

MINUTES OF THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

October 24, 1991

Council Chamber

Councilors Present: Presiding Officer Tanya Collier, Deputy  
Presiding Officer Jim Gardner, Larry  
Bauer, Roger Buchanan, Richard Devlin,  
Sandi Hansen, David Knowles, Ruth  
McFarland, Susan McLain, George Van  
Bergen and Judy Wyers

Councilors Absent: Tom DeJardin

Presiding Officer Collier called the regular meeting to order at  
5:34 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

Multnomah County Commissioners Gary Hansen and Sharron Kelley presented a resolution adopted by the Multnomah County Commission titled "In the Matter of the Regionalization of County Services" and a memo dated February 4, 1991, titled "County Demographics." Commissioner Hansen said the resolution requested the Council join with the Board of Multnomah County Commissioners to begin a formal process to assess the feasibility of having Metro provide regional services within the boundaries of Multnomah Council in the following areas: Parks and open spaces including cemeteries and boat launches; exposition and trade show facilities; and emergency planning. The resolution also asked Metro to explore contracting to provide the County with local services in the areas of land use planning, the arts and administrative services. The resolution also stated "Multnomah County expresses a willingness to explore with the Metropolitan Service District the feasibility of using Multnomah County as a contract provider of administrative services to Metro in, but not limited to, the areas of affirmative action and mail delivery."

Commissioner Kelley said adopted the resolution via unanimous vote. She said because of Ballot Measure No. 5, Multnomah County had sustained an \$18 million loss of revenue. She said most of the losses were internalized, but as of the date of this meeting, Multnomah County had lost 200 of the 220 jail beds Multnomah County voters had approved. She said Multnomah County branch libraries were being closed down from 1 to 2 extra days per week and their hours were being reduced also. She said administrative services had been lost and noted \$500,000 had been cut from the Department of Human Services. She said the District Attorney's

office had been cut. She said Multnomah County would face similar cuts in the next fiscal year. She said Multnomah County was not in good shape financially, but that circumstances provided the opportunity to regionalize some services that it made sense to regionalize in any case. She said there was not a great deal of time to do so because decisions had to be made before the next budget year began. She said Multnomah County hoped to regionalize parks as well as preserve parks which would tie into Metro's Greenspaces Program and other planning functions. Commissioner Kelley said Multnomah County's other option would be to offer its parks to the City of Portland, but noted Portland did not share the same constituency with citizens of the Gorge and other parks areas outside their jurisdiction. She said she had given a transcript of her testimony before the Charter Committee in August on these and similar issues.

The Council determined it would take the Governmental Affairs Committee at least 90 days to review the issues. Councilor Van Bergen asked where the funding would come from for Metro to take over the functions suggested. Commissioner Hansen said there were some dedicated funding sources that could be transferred and possibly a new regional funding base could be accomplished. He assumed Metro could implement cost-effective oversight as well. Councilor Van Bergen said 90 days was not enough time to look at Multnomah County's proposed transfers to Metro. Councilor Devlin agreed, but said 90 days was enough to assess feasibility and basic funding. He noted ORS Chapter 268 provided for Metro's assumption of some local services. The Council and Commissioners Hansen and Kelley discussed the issues further. Presiding Officer Collier referred the Multnomah County resolution to the Governmental Affairs Committee for review and discussion.

### 3. EXECUTIVE OFFICER COMMUNICATIONS

#### 3.1 Presentation by the Portland Trail Blazers on the Oregon Arena Project

Councilor Knowles introduced Harry Glickman, Trail Blazer Association President. Mr. Glickman said the Trail Blazers announced their plans to build a new arena on May 6, 1991. He said the Arena Task Force established a set of guidelines for the new arena and said the Blazers had met those guidelines. He said on October 17, the Arena Task Force unanimously adopted the Memorandum of Understanding between the City of Portland and the Trail Blazers Association. Mr. Glickman introduced Marshall Glickman, Vice President in Charge of Marketing.

Marshall Glickman reviewed the MOU. He said all of the properties on the Oregon Area project master planning site,

including the Memorial Coliseum, much of the property adjacent to the Coliseum, and parts of Williams Avenue and the future re-aligned Williams Avenue would remain under public ownership. He said the Blazers would enter into a long-term lease agreement for those properties and for the property where an adjacent entertainment center would be sited and built. He said ownership would remain with the City, the Blazers would enter into a nominal lease agreement for the Arena and attached parking, and a lease at market rate for the commercial portion of the project. He said the lease was for 30 years and included an irrevocable lease for the Trail Blazers to remain in the community over the 30 years. He said after the 30-year period, there would be three 10-year consecutive options for renewal so that the lease period could last as long as 60 years. He said the Blazers would act as the master developer for all private and public improvements. He said they would provide all design services for theirs and public service improvements as well. He said the Blazers would work with the City of Portland, particularly the City's Bureau of Transportation, Bureau of Planning and Metro. He said the agreement included a commitment by the Blazers, to be called Oregon Area Corporation, to design and renovate the capital improvements program to the Memorial Coliseum and then to operate the Memorial Coliseum for a period of 20 years.

Mr. Glickman said the agreement included mitigation of environmental concerns and said Level I environmental assessments had been done with Level II assessments pending. He said the agreement had the capacity to provide for any environmental contingencies that might arise.

Mr. Glickman said financing would be provided through enactment of a 6 percent user fee on gross ticket rentals on all events processed by the Coliseum and the new arena. He said the user fee would enable the City to issue revenue bonds to pay for public improvements with an additional \$3 million investment from the City's Department of Transportation because that \$3 million had already been dedicated to certain street improvements whether or not the agreement took place. He said facilities developed on the site would pay full property taxes to the City, or approximately \$2 million per annum in property tax revenues.

Mr. Glickman discussed the Blazers joint marketing effort with the Portland/Oregon Visitors Association (P/OVA) to make both facilities available for convention business which would increase hotel/motel tax revenues overall. He said the Blazers would commence the management of operations and marketing of the Coliseum and related facilities effective July 1, 1994, for a period of 20 years. He said Coliseum operations would be fully integrated with the arena's operations. He said the Coliseum and

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the arena would share underground commercial space and would be marketed together as a package for convention and other uses. He said the capital improvements program would be paid for with \$7 million derived from the gross ticket revenue user fee.

Mr. Glickman said after the Blazers had managed the facilities for five years, Metro and the City of Portland would review how the Blazers had met public objectives during the first five years and review proposed future operations. He said if it was determined that public objectives had been met, then an additional \$2.25 million would be spent for capital improvements then also. He said the MOU would ensure the Coliseum was affordable and accessible for community events such as high school basketball and Winterhawks games.

Mr. Glickman discussed parking and transportation issues. He said the Blazers would operate a shuttle system to private parking facilities, primarily controlled by Pacific Development, to the east of the Coliseum. He said the Blazers would encourage ridership with Tri-Met. He said the MOU included working with surrounding neighborhoods to minimize construction impacts on the neighborhoods. He said the total public investment would total \$34.5 million or: \$7 million in Coliseum capital improvements; \$14.5 million for a public parking garage; contingency for up to \$1.5 million for environmental mitigation, and infrastructure improvement on roads, transit, pedestrian and other facilities for \$11.5 million. He said those costs would be paid from the user fees and some additional parking revenues. He said part of the financing would come from a 50/50 split of the Coliseum's net revenues. He said 21 percent of the net revenues would be put aside for on-going contingency in the event of major Coliseum capital needs in the future.

Mr. Glickman said the MOU specified standards and guidelines for the Blazers to meet public objectives in operating the facilities and would include provisions for public oversight. He said the Blazers would issue a proposal on approximately November 4, 1991, to mitigate potential revenue losses during the two years of construction. He said total contract costs would be \$178 million, with the Blazers financing \$144 million, and \$34.5 million in public improvements.

Councilor McFarland expressed concern about increased costs to her constituents. Mr. Glickman said all negotiating parties were aware of the public and any increased costs they might have to suffer. He said citizens paying for the improvements and construction would be ones using the facilities via the user fee and parking facilities. Councilor Knowles noted when the arena was built, there would no longer be a rental agreement between

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the Trail Blazers and MERC or any other body. He said Metro would not have a financial interest in the new arena. He said Metro had some concerns because of the management responsibilities Metro had through MERC.

Harry Glickman said the Trail Blazers would assume any responsibility for Memorial Coliseum operating deficits. Councilor Bauer asked how much the appraised value of the combined facilities would be. Marshall Glickman believed the facilities' assessed value would be in the \$90 million range.

Councilor Gardner said the MOU represented a fair split between public and private contributions. He said the regional recreation facilities system as a whole did not make money and required an operating subsidy, and said the user fee was at least a potential source of revenue to support the facilities that did not make money on their own. He said Metro would have to try to find another funding base for the regional facilities. He asked Mr. Glickman about references in the agreement about the Blazers having exclusive rights to promotions and advertising within those facilities, including the Metro Washington Park Zoo.

Marshall Glickman said that proposal was not contained in the MOU itself. He said the Blazers, keeping in mind the potential loss of revenue to Metro if the Blazers took over the Coliseum, offered to purchase the rights to place advertising in the Oregon Convention Center, the Portland Center for the Performing Arts (PCPA) and the Zoo in exchange for \$500,000 guaranteed annually and accelerated by inflation, plus 30 percent of net revenues after the Blazers received a return on their investment. He believed that proposal would compensate the regional facilities for loss of revenues. He said the Blazers took a sophisticated approach to advertising and would not plaster logos everywhere. He said the Blazers were working with Metro staff on that proposal, but said the MOU was not dependent on that aspect.

Councilor Devlin said the proposed MOU was a beneficial proposal for the region as a whole. He said his concerns related to issues with the City of Portland than the Blazer organization. He said prior to Metro's final adoption of the MOU he wanted to resolve those issues with the City of Portland satisfactorily.

Councilor Van Bergen agreed with Councilor Devlin and asked for a verbatim transcript of Agenda Item No. 3.1 (filed with the record of this meeting). He asked if Metro would be in direct competition with the Blazers to attract convention business and how P/OVA would be involved. He asked if Metro would be in a favorable position with Multnomah County for the hotel-motel tax which served as the operating fund for the Convention Center

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deficit. He asked what would be left of MERC after the MOU agreement and if the \$2 million in property taxes would pay for the PCPA's operating deficit. Like Councilor McFarland, he wanted to reassure constituents the agreement would not increase their tax costs.

Marshall Glickman said neither the arena or the Coliseum would compete with the Convention Center. He said they would be different types of facilities and would attract different functions. He said the joint marketing agreement with P/OVA would work to make the facilities complementary with each other.

Presiding Officer Collier said her original hope had been to build the Convention Center and to manage all of the regional recreational facilities jointly. She said the original thought was to achieve a regional funding base for all of the facilities together. She said removing a popular facility such as the Coliseum from the regional facilities package reduced the chances of a popular vote to fund the facilities. She suggested Metro contract with the Blazers to manage all of the recreational facilities.

Marshall Glickman said the Blazers did not originally suggest they manage the Memorial Coliseum. Presiding Officer Collier asked who suggested they do so. Marshall Glickman said the Arena Task Force had made the recommendation.

Harry Glickman said when that proposal was made, he was reluctant to consider it because the Blazers had enough to do with building and managing the new arena. He said it did seem sensible jointly manage the two facilities, but emphasized the idea did not originate with the Blazers. He said he did not think the Blazers would be qualified to manage the PCPA. He believed the Blazers would be qualified to manage the Civic Stadium, and noted he managed that facility when it was owned by the Multnomah Athletic Club.

Councilor Knowles reminded the Council that copies of the Blazers' financial proposal were distributed at the October 10, 1991 Council meeting.

Presiding Officer Collier thanked Marshall and Harry Glickman for their presentations.

#### 4. CONSENT AGENDA

##### 4.1 Minutes of August 8, 1991

4.2 Resolution No. 91-1497. For the Purpose of Confirming the Appointment of Cynthia R. Mayer and William J. Glasgow to the Investment Advisory Board

4.3 Resolution No. 91-1516. For the Purpose of Continuing the Bi-State Policy Advisory Committee

4.4 Resolution No. 91-1517. For the Purpose of Approving an Intergovernmental Agreement with the Intergovernmental Resource Center for Bi-State Committee Staff Support

Motion: Councilor Devlin moved, seconded by Councilor Hansen, for adoption of the Consent Agenda.

Vote: Councilors Bauer, Buchanan, Devlin, Gardner, Hansen, McLain, Van Bergen, Wyers and Collier voted aye. Councilors DeJardin, Knowles and McFarland were absent. The vote was unanimous and the Consent Agenda was adopted.

5. ORDINANCES, FIRST READINGS

5.1 Ordinance No. 91-412. For the Purpose of Amending Metro Code Chapter 4.01 Metro Washington Park Zoo Regulations

The Clerk read the ordinance for a first time by title only.

Presiding Officer Collier referred Ordinance No. 91-412 to the Regional Facilities Committee for consideration.

5.2 Ordinance No. 91-431. An Ordinance Amending Ordinance No. 91-390A Revising the FY 1991-92 Budget and Appropriations Schedule to Open a Fee Supported RLIS "Storefront" for Providing Services to the Business Community Using the Regional Land Information System

The Clerk read the ordinance for a first time by title only.

Presiding Officer Collier referred Ordinance No. 91-431 to the Finance Committee for consideration.

5.3 Ordinance No. 91-432. An Ordinance Amending Ordinance No. 91-390A Revising the FY 1991-92 Budget and Appropriations Schedule for the Purpose Purchasing Office Panels

The Clerk red the ordinance for a first time by title only.

Presiding Officer Collier referred Ordinance No. 91-431 to the Finance Committee for consideration.

**6. ORDINANCES, SECOND READINGS**

**6.1 Ordinance No. 91-411, For the Purpose of Amending Chapter 2.09, Builder's Business License Program of the Metro Code**

The Clerk read the ordinance for a second time by title only.

Presiding Officer Collier announced Ordinance No. 91-411 was first read on October 10 and referred to the Finance Committee for consideration. The Finance Committee considered the ordinance on October 17 and recommended it to the full Council for adoption.

**Motion:** Councilor Wyers moved, seconded by Councilor Devlin, for adoption of Ordinance No. 91-411.

Councilor Wyers gave the Finance Committee's report and recommendations. She said the ordinance would conform the Metro Code to match Oregon Revised Statutes primarily by changing the word "Builders" to "Contractors" which was a more inclusive term.

Presiding Officer Collier opened the public hearing. No citizens appeared to testify and the public hearing was closed.

Councilor Van Bergen explained the name change also included landscaping contractors.

**Vote:** Councilors Bauer, Buchanan, Devlin, Gardner, Hansen, Knowles, McFarland, McLain, Van Bergen, Wyers and Collier voted aye. Councilor DeJardin was absent. The vote was unanimous and Ordinance No. 91-411 was adopted.

**6.2 Ordinance No. 91-393A, For the Purpose of Amending Ordinance No. 88-266B Adopting the Regional Solid Waste Management Plan to Identify Options for Implementing Local Government Facility Siting Standards**

The Clerk read the ordinance for a second time by title only.

Presiding Officer Collier announced that Ordinance No. 91-393 was first read on March 28, 1991, and referred to the Solid Waste Committee for consideration. The Solid Waste Committee considered the ordinance on April 2 and October 15, 1991 and recommended Ordinance No. 91-393A for adoption.

**Motion:** Councilor Wyers moved, seconded by Councilor Gardner, for adoption of Ordinance No. 91-393A.



Councilor Gardner gave the Solid Waste Committee's report and recommendations. He said the ordinance laid out a process and a set of options for local governments to incorporate standards and model zoning code provisions to site solid waste facilities. He said part of the Regional Solid Waste Management Plan (RSWMP) provided that Metro would develop such a model zoning code to local governments. He said the Solid Waste Committee considered and amended the ordinance in April and recommended it for adoption to the full Council at that time. He said the Office of General Counsel raised some questions about language and implementation and said the ordinance was referred to Legal Counsel for fine-tuning. He said the first version gave local governments some options on incorporating standards and three of the four options stipulated that part of their siting standards include Department of Environmental Quality (DEQ) control regulations. He said General Counsel believed including detailed DEQ language within local zoning codes was not appropriate and could create conflict when it was time to site facility(s). He said the current version stated local governments could either incorporate model siting standards, or if they had other clear and objective standards, they could tell Metro why those were preferable for their use.

Presiding Officer Collier opened the public hearing. No citizens appeared to testify and the public hearing was closed.

Councilors Bauer and Gardner discussed how local governments could substitute their own standards.

Councilor Devlin noted both the Solid Waste Technical and Policy Advisory Committees, a land use subcommittee to the Technical Committee, and the Solid Waste Committee had reviewed the ordinance extensively. He said local governments were well aware of the ordinance.

Vote: Councilors Bauer, Buchanan, Devlin, Gardner, Hansen, Knowles, McFarland, McLain, Van Bergen Wyers and Collier voted aye. Councilor DeJardin was absent. The vote was unanimous and Ordinance No. 91-393A was adopted.

## 7. RESOLUTIONS

7.1 Resolution No. 91-1415A, For the Purpose of Recognizing the Model Solid Waste Facility Siting Ordinance as Meeting the Requirements of Chapter 16 of the Regional Solid Waste Management Plan to Identify Options for Implementing Local Government Facility Siting Standards

Motion: Councilor Wyers moved, seconded by Councilor Hansen, for adoption of Resolution No. 91-1415A.

Councilor Wyers gave the Solid Waste Committee's report and recommendations. She said the resolution was companion legislation to Ordinance No. 91-393A.

Vote: Councilors Bauer, Buchanan, Devlin, Gardner, Hansen, McLain, Van Bergen, Wyers and Collier voted aye. Councilors DeJardin, Knowles and McFarland were absent. The vote was unanimous and Resolution No. 91-1514A was adopted.

7.2 Resolution No. 91-1520, For the Purpose of Approving the One Percent for Recycling Program Criteria, Application and Project List for FY 1991-92

Motion: Councilor McLain moved, seconded by Councilor Wyers, for adoption of Resolution No. 91-1520.

Councilor McLain gave the Solid Waste Committee's report and recommendations. She referred to Attachment A, Application for Funding for the 1% for Recycling Grant Program Year 4, 1992 and said the 1% for Recycling Committee had reviewed the criteria and evaluation form which would reflect goals for the year. She said over 50 people attended the work session on this year's program and provide input. She said most input given was not about criteria or changes made to the application, but on defining what projects were possible, and how projects would interface with recycling in the region and franchisees, their responsibilities and their business goals. She noted page i gave the program's purpose and funds available this year. She said only \$225,000 was available for this year's funding; a lesser amount than had been available in the past. She part of the funds were in loan services. She noted the applications themselves were very specific. She said evaluation criteria emphasized waste stream impacts, long-term viability, manageability, cost benefits, public acceptance and creativity.

Judith Mandt, Administrative Manager, introduced Emilie Kroen, 1% for Recycling Committee member.

The Council discussed the timing of publication of the brochures advertising the program. Councilor Hansen said technically, 1 percent of the Solid Waste Department budget was not allocated any more. Councilor McLain said the Committee discussed that issue, but agreed "One Percent" had name familiarity in the community.

Councilor Van Bergen expressed support for the program, agreed with criteria developed for each program year, but asked for reports back on projects funded each year. Ms. Mandt described how staff tracked on-going projects and said staff could make a presentation to the Council or Councilors if they were interested in those projects.

Councilor McLain thanked Ms. Mandt, Leigh Zimmerman, Associate Solid Waste Planner, and other Solid Waste Department staff for their hard work and assistance.

Vote: Councilors Bauer, Buchanan, Devlin, Gardner, Hansen, Knowles, McFarland, McLain, Van Bergen, Wyers and Collier. Councilor DeJardin was absent. The vote was unanimous and Resolution No. 91-1520 was adopted.

7.3 Resolution No. 91-1518, For the Purpose of Authorizing an Exemption to the Competitive Procurement Procedures of Metro Code Chapter 2.04.053, and Authorizing a Change Order to the Personal Services Agreement with Associated Marketing Research

Presiding Officer Collier recessed the Council of the Metropolitan Service District and convened the Contract Review Board of the Metropolitan Service District.

Motion: Councilor Wyers moved, seconded by Councilor McFarland, for adoption of Resolution No. 91-1518.

Councilor Wyers gave the Solid Waste Committee's report and recommendations. Councilor Wyers said that Metro had signed an agreement with Associated Marketing Research to provide information related to building permits in the tri-county area and Clark County, Washington for use in the Regional Land Information System (RLIS). She said Solid Waste Department staff requested the agreement's scope of work be expanded to include building permits under \$50,000 and building demolition permits. She said the information would be provided to construction and demolition debris recyclers to improve recycling levels for demolition materials. She said the change order would cost an additional \$14,190 to be provided from the Solid Waste Department's Miscellaneous Professional Services line item.

Councilor McFarland expressed concern about too many change orders or extensions to original contracts being authorized.

Vote: Councilors Bauer, Buchanan, Devlin, Gardner, Hansen, Knowles, McFarland, McLain, Van Bergen, Wyers and Collier voted aye. Councilor DeJardin was absent. The vote was unanimous and Resolution No. 91-1518 was adopted.

7.4 Resolution No. 91-1511, For the Purpose of Approving the FY 1991-92 Housing Planning Workplan

Motion: Councilor Bauer moved, seconded by Councilor Devlin, for adoption of Resolution No. 91-1511.

Councilor Bauer gave the Transportation and Planning Committee's report and recommendations. He explained the FY 1991-92 Housing Planning Workplan established seven tasks to be completed during the fiscal year as determined during the FY 1991-92 budget process. He said each of the three counties were involved in compiling their Comprehensive Housing Affordability Strategy (CHAS) documents. He said the workplan would coordinate those three workplans and fulfill requirements under Regional Urban Growth Goals and Objectives (RUGGOs).

The Council and Richard Carson, Director of Planning & Development, briefly discussed the issues.

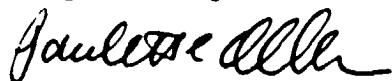
Vote: Councilors Bauer, Buchanan, Devlin, Gardner, Hansen, Knowles, McFarland, McLain, Van Bergen, Wyers and Collier voted aye. Councilor DeJardin was absent. The vote was unanimous and Resolution No. 91-1511 was adopted.

8. COUNCILOR COMMUNICATIONS AND COMMITTEE REPORTS

The Council briefly discussed Agenda Item No. 3.1.

There being no further business, the meeting adjourned at 7:29 p.m.

Respectfully submitted,



Paulette Allen  
Clerk of the Council