AVENUE, THIS 15TH DAY OF MARCH 2000 AT 6:00 P.M.

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

OFFICERS IN ATTENDANCE: Britta Olson, Clerk of the Council, Kathryn Beaumont, Senior Deputy City Attorney; and Officer Larry Siewert, Sergeant at Arms.

377 **TIME CERTAIN: 6:00 PM** – Adopt and implement the Hollywood and Sandy Plan (Ordinance introduced by Mayor Katz)

Commissioner Hales and Mayor Katz presented awards acknowledging citizen work on this issue, with Council thanks.

Discussion: Mayor Katz said they also envisioned, when looking at regional centers, town centers and main streets, for the first time to do the planning process in cooperation with other bureaus so they will be an integral part in developing and implementing the plan. The City also committed a little more than \$100,000 as seed money to implement pieces of the plan. The work of the citizens will probably triple the amount of money set aside for this project.

Gil Kelley, Planning Bureau Director, said this was done by fully engaging the community and by focussing on a manageable area and a set of strategies for what the community wanted to do. This also meets the objectives of the 2040 Plan. Staff has done commendable work.

Debbie Bischoff, Senior Planner, Planning Bureau, said the Planning Commission recommends adoption of the ordinance referring to the Comprehensive Plan amendments, including a vision for the Hollywood and Sandy areas, Comprehensive Policies and Objectives, Comprehensive and map changes and the resolution for adoption of an urban design concept and implementation actions. The Commission also recommends adoption of amendments to the Zoning Code of both language and maps which address a main street overlay zone, design overlay zone, the Hollywood Plan District and Laurelhurst Plan District. It also recommends that Council directs City agencies and bureaus to prioritize funding for actions identified in the Plan. The focus in creating the Plan was on land use, zoning, transportation, urban design, economics, infrastructure and community services. The area includes five neighborhoods and two business associations. The study area covers the Hollywood District and Sandy Boulevard from NE 12th to 54th Avenues and a stretch of NE Broadway between 33rd and 37th.

Ms. Bischoff said the Plan's success was due to the community's interest and participation. The draft plans were reviewed by the community, integrated public comments and put into a proposed plan which was presented to the Planning and Design Commissions. A key ingredient in the plan vision is new residences and local-serving businesses along the main street and in the town center. The urban design has two major concepts: Sandy Boulevard -- increase residential and mixed-use corridors, punctuated by commercial nodes (centers) for retail uses at major intersections and Hollywood -- a regional and neighborhood-serving

center, with urban scale mixed-use development near the transit center with an enhanced commercial core along Sandy Boulevard. An urban park has been identified near the transit center. Sandy Boulevard and 42nd are seen as primary retail, pedestrian streets. The Plan recommends changes to zoning and future land use designations in a limited number of places in the study area. Some designations in Hollywood are changed to encourage a higher intensity of housing and mixed-use development and pedestrian activity, especially near the transit center. The two overlay zones along Sandy are for the main street node and main street corridor. The node overlay zone allows buildings up to 65 feet at a 4:1 floor to area ratio (FAR) and the corridor allows buildings up to 65 feet only if a quarter of the development or more is in residential uses. The existing Laurelhurst Plan District is amended by excluding some areas not zoned for single-family residential uses. The Hollywood Plan District has regulations that increase building heights. Areas closest to the transit center have the greatest potential for building height and development -- upwards to 120 feet if they include bonus options. In transition through Hollywood, building heights reduce down to 65 feet with housing and 45 feet without around the Plan District core. Regulations addressing parking and the relation between the building orientation and Sandy Boulevard are other examples included in the Plan. In both the Plan District and overlay zones, the transition between adjoining commercial zones with greater building height potential and certain residential zones is addressed by requiring that new development in commercial zones match the height of an abutting residential zone for the first 25 feet and for the next 25 feet, the building cannot exceed 45 feet in height. If commercial zoning is across the street from certain residential zones, then development is required to meet the height limit of the residential zone for the first 15 feet.

Ms. Bischoff said the Portland Community Design guideline that addresses sense of place and identity is amended to include references to the bright lights area along Sandy Boulevard in Hollywood, the enhanced pedestrian streets of 42nd and Sandy and the importance of the Hollywood Theater as a focal point. The Plan includes a transportation element which focuses major improvements at Sandy Boulevard nodes and in Hollywood to safely support higher levels of activities and minor improvements along the Sandy corridor. Transportation improvements along Sandy have been made with the understanding that trade-offs exist among requirements for parking, bike lanes, automobile circulation and movement, wider sidewalks and curb extensions within a limited right-of-way. Pedestrian improvements and on-street parking to support commercial uses are important elements. Implementation ideas include specific designs for major intersections and are identified in the action charts and will eventually be included in the City Capital improvement Program.

Commissioner Hales said there was a huge problem, outside of Northwest, in the market feasibility to fill an area zoned for a 20-story, mixed-use building on an arterial. He wondered what public policy, apart from a tax abatement, might be needed to get a result from this good plan..

Ms. Bischoff said this was a 20-year plan. Some residents are interested in an urban renewal district. Another aspect would be government intervention to see that something happened. The tax abatement boundary ordinance here tonight is one example of an incentive to stimulate development, although it is available now without much interest. PDC might get involved as a partner, along with Tri-Met. Funding this plan is a central issue.

MARCH 15, 2000

Commissioner Francesconi asked what the height along Sandy is to be. Also, do design guidelines cover setbacks. There is strong interest on Tillamook Street.

Brinda Sastry, Planning Bureau, said if they choose to go through the standards, those do not reflect on or suggest the height. But, many standards reflect on the building design and how it may face a street. Most mixed-use projects choose to go through the design guidelines track.

Jeanne Harrison, Office of Transportation, said the transportation part of this project was funded by a Transportation/Growth Management ODOT grant and is pretty strong. Transportation concepts are not adopted by ordinance, so it is not being decided tonight. The Plan actions reflect the transportation concept. The concept for Sandy Boulevard would be developed as a project in conjunction with ODOT when funding is secured. There would be notification and opportunities for citizens to comment and participate.

Gary Reddick, Sienna Architects, 411 SW 6th Avenue, said this plan illustrates an appropriate way for the City to grow: the greatest density is collected at transit centers and gateway sites; the next density occurs at cross town intersections; and care has been taken to scale down to the edges of the residential neighborhoods. He encouraged tax exemption for the entire Hollywood/Sandy Plan area.

Michael Marx, Sienna Architects, 411 SW 6th Avenue, said a crucial part of the Plan centers on implementation of certain traffic-oriented changes over the next ten years. The 12th and Sandy intersection should have happened simultaneously with this plan. As Hollywood is comprised of so many small land parcels, they encourage land assemblage to allow projects to make better use of the Plan's development goals. Also, landowners lacking development experience should have access to seed or idea money, to illustrate their ideas to potential investors.

Ron Gregory, Olympic Capital, 19401 40th Avenue, W., Lynwood, Wn., said their properties south of Sullivan's Gulch (MAX line) are not part of the Plan, but they are stakeholders and endorse it.

Susan Marshall, 3026 NE Oregon Street, citizen working group and Lloyd Center Meter Revenue Resource Allocation committee, said this is a constructive way to clean up Sandy Boulevard. She encouraged keeping the citizen working group to keep the momentum. Now the Plan needs funding.

Tracy Nichols, 3829 NE Hassalo St., 97232, citizen working group and Land Use for the Laurelhurst Neighborhood Association, said Tri Met should move quickly.

Suzanne Briggs, Hollywood Farmers' Market, 2324 NE 56th, said for many years the residents lived, worked and shopped in this area. This Plan will give new vitality to that community experience.

Katherine Bang, Chair, Grant Park Neighborhood Association (GPNA), 1741 NE 37th Avenue, 97212, said the GPNA did not take a stand on this Plan. If there is going to be increased housing, it should occur in commercially-zoned properties so the good area housing is kept. She is very concerned about attracting quality development, the building

MARCH 15, 2000

design will be more important than its height, and believes there definitely should be an urban plaza.

Pamela Allegría, 3750 SE Henry, 97202, citizen working group, said plans should be periodically reviewed. Sandy has more transportation problems than many other areas and if people cannot cross the street, they will not be shopping. She is opposed to closing Senate Street, as it is near the transit center.

Terri Spaeth-Merrick, 1908 NE 50th Ave., citizens working group, said it was very important to support the multi-model options, particularly walking and biking.

Jill Puchas, said this was a consensus-building process for the most part. She noted that there is a highway between Laurelhurst and Hollywood.

Lois Achenbach, Hollywood Development Corporation, 2005 NE 46th Ave., said her organization is a non-profit consisting of board members from Hollywood, the surrounding neighborhoods and the business community. They have worked on transportation problems since 1991 and looked at many possibilities to address the problems. Straightening the Tri Met No. 12 bus route through the heart of Hollywood is a laudable, but tying it to the Airport MAX is not. The No. 12 entry should be tied to the Hollywood MAX platform at 39th or 40th Avenues. The Plan does not include fixing Halsey, rated as a high priority by City planners. They ask a change in the Action items to reflect their concerns. Ms. Achenbach said there is a need for open space in the Hollywood Town Center. Everyone questioned in a broad survey wanted a plaza there.

Mayor Katz asked Ms. Bischoff if the Action items should be changed now, upon Council approval.

Spencer Vail, 4505 NE 24th Avenue, said he wanted to address 3308 NE Peerless Place property. It has been zoned C2, General Commercial, since 1959. In the Plan, it is the only piece of commercial property being downzoned to residential. He represents the owner who wants it to be rezoned to CS or CN2 and not have a non-conforming use created on the property.

Chris Moore, 3308 NE Peerless Place, said the Peerless property was built by Captain Albert Nelson's crew in 1926, rather than laying them off during the recession. The property has always been zoned CG and was sold by the heirs in 1999. The heirs are supportive of the present use as a wellness center and the use of the Nelson name. Rather than tearing up the backyard (required by the new zoning), which contains a Laurelhurst arch, she wants to use those monies to hire a master gardener to make a special place for people coming into Laurelhurst. The application to list this as a historical building is on hold until the Plan is finalized.

Ms. Bischoff said the Peerless property is not directly on a collector street and has always been a residential use and is not appropriate for commercial uses.

Pat Grant, 4023 NE Tillamook Street, said she was one of three women who own a small business across the street from the new library. They lost their jobs a year ago, pooled their resources and began a successful business. The impact on that business during

construction will be huge, as well as the parking thereafter. A 65-foot building across the street is unacceptable.

Commissioner Francesconi noted, regarding her parking issue, that more people would live nearby to utilize her hairdressing services.

Ms. Grant said she accepts some multi-purpose use, but over saturation would be miserable.

Regan Johnson, 2300 block of NE 40th Avenue, said her family chose the neighborhood because of the inner city amenities. The library siting has provisions which would allow 65-foot tall buildings on the district boundary streets. A potential 65-foot zero clearance wall, stretching from 39th to 45th, could be built. Four hundred residents and business people have signed a petition to amend the Plan to simply keep the base maximum height of the boundary streets to 45 feet. The amendment states that all properties with borders on 39th or Tillamook be limited to the Hollywood Plan District maximum heights with no bonus point allotment. It requires no zoning change and maintains the step-up from the neighborhoods and encourages larger buildings to be build in the inner core, as envisioned.

Eric Johnson, 2300 block of NE 40th Avenue, said the issue is not the library, but what comes after the library. The neighborhoods in this area are an architectural treasure. Urban infill requires compromise and this Plan makes little.

Sue Merfeld, 2137 NE 40th Avenue, said it was a real flaw to allow the 65-foot height. In the early public meetings, they were assured the Plan would require a step-down in height from the tallest on Sandy to the neighborhood. Throughout the Plan this goal is reinforced by stating buildings should transition to nearby residential areas through a step-down in height to match or echo the lower height of adjacent residentially-zoned areas. The amendment asks to exempt the south side of Tillamook and 39th from the bonus points and keep the maximum height at 45 feet.

Bruce Richmond, 2137 NE 40th Avenue, said they heard the sentiment regularly, while gathering petition signatures, that the City and County do not listen to the citizens.

Michael Dion, 5176 NE Wistaria Drive, said his and his neighbors' homes are situated along the edge of the Alameda Ridge, the only geological feature in the area. Right now there is a rare opportunity to preserve a small, open section of semi-wilderness in an urban residential/commercial zone. Any development adjacent to the area should be low-profile, particularly on the southern exposure. He and many others recommend that this small part of the ridge become a green space to provide habitat to a variety of animal, bird and insect species.

Ms. Bischoff, in answer to Commissioner Sten's question of what was the height limit on the north side of Tillamook, said it was zoned commercial office and the maximum building height is 30 feet and 35 feet proposed in the Plan if housing were included. Therefore, up to 35 feet on the north and 65 feet on the south, both with housing.

Linda Sladek, 2405 NE 41st Avenue, 97212, said the proposed library building is overwhelming and when most residents voted for the library bonds, they never imagined a five-story down the street. It would fit much better on Sandy, which is to be the main street

of a new town center. The Plan's bonus height allowance for mixed-use buildings along the periphery of the neighborhoods, 39th and Tillamook is out of balance with the single-family area.

Bob Ueland, 4122 NE Broadway, 97213, said having the meeting in the neighborhood is citizen-friendly. They are asking that PDC study the area to see if tax increment financing can be made available for development incentives, since new development or acquisitions will depend on it. Library housing, if built, will need all the help it can get to pencil out.

Steve Cooper, 2006 NE 38th Avenue, 97212, and his son, Kyle, spoke against the 65-foot allowance.

Commissioner Sten asked, as the height not only affected Tillamook Street, how far he would suggest.

Ms. Sladek said one lot in.

Sorin Garber, NE 37th, 97212, said he is an urban planner and understands that the adoption of a zoning amendment is the final stage in a plan's implementation. He does not see, anywhere in the process, where attention was paid to the full impacts -- how many residents, employees would be attracted, how many auto trips generated, how many parking spaces occupied, what the economic benefits would be and so forth. The 65-foot height is too big too fast. The step-down should be a wedding cake.

Bob Griggs, 1824 NE 49th Avenue, 97213, said he and his wife grew up in Hollywood and, although they cannot get an ice cream cone at Matt Betsch's, buy a model airplane at Vic's Hobby Supply, or stop for a hamburger at Yaw's, but it is coming back. The oldest preserved and the new will provide great living space and business opportunities.

Joseph Walder, 2221 NE 41st, 97212, said he also had serious concerns about rezoning around the edge of the commercial district. There should be a firm 45-foot height limit without the bonus. The County commissioners have not given the public a fair hearing regarding the library, but this project stands to receive substantial property tax abatements and PDC subsidy. As it is getting City money, Council should ensure it conforms to sensible zoning and enhances the neighborhood.

Chris Browne, 5905 NE Failing, 97213, also spoke on the height and parking issues.

Greta Browne, 2334 NE 43rd, 97213, described the Hollywood businesses of years ago. The Fred Meyer store, after swallowing the small businesses, built a bigger one in another location, with the promise to keep their Hollywood store. However, they discontinued stocking as usual and finally closed. She mentions this as she is suspicious of the City's ability to contain some forces which can be set in motion by approving this Plan as it stands.

Leo Garber, NE 37th Avenue, 97212, said he was nine years old and did not want the 65-foot building height.

Wayne Stoll, 4101 NE Tillamook, 97212, said during a public meeting with the library developer, he told people to get used to the 62-foot height as they would be all over Hollywood. Mr. Stoll opposes the height.

Ms. Bischoff, in answer to Mayor Katz' question about the developer reducing the height, said it was her understanding that the reduction would be to 52-53 feet, with one story of library and three stories of housing.

Marc Charles, 3039 NE Irving, 97232, said the continued revitalization of the Sandy corridor, one of the region's oldest farm to market roads, is positive.

Carlo Tiana, 1924 NE 30th Avenue, 97212, said he opposed the height issue but, as most have expressed his view, he felt like the elephant sweeper after the parade.

John Stein, 2324 NE 43rd, 97213, said Hollywood does not have much of a night life and higher density will make a positive affect. The library apartments will be good for older people.

Brad Perkins, 1508 NE Schuyler, 97212, said his professional was commercial real estate and this area is dear to him. He pointed out that access to Hollywood off Sandy has been limited since left-hand turn lanes were eliminated but they are needed. An Urban Renewal district is needed here.

Steve Parker, 2535 NE 45th, 97213, asked if the 45-foot height on Tillamook would be carried up to 45th Avenue and also if residents would have input in choosing turns from Sandy.

Gail Shevchenko, 2205 NE 38th, 97212, asked about safeguards and who monitors a developer who has promised to provide x amount of housing and later uses the units for business.

Russ Danielson, Providence Health System, said they operate a business center, Providence Office Park, located between 44th and 47th along the freeway. Their solution for the problem of employees parking on neighborhood streets is to build structured parking. They have a serious concern about parking ratio changes in this plan. There is a problem of out-migration of jobs into the suburbs and although Providence has had to move over 1,000 jobs, they would prefer not doing so. Mr. Danielson asked Council to either delay a decision on new parking ratios or exempt the Providence project as a large employer who specifically wants to develop accessory parking structures.

Commissioner Francesconi asked, if Council looks into this, could Providence simultaneously meet other businesses' needs.

Mr. Danielson said they are open to looking at that. That would change the tax-exempt status of their site, however, as well as the site being pretty far away from those businesses. David Bernicker, 2534 NE 25th, said he was an architect and planner and has worked for similar plans, none of which approach the quality and thoughtfulness of this one. He thinks good design will obviate the height issue. His experience with using development standards is that it prevents doing the wrong thing, but does not get us to doing the right thing.

Lonnie Foley, 5150 NE Wistaria Drive, said she and her husband support the testimony against the 65-foot buildings. She questioned why residents' major concerns were not addressed before tonight.

Randy Jurgens, 15455 NW Greenbrier, Beaverton, said he was an architect concerned about the parking maximum ratios. Originally, they were more aligned with the overall City parking ratio project. The Providence projects have already addressed some severe densities. Besides that, it is an excellent plan.

Dan McKitrick, 5166 NE Wistaria Drive, said he also objected to the height. He noted that he and those who live above the Wistaria slope got letters from the Planning Bureau Interim Director stating that the hillside has a 25 percent or greater slope, they may be affected by the new "landslide law," Senate Bill 12. The hillside has already lost some vegetation to development exploration and they hope the City can halt any more.

Deborah Guyol, 5161 NE Wistaria Drive, said she and her neighbors were concerned about the 65-foot height and, after speaking before the Planning Commission, it voted to "de-node" the 52nd Avenue area. They spoke to the Design Commission as well and understood that it had recommended design review for all new construction on Sandy Boulevard, which is also what the Planning Commission said. The Planning Commission then specifically said their stretch of Sandy would not get design review, but she and her neighbors want to see it for new construction and especially the areas abutting residential neighborhoods.

individually and be as good as possible. Without design review, the common denominator may not please the neighborhood, although the design standards are adequate. There is a transition between the 65- and 35-foot standards. There is a balance point between residents and economic development and Council must decide where the point is.

Commissioner Francesconi said he was told there would be 600 to 800 fewer housing units if the height maximum was reduced to 55 feet and that less than five percent of the total build-out was being reduced.

Ronald V. Trefry, 2535 NE 42nd, 97213, said he has a degree in urban planning and is a third generation Hollywood resident. He objected to the 65-foot height and said the library was an apartment house with a reading room on the ground floor.

Barbara Liles, 2205 NE 44th, said she objects to the 65-foot height as well and is concerned about the transition. People take a short cut from Sandy on Tillamook. Traffic needs to be slowed down and stop signs would help.

Tamara DeRidder, 1707 NE 52nd Avenue, said the traffic strength of this plan needs to be north/south. Sandy will become a tunnel with the 65-foot height allowance.

Dennis Brue, 1905 NE 41st Avenue, said, as the manager of the Dania furniture store next to the library, he was concerned about parking at that location. When Dania sold the lot on the 41st Avenue side, they were told the library was to be one or two stories. They have also agreed to allowing the library to use nine of their 21 parking spaces, but, in order to continue as a good neighbor, they do not want to be towing library users' or residents' cars.

MARCH 15, 2000

Mayor Katz noted some issues she heard: keep the citizens group (if they want to stay as a group); change the zoning for the house on 33rd and Peerless; transition to residential neighborhoods, especially the Tillamook Street issue; traffic plan discussion; and Providence Hospital and the parking ratio change and parking structures. She agrees with the man who said development standards stop something wrong, but do not help to do something right.

Commissioner Saltzman said he wanted a better handle on the Wistaria slope's potential greenspace and closing NE Senate Street.

Commissioner Hales said they will need to come back and spend more time on this, particularly the transportation items. They have heard specific and general issues tonight.

Mr. Kelley said there are about 10 to 15 issues to follow up on, some of which are factual clarifications and three or four policy issues. The height issue should be discussed tonight. Something should be done on the south side of Tillamook for the length of the corridor. He emphasized there would not be a 65-foot wall of buildings because, despite the height limit, there is also a FAR limit which would have setback of some kind or another. Even with a strong economy, there will not be all housing projects here -- there will be two-story commercial structures. Nevertheless, the north side of Tillamook between 38th and 46th already has a commercial zone with a maximum 35-foot height limit if housing is built. The zone has roughly a 100-foot depth, the street and the south side of Tillamook, so it is somewhat removed from the single family residences. Option 1. could be to limit the housing bonus on the south side to a 55-foot height limit back to a 100-foot depth so it would be parallel to the north side. This would be about a maximum five percent decrease in total housing build up. It could be set at 45 feet for the first 15 feet of the depth and for the remaining 85 feet of the depth, make it 55 feet. The latter is exactly the articulation what the library has proposed. It could be the entire length of Tillamook. Option 2. could be that the first 100 feet, or whatever the right depth is, is the limit and, beyond housing, another bonus could be given for a cultural/civic use. It would leave the commercial core at 65-foot maximum housing level.

(After Mr. Kelley noted the options as 2 and 3, everyone referred to them as that, although he only offered 2 options, so the Clerk changed them to Options 1 and 2 for clarity.)

Commissioner Saltzman moved Option 1. and Commissioner Hales seconded.

Commissioner Hales said they cannot write regulations to prevent mediocre buildings, although they might be able to prevent truly awful ones. The best way is for neighborhoods to meet with the developers, which is a lot of work for the neighborhoods. Design review basically forces people into that.

Mr. Kelley said they need to determine if they are talking about a Type III design review for the Tillamook area or plan-wide.

Commissioner Francesconi said if he knew there was money in the bank for the urban park and they could deliver on the transportation infrastructure to make this happen, he would be for Option 2. But, without a financing mechanism, they should be conservative, especially if there will be enough density to accomplish the objectives.

MARCH 15, 2000

Commissioner Sten said this was one of the most thoughtful hearings he has attended and people have worked hard on this. When talking about density, housing is always meant, but density is really people. Demographics have changed so that most inner-city neighborhoods have fewer or the same number of people, even when housing units have increased. He personally thinks a 65-foot height could create a more vibrant neighborhood. The type of commercial going in on Tillamook will have far more impact than the number of apartments over the library.

Mr. Kelley restated the Options: 1. would require a step back of 15 feet for a 45-foot height and allow it to rise to 55 feet for the remainder of the 100-foot depth; and 2. set the whole 100-foot depth at a 45-foot maximum height with the housing bonus, but add a bonus provision of roughly one floor to one floor bonus for providing a floor for a community/civic use. These are the concept.

Commissioner Saltzman said there was a motion on the floor for Option 1.

Commissioner Hales said Option 1. means the upper story would not be seen until you were 67 feet away from the front of the building.

Ms. Bischoff said Option 2. might encourage civic uses to locate along Tillamook, creating more traffic.

Kathryn Beaumont, Senior Deputy City Attorney, said of the two Options, 1. is probably the safer alternative.

Commissioner Sten said there would be a loss if the economy scale of the library was lost. One of the reasons the City has some money in the library from the Housing Investment fund is so it gets built to a 100-year life and as a beautiful building.

The motion for Option 1. passed unanimously: where Commercial Storefront zoning is across the street from Commercial Office zoning, the maximum building height on the Commercial Storefront site is limited to 45 feet foot the first 15 feet measured from the lot line and then is limited to 55 feet with bonus height for the next 85 feet. The details of this amendment are still to be determined.

Each Council member complimented the neighborhood's and staff's effort and work.

Mayor Katz said these items will return in two weeks and staff will clarify, or possibly amend, issues identified tonight. That meeting will be held in City Hall.

Disposition: Continued as amended to March 29, 2000 at 2:00 p.m.

378

Adopt and implement the Hollywood and Sandy Plan (Resolution introduced by Mayor Katz)

Disposition: Continued to March 29, 2000 at 2:00 p.m.

MARCH 15, 2000

Disposition: Continued to March 29, 2000 at 2:00 p.m.

At 10:25 p.m., Council recessed.

MARCH 16, 2000

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS 16TH DAY OF MARCH, 2000 AT 2:00 P.M.

THOSE PRESENT WERE: Commissioner Sten, Presiding; Commissioners Francesconi,
Hales and Saltzman, 4.

OFFICERS IN ATTENDANCE: Britta Olson, Clerk of the Council; Frank Hudson, Deputy
City Attorney; and Martin Cavinaw, Sergeant at Arms.

REGULAR AGENDA

Mayor Vera Katz

- 381** Amend Title 33, Planning and Zoning, to clarify and improve readability without substantial
changes to policy or intent of the original regulations (Second Reading Agenda 336)

Discussion: Susan Hartnett, Planning Bureau, said Council had asked for additional work
on two issues: 1) the definition of basic utilities and how to handle sewer and water pipes
within that definition and 2) the definition of grade and how that affects the building height
on steeply sloped sights. The basic utilities definition will return to Council on April 20th
and Planning does not have a date when that will return to Council. Therefore, it is the
original ordinance with no amendments.

Disposition: Ordinance No. 174263. (Y-4)

- *380** **TIME CERTAIN: 2:00 PM** – Amend the Comprehensive Plan Map and change the zone
of property at 11120 SW 35th Avenue from R20 (Single Dwelling Residential 20,000) to R7
(Single Dwelling Residential 7,000) (Hearing; Ordinance; LUR 99-00803 CP ZC)

Discussion: Sylvia Cate, Office of Planning and Development Review (OPDR), said the
Hearings Officer has recommended approval for the applicant's request for a Comprehensive
Plan (CP) map amendment and zone change with the intention of applying for a future
minor partition to divide the site into three lots. Ms. Cate said R7 zoning is applied to
properties to the west of SW 35th Avenue and R7 appears on the east side of SW 35th
Avenue, interspersed with R10. The site is a 23,190 square foot sloping parcel at the corner
of SW 35th and Arnold. The applicant plans to remodel the existing house and understands
that the future minor partition will trigger street improvements along both 35th and Arnold.

Frank Hudson, Deputy City Attorney, described the legal requirements for the hearing.

Philip Thompson, 25925 NW St. Helens Rd., Scappoose, 97056, said he represents Dr.
Yvonne Weber, applicant. Dr. Weber, a retired environmental scientist, believes in the
Urban Growth Boundary so much that she was willing to use this complex CP process rather
than asking for an R10 density.

Nancy Hand, 3250 SW Maricara, 97219, Chair, Arnold Creek Neighborhood Association,
said this would not only change the base zoning but also the designation from limited single
dwelling to medium density single dwelling. Recently, there was a land use review for the

MARCH 16, 2000

site next to this and it maintained the R10 and are currently selling four lots. This case is spot zoning and against the Planning Bureau intent. Although the Hearings Officer states the immediate surrounding neighborhood will be improved because of frontage improvement adjacent to the site, she maintains the improvement would be made whether it were zoned R10 or R7. Ms. Hand said the Hearings Officer's statement that this change would not impact the woodsy feel of the neighborhood is a subjective statement. She noted that both 35th and Arnold are designated as minor transit routes and that there is no bus service. The change would not reinforce stability -- Arnold Creek neighborhood has had the stability of R10 for 20 years and, before that, R20. The findings state that this site is adjacent to other R7 zoning, but Ms. Hand said there is no adjacent -- adjoining -- R7 properties. The neighborhoods to the east and to the west of 35th are two different neighborhoods.

Commissioner Hales said, with a rezoning of a large area, he would give traffic issues more weight, but this is only an issue between two or three lots.

Ms. Hand said this would set a precedent and if applications are determined on an individual basis, there will be a traffic situation.

Cynthia Nelson, 3414 SW Maricara, 97219, said she opposed this zone change. Density in the area has already increased and the east side of 35th should not change to an R7.

Michael Dexter, 11744 SW Boones Ferry Road, 97219, said this is the corner of a unique neighborhood. Increasing growth without accommodating growth leaves Boones Ferry Road looking like Interstate Highway 5. Landslides occur in this area, as well.

Mr. Thompson said this application is supportive of the CP goals. He disagrees that it is spot zoning as the R7 zone is right across the street and this property belongs in the SW 35th Avenue development, rather than Arnold Street. SW 35th is identified as a transit corridor, although it does not have bus service. There would be the same number of trips if developed at R10 or R7.

Commissioner Saltzman asked if a duplex could be built at R10 or R7 and Mr. Thompson said yes.

Ms. Cate said, in response to Commissioner Francesconi's question -- is this spot zoning, the CP procedure allows property owners to request map amendments. It is a stringent review on a case-by-case basis and is not precedent-setting.

Commissioner Hales moved to uphold the Hearings Officer's recommendation and amend the CP map as provided in the staff report. Commissioner Francesconi seconded.

Commissioner Hales said the concern this would set a precedent touched a nerve, as lawyers have come to argue that Council is bound by precedent in these cases. CP amendments are scarce and each one has to pass muster. The context around this site makes R7 appropriate in this particular case, but does not mean it is appropriate for another.

Commissioner Sten said R7 is appropriate, given the ability to save the existing house. The whole Southwest Plan has taken years and has started again, but it is not fair that a property cannot change until that Plan goes through.

MARCH 16, 2000

Disposition: Ordinance No. 174264. (Y-4)

At 2:46 p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

A handwritten signature in cursive script that reads "Britta Olson".

By Britta Olson
Clerk of the Council