

MINUTES

MILWAUKIE CITY COUNCIL SEPTEMBER 21, 2004

CALL TO ORDER

Mayor Bernard called the 1942nd meeting of the Milwaukie City Council to order at 6:00 p.m. in the City Hall Council Chambers. The following Councilors were present:

Council President Larry Lancaster
Councilor Joe Loomis

Councilor Deborah Barnes
Councilor Susan Stone

Staff present:

Mike Swanson,
City Manager
Gary Firestone,
City Attorney
Stewart Taylor,
Finance Director
Alice Rouyer,
Community Development and
Public Works Director
JoAnn Herrigel,
Community Services Director

Paul Shirey,
Engineering Director
Jason Wachs,
Program Coordinator
Grady Wheeler,
Information Coordinator
Lindsey Nesbitt,
Associate Planner

PLEDGE OF ALLEGIANCE

PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS

Mayor Bernard announced that this was **Richard Beck's** last meeting and thanked him for his almost 20 years of videotaping Milwaukie City Council sessions and special events.

CONSENT AGENDA

It was moved by Councilor Barnes and seconded by Councilor Stone to approve the Consent Agenda.

- A. On-Call Engineering Services Award, and
- B. Hill Street Sewer Contract Award.

Motion passed unanimously.

AUDIENCE PARTICIPATION

Kristy LaBianca, Kellogg Lake Apartments, 12200 SE McLoughlin Boulevard, Milwaukie. She recently found out that she could speak at this meeting. She had no degrees that would qualify her to speak to these issues or any previous experience. She did have a heartfelt testimony. She ran into Kellogg Lake Apartments about 5 years ago as a property management professional. She was in awe that such a place would still exist. Recently a position opened up, and she was fortunate enough have the ability to move in, work there, and serve the residents. It has been a life-changing experience for her and her daughter. They wake up in the morning and see a blue heron fishing for breakfast. They see all of the little furry creatures and the sweet people here in Milwaukie. Yet, because it is a crazy world, she is thankful the lake provides a natural barrier for everyone who lives there from those things that happen on the street. A few weeks ago she heard people had seen a big eagle flying and sitting in the parking lot. What a marvelous symbol to have in this day and age. She looked out the office window, and there sat a baby eagle. He let her walk up to it and talk to it. He did not want to fly and just hopped around. They talked for a long time, and he let her take pictures of him. She could not imagine the few places on earth where anyone can live like this, and the many places in Milwaukie one could have a transit center. Why on earth we would even consider changing anything at all about Kellogg Lake? She could not image anything more important in a world that has gone sideways than preserving something that is special.

PUBLIC HEARING

Transit Center Relocation Deliberations

Mayor Bernard said having heard testimony on this matter, now was the time for City Council deliberation.

Councilor Stone provided her remarks in a prepared statement. She wanted to say thank you to all of the citizens who participated in the testimony both for the site and against the site. She wanted people to know she was compelled by it all. On May 18 when the testimony opened and she heard the support for Kellogg Lake, she thought to herself the opposition would have to have its ducks in a row to withstand that. She thought they made some good points. The opposition came along the following week, and their testimony convinced her they were going down a road they should not be going down. Like Kristy said, why would we want to destroy something so special?

Councilor Stone read her comments. Tonight, we as members of your Council find ourselves faced with the challenge of examining the Planning Commission's recommendation for the 2.5 Kellogg Creek option. An option that would seem to more closely satisfy the needs of our regional partners at the expense of violating community values – values that define what is important to the people who live here. Values that our mission statement reads as having a commitment to achieving and maintaining the sense of place, history, and future that defines Milwaukie and distinguishes it from other

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areas. A livable safe environment including preservation and enhancement of both built and physical environments. Can we as a Council with good conscience turn away from community values in pursuit of a regional plan? It would seem that it is all about building light rail and leveraging federal dollars to support its outcome. How did we come this far in a process that time and again was overwhelming defeated in the polls? Regional agendas and the personnel who create them would seem to be more important than the people who pay the taxes that fund these idealistic notions. Where has it gone wrong? What has happened to our core value system that we would even consider much less use a riparian environment to construct a steel and concrete monstrosity? How easy it seems to simply change zoning laws to make something happen contrary to its intended use. It could appear that rules are bent quite easily for things our regional partners and staff want to see happen in our town. Of course there is an answer to everything; it is called mitigation. Sure this plan will work they say as we peruse down the laundry list of potential and actual problems that will all be solved with a wave of a magical mitigation wand. With enough of our money anything can happen. She wondered how those pushing this agenda would feel if it were they that occupied the Monroe Sweetland home or any of the homes on Kellogg Lake that would be negatively impacted with this abysmal idea. As the public testimony for this proposed site came to a close, she was struck by the determination of people in this community as they testified over and over that they do not want this 2-acre parcel of land utilized for anything other than the green space it was intended to be as documented in our Downtown and Riverfront Land Use Framework and Comprehensive Plans. How can we as a Council turn our backs on such testimony and ignore the overwhelming opposition and the 750 signatures on a petition to keep the proposed transit center off the Kellogg Creek site? How can we as a City ignore the factual testimony by Roger and Karen Cornell as to the transportation and operations pitfalls of this option?

The following were her concerns about this option. The charge of the working group was to mitigate and minimize the impacts of the proposed Southgate transit center site, not to change its location. The decision to place the transit center at Southgate was a result of a lengthy process involving public input over several years, but the decision to place the transit center at Kellogg Lake was result of literally a handful of meetings of the Working Group and an open house. The rapidity at which this decision was birthed can lead one to suspect it was a calculated and orchestrated event. At the time the Working Group was convening was it ever on the table that TriMet was purchasing the Southgate site for a potential park-and-ride? She had concerns the membership of this Working Group did not seem as balanced in terms of residents versus business owners as she would have liked to have seen. The business owners made contact with the City claiming they did not have input into the current LPA [locally preferred alternative] which drove the forming of the Working Group to minimize impacts to their businesses. However, rather than receiving a recommendation from the Working Group on how to minimize impacts, we have an altogether new site proposal from the Planning Commission on the table – Kellogg Lake. Some of those Planning Commission members are second-guessing their decision to support the site and have even resigned from their seat on the Commission as a result of it. As a member of City

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Council she looks to commissions and boards for recommendations based researched and factual information to guide decision making at the City Council level. To have a Planning Commission divided in its recommendation to the Council speaks to the misguided plan to site a transit center at Kellogg Lake. She fully understood the business owners' concerns and certainly does not want to arbitrarily displace anyone. The question needs to be asked, do we have factual numbers in terms of traffic studies to justify concerns by business owners that a transit center could not work at the Southgate location? She had to wonder if we so willingly bent over backwards to the business owners' concerns and in fact proposed to move the transit center site to another part of town, why in all fairness would we not afford our property owners, our taxpaying citizens the same consideration? In terms of future connectivity to I-205, a northern site for the transit center at the Southgate or even ODOT sites seems more logical from a transportation point of view than the Kellogg site at south end of our City.

Another concern she had was the plan to use an existing Greenspace for the purpose of a regional transit center/park-and-ride. It is in direct conflict with our Milwaukie Downtown and Riverfront Land Use Framework Plan and the Comprehensive Plan. These plans are meant to be a map to guide us in planning our future. And, yes, they are not necessarily rigid in order to accommodate changes in our ability to execute sound ideas that enhance the quality of life in Milwaukie. However, as we adjust these plans, we must always be mindful of the basic philosophy that is the substance from which they were born. The Comprehensive Plan states it is fundamentally a guide to the physical development of the City. It is the translation and reflection of the community's social and economic values into a scheme that describes where to build, what to preserve and conserve, and where to rebuild and how to redirect growth. The Plan speaks to the preservation of open space throughout the document. To go in a contrary direction so as to reap the short-term benefits of federal dollars all the while sacrificing a most valuable we possess is unconscionable.

She read an excerpt from Milwaukie's Comprehensive Plan. "Existing natural resources and developments of character will be preserved. New development will contribute to improving the quality of the living environment and to a sense of citywide identity and pride." How does the erection of a multi-story parking structure improve the quality of life for anyone? Be it the people in the community or the wildlife at Kellogg Lake. It goes on to say the wise use and management of the remaining natural resources of land, air, and the natural environment is particularly important in Milwaukie because the City is almost completely developed and few areas remain in a natural state. The protection of these natural resources is essential if residents are to experience the pleasures and amenities, which can only be enjoyed when nature is close at hand. One of the goal statements from this Plan reads, "to preserve open space and protect and enhance natural and scenic resources in order to create an aesthetically pleasing urban environment while preserving and enhancing significant natural resources. The Comprehensive Plan has designated areas along Kellogg Lake and Kellogg Creek to be of special importance to all City residents." The Plan goes on to say the preservation of these natural areas and improved public access to the riverfront are important neighborhood objectives. The idea of using precious Greenspace for regional transit

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purposes would absolutely never see fruition across the river in Lake Oswego because in Lake Oswego people and property are protected from the onslaught of urban growth. Lake front property is determined to be of value there. One of the so-called positive effects of moving the transit to Kellogg Lake is that it would eliminate an eyesore in downtown Milwaukie. She had to ask why a perceived eyesore in our downtown would not also be a perceived eyesore on Kellogg Lake?

The City holds approximately 78 acres of park and open space land. According to the Comprehensive Plan there are 50 acres of public school grounds and 150 acres of privately-owned natural areas totaling 278 acres. Some of this will diminish as property develops under City regulations. The Plan goes on to state that typically public open space standards for a population of 20,000 suggests over 450 acres should be available. As we currently claim 78 acres in our holdings, we fall miserably short of what we need. If we allow a designated Greenspace, a place that infuses peace and tranquility into our daily lives, to be taken for regional use, then we have failed not only as people but also as a community. Move the transit center north to either the ODOT or Southgate sites and let Kellogg Lake remain as a Greenspace for all Milwaukie citizens to enjoy. There is no legacy in leaving behind for future generations a gargantuan and grotesque edifice of molten metal and concrete. Let our values and what we hold to be precious guide our decision -- not the pursuit of money.

We have been given many reasons to anoint the 2.5 Kellogg Lake alternative not the least of which is to say this decision has a direct impact on our reputation among our regional partners and development community. That we will be looked upon as being inconsistent and not being committed to carrying through ideas. That if this plan fails to go forward, the probability that we could ever convene a group of people together again to collaborate on a future plan would likely never happen. She said, hogwash. Grasping at straws so as to persuade those who make policy decisions. This community has a lot of dedicated citizens willing to invest their time to help in the implementation of a vision we can all embrace for generations to come. She was actively involved in this City for 11 years and continues to be part of the dynamics that are shaping its future. That there could never be another group of people committed to solving problems on contentious issues is unfounded. It is precisely through engaging diverse backgrounds and opinions that we come to the best solutions for long-range planning in the City.

What she does not see happening here and what she would like to see happening here at the staff level is the collaboration with citizens that presented researched and factual data in opposition to the Kellogg site and specifically the research that went into the awesome PowerPoint presentation given by Roger and Karen Cornell. To not have staff engaging them in a collaborative manner and working toward a solution for the transit center site let alone not even acknowledging their facts and background in transportation analysis is wrong. Her concern is that if we do not acknowledge citizen's factual data and work with them, we miss an opportunity to find better solutions for the dilemmas we face for planning for the future of our City. It has also been said that regional partners hold the key to funding, and the development community holds the

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key to development that is needed for this City to achieve financial stability. While that may be true, she would say that we hold the key to our City, and we are not allowing anyone in who does not have our best interest at heart. We hold the key to shaping our community in such a way as to make Milwaukie the next sought after place to live in this region. Protecting your open space speaks a clear message to any potential homebuyer that we value our assets. Let us focus on finding ways to enable and encourage our citizens to make financial investments to their property so as to raise our standard of living and our tax base thereby revitalize our City and our budget.

Milwaukie could be the newest jewel in the regional crown if we plan wisely. Recently, the Milwaukie City staff not only listened to citizen concerns regarding saving four very old fir trees on 40th and King, but they acted upon them by consulting with certified arborists and developing new design plan for the proposed sidewalk that would save the trees. The Council concurred with this design. They showed they cared about what is important to the people who elected them into office. What a fine example of collaboration to find an alternative that accomplishes the goal while addressing a core value of the community – the preservation of our environment. Just last week, the North Clackamas Parks and Recreation District voted to delay the decision on a proposed sport field complex at North Clackamas Park. Citizens raised concerns about increased traffic, noise, and lighting. The District listened to these concerns and decided consultants were needed to study the financial and engineering impact and overall design before a decision can be reached. On Kellogg Lake we have not even done an environmental study to see if it is even feasible. Citizen driven concerns that impacted the course of those who spend our hard-earned tax dollars. How is it that four grand old fir trees and a proposal for playing fields would generate enough support to cause policy makers to immediately put on the brakes and change the course of action? On the other hand, the proposed transit center at Kellogg Lake – a decision of much greater magnitude with far greater negative impacts reaching into our future – does not seem to register so much as a bleep on the political radar screen for some. Do we as a Council as a City care that literally hundreds, hundreds of citizens oppose this option? That fact in itself speak loud and clear to her that we are barking up the wrong tree. We as a Council cannot ignore the overwhelming opposition to building a transit center on the Kellogg Lake site. To do so would not be representative of those that elected us to office. In the words of former Mayor Bill Hupp during the public testimony on this issue, he stated, “When I was on City Council and an issue came up where I had to choose between the bureaucracy and the people, I always voted for the people.” If we truly care about our community values and the citizens who overwhelmingly oppose the transit center at Kellogg Lake, then we must as a Council provide leadership in regional decision making that enhances rather than extorts our community.

Councilor Loomis commented everyone that was in the Working Group agreed that Southgate would not work. The Tillamook line was the agreed upon choice. He had a different perspective. He thanked everyone for his or her input during this process. It helped him come to a decision. It challenged him all the way through on his decision. He chuckled when Ed said in his testimony that when gathering the signatures people would say, “they want to do what?” That was his first impression when he heard the

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Working Group decided to move the transit center to Kellogg Lake. He approached it with one of the strengths he brings to the Council, which is an open mind. He listened to the testimony, and respects the process if it is open, fair, and everyone's opinions and thoughts are considered respectfully. Then he felt a duty to uphold the process. The Working Group overwhelmingly supported the 2.5 option. The Planning Commission overwhelmingly supported it. Staff supported it. We as a Council have discussions once a year about supporting staff and retaining staff and keeping people here, so we give them a 3% raise when we don't have any money. He always argues that it is more than money to keep good people working for you. It is supporting them when you ask them to do a job. This Council asked them to do a job, and they went out and did it. And if there is no visible reason to go against their decision, it should be supported. That is why he was at his decision. As he looked at the proposal, the benefits outweighed the negatives in his opinion. He came on the Council when the LPA was approved. He heard discussions about this being a long time – 3 to 4 years – getting here. When Roger brought up the 1983 *Enterprise Courier* article, staff had given the Council some old memos and minutes. The City has been trying to move this transit center since 1980. Twenty-four years is a long enough time to make a decision on this. There are negative impacts. People do not like the word mitigation, but all of them can be mitigated. The one he had the most trouble with was the impact to the neighbors living on the lake. There is no doubt they will be negatively impacted. There is no way to get around that. In talking with some of the neighbors, they would prefer a park or even housing. In his mind that land will not stay what it is forever. Through this process there is mitigation to protect the wildlife. If can't be done, it won't be done. This is the first step of that process. The neighbors would be impacted with a park. Whatever goes there will be a negative impact and something different than what they have now. When visiting one of the neighbors, one of the Kellogg koi was jumping in the lake. It is a serene and beautiful area. He has known that forever. At the same time, a high school student crosses the trestle as a way to get across McLoughlin Boulevard. This is where you are torn. There is the need for safety improvements connecting us to the riverfront. We have talked about the improvements, but in the future all of the improvements we have touched on – fixing the dangerous intersection that the Island Station has wanted for years – will be fixed. The pedestrian bridge implemented and a parking garage that will help bring people to this town when we have festivals at the riverfront. It will help to keep people out of the neighborhoods. A transportation system – he went to the ODOT site, and to him it does not work. It does not work for TriMet, and in his opinion, it does not work for Milwaukie. It is too close to Goodwill. If we are going to have a transportation system in the future, it needs to come to our town. He read an article from The Oregonian, "At 70 I am trying to imagine how I keep my independence – live my own life without a drivers license. Like other older folks, I know the high stakes. For many that plastic rectangle means the difference between assisted care and keeping our homes. Between crushing isolation and a satisfying social life. In two years, the first of the baby boomers will be sixty. By the year 2010, 1/5 of our population will be 60 or disabled." There is going to be this growing need, whatever your opinion is of light rail or public transportation, the need is only going to grow. Traffic complaints are going to happen whether this is built or not. You realize that by driving around every day. Traffic is worse and worse and worse.

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Maybe out of this we can mitigate the traffic problems in the Historic and Ardenwald neighborhoods. He thought this was a good thing. After hearing about it and having negative thoughts, and listening and talking to folks, he believed this would be something the City needs. It will be a benefit. There will be growth in the future around this, and he thought with the trails and levels of activity, this will be a place people will want to live. It could be a senior type of deal, and the housing will be key. He said he would support the recommendation.

Mayor Bernard thanked everyone for participating. He was involved in the process throughout. He attended some of the North Industrial meetings to listen, look at the maps, and hear some of the concerns those businesses had with the Southgate park-and-ride or the transit center. The most important thing he saw in that site was that the loss of jobs would be tremendous. Some of those businesses have been here longer than some of Milwaukie's citizens. Some are leaving but others are already considering those sites for redevelopment. Today he and Councilor Barnes and a number of downtown business leaders met to talk about Milwaukie's future and its potential. They talked about what some of the businesses do in that area. One of those businesses distributes Tootsie Rolls to all of Alaska on Halloween. There are many businesses that provide services and supplies throughout the world that come out of the North Industrial area. Maybe it is an ugly looking area, but they are actually talking about changing the face of the area to make it look more respectable or draw more businesses into that area. At one point it was nearly vacant. It is starting to change. Bob's Red Mill has leased a large facility in the North Industrial area. A printing company has taken over the Mailwell property and is growing and anticipates huge growth. We are actually out there pursuing those businesses that are considering that site.

Mayor Bernard said most of all this is just the first stage. We have not looked at any of these issues, and why should we? We should not spend a dime unless we at least consider the site. Look at environmental impacts. The Southgate site showed negative impacts on the industrial development, truck access, and jobs. Harder Mechanical just invested a lot of money in its building, and it is growing. These are high paying jobs. We need to consider that. Jobs are important. Maybe you do not work down there, but there are people who do. Those businesses own the buildings and the properties. They pay payroll taxes and property taxes. All of those things the City depends on. We have not done any specific analysis of the Kellogg Lake transit site of any kind. Until we have more information on that site, we do not know what the traffic impacts will be on the neighborhood. We have talked about relocating the transit center for over 2 decades. This issue reminds him a lot of Johnson Creek Boulevard, which took over 15 years to finalize. Is everyone happy with the results of the Johnson Creek Boulevard? No they are not. Is it safer? Yes. Does it provide better public access? Yes, it does. Do the houses still shake? He did not think so. Is it a project we can be proud of? He believed that we could. Did we work hard to address as many of the neighborhood concerns as possible? Yes, we did. He made some assumptions, and until Metro and TriMet spend some money analyzing the Kellogg site, he believed the site would reduce the traffic impact in the Historic Milwaukie neighborhood -- and on Lake Road, Washington Street, Monroe Street, Harrison Street. We will not know until we spend

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some time and money on analyzing that transit center. He drives Lake Road daily. It gets worse every day. It takes him 10 15 minutes to get a mile to his home when the traffic is backed up all over the place.

We can restore the banks of Kellogg Lake and provide access to the lake for all citizens. Someone dropped off some pictures of Kellogg Lake when they used to have canoeing on the lake with a pier. He suggested making that one of the requirements of the transit center – that maybe they build a pier out into the lake and provide access for canoers and others who want to look at the wetlands. That lake is not the same lake when he was a kid fishing for crawdads and trout and walking along the banks. There is a huge apartment building that was built in the 1980's. That has already impacted Kellogg Lake. That development was considered in the early 1980's and finally built in 1989. The eagles are still landing there. This site can accommodate eagles and anything else. While he does not know that for sure, we cannot know until we spend some time and money studying that. He would not support this site in the future until these things are mitigated or we decide this is not the site.

This is a first stage. We may find out in the next few months that it is so packed full of refrigerators and Freon and waste oil cans that we cannot proceed any further. It may not even be safe for a baseball field, but who knows until we take the time and money to look at it. The Island Station neighborhood supports this transit center. It offers an opportunity for sidewalks and River Road access improvements. That is one scary site. The house that used to be owned by Monroe Sweetland certainly was impacted more greatly by apartments next to it than this facility will ever cause. It is a good distance away. He believed the security would be provided with the help of the police chief to protect that neighborhood and that community. This is a long way off. We need to make sure some of the lessons learned by other transit authorities in Hillsboro and Beaverton are utilized in the development of this site. The transit center will be moved from the downtown. You can hardly park downtown. People using the parking spots all over the City. The businesses spend half their days moving their cars down the street so they don't get tickets. This can provide that opportunity. There is a lot of opportunity here. We can negotiate with TriMet to provide adequate security. The parking lot across from City Hall is part of this plan. He runs the Farmers Market every Sunday. The tree roots are popping up out of the blacktop. The electrical system is buried in the ground, and his group paid \$4,000 this winter to repair the electricity. There is a great opportunity to fix that parking lot and make it a great facility. We can make it part of the plan -- laying in some brick and improving access to trucks who unload their goods. It is a great opportunity. If you do not go to the Farmers Market every Sunday you should. He listens to people's concerns. He has heard we are filling in the lake. He has heard we are building a transit center on the Willamette River. What do people think we are doing? We are looking at a site that has been sitting there for as long as he can remember. Apparently, it was a landfill at one time. If you do not think that affected Kellogg Lake, you are wrong. It amazes him that anyone would have been allowed to have a landfill there. It did happen, and it does exist. This is only a recommendation to study the site – create a study group to analyze the site impact that will involve citizens and business leaders and the City Council. This issue has divided and damaged this

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community. He felt we were at a stage when we were really moving. We had so much potential. He thought this has really hurt this community. We have a staff that has done a fantastic job of working with all those concerned. We have listened to the community. He has listened to the community. He sat at the Farmers Market, and the door at his business is open all the time. People tell him about the history of Milwaukie and how they spent all their time on that lake. That is true and he appreciates that because he did too.

Some may not like the answers that come up in the end, and no matter how good they are, some will never trust the results. Our job as City Councilors is to look to the next 100 years. We have been around for 100 years and gone through a lot of changes. We put a sewage treatment plant on the Willamette River. Why that was ever done, he did not know. He did not think this was the same issue. This is an opportunity to perhaps facilitate removal of the treatment plant and to facilitate the growth of the riverfront park. We have a responsibility to our future residents to provide great public transportation and stable City government, and that requires some risks. He struggles with this every day. He has gone back and forth every day. It is a tough decision, but tonight he would vote in favor of further study. If the study comes out that this will no work, he will be along side others to move it somewhere else. He thought the Park Avenue and McLoughlin Boulevard site should be considered, but he understood it would be \$50 million to go that short distance. He thought TriMet should look at it to determine if the ridership was there. We need to spend some time on this and find out if it is possible. He met with Councilor Lancaster, and they looked at a proposal that a community member brought the City Council. He thought it was a great idea, but it has even more negative impacts on the neighborhood than the Kellogg site. He personally believed the Tacoma and Kellogg sites would do two things. He would go to the transit center off Hwy. 224 and go to Tacoma. If he lived in Oak Grove, Gladstone or Oregon City, he would drive McLoughlin Boulevard and hit either Kellogg Lake or hop on Hwy. 224 to get to Tacoma. Either site, he believed, would reduce traffic impact in the City, but he would not know that for sure until we do a study. We should not do that until we believe it is a viable alternative. He hoped they would start with the hardest part. What would be the hardest part to mitigate and take that first? It may be environment, or it may be transportation.

Councilor Barnes appreciated listening to the testimony. Some more emotional than others, and some based on fact. As much as her fellow Councilors hate to hear her say this, she worked on the issue not unlike when she was a reporter. She found three sources to back up the claim and base her decision on fact – something she has learned for Councilor Lancaster. He told her the best way to make decision was based on fact and not emotion. She had questions and comments she wanted Mark Hendricks to address that were relevant to the issues. She was not taking public testimony. Something has come up with the industrial area. The reason she asked Mr. Hendricks to represent the area was because there have been some concerns and specific claims, and she wanted him to share some information that would indicate the North Industrial area is not dying and is not dead and really has an impact on our community.

Councilors Lancaster's only caveat was that since the previous decision was to eliminate any more public testimony, he stated at that time his desire was that if there were any new information of any kind, regardless of its source, he would like to hear it. He was willing to agree to this. On that same basis, it would be opened up to anyone who had new information.

Councilor Barnes said it was new information. She could announce it, but she wanted Mr. Hendricks to announce it because it related to his company. She did not believe that it was her place as a Councilor, but she thought the information was vital.

Mayor Bernard said that was her choice, but it would open the proceedings up to all who believed they had new information.

Mr. Hendricks indicated he would do whatever the City Council wished. He was there to answer questions as he has already testified on the matter and has no additional testimony. He has a fact regarding the business.

Councilor Barnes decided not to ask Mr. Hendricks to speak. The community needs to know there is a great piece of good news that indicates there is growth and prosperity in the North Industrial area. It means the addition of new jobs for this community. It means that something extraordinary is coming. It means a new tax base – a strengthening. She appreciated Mr. Hendricks being at this meeting and knew his announcement would be forthcoming shortly.

There was a lot of concern about how people's property values would go down, so she called the County Assessor's office. Ironically, the Assessor's Office said they thought someone would have called by now. According to their records, no one had talked to the Assessment and Taxation Manager whose name was Bob Vorman. Although he could not be at this meeting, he authorized Councilor Barnes to quote him verbatim. "There will be those not bothered by development and some belief that it could increase the value of properties surrounding the area. He has seen this type of impact on people and how they perceive this will happen in Clackamas County. A case in point is Lake Oswego where the neighbors were very concerned over Lakewood Drive and the railroad situation. However, property values increased because of that situation, and he would be more than happy to talk with anybody concerning what he called normal reaction and concerns."

In addition, the Cornell's recently brought up testimony concerning some literature and newspaper clippings regarding an interview of Richard Shook. That was 20-some years ago, so she e-mailed Mr. Shook and asked him point blank, 20 years have gone by since you last were interviewed. How have things changed? There were two e-mails back to her. One of them said please do not put this in for the record as it was for her personal enjoyment. The one he would share was, "Thank you for your interest in the fate of Kellogg Lake. Several of your questions have complex answers that need to have further research before they can be answered. I would think if restoration of

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Kellogg Lake either as a lake or drained and restored as a stream would be much more in fitting with the vision of the Milwaukie riverfront." He went on to say, "We are in position to actually ask the powers that be with TriMet, ODOT, and others to actually restore the situation. It is not something right now that is of great importance because of relatively low wildlife value at this point is because of two things. Noise is an issue, but the point I was probably trying to make 20 years ago was that it seemed to me at the time that additional apartments being constructed on the west shore was likely to be a problem with human intrusion including their pets, the issue of noise per se. If the background noise is constant – especially white noise – most wildlife that does or would occur at this site would be less disturbed by noise than by the intrusion." Mr. Shook was more than willing to work with the City, ODOT, and others as are the members of his group including the Friends of Kellogg Lake and a gentleman named Richard Shook who wrote to her as a follow-up saying several things about the habitat in that area and the concerns he had. He said, "A significant restoration has to be made at this point in order for those things to happen and be better in that situation."

Councilor Barnes understood the Link proposal was going to be discussed. Her concern regarding that was that this is federal funding that has to include a transit center which means buses have to be put someplace. Underground would run 20% - 100% more expensive than above ground, which is the Link proposal. No one said they would like to pay 20% - 100% more for that. Finally, it does not move it out of downtown Milwaukie. It actually puts it closer into the Historic Neighborhood.

Before she read her statement, she wanted to say she has never been more disappointed that this has become a personal issue to so many people. She felt like she had to stand up for her staff. When she is a teacher and a parent calls, and she does not having the backing of the principal to say maybe she is right and maybe she is wrong but we are going to look through it. He does not allow people to stand on the sidelines and scream at her, denounce her, and threaten her. Any general human being would think in their hearts that if a tactic is used to threaten staff, then you have to question why. It is not based on fact but on threats. Badmouthing our city manager in public is an embarrassment to her. She has no respect for anyone that tells her Mike Swanson is a liar. She has heard that. She has heard that at 9:30 at night on her phone. She has lost all respect for an individual who will call her staff and city manager a liar. For putting her city planning staffing in a position where they feel threatened and hurt. Where Mr. Gessner's name has been chewed the shreds. Where Alice Rouyer has done her best and has been treated poorly. It bothers her, and she will stick up for the staff that has worked diligently. This is a neighborhood decision. These are people in our community that need to make the decision, and we are going to step back. They might make the wrong decision -- by making sure this was all set up so the decision was made by the community members. No. You made the right decision. This was not top down. These were industrial leaders, neighborhood leaders, people who were interested in going to meetings and listening and debating. That is our process and why we have American politics to open the door so people can debate the issues. She was proud that the process was open. She was proud that the City staff stepped back when the votes were taken. She was glad the residents had their say. It went to the Planning

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Commission and people had their say. She remembered the Planning Commission member who looked at Council and testified he would have done it all over again because he felt like everybody was heard. That meant a lot to her, and she would take his word.

Councilor Barnes read her statement. Compromise, one of the toughest processes known to man but one that is needed in order to make the best of any situation. That seems to be the case for the transit center in Milwaukie. There are two factions, both believing their cause is best for the health of Milwaukie, and both in various ways are right. The job of this Council is to look at all of the information, review it, research it, and deliberate to help create a long-term vision based on input. This is not a decision any one of us is taking lightly. The important aspect is that the governing body makes an informed decision based on fact. This entire process has been conducted in an open and forthright manner. After 12 hours of testimony and a 6-month formal review process that included all of those who wanted to be heard, we have come to the time to make a decision. More importantly, the process was not run top down. It was run by interested citizens who spent countless hours coming up with their own decision. That was clearly a decision by the Working Group made up of local citizens who were interested from the start. Ironically, at times it seems we are not debating the same issue. The debate is about a transit center. Light rail is secondary and not something this Council is deciding this evening. Voters will have that chance to say how they feel about light rail in Milwaukie at another time. The decision is only on moving the transit center out of our downtown core area where the buses stop and layover and where best they can link Milwaukie and its bus riders to other locations. The Downtown Plan adopted almost four years ago includes a proposed transit center. The Plan marked the former Safeway site for its location, but that plan changed. It will now mean the development of a new home for some and new business for others. That means we have a new revenue source for the City. That means more money for the library, police, and neighborhood services. The Plan also includes the need for open spaces and specifically asks for open spaces that include park land, open space, and riverfront amenities. We can accomplish that. There is the contention the proposal violates the Milwaukie Downtown and Riverfront Land Use Framework. The Plan envisions a transit center in the downtown as one of the six priority projects. As for open space provisions, we are taking some open space property. The City has already made up for that loss with 78 acres of park and open space in just a short period of time.

Let's talk about economics. Local voters have made it perfectly clear that they are not going to put up with any additional funding right now for our school, city or state needs. As a municipality, we must find other sources that include our local businesses and industry. The proposed relocation of the transit center to the ODOT site will eliminate two businesses and will be more costly over time due to the increased operating costs. When our North Industrial base is impacted, so will the funding for our library, police, and code enforcement. Ironically, any of the 2-point options still leave us with the park-and-ride at the Kellogg site -- open spaces are gone if we choose ODOT anyway. ODOT has made it clear it is a location that has more questions than answers and will

not make sense in the long run. She cannot imagine anyone wanting to get off a bus at night at that location.

As for the buses in downtown Milwaukie, the information concludes that currently 73 buses run in two directions during midday. The ODOT site would mean 84 buses would run. If the Kellogg site were chosen, the number would decrease to 62. Now for the good news. TriMet will be providing water and electricity hookups for our Farmers Market vendors because of the change. Milwaukie gains 47 parking spots for downtown visitors. The parking lot will mean a place for visitors to come to our waterfront. The Riverfront Board, which she e-mailed, is supporting a proposal that would mean boaters could drop off their boats and park in designated stalls at the new parking garage at Kellogg and come back to the riverfront without tying up space along McLoughlin or adding additional blacktop at our riverfront park. That means more Greenspace on the riverfront for recreation and development.

There has been a great deal of discussion regarding TriMet riders. There have been some discrepancies among the figures, and the best we can determine is 41% of those who use the transit center live in the 97222 zip code. For those who say we are being used as a collection site for Portland, 82% of the riders in Milwaukie are going someplace other than downtown Portland. Nobody wants additional traffic to clog the streets of the Historic Milwaukie Neighborhood. Unfortunately, positioning of Hwy. 224 and McLoughlin makes that a difficulty. People will always use those streets to pass through. The transit center is in downtown Milwaukie now. The logic is for people wanting to use the park-and-ride to drive Lake Road to Park Street to McLoughlin Boulevard if it moves to Kellogg.

Finally, Kellogg Lake itself. She would love to see the restoration of the lake and will push for it to see our citizens work with Metro and TriMet to make the area even more attractive. Part of our responsibility with making this decision is to make sure the design of the center fits with the City's plans. We will be part of that process. We will be part of the mitigation considerations to make sure the City's interests and residents are included in the process. That means residents around the lake will get a chance to be a part of the procedure. We have to face reality. If we do not make the decision, we will be left out of the process, and nobody wins under that scenario. She was sorry there were people who believed the process was flawed. After viewing all of the notes from the Working Group, the Planning Commission, public testimony, staff reports she researched and discussed with the neighbors and other residents in Milwaukie, she concluded the process was indeed open and honest. Local residents who could be impacted were notified through a variety of sources – letters, *The Pilot*, and local media. None of the process has been a slam-dunk. None of the process has gone on without debate and compromise. Even a decision by this Council will not be the final one. A decision by the Council is a recommendation with stipulations. The Council is sending a clear message to the powers that be that we are a community of concerned residents that will be watching the process very closely. We do expect something in return. We expect the interests to match our vision for the greater good.

In conclusion, Milwaukie, in order to survive and flourish, in order to generate needed revenue to keep our library open, our police in force, and our neighborhoods to receive grants, must be a willing player with others. We are not an island unto ourselves. There are those who believe Milwaukie cannot make a decision. That may have been true in the past. This time, we come to the plate with high expectations. We chose not to give up, not to play defense, and not to roll over and whine any more. We can be thought of as visionaries who finally realize that politics is a give and take situation. Our people are worth something because we do have dreams for a vibrant city, and we expect to be heard at the table because we are willing and able to step up to the plate. Jean Michel, one of the most anti-rail people that was part of the recall effort, told her to stand her ground. That said enough for her, and she will vote for the 2.5 site.

Councilor Lancaster has been here for six years. If there is one true thing he has learned, it is that democracy is messy. Regardless of the issue, someone will not be happy with the decision. It is seriously incumbent upon the City Council as the decision-making body to make sure it has evaluated all the possible information and get to the best decision it can with the facts before us. That is a process he has used in his six years on Council and in his personal and professional life. That is exactly the approach he has taken with this situation. He prefaced his remarks by saying that emotional aspects have done some harmful things. A lot of those things are a natural course of issues about which people have a lot of passion and emotion around.

He looked at this and reviewed everything the City Council heard. One of the big challenges in doing what we do is that so much information comes so fast it is impossible to assimilate even half of it. Even in reviewing it, one cannot get it all – only the highlights that you can do something with or use as a means to explore further to get to what you think is the right information. He looked at this from two aspects – long-term impacts to Milwaukie wherever we put the transit center. One of the big challenges is that we are chasing federal dollars, and they always come with huge strings attached. In this case, where the transit center is concerned, it has to be on a light rail alignment regardless of whether light rail ever gets built or not. He has serious doubts that it will ever be built to Milwaukie in our lifetimes simply because of the funding. Councilor Barnes made a good point in saying that taxpayers have stated over and over again, even with something so close to most people as education, that they do not have more money to give. They expect us to be frugal with the money we have and have high levels of accountability. The other aspect he looked at was very strictly functionality of the transit center in terms of what it is and what it does and what its impacts are regardless of where we site it. He went entirely through all the information again with this framework. He discovered a number of things he did not know or missed the first time he thought were important to help him frame his look at the whole scenario. The City Council asked for a Working Group to be put together to identify the issues related to the LPA decision, which was the Southgate site. There has been a lot of discussion about the process. One of the things that has concerned him was that there were a lot of people who felt the need to defend the process. From his experience when there is over defense of a particular issue, then there is something more there you need to take a look at. He wanted to state clearly that his remarks were observations

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and should not be taken as criticisms of City staff, citizens, and TriMet staff. He hoped everyone would take it in that context. Some of the things he would bring out may not have an answer, but he would raise the question because that is what he saw before him.

The process was really a short one. Maybe he was the only one who could say that having been through the agonizingly long process of developing our Comprehensive Plan and developing and finishing our Downtown Plan. Those were processes that took years. More than a thousand people participating in hundreds and hundreds of hours. From his perspective, six meetings over a five-month period was a pretty short process. One of his concerns and constructive criticisms about this process, and largely it was quite good, was we may have erroneously put on the Working Group a heightened or artificial timeframe to expedite their decision. When he went through the material, he saw continuous references to timely siting. We have in our resolution a 2006 date for completion. Things do take time, but that does not mean we should expedite the process to our detriment. The other concern about this particular process was that the business community made an assertion that it was left out of the LPA decision. Councilor Lancaster believed we demonstrated clearly they were not, but for whatever reason they chose not to be involved until it was actually made. The fact that they came to us at the 11th hour, he believed the right thing was done. The group was formed, and they were invited in to look at ways to mitigate the impacts of the LPA decision. The charge was basically to find those mitigation elements – not to find a different place to put it. That would be the only other small criticism he would have in that even in documents themselves, and to the credit of the business people who spoke to the City Council admitted right up front that they got involved strictly to get it to go someplace else. Those were their words. He did not think that was a very good way to start the whole thing off. How we frame that differently, he did not have answers. His remarks are not intended to illicit answers, but simply to make observations.

Councilor Lancaster went through a number of documents and certain comments he thought were important. The other is that in the form of a criticism, he thought it was possible that the direction of the group was tainted early on by misinformation. This was not purposeful, and he referred to the information received from TriMet. When he went through the documents again, it was remarkable in terms of how it was laid out and when it occurred. The Working Group started out with the information that the additional cost of the ODOT site was \$1.4 million. That was a staggering number. Other comments Phil [Selinger] made spoke very clearly that there was a heavy emphasis in the group on operating costs. That, of course, has to be driven by TriMet. That is understandable because they are in the business of providing transit at the least possible cost. They are our servants. Our taxes pay for what they do. They should do that. Where he found that to be troubling was that they threw out information that service to Milwaukie would be cut by 41%. There was a series of these hyper-negative factually made statements by TriMet that he thought biased the ODOT site early. He thought that did us a disservice. We subsequently found out that those numbers are very different. As constructive criticism to TriMet, and he recognized this was conceptual and we are not getting into the hardcore, fine numbers, we have to have

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certain numbers and assumption to go on in order to walk through a decision-making process. Phil said on more than one occasion that these numbers are done by their experts and professionals and that they are routine, simple math. If it is routine and simple math how can so many huge mistakes be made not once, not twice, but three times. His constructive criticism is he hoped in the future that TriMet does a lot more due diligence before it presents information as being factual.

One of the other elements that struck him in terms of the impact of transit centers on the areas they are in, Phil said right up front that they like to site transit centers or park-and-ride scenarios outside of town centers or core areas because they know they increase traffic. It is not a hard thing to understand – of course it would. The other thing that struck him as he went through the information was they also identified when Southgate was an active park-and-ride they did a survey of license plates and found that 52% of those using the park-and-ride came from the south. That means that 48% came from someplace else. He challenged the assertion on a number of levels that TriMet makes that it is important to have it way up front to intercept traffic early. Half of the traffic is coming from somewhere else. From his perspective, the need to have it way to the south does not hold credibility.

Another thing that was compelling was in one of the statements from citizen input and from a gentleman who came to testify before the City Council from the Gateway neighborhood. Here was a person who came, as far as he could tell, unsolicited after hearing the City was thinking about placing this right in a sensitive area to discuss the negative impacts. That was something Councilor Lancaster believed the Council should take a close look at -- where we put this. He said that knowing that he would present something later that would be in the downtown, but that is a scenario we need to take a very close look at. The other piece to that is that we need to look at history of other projects that have already been done, so we can learn from that. He did not know if we have taken the time to take a close enough look at.

Part of this – he will go through some staff comments. A majority of the Planning Commission voted in favor of moving this forward. In his business life he always says follow the money if you want to get to the real deal. We know where the money is coming from, and in this case, the scenario is to follow the information trail. Where did it come from and how did it get there? One of the compelling things he looked at when he went back through it was the erroneous information from TriMet that our staff largely relied upon to come to its conclusions. That is a serious problem. It is throughout the documentation. The February 17 document from staff to the Planning Commission under the category of reasons for supporting option 2.5 included such things as the option results in better traffic flow. He will cover that later, but the City Council had testimony from a transportation professional that clearly demonstrated that was not the case. The information given to the planning staff led them to this conclusion. Another is that it creates opportunities for infusion of money into downtown Milwaukie. All of the evidence – he believed a majority of objective evidence from past projects clearly demonstrates that transit centers do not bring growth and development to downtowns. They in fact create negative impacts. That is also an erroneous assertion. He found it

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curious when Councilor Barnes talked about parking boat trailers on the site, how do we get to only needing a two-acre footprint? He would be interested at some time to find out how we get to parking boat trailers there.

In the documents that went to the Planning Commission from staff dated April 8, there was a long list of items of why the Commission should support 2.5. It cited certain things like commuter traffic through the City is reduced. That is clearly not the case. Long-term access to the sewage treatment is improved. He was not sure access to the sewage treatment plant was relevant to anything. One item referred to remaining federal and regional processes and environmental reviews. He was not sure why that was even listed. There were lots more, but he was going to skip most of them. One thing he found troubling and we never asked the question but he supposed it had to do with negative impressions and communications that took place in this process. The last item in the list of reasons to support 2.5 was that the Working Group process should be given great weight. It devoted five months of study to the siting, and if it appears not to be given its due consideration, it would be difficult to secure future volunteers for future efforts. He was troubled why such a comment would be placed on list of recommendations to support it. If it was a good process and things were done as best we could, why would we need to have this comment? It was a rhetorical question; he was not asking for an answer. It was something he found troubling.

He spoke earlier about TriMet's numbers, and one of the more impactful ones for him was the \$1.4 million. They said that was an accidental doubling. Then they dropped the figure down to \$600,000. Even a doubling of \$600,000 does not come to \$1.4 million. How do we get to these numbers? Another quick example. The chart that showed the additional costs for each of the locations, just for the heck of it because he started finding all of these errors, he checked the simple math of additional weekly costs times weeks of the year. Every single number was wrong. He found that a bit troubling when talking about simple math. The other issue was the number of lines and so forth in the scenario, which he will cover. He also found it interesting that in the testimony it was stated – most of these are comments by Phil – it says that the basement level on the site would be below the 100-year flood plain. He has worked most of his life in private industry, and most of the people he has worked with would never build in a floodplain. He found it a bit troubling we would spend millions of dollars of public money and build in a floodplain. They go on to talk about how they would have to stay no lower than 1 foot below the 100-year floodplain. It does not make sense why they would even go that close, but apparently they do. The other thing he found, and part of what he was leading to, in terms of the site itself, we know it was a landfill. There was new testimony from people who actually witnessed some of the things that went into it. In the testimony from TriMet, it talks about a document prepared in 1992 by PBS Environmental. It goes on to talk about what they say is in the pile. When you read this and compare it to testimony, none of that stuff was listed. If we pursue it and do the core samplings, it will be more problematic than we think. He did not want to rush into a particular decision that likely has numerous fatal flaws. This is a potential fatal flaw for the site, but it may not be. This raised a big red flag for him.

Another issue about the Farmers Market. If you do the math based on the TriMet documents, a bus would go by the front of City Hall, right in front of the Farmers Market every 2-1/2 minutes. He was sure we all have experienced the pleasure of standing where buses stop and go. The screeching brakes, noise, and exhaust as they take off. He thought that would pretty much kill the Farmers Market with that much traffic. The math comes out to about every 2-1/2 minutes. He knew we could make mistakes but wondered if in fact they were not done for a reason. Someone brought up the issue of the sample pictures of what the parking garage would look like. He found it curious that Mr. Cornell could come up with a reasonably accurate rendition while TriMet gave us a three-story structure. It was not even close to what it would really look like. He found that a little bit troubling.

The environmental issues are, he believed, another fatal flaw regarding the site. Based on his cursory look, building anything on that site violates 3 or 4 of the state land use goals or rules not the least of which is the Willamette Greenway Policy. As memory served him, when the City bought that site there were three private parcels that were part of it. The City bought two of the additional properties, but Metro bought the third one with Greenspace money. They deeded it to the City, and it was his understanding that there was a condition that it never be built on. This puts us into a huge political quagmire in that Metro would have to approve the construction if that is what we want to have happen. If it was possible, how do we pay for that money and how does Metro reconcile going in complete reverse of its statewide policy? He looked at Metro's website and on April 15 of this year, they started with recommendations from Michael Jordan, they are in process of ratcheting up even stricter sanctions regarding class 1 and class 2 riparian areas. We were all given these nice maps about what areas of Kellogg Lake are riparian, and this site has both class 1 and class 2 on it. He found it problematic that we could be forced to authorize construction on that site just from sheer political pressure.

Councilor Barnes asked if Councilor Lancaster had actually talked to anyone at Metro. She called Metro Councilor Newman, but he was not in the office.

Councilor Lancaster understood Newman was out of town, so he did not have a discussion with anyone at Metro. Again, this was his cursory review. These were the flags that came to him as he tried to review all of the information. In regards to Milwaukie's Comprehensive Plan that has been cited numerous times, has anyone on the City Council had a chance to look at the Comprehensive Plan? It is a hard document to get through. He was involved in building and finalization of the document, and it was a long and arduous process. What struck him about that, because he looked to see if the City went to this site how contrary it would be to the City's Plan. It was much, much worse that he would have expected in violation of the Comprehensive Plan. He would not read all of the sections, but it starts off with the overriding management policies. It says, "Existing natural resources and development of character will be preserved, and new development will contribute to improving the quality of living environment and a sense of City-wide identity and pride." It goes on into multiple sections – Resources; Statewide Planning Goals 3, 4, 5, 6 and 7, which are

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statewide land use laws that we have to comply with. Then there is a whole section on historic resources. In each of these different categories of the Plan, it specifically names Kellogg Lake and Kellogg Creek and the surrounding area. There is a whole historic resources section. There is a whole Objective 1 – Open Space section. There is a whole Objective 3 – Scenic Area section. There is a whole section that deals with the views as part of the Scenic Area section. It talks about the Willamette Greenway. His point was that there were so many provisions that were very specific and very comprehensive and he remembered some of the testimony that was clearly aimed at preserving that as a natural area. If we were to remove that from the stock of open space or wilderness area, we only have two little, small parcels left in the whole downtown area not counting the waterfront which will someday be a good space for us. The problem is that there is no way to recover from that. Once you take that away, you cannot get it from someplace else. The staff report referred to using the money from the sale of that site to increase open space, and it made a reference to the waterfront. We already have an open space on the waterfront. He did not see how that added to it. That is problematic. Part of the downtown zoning is very specific regarding transit centers. It says no transit centers will be built on that site. One of the other things that was ancillary for him was that when he looked at the actual transit center and its impacts on traffic. We are in the process of developing our McLoughlin Boulevard improvement project to make the crossing to the riverfront more friendly. The fact is, the transit center sited at that spot will dramatically make the traffic on McLoughlin Boulevard worse and defeats the improvements to get to the waterfront.

Specifically, when Karen Cornell testified before the City Council, from his perspective she was a credible professional and highly credible witness, and in fact TriMet did not refute any of her comments. They had some other figures, but all of her testimony was never refuted, so he took that to mean it was accurate. He had no evidence to believe it was not. One of the things that struck him about her testimony, and he read it in other places too, was what is a transit center and what is it supposed to do. What does TriMet say a transit center is? It is supposed to serve three functions: access to all transit services in one location. He cannot imagine what services they provide, so they must simply be referring to light rail and bus transit. He did not know what else that could mean. The ability to transfer between lines and layover and schedule recovery. If you take a technical look – he went through the information many times to make sure it was clear in his mind and that he was understanding it correctly – the actual impacts of what they have said in terms of the scheduling does not meet any of their criteria of what they call a transit center. It does not meet TriMet's own test. We were originally told when they laid it out under their own scenario, not all of the layovers would be in the transit center. That is documented. Because that was a concern for all of us -- he asked specifically himself if all of the layovers would be at the transit center or not. Then they reversed themselves and said, yes that they would all be there. It is that continuously moving – what it is really going to be. But the other part he found troubling was that in the process he recalled two TriMet people saying they discovered some better ways to do routing that was going to reduce traffic in our downtown. His criticism to TriMet then was why was it not optimal in the first place. Why are we just now getting around to trying to improve it after complaining about it for how many years? He found

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that troubling. The issue for him, again based on the transportation expert's testimony, was it would actually be worse in terms of traffic if we put everything at the transit center. The cost to go to the Kellogg site is raised to \$380,000. According to her figures, the additional operating cost which was the big, overriding negative in the early decision-making is only \$162,000. He believed TriMet came back finally with a figure of \$200,000 additional cost to ODOT site. He recalled asking if that was the final answer. He did not think he got one. Again, it was conceptual, and he realized the difficulty. We need good numbers to work with. Now we are taking the cost factor out of the equation. The reason he made this an issue was that when looked at all of the records of the group and how they got to their decision making, at a very early stage, they were evenly split between the Kellogg site and the ODOT site. He was convinced based on the information that he has gone through that the overriding cost factor based on bad numbers is what drove them away from looking further at the ODOT site. He will address a couple more things about the ODOT site in a minute. The other reason he was talking about making downtown or McLoughlin Boulevard traffic worse is based on TriMet's numbers and their experience of each bus taking so many cars off the road. Again, this is averaging over wide, different areas. He could say based on his experience those numbers vary widely. The reason he referred to that was for an historical perspective. I was a hardcore opponent of light rail. He spent months and hundreds of hours studying the topic before he decided which way to fall and then actively lobbied against light rail. It is because of the impacts of the numbers. The same thing basically applies to transit centers depending on how they are designed. Based on their numbers, replacing 525 cars is what they would do. They would replace that with up to 450 buses. If you do the simple math, just from his perspective, a bus probably roughly takes up about the same physical space as two cars. He asked if that was a reasonable assumption. The physical space. If you go on that basis, if you take 525 cars off the road and put 450 buses on the road, the net effect is adding 375 cars to the traffic space. That is a huge negative impact. He looks at himself going downtown and maybe eating in a restaurant or walking across to the waterfront, so now he has 375 more vehicles to contend with. Now they are buses instead of cars. He did not see that as a positive impact.

Councilor Lancaster referred to the early decision-making process, and he looked at the documents, they quickly came to a split between ODOT and Kellogg Lake. When he looked at the individual Working Groups they had and the scenarios, strengths, weaknesses, etc., the only weakness that was listed on their document for the ODOT site, Tillamook Branch, was its distance away from the downtown. If that is the only real objection, to him that is a positive because of the negative known impacts of transit centers in downtown areas. Which is why TriMet has already said they don't build them there because of it. The other thing he found curious was in the early documents of January 22 they listed additional work to be done, and the groups requested TriMet consider the ODOT site to see if it could accommodate the transit center relocation. It also said that TriMet's claims of decreased bus service to downtown and increased operating costs were questionable. They asked that TriMet demonstrate evidence to address these issues. He did not see anywhere in the document that they that they complied with that.

The last issue relating to the ODOT site. He did not believe the ODOT site got its just due. In good conscience he did not see how the City could go forward with a recommendation on the Kellogg site unless we fully explore the ODOT site. These were the reasons listed as negatives of the ODOT site. Would produce better traffic conditions than the LPA. They state the reason for that is because buses and cars would be added already to a congested area. Based on the information he looked at, the very same thing applied to Kellogg. That cancels it out. It refers to the impacts on business community. He is a big business supporter as was demonstrated over the years. He was not unaware of potential traffic impacts to the freight movement in the industrial area. He was troubled by the fact that when he went back to look for any evidence that had been submitted as to the actual impacts based on individual business, he could find none. The only one he could find was vague reference from a representative from WW Metal Fab who guesstimated that three 40-foot trailers would come in every hour. That is not that much traffic. If there are real impacts, he would like to see that. That was part of looking at the ODOT site that did not occur. He thought the City Council needed to see that. It would eliminate 2 businesses – that is not good. It is an unfortunate impact. More costly overtime due to increased operating costs. That is still being said and based on what he has seen is absolutely wrong. When you compare to Kellogg, the ODOT site is less expensive over time regarding increased operating costs. Based on the information in front of us. Farther removed from downtown is a good thing. If you look at Karen's survey of 100 people, 90% of them did not want to get to the downtown; they were just transferring. He would rather have them someplace else because that is what transit is supposed to do. Get you from one place to the other. Maybe down the road light rail, should it ever come, would be the ticket for Milwaukie to bring people to a destination location with our redeveloped downtown and redeveloped waterfront. We will be the place to go. People are not going to get there by bus. Then it refers to having to relocate ODOT. He and the Mayor met with the ODOT regional manager. Basically, he said was that if we want to revisit it and look at the options, that was perfectly fine with him. He was not aware that every option had been explored. To his defense all of the information was handled by his subordinates, and he relied on whatever they provided. We have pretty clearly established that we did not give it a full look. The other part he would say to that regarding the ODOT site was, what he found in the information was that the transit center itself probably would not be a problem for them, but light rail could be especially if it bisects the property. He had some photos, which he took himself because he goes down there periodically to see what kind of activities there are. They only use a small fraction of that 8 acres. His honest opinion was that if they looked from a business perspective at the asset and the utilization that they may in fact not need to be relocated. If in fact they did, and this was the best site for us as a community and the best site for a transportation system, should our regional partner, part of our state government, be willing to make a sacrifice and move to benefit the greater community. He thought so.

We took a lot of public testimony. Two of our neighborhoods are unanimously against it. He took to heart that the Working Group took its vote, and the majority of them went

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for it. But when we have two neighborhoods unanimously against it. He took notes on everyone who testified. He kept a list of those who testified for and against and it was almost 2:1 against. He took that to heart – people who were actually willing to come here and testify. That meant something to him. We had two attorneys testify before the City Council against it. What that tells him, speaking in terms of potential fatal flaws, is that if we go that route it virtually guarantees litigation. That means the whole process will be long and protracted and acrimonious. Exactly what we do not need? In terms of the business impacts which he does not take lightly, and the amount of tax base that we get notwithstanding any new opportunities that are coming into our business area. He thought it was important to keep some things in perspective in terms of our tax base and revenue. We have such a small industrial area that we did not even make Metro's significant industrial land map. As far as they are concerned, we do not exist. He did not necessarily agree with that, but in the greater scheme it is a pretty small area. The other thing that struck him when he looked into it further was when we look at where our tax base actually comes from industrial enterprises represent about 12% of our tax base – only 12%. Commercial, which is primarily retail, represents about 8%. The entire remainder is our citizens – it is a residential tax base. When he looks in terms of how we balance impacts and who it impacts that spoke to him that we need to put our citizens first. He looked at some of the businesses down there and in fact went to some of the business representatives who were willing to share the information. The vast majority of their employees do not live in Milwaukie – they live someplace else. That is the information he saw and all he had to go on.

In conclusion he wanted to make sure it was clear to anyone listening that we are committed to a project. We are committed to finding the right site and moving the transit center. We have demonstrated that for years. While this may be a little bit messier, a little bit more protracted than we like, we are committed to getting to a project. He thought it would be irresponsible for us not to thoroughly look at every potential option before we decide which one to really pursue. That is why he was saying we need to give a serious look at the ODOT site. We need a decision that is going to unify our community, not divide it. He came to the City Council as a result of the recall. He went through some of the ugliest time – he knew most of these people's faces because they were right there with him going through it. It was some of the worst times you could ever possibly imagine. We got through it. We moved in a positive direction. We made some significant changes. We are on the mend. We are more unified. We got past this. We are moving in a positive direction. He would be really upset if the City Council made a decision now that reverses those years of healing and positive progress. He thought the best thing the City Council could do was to demonstrate that we have thoroughly looked at every option. He wanted the City to take a closer look at the ODOT site before going further.

The other piece was as we had agreed. Unfortunately, he was not able to get very far because of the short time frame with what we have come to know as the Stan Link option. For clarification Stan Link is a local real estate investor who grew up in Milwaukie. He is not advocating himself or trying to create a position for himself. He became familiar with Stan Link as a result of a conversation with one of our residents

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who was talking to him and had mentioned he had some ideas for downtown Milwaukie. He met with Mr. Link to see what those ideas were because he is always interested in new ideas. He was the one driving looking into this notwithstanding the understandable and appropriate concerns. He was not able to get a lot, but it was significant. He believed this was an accurate depiction of what we would like to see our downtown develop into. The concept he was excited about was the one that dealt with developing an entire downtown block with one level of underground parking and more stacked on top. The way the concept works is that we can be modified this to work as a transit center. It can be altered to accommodate buses. The reason he was so excited about this concept – he and the Mayor met with Fred Hansen and Phil Selinger at TriMet – and talked to him about this concept. The parking structure was the key because it could not only meet TriMet's needs for our layover center but it would also accommodate parking for downtown businesses. And as we develop multiple blocks in our downtown, it would also serve as additional capacity for transit if that was necessary. It would also give us event parking, so people could come to the downtown and get to the waterfront. This particular concept has been done in numerous other places. The only other additional information he was able to get – and bear in mind to his credit, Link has gone to considerable time and own expense for a consultant out of San Francisco named Gerald Johnson – who is an architect involved in these kinds of projects with public/private partnerships. Successful ones. Some of them have been in the Portland metropolitan area. Assuming that to be true, and he had no reason to believe it not to be, he considered that to be a credible source of information. This speaks to Councilor Barnes's comments regarding the cost of parking structure. Did anyone give a ballpark cost for the structure at the Kellogg Lake site? He looked through every document, but he could not find it. He seemed to remember someone saying \$20 million or \$21 million.

Councilor Barnes thought that number was high.

Mayor Bernard thought it was more like \$3 - \$4 million.

Councilor Lancaster was able to get a couple of comparisons of parking structure costs from this consultant who also included a parking consultant to get to these numbers. The numbers, the caveat was that these are general and we never hold anyone to specifics -- but he believed these were credible ranges. For a standalone parking structure of four or five stories -- you are typically looking at \$13,000 - \$15,000 per parking stall. That is about \$7 - \$8 million to build a 533 stall structure. It is a little more expensive to do podium style. That is more like \$18,000 - \$23,000 per stall. That is what we talked about at TriMet. That does not mean it is not doable. One of the other issues for him – and Phil said in one comment – we can get these numbers. If we look at the experience of parking garages, park-and-rides for TriMet in the Metro area, he was reasonably certain that almost none, with the possible exception of the one at 217/26 were, he understood, nowhere near capacity. When he asked Phil about Gresham, he believed his comment was that it was very disappointing. His assertion is why do we need a 5-plus story structure if capacity is way below that. If we look at something like this that could be phased overtime in terms of parking capacity, then we

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develop more of our City blocks and add more parking capacity if it is needed. The other element is we get a public private partnership with a huge infusion of dollars into the downtown. From his perspective, in addition to the ODOT site, this concept really deserves further study. When he and the Mayor met with Fred Hansen and Phil, Fred Hansen pointed to that parking structure in the concept and said, "We would love to see that in downtown Milwaukie." His only concern was coming up with the private money to create the partnership. In his conversations with Stan Link, who is in the real estate investment and development community, believes it can pencil out and that a public/private partnership could be developed. He thought that merited more investigation before moving forward. We need a positive decision that unifies the community. He for one, based on the evidence, could not recommend 2.5 without looking at other alternatives first.

Councilor Loomis commented this project could happen if Kellogg Lake is developed and 2.5 goes forward.

Councilor Lancaster said potentially, but not with the additional parking. That is where the public funding combination would have to come into play. The public money goes for the parking element, and the private money builds everything else. You get transit parking and transit-oriented development all in one package. It is absolutely perfect. It has been done before.

Mayor Bernard stated while he agreed, they also said they did not even do it even in the Pearl District, which is a very expensive area. There are some they have done, but Mr. Hansen said it was virtually impossible. He would love to see it happen that way. He saw a similar project in Minneapolis; however, there was no below-ground. It was built exactly like this with parking on the backside. He looked at it as eliminating possibilities and opening new ones. He hoped that Mr. Link would continue to work on the concept. This is a long ways off. There is a lot of time to do something like this. There is nothing that says it cannot be changed down the road. There are many Planning Commission meetings, and many City Council meetings in addition to a lot of testing before the Kellogg site is the final decision. He believed there was plenty of time. There were some good points made about the ODOT site. He thought the Kellogg site did have fatal flaws, and those would be found. Let's do the hard stuff first. For example, Metro's goals and the Endangered Species Act may throw that site out right away. The Corps of Engineers may throw that site out. He still believed there needed to be further study of the site, and that is all we are doing. We could talk more about the ODOT site, but that is not part of this decision. The decision tonight is to study it further. If we form a group, and that group says maybe we should look a little deeper into the ODOT site and maybe those figures are not quite right, then we could throw that back on. He has seen that done every time. He stood there when the City received giant check on for Safeway site. It was done in 1982. There is a lot of money set aside for Milwaukie somewhere. There is potential. There may be a fatal flaw. This is just moving us forward and is not the final decision. It was the Council's responsibility to listen to the Planning Commission and all the other people who gave testimony and all of the people in the Working Group. There were a lot of people at the open houses.

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There are also a lot of people who have information, so we need to clear that up. The only way we are going to find out the answers is to study it. He hoped we can disprove the information and that it is done by an independent party to ensure the figures are true. There are a lot of unanswered questions that need to be answered. The site may or may not work out, but we will not know that until we spend more time. He thought the Southgate site was a mistake. If TriMet bought it, they should sell it back. Let it be redeveloped as industrial land and create a job base.

Councilor Lancaster stated how we proceed is important to the success of the process. Given the high level of negative opinions – he did not mention the signatures. The case could be made that signature gathering can be slanted. He did not take 740 signatures lightly given the number of those signers who came before us who are not involved in this area at all. Given the nature of that resistance, he thought it was more prudent to for the City Council to eliminate the other possibilities. From his perspective there are only these two. We would better service the community and impending division to eliminate the other options before proceeding to the one that has so much resistance.

Councilor Barnes responded that part of the problem in the breakup of this community has been misinformation and miscommunication. The one thing she has learned from going door-to-door and going into other neighborhoods, the first thing when she asks, "Have you heard about the transit center decision that is coming up?" Most people have said, "What transit center?" 700 people is a great deal, but there are 20,000 people in Milwaukie. People testify because they are angry. Most people have said what transit center. What about the other thousands of people who just want to go to work during the day, pick up a paycheck, and go home and feed their family. This is not a major issue to them. Just get on with it and save the library or put another cop in my neighborhood. That was her perspective. 700 and some people signed a piece of paper, but she never once heard specifically what was asked. When she did ask, different people were asking people to sign, and they all had different messages. When you ask certain people on that list and tell them all of the perspective, they say they did not hear all of that. Some of it may have been slanted. The five of us screwed up because we did not come back and say this was what was really going on, or here are all the facts until tonight. It is like any other political campaign. You allow the other side to say things and you do not contradict them, then people start believing it. That was the Council's problem to begin with. We did not step forward and say the staff has said this; they researched this, and we are backing them because that is what we hired them to do. We have put ourselves in this position, and we need to take responsibility for what has happened to our community. We did not play as leaders at the point we should have. Now we will deal with the mess and clean it up because that is what is left for us to take care of. She blamed herself and Council for not stepping forward to deal with this. Now we are dealing with it.

Councilor Lancaster took her point regarding citizen apathy. Milwaukie actually has about 22,000 residents right now. There are only about 12,000 registered to vote. Only 3,000 to 4,000 actually ever vote. That is why the Council does what it does to make

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decisions that represent those people. That was a sad testimony about community apathy.

Councilor Stone thanked Councilor Lancaster for his excellent testimony and observations of the facts. She had a fact she would like to bring up. When we as a Council ask for work to be done by a board or commission, group, or staff, we expect that work will be done. That work was not done by the Working Group. This was their charge, "The Working Group is charged with developing a recommendation or set of recommendations for resolution of design issues related to the transit center future light rail alignment and park-and-ride proposed in the locally preferred alternative in Milwaukie." That LPA we are speaking of is the Southgate site. That was never done. It was eliminated. From Councilor Lancaster's testimony, it sounds as though it was eliminated almost right from the beginning or there was a huge bias, maybe, to not even look at that site and try to look elsewhere. She had a problem with this charge not being fully carried out. She likes to look at the facts too and base her decision on facts. She wanted to gather enough information on all the potential options before she makes a decision. We have not really explored those. We have not explored what is going on at the Southgate site. Yes, businesses may not get to stay where they are. There are a couple that would be threatened. As Councilor Lancaster said, the business community, the commercial properties make up 20% of our tax base. The citizens make up 80%. We need to look at that. We need to look at the ODOT site. They have 8 acres that they are underutilizing. She was not comfortable making a decision to put it in the Kellogg Lake site especially seeing how contentious the issue is. We really have to look at the citizens coming before us. Those 740 signatures on the petition – she has been out doing petitions before. She looked at that and did not think they had been slanted at all. Maybe there is a slight margin, but for the most part, those signatures are credible. The people who asked them to sign -- she did not think they mislead them at all. She did not know that for -- because she has not talked them about what exactly they said. Councilor Barnes asked the question, and the answer she got did not make her think that they swayed those people or strong-armed them into signing. She did not take that lightly. The decision about the site. She was under the impression tonight's meeting was going to be Council deliberation not necessarily leading to a decision. This was the Council's first chance to sit down and talk about the pros and cons. We are not really even doing that. We have all given our statements. She thought Councilor Lancaster had done the best job of in terms of going over some of his observations in some of the material we have all gone through and trying to summarize for the Council. She thought that was very helpful. That is why we are here -- to say maybe some of those number need to be looked at. She thought there were a lot of things we need to re-look at before making a decision -- particularly looking at the possibility of litigation if this is chosen. She was in favor of looking further at the Southgate site, which was never explored in terms of mitigating the negative impacts to the businesses, as well as looking at the ODOT.

Mayor Bernard appreciated her comments and thought she did a great job too. This is not a decision to put transit center at Kellogg Lake. This was the decision to look at it further. There is a long process to follow from this determination. We are doing exactly

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what the Planning Commission said which was to look at it further, and that was what he intended to do. It may not be the right site. He cannot do that without the right answers either, just as she cannot make hers without answers on ODOT. He felt exactly the same way. The Kellogg site may not be the right site, but he did not know that without some studies done.

Councilor Stone did not want to spend money on an environmental study on Kellogg Lake before she knew for sure that ODOT and Southgate were completely ruled out. That is what needs to happen. It is taxpayer money. It is federal dollars, and it is still our money. We need to make sure we look at these and rule them out before we sink any money over there.

Mayor Bernard would like to spend some money on Kellogg Lake to determine the environmental hazards that exist in that ground, and this will pay for it. He looked at it as leveraging. This is a chance to have someone else pay for an environmental analysis of the Kellogg Lake site to determine if it is worthwhile as a baseball field, park, or anything else.

Councilor Lancaster restated his final point. His biggest concern with going forward with recommending Kellogg Lake at this point given the resistance – and speaking from the experience of going through the darkest times Milwaukie has ever had – he sincerely believed if the Council goes through with a decision for Kellogg Lake, that things will be worse before they get better. When you have other things like the Son of 7 Measure – the land use takings measure – which he fully expects to pass again, it only makes it more difficult in looking at that site. It was his understanding that the folks at AOI who are the powerful lobby group that put this on the ballot have inquired about what is going on in Milwaukie. It was his sincere belief based on his experience that it will get worse before it gets better if the City does not do other alternatives first.

Mayor Bernard disagreed. If people take the positive outlook that the City will examine their concerns about a specific site, then that will be positive. He did not understand why this has gotten to be such a mess. It is simply the community talking and gathering together to look at sites that may have some potential. All the Council is saying is that there some potential.

Councilor Stone said this was in the downtown plan and the Comprehensive Plan in terms of what we are doing with this Greenspace. It is designated as a Greenspace. How can we make a decision to violate our own rules, governance, and framework for how we are supposed to plan in our City? How can you do that? She had a philosophical problem doing that -- going against her values. These are our values. That is why these documents were created -- to state clearly that these are the things we hold precious, and we are going to uphold them and do everything to protect them. We are not doing that if we choose this site.

Mayor Bernard believed the Plan also said the City should do anything it possibly can to create a sustainable community, and that involves making some tough decisions. He was willing to do that.

Councilor Stone asked how that could be reconciled. A city the size of Milwaukie is supposed to have 450 acres of Greenspace, and we have 78? We are taking it away.

Mayor Bernard said we are not taking it away. We are studying whether this might be a location. Neither he nor anyone else has made a decision to take it away until there is further analysis.

It was moved by Councilor Barnes to follow the Planning Commission's recommendation to research the Kellogg Lake site as a future transit center site including mitigation. Councilor Loomis added to mitigation that any property not used in the transit center itself is developed in a way that citizens can use. Councilor Barnes agreed to that.

Mayor Bernard wanted to address a traffic study on what this transit center would do to the Historic Neighborhood. He was committed to protecting them. He happened to believe it would reduce traffic, but if he were wrong, he would back away from it. We cannot tell until the study is done.

Councilor Barnes said all she was moving for was the proposal to study this with all of the caveats. The general feeling is we would like to have it studied. Based on the community input already received, these are the things that must be included in the study.

Councilor Loomis seconded it but wanted to make it clear there were mitigation steps about adverse traffic impacts to the Historic Neighborhood and Ardenwald Neighborhood, adverse impacts on the homes adjacent to Kellogg Lake, address the environmental concerns, address the public safety issues, potential adverse impacts on the Farmers Market, address issues arising from bus traffic in the downtown, staff initiates amendments as appropriate to the Comprehensive Plan and Downtown Riverfront Land Use Framework Plan, staff submits a monthly report at the Council's second meeting of the month commencing July 2004 on all of the above, and that this resolution be forwarded to the South Corridor Policy Committee. Those are the mitigation factors.

Councilor Lancaster made one final comment. Just by saying you want to pursue the Kellogg Lake site, you are willing to say you want to undo the Comprehensive Plan and the Downtown Plan we spent six years putting together.

Mayor Bernard disagreed with that.

Councilor Stone asked if that was not one of the amendments Councilor Loomis read.

Councilor Loomis said that would have to be done too. It does not have to be undone completely. He was around when the Plan was being developed and remembered that Councilor Lancaster and Councilor Marshall said it would not look anything like this. It is going to change and change and change. It is a starting point. 24 years is long enough to study something. It is time to get something done in this town.

Councilor Stone was worried the decision to vote on studying the site will arbitrarily lead to the fruition of the transit center being placed there. She worried about how we would feel about that decision in 20 years. How do those people feel that decided to put the Kellogg Treatment plant where it is? We are trying to get rid of it now. She was not comfortable making the decision tonight knowing that we have not fully addressed the ODOT site and the Southgate site. The Working Group did not do what it was charged to do. The Planning Commission gave the Council this recommendation, but one of its members also came before the City Council and testified she was not sure about her testimony. Another one resigned her position because of it. We did not have a strong recommendation from the Planning Commission. The Working Group was also divided. This community is divided. She agreed totally with Councilor Lancaster that this is going the cause a watershed of events that are going to be even more contentious. She feared litigation. Attorneys spoke for the people in opposition. We are really not doing the community a service by going down this road at this time. After we study the ODOT site and look at the mitigations to the current LPA site, the Southgate site, then and only then would she feel comfortable in making such a vote to look at this and spend money on the Draft Environmental Impact Study.

Mr. Swanson cited 27(D) of City Charter. The last sentence reads, "The manager shall have the right to take part in the discussion of all matters coming before the council." He wanted to clarify what the City Council was doing and what the City was being asked to do. The powers that be are the powers that make the decisions. TriMet is responsible for the transit center, for considering whether or not it will proceed with a site. To do that, they have a great deal of work that has to be done. They have engineers and consultant to retain. That requires a considerable outlay of funds, which they hope, of course, are going to be eligible for federal reimbursement. It is possible that through that process, which would be no different from what any developer would do in deciding whether or not to do a project, that they may, in fact, find a reason or reasons not to follow through. If they find no reason to do so – and again, they will be going through environmental processes that will require public involvement. If they deem the project feasible at that site, they will also be required to submit land use applications to the City, which will result in a good number of meetings that will include public input. He did not want anyone to think this was going to be a \$20,000 project and that someone will come back shortly to say this does or does not work. What we are setting out to do is saying, "Here is the one we are going to focus on." There may be a fatal flaw or flaws. They will have to have land use planning consultant put this option next to City's land use policies and decide whether or not it works. At the same time you have the alignment question. The LPA provides for one alignment. The recommendation looks at an alternate alignment and will have to travel through the same process that the original alignment decision traveled through. It will probably be

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forwarded first through the South Corridor Policy Advisory Committee for discussion and argument.

Mr. Swanson suggested the form of the motion. The Council is making a request of the South Corridor Policy Committee to consider a different alignment. You are transmitting to TriMet your recommendation on the site so it can begin its process of deciding whether or not to advance the development project. One action is the light rail alignment decision, which is that the Tillamook Branch light rail alignment through the North Milwaukie Industrial Area be recommended to replace the alignment along Main Street. Second, that option 2.5 – Kellogg be recommended to replace Southgate as a preferred site for relocation. There was a list of mitigation and design considerations, which Councilor Loomis read and encompassed what Mayor Bernard had talked about.

1. Mitigation and design elements related to the transit center relocation address adverse traffic impacts within the Milwaukie Historic and Ardenwald/Johnson Creek Neighborhoods, and that the elements be developed with participation of neighborhood representatives and residents and City staff; and
2. Mitigation and design elements, including but not limited to architecture, noise containment, landscaping, and lighting, address adverse impacts on the homes adjacent to Kellogg Lake and/or in close proximity to the recommended site, and that the elements be developed with participation of homeowners and/or residents and City staff; and
3. Mitigation and design elements address environmental concerns, including the loss of open space and potential environmental impacts on Kellogg Lake and adjacent properties, that open space enhancements be created where possible, and that the elements be developed with participation of the City's Riverfront Board, Parks and Recreation Board, interested citizens, and City staff; and
4. Mitigation and design features address law enforcement and public safety concerns, and that the features be developed with participation of the Milwaukie Police Department, neighboring residents, and Milwaukie High School staff, students, and parents; and
5. Staff explore the potential adverse impacts, if any, on City Hall and Farmers' Market operations, and that mitigation and design elements be developed as appropriate; and
6. Mitigation and design elements address issues arising from bus traffic in the downtown while preserving adequate transit options for Milwaukie residents, and that the options be developed with participation of neighborhood representatives, residents, transit users, downtown business representatives, and City staff; and
7. Staff initiate appropriate action at the appropriate time with respect to amendment of the *Milwaukie Comprehensive Plan* and the *Milwaukie Downtown and Riverfront Land Use Framework Plan*; and
8. That the resolution be forwarded to the South Corridor Policy Committee for inclusion in a modified LPA and to TriMet for consideration in advancing project development plans and related land use applications since one of the recommendations regarding option 2.5 replace Southgate as a preferred site.

There was a lot of talk about the original charge to the Working Group. This matter was brought before the City Council four separate times at work session. If he remembered correctly at least two of those times consideration of other alternatives was a subject of the work session and one of the issues we talked about. This was not a group in which it is a fatal legal flaw to go outside the scope. If it were the Planning Commission, and they started hearing traffic cases, they cannot do that – they do not have the power. This group was requested as an ad hoc group to tackle an issue. They did tackle an issue. In respect to them, it was brought up a number of times during the process that they were looking at alternate sites. In fairness to the Working Group, that needed to be brought up. In terms of the actual resolution, he suggested language similar to what he just said.

Mr. Firestone added that the action should be by resolution, which would require a written document. He did not believe there was one available at this time. A possible action would be to adopt a motion that the action should be by resolution and that everything would be set out in a written document. Possible action would be to adopt a motion that sets the parameter of where the Council goes and directs staff to prepare a resolution. A motion was made and seconded that would not involve the adoption of a resolution. The City Council must decide whether to go through with that or withdraw it and direct a resolution be prepared so Council could look at the specific terms.

Councilor Barnes withdrew her earlier motion and moved that staff prepare a resolution for City Council to discuss to review specifics regarding the Kellogg Lake site.

Councilor Loomis withdrew his second.

Councilor Barnes moved to have staff prepare a resolution for the Milwaukie City Council to review specifics on the Kellogg Lake site. **Councilor Loomis** seconded the motion. Motion passed 3 – 2 with the following vote: Mayor Bernard, Councilor Loomis, and Councilor Barnes aye; Councilor Lancaster and Councilor Stone nay.

OTHER BUSINESS

Advisory Board Appointments

Mayor Bernard announced the appointment of **Mike Miller** to the Budget Committee; **Kathi Schroeder** to the Center/Community Advisory Board; and **Terrie Darling** to the Riverfront Board.

ADJOURNMENT

It was moved by Councilor Barnes and seconded by Councilor Loomis to adjourn the meeting. Motion passed unanimously.

Mayor Bernard adjourned the regular session at 8:40 p.m.

Pat DuVal

Pat DuVal, Recorder

AGENDA

MILWAUKIE CITY COUNCIL
SEPTEMBER 21, 2004

MILWAUKIE CITY HALL
10722 SE Main Street

1942nd MEETING

REGULAR SESSION - 6:00 p.m.

I. CALL TO ORDER
Pledge of Allegiance

2. PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS

Disability Awareness Month -- Proclamation

3. CONSENT AGENDA *(These items are considered to be routine, and therefore, will not be allotted Council discussion time on the agenda. The items may be passed by the Council in one blanket motion. Any Council member may remove an item from the "Consent" portion of the agenda for discussion or questions by requesting such action prior to consideration of that portion of the agenda.)*

A. On-Call Engineering Services Award

B. Hill Street Sewer Contract Award

4. AUDIENCE PARTICIPATION *(The Mayor will call for statements from citizens regarding issues relating to the City. It is the intention that this portion of the agenda shall be limited to items of City business which are properly the object of Council consideration. Persons wishing to speak shall be allowed to do so only after registering on the comment card provided. The Council may limit the time allowed for presentation.)*

5. PUBLIC HEARING *(Public Comment will be allowed on items appearing on this portion of the agenda following a brief staff report presenting the item and action requested. The Mayor may limit testimony.)*

Transit Center Relocation Deliberations

6. OTHER BUSINESS *(These items will be presented individually by staff or other appropriate individuals. A synopsis of each item together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)*

None scheduled

7. INFORMATION

8. ADJOURNMENT

Public Information

- Executive Session: The Milwaukie City Council may go into Executive Session immediately following adjournment at pursuant to ORS 192.660(2).

All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions as provided by ORS 192.660(3) but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

- For assistance/service per the Americans with Disabilities Act (ADA), please dial TDD 503.786.7555
- The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.

PROCLAMATION

WHEREAS, twenty percent of the population of the United States of America is comprised of people with disabilities; and

WHEREAS, more than two-thirds of adults with disabilities in the country desire to work but cannot find employment; and

WHEREAS, the American with Disabilities Act provided civil rights protection for America's 49 million persons with disabilities.

NOW, THEREFORE, be it resolved that I, James Bernard, Mayor of the City of Milwaukie, Oregon, do hereby proclaim the month of October as

DISABILITY EMPLOYMENT AWARENESS MONTH

In the City of Milwaukie and ask all our citizens to join us in its observance by learning about people with disabilities, their strengths, abilities, and the programs that serve their needs.

James Bernard, Mayor

ATTEST:

Pat DuVal, City Recorder



To: Mayor and City Council

Through: Mike Swanson, City Manager
Alice Rouyer, Community Development and Public Works Director

From: Paul Shirey, Engineering Director

Subject: Contract Award- On-call Engineering Services

Date: September 2, 2004 for September 21, 2004 Council Meeting

Action Requested

Approve award of contract to David Evans and Associates and Century West Engineering for on-call professional engineering services.

Background

A request for proposals was published in late July seeking qualifications of consulting firms, or teams of firms to provide on-call consulting engineering services. Services specified included traffic and transportation, civil engineering, survey, storm sewer, water and sanitary sewer design and engineering services.

Sixteen firms, or teams of firms responded. An in-house team of three people evaluated the proposals using four evaluation criteria. The two highest ranked firms were chosen in order to give the city some flexibility in awarding work under the terms of the contract. When work is needed, the Engineering Department will prepare a specific task order. No work is guaranteed under the terms of the contract but the intent is to balance the amount of work awarded to each firm.

The value of the on-call services contract is \$30,000 and will expire on June 30, 2005.

Concurrence

None required

Fiscal Impact

\$30,000 for this contract is included in the 2004-05 Engineering Department approved budget for contract services.

Work Load Impacts

Engineering department members will be responsible for managing the on-call services contractor on an as-needed basis.

Alternatives

1. Award the contract as recommended by staff.
2. Modify the terms of the award.
3. Do not award the contract.



To: Mayor and City Council

Through: Mike Swanson, City Manager
Alice Rouyer, Community Development and Public Works Director

From: Jack R. Ostlund Jr., Associate Engineer
Paul Shirey, Engineering Director

Subject: Hill Street Sewer Improvement Bid Award

Date: September 8, 2004 for September 21, 2004 City Council Meeting

Action Requested

Authorize the City Manager to sign a contract for the Hill Street Sewer Improvement with Cipriano & Son, in the amount of \$83,334.90. This amount includes a 10% project contingency.

Background

On July 20, 2004 Council approved the creation of the Hill Street Reimbursement District. Under this reimbursement district, the City will fund the total construction cost of sanitary sewer main to serve 11 lots along the newly annexed Hill Street area. Property owners within the district will be required to pay their proportionate cost at the time of connection to the new line. Five of these lots are expected to connect and reimburse the system this fiscal year.

This proposed sewer main will connect to an existing manhole at Stanley Avenue and extend sewer along Hill Street to Hollywood Avenue. The project will consist of approximately 485 feet of 8" PVC sewer main, 2 manholes, and 11 sewer laterals. Laterals will be extended to the property line of all lots that are not currently connected to sanitary sewer. This will avoid cutting the street to make connections in the future.

A project vicinity map is attached. Project bid advertising was completed as required. Three sets of plans went out to contractors for bidding, and one bid was received for the September 3, 2004 bid opening. This bid was significantly

higher than the engineer's estimate that was prepared by the design consultant with the plan set for this project. However, the bid was close to the reimbursement district cost estimate that was prepared by staff with the report that was approved by Council on July 20, 2004. A brief bid summary follows, including the engineer's estimate and reimbursement district estimate. A budget amendment will be necessary to cover the difference between the budget amount and the actual total cost of the project. The budget amount was low, because it assumed reimbursement from the developer of five new homes and a smaller scope-of-work.

Contractor	Bid (does not include 10% contingency)
Cipriano & Son	\$ 75,759.00
Engineer's Estimate	\$ 41,650.00
Reimbursement District Estimate	\$ 72,684.67

Staff will return to council following completion of this project to present the final assessments of each lot in the reimbursement district based upon the final costs of this project. This presentation should be made to Council in November of this year.

Concurrence

Engineering staff coordinated with the Director of Community Development and Public Works Operations staff on this project.

Fiscal Impact

The project is part of the 2004-05 CIP. The total cost for this project is estimated at \$89,539.65, including contingency. Approximately \$6,204.75 was spent to cover engineering costs and advertising in this fiscal year. Construction costs, including a 10% project contingency, is projected to cost \$83,334.90. It is expected that approximately \$38,800 will be recovered this fiscal year from the developer of some of the lots in the district, with the remainder to be recaptured at a future date. \$40,000 was budgeted in the 2004-2005 CIP to cover the system's share of the project after reimbursement. A budget amendment will need to be prepared to cover the total front-end cost of the project. The sewer system will eventually collect a majority of the construction cost plus a portion of the design cost (See Attachment A).

Work Load Impacts

The workload impacts include the amount of time spent doing normal project management duties. This project is in the Engineering Department and Sewer Department annual work program.

Alternatives

1. Authorize the City Manager to approve the bid as proposed.
2. Elect to defer the project to a later date.
3. Take no action.

Attachments

- A. Summary of Project Costs
- B. Project Vicinity Map
- C. Hill Street Reimbursement District Map

ATTACHMENT A

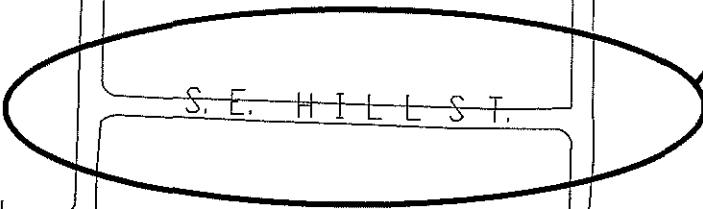
Summary of Project Costs

Construction Cost (Including 10% Contingency)	<u>\$83,334.90</u>
Design + Advertising	<u>\$ 6,204.75</u>
Total	<u>\$89,539.65</u>
Amount Eligible for Reimbursement	<u>\$74,512.54</u>
Cost per foot of frontage	<u>\$ 100.35</u>
Net Cost to System	<u>\$15,027.11</u>

HILL STREET SEWER IMPROVEMENT VICINITY MAP

Attachment B

PROJECT LOCATION



REFSHILL

STANLEY AVE.

R.D.

S.E.

S.E. WILLOW ST.

S.E. HILL ST.

S.E. MAPLE ST.

S.E. HOLLYWOOD AVE.

S.E. WICHITA

S.E. HECTOR ST.

S.E. KING RD.

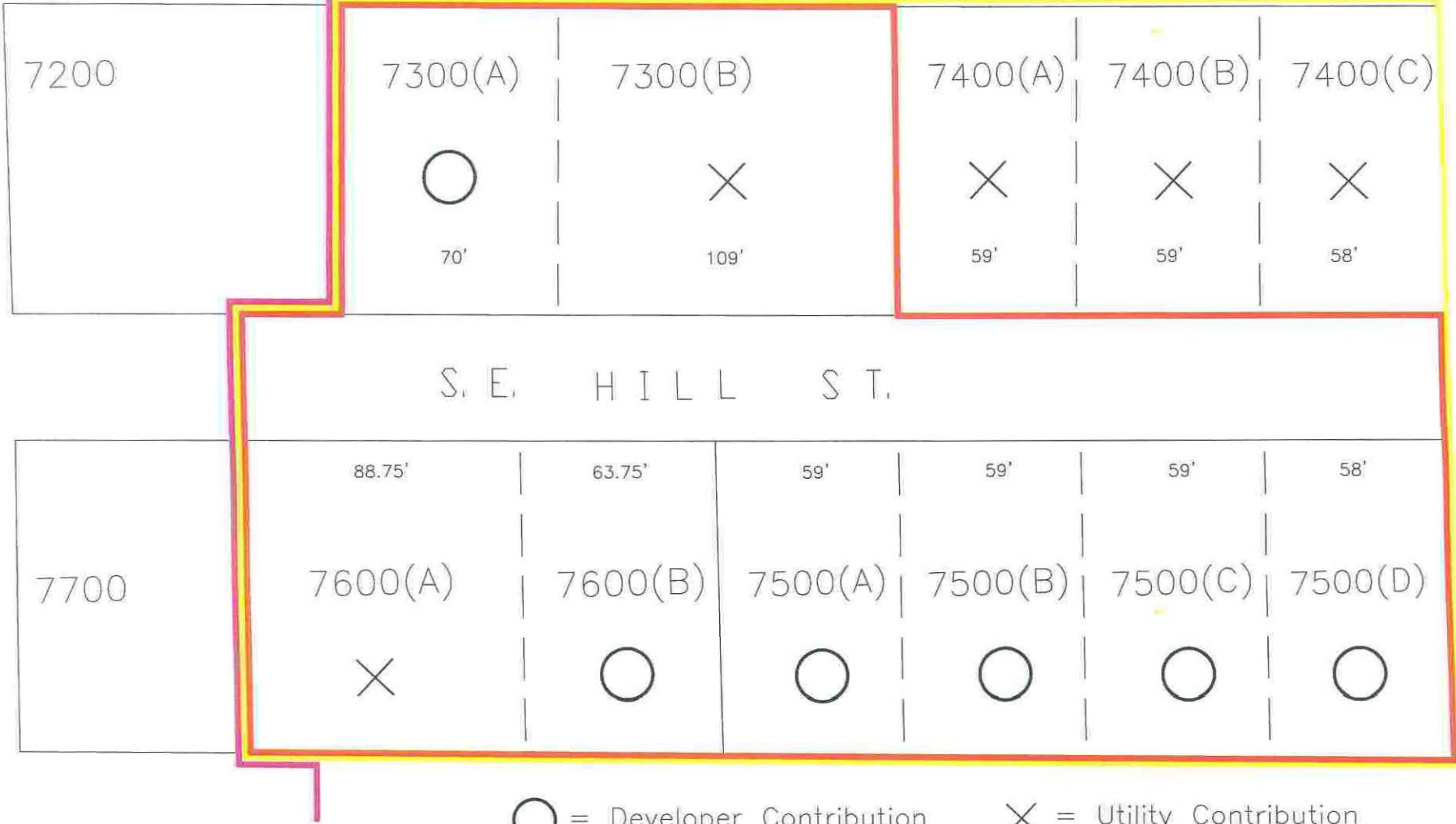
HILL STREET REIMBURSEMENT DISTRICT

TAXLOT ID - 1S 2E 30DA



S. E. STANLEY AVE.

S. E. HOLLYWOOD ST.



○ = Developer Contribution

✕ = Utility Contribution

— = Reimbursement District

— = Annexation District

— = City Limits

5. Public Hearing - Transit Center Relocation Deliberations

Additional Correspondence

DuVal, Pat

Subject: FW: Transit Center

-----Original Message-----

From: Estle Harlan [mailto:deharlan@adscomputers.com]

Sent: Tuesday, July 20, 2004 9:45 PM

To: bernardj@ci.milwaukie.or.us; lancasterl@ci.milwaukie.or.us; loomisj@ci.milwaukie.or.us; stones@ci.milwaukie.or.us; duvalp@ci.milwaukie.or.us

Subject: Transit Center Issues

To: Mayor Jim Bernard and Councilors Larry Lancaster, Joe Loomis, Susan Stone, Deborah Barnes.

We became owners of property on Lake Road, with our land extending down to Kellogg Lake, in 1974 - exactly 30 years ago. We still own that property, although we have sold the adjoining piece of property on the lake which we purchased in 1976. Over the years, we have cared for the land and the lake with a great deal of love. We planted hundreds of trees, rhododendron and azalea, and developed lovely gardens on both pieces of land. As the children in our family grew up, they enjoyed fishing, watching the bass leap in the sun, and nurturing mother ducks with their broods of ducklings. Precious memories.

We were involved when the property along the lake was declared a Green Way and we applauded the City for more recently purchasing the property across the lake from us that fronts on McLoughlin Blvd. (99E) as an Open Space with the stated plan for turning it into a park. The City was on track in this acquisition for turning into a reality the celebration of our waterfront-and for tying together the river and the lake into strands of green space for the public to enjoy.

What an unmitigated loss it will be to the environment and to the potential beautification of the City if an irreplaceable piece of land - irreplaceable because of its location on the lake and proximity to the river - is used for a commercial use such as the Transit Center.

Certainly, a Transit Center is needed for the City to meet its transportation goals. We support the City's transportation plan and hope it leads eventually to light rail, a proposal we supported when it was put to a vote. But, there are other pieces of property that would be effective, and they would not destroy the greatest asset this City has - its waterfront.

Our waterfront has been the subject of studies for many years longer than we have owned property on the lake. How many consultants have met with citizen groups over those years and taped hundreds of pieces of paper to walls with ideas for developing the waterfront? And, if those rolls of paper that have been folded and stored somewhere in the City's archives were to be opened, would any one of the voices from those many meetings have fostered the notion that a good use of the waterfront (lake and river) would be to put a busy, commercial transit center on one of our most valuable natural resources? No, not until this recent detour by the work group who was studying how to mitigate impacts on the northern site under discussion. Please do not take an action that cannot be reversed by squandering waterfront property for a commercial purpose.

The City needs a Transit Center. The River Road intersection needs realigned. The Island Station folks need to be connected to the downtown. We support all of these needs and believe they can be met without destroying our scarce green spaces. How do you put a price on the opportunity for the children of our City to go fishing in the quiet waters of the lake, watch the bass jump in the sunlight, or nurture a mother duck with her brood of ducklings?

2202 SE Lake Rd.

Milwaukie, OR 97222

503-654-9533

deharlan@adscomputers.com

07/21/2004

29 July 2004

Dear Mayor Bernard,

I have recently heard that there are plans to use the parking lot behind Olson's and in front of City Hall as a bus transit area. Please reconsider this plan. It will damage downtown Milwaukie irreparably.

My husband and I moved to the Oak Grove neighbourhood in 1989 and plan to stay here. When we first moved to the Milwaukie area, I was discouraged. Milwaukie seemed tired and shabby, but we loved our old house and the old oak trees.

In the last 15 years, we've seen houses and yards improved, a community center developed, and the beginnings of a real "downtown" Milwaukie. We've gone to the Milwaukie Daze parade since our children were tiny. We've volunteered at our sons' school, Oak Grove Elementary. My husband joined the Library Board. I'm on the board of the brand-new community theatre group, the New Century Players. Milwaukie High School is working on becoming an arts magnet school. Just recently, I "discovered" the Milwaukie Farmer's Market. I feel much more hopeful about the future of my neighbourhood.

However, I am concerned about the transit center. While I am all for light rail and improved bus service to the area, I don't want to see the small and fragile Milwaukie downtown damaged. I understand that the folks living on Kellogg Lake are not keen on having a transit center there. The parking lot in front of City Hall, with its lovely old trees, is an asset as it is now. Please don't let it be ruined.

There must be a more suitable place for the buses north of Milwaukie. The old Southgate theatre is not too far to walk. I'd be willing to go farther if it meant saving the pleasant, small-town feeling that Milwaukie is just starting to develop.

I'm sure that you have Milwaukie's best interests at heart. Thank you very much.

Sincerely,



Elisabeth A.K. Goebel
14001 SE Laurie Ave
Milwaukie, OR 97267
Goebel86@msn.com

Mayor Jim Bernard

I have been watching the city council meetings on T.V. and believe you are determined to put a transit center in Milwaukee on Kellogg lake, and feel you are being forced by OdOT and Tri Met. We had lived on Kellogg Creek for 12 yrs. and so enjoyed the beauty of it, and all the wild animals, ducks, Blue Heron, beavers and etc.

I heard you say it would improve our property and not raise taxes. You are wrong, it will raise our property tax.

I don't believe it will enhance the downtown Milw. area. You will have a lot of Rif-raf and crime. Also it will be too close to 4 schools: Mil. High, Mil. Grammar, St. John's, and Waldorf.

We have lived here for 55 yrs. For the reason Milw. was a quiet little town. We have raised four children here and all attended St. John's. This should be a note by all Milwaukee residents. You work for us and pay your salary.