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City Club of Portland (Portland, Or.)
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REPORT
ON
REPLACEMENT OF N.E. 28th AVENUE VIADUCT
(Municipal Measure No. 52)

REPORT
ON
BONDS FOR REBUILDING AUDITORIUM
(Municipal Measure No. 53)
The Committee: Daniel J. Cohn, Roland A. Hartl, Charles S. Politz, Theodore E. Reich, Edmund A. Smith, Lamar Tooze, Jr., and Carl O. Strand, Chairman.

REPORT
ON
STREET LIGHTING SPECIAL TAX LEVY
(Municipal Measure No. 51)
For the Majority: Waldo B. Taylor. For the Minority.

"To inform its members and the community in public matters and to arouse in them a realization of the obligations of citizenship."
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REPORT
ON

REPLACEMENT OF N.E. 28th AVENUE VIADUCT
(Municipal Measure No. 52)

To the Board of Governors,
The City Club of Portland:

I. Introduction

Your Committee has been asked to submit a recommendation concerning the measure placed on the municipal ballot of the primary election May 15, 1964, by the City Council, reading as follows:

Authorizing issuance of serial general obligation bonds totalling not more than $750,000 for replacement of the N.E. 28th Avenue Viaduct over U. S. 80 N (Banfield Freeway).

BE IT ENACTED BY THE PEOPLE OF THE CITY OF PORTLAND, OREGON:

Section 1. Pursuant to Chapter VII, Article 2 of the Portland City Charter, the City Council is authorized to issue serial bonds in a total sum not exceeding $750,000 for terms of three (3) to twelve (12) years from the date of issue, such bonds shall be general obligations of the city and shall be known as “28th Avenue Viaduct Replacement Bonds”. The proceeds therefrom shall be used for repair and replacing the N.E. 28th Avenue Viaduct over U. S. 80 N (Banfield Freeway) and its approaches, including acquisition of real property and interest therein, razing and removing structures, filling and preparing land and all other work and matters relating to such viaduct replacement as the Council may find appropriate.

Briefly stated, the measure contains authorization for the replacement of the North section of the N.E. 28th Avenue Viaduct over Sullivan’s Gulch.

II. Scope of Research and Sources of Information

This Committee has conducted its inquiry on the premise that Municipal Measure No. 52 should be considered on its merits and not as part of or subject to any other street or bridge improvement programs. Further, it was felt that the Committee’s recommendation on the proposed measure should not be influenced by questions of priority or competition with projected improvements in other areas of the city.

During the course of its study, the Committee interviewed directly or by correspondence the following administrative officials of the State of Oregon and the City of Portland:

William A. Bowes, Commissioner, City of Portland
Forrest Cooper, State Highway Engineer
Dale F. Gilman, Chief, Portland Fire Bureau
George Hoffman, Bridge Engineer, City of Portland
Lloyd T. Keefe, Director, City Planning Commission
Tom Neely, Traffic Department Operations Engineer, City of Portland
O. Stitt, City Engineer’s Office
In addition, the Committee contacted representatives of the following groups and organizations:

- East Side Commercial Club
- Hollywood Boosters
- Lloyd Corporation
- Portland School District No. 1
- Rose City Transit Company
- Union Pacific Railroad
- Hyster Company
- Barker Manufacturing
- Associated Oregon Industries
- Oregon Tax Research
- Multnomah County Tax Supervising and Conservation Commission

Finally, the Committee reviewed several factual studies, including photographs, prepared by the City of Portland, covering the history and condition of the viaduct from its conception in 1908 until the present.

III. History and Background

Previous City Club reports related to capital improvement.

This is the latest of sixty-four City Club reports since 1922 directly or indirectly relating to the subject of city capital improvement. Many of these reports were concerned with specific improvement project ballot measures similar in scope to the present one.

City Club Committees have reported on the November, 1954 ten-year capital improvement levy; the November, 1958, ten-year capital improvement levy; the May, 1960, new city tax base; the May, 1962 new city tax base (with related improvement program including provision for the 28th Avenue Viaduct), and the November, 1962, new city tax base measures. These ballot measures were designed to establish long range, comprehensive capital programs. Other recent reports such as that in May, 1958, by the Capital Improvements in the City of Portland committee and the 1961 report on Portland City Government discussed the topic of capital improvements in general. It is significant to note that each committee, while generally favoring the “package” approach to capital improvement ballot measures, has criticized the lack of coordinated planning in the over-all capital improvement programs.

History and Background of the 28th Avenue Viaduct

Sullivan’s Gulch, containing both the Union Pacific railroad tracks and the Banfield Expressway, is a significant impediment to north-south travel on the east side of Portland and necessitates the channeling of all such travel onto a relatively limited number of overpasses. (See map)

In March, 1908, the City of Portland awarded the contract for construction of the 28th Avenue Viaduct to the Northwest Bridge Works of Tacoma, Washington, for $64,400. The contractor announced completion of the job in October, 1908. The City then contended that the terms of the contract had not been fulfilled and a dispute ensued. After considerable delay, including the institution of court proceedings, the contractor extensively revamped the original construction and accepted an amount in addition to the contract price in settlement of his claim. The total cost of the viaduct to the City, following the settlement, was in excess of $87,400, not including court costs and the loss of service during the five years following its construction. The bridge was finally opened to traffic in November, 1913. Within ten years, latent construction deficiencies became patent, requiring continuous repairs by the City of from $500 to $1,000 per year.
MAJOR EAST SIDE ARTERIALS

ALL VIADUCTS ACROSS BANFIELD FWY. SHOWN THUS:

EASTSIDE FWY.

39th

60th

33rd

15th

28th Avenue Viaduct

MINNESOTA FWY.

UNION

BURNESIDE

PRESIDENT I.

BANFIELD FWY.

COLUMBIA RIVER
The viaduct was closed August 7, 1956, during construction of the Banfield Freeway. It was necessary to remove the southerly portion (105 feet 6 inches) of the structure and to reconstruct a 3-span overcrossing, at a cost of $119,211, to clear the Banfield traffic lanes. The viaduct was reopened to traffic April 26, 1957. As a result of a full-scale structural examination of the old portion of the structure in September, 1961, the office of the City Engineer recommended closure of the viaduct. A proposal to allow the bridge to remain open to passenger car traffic was rejected. The viaduct has been closed permanently to all vehicular traffic since September 29, 1961, but is used extensively for pedestrian traffic.

According to the City of Portland, Municipal Measure No. 52, if passed, would increase property taxes an average of approximately 14.6 cents for each $100 of taxes presently paid each year, until the bonds are retired in 1976. The $750,000 price includes demolition expense of the present structure at $40,000 (a firm bid) and approximately $700,030 construction cost (engineer’s estimate).

No portion of the proceeds is earmarked for improvement of ingress or egress routes to and from the bridge.

IV. Arguments Favoring the Measure

(1) The viaduct would help serve the need for crossings over Sullivan’s Gulch and would relieve some of the traffic congestion on 21st Avenue and 33rd Avenue viaducts.

(2) The viaduct would be available for emergency use by police and fire vehicles, especially in the event adjacent viaducts are unusable because of accidents or other causes.

(3) The present structure is a hazard to traffic on the Union Pacific tracks.

(4) The recently constructed south portion of the viaduct is largely wasted as long as the north portion of the viaduct is not replaced.

V. Arguments Against the Measure

(1) Apparently there have been no studies to determine immediate traffic density on the viaduct if it were rebuilt.

(2) Without improved access, there seems to be little justification for viaduct replacement.

(3) Consideration of construction of the viaduct should await studies of traffic patterns and an over-all plan for the future street and freeway development on the east side.

(4) Taxpayers would not get maximum value for their money because it could be spent more profitably on other projects.

VI. Discussion

The addition of an overpass or an underpass at any point along Sullivan’s Gulch would certainly have at least two beneficial effects: It would add to the convenience of the individuals and businesses in the immediate vicinity, and it would divert some traffic away from other crossings, especially the adjacent ones. The 28th Avenue Viaduct should be expected to produce these two effects.

The viaducts at 21st Avenue and 33rd Avenue, especially, could be expected to benefit from reduced traffic congestion. Although the city traffic department has made no recent studies of traffic density on these viaducts, its estimates—based on traffic counts near them—are that approximately 9,000 vehicles per day use the 21st Avenue Viaduct and approximately 16,000 vehicles per day use the 33rd Avenue Viaduct. The
Traffic count on the 28th Avenue Viaduct shortly prior to its closure was approximately 5,000 vehicles per day. Traffic counts increase, on the average, about 3 per cent annually, so it can be safely assumed the traffic count on the Viaduct would be higher than 5,000 today, had it been kept open for vehicular traffic. On the other hand, the city traffic department has noted that disturbed traffic habits generally do not revert rapidly to their former state.

This Committee believes questions may be asked about the potential traffic density and the relative value to the community of a viaduct such as 28th Avenue, which is not on a major through street and which has narrow and awkward access streets on the north end. Your Committee could find no evidence of intentions at the present time to improve approaches to the viaduct or to make 28th Avenue a through street north of the viaduct.

In an evaluation of this project, an even more important factor to consider is the effect of future changes in traffic patterns on the traffic density on the viaduct. Until the route of the new north-south eastside freeway is determined and until studies disclose the probable effect of the freeway and its approaches on the pattern of traffic movement in the area, a major expenditure on a viaduct which promises to carry only limited travel could be a serious mistake.

One argument presented in favor of the measure is that police and fire protection for the area adjacent to the viaduct will be improved with its reconstruction. While the Fire Bureau has indicated its desire to have the viaduct rebuilt, it has not indicated that it is a critical priority project. The 28th Avenue Viaduct would be of greatest practical value, not only to police and fire vehicles but to all motorists, at times when an adjacent viaduct is closed to traffic.

Another argument favoring the measure is that loose concrete on the underside and on the pillars of the viaduct creates a hazard. However, both the City and the railroad periodically inspect the viaduct and have stated they intend to continue these inspections. It has not been necessary to remove any loose concrete since the viaduct was closed to vehicular traffic. There is nothing to prevent the City from removing the old section of the viaduct if it desires to terminate the inspection and maintenance procedures, or if the viaduct becomes a more serious hazard than it currently represents.

The most often heard argument for reconstruction of the viaduct is that the south portion of the viaduct is almost brand new and will be a complete economic loss unless the north end is reconstructed and the viaduct opened for traffic. Standing by itself the argument has little merit. Your Committee believes this is like saying that it is financially sound to throw good money after bad, or that "one good mistake deserves another".

Apart from these objections to the argument, it should be noted that a failure to reconstruct the viaduct at this time does not imply a "waste" of the south part of the viaduct. In the first place the viaduct continues to be used for foot traffic and apparently can continue to be so used for some time in the future, with proper inspection and maintenance to insure safety. In the second place, and more importantly, failure to reconstruct at the present time does not mean that the viaduct will never be rebuilt. Future highway development and future study may make it clear that the viaduct is needed. At such subsequent point there will be time enough to build the north end of the viaduct. Meantime the benefit of the bulk of the useful life of the new south section is maintained.

Business and district booster organizations in the area strongly favor the ballot measure. The East Side Commercial Club, for example, has been joined by several organizations and business firms in support of the proposal. As noted above, the Fire Bureau is interested but does not consider the viaduct to be a vital part of its transportation network.

Yet most of the business, civic and governmental bodies contacted by Committee members were apathetic. Based on the fact that the voters in
the precincts near the viaduct voted against the two previous capital improvement measures which included its rebuilding, individuals in the immediate neighborhood apparently have little interest.

Although the Committee was instructed to evaluate one specific capital improvement proposed and therefore does not feel that it is either authorized or qualified by investigation to compare this proposal with others, many of the people contacted did express the opinion that the viaduct was one of the least valuable of suggested capital improvement projects.

VII. Conclusions

In the absence of testimony indicating a strong and valid need for the reconstruction of the viaduct at the present time commensurate with the cost, your Committee cannot recommend the outlay of three quarters of a million dollars for this purpose at this election.

However, the members would also qualify their stand by saying that we see no reason for the immediate expenditure of $40,000 for the demolition of the present structure. Moderate expenditures for maintenance of the viaduct, to continue its safe use as a pedestrian structure and to insure that there is no hazard to the Union Pacific trains which pass under it, seem to be economically feasible and in order. It is conceivable that long range developments in streets, freeways and traffic patterns in general may make this a worthy project in the future, but for the time being, there appears to be no justification for the investment required for a new structure.

As a further conclusion following your Committee's study, its members question the advisability of recommending such a large expenditure without a thorough survey and study of the total traffic needs and the formulation of an over-all traffic plan for the entire area.

VIII. Recommendation

Your Committee recommends that the City Club oppose the bond issue for replacement of the 28th Avenue Viaduct on the May 15, 1964 ballot, and urges a “No” vote on Municipal Measure No. 52.

Respectfully submitted,

Vernon I. Basler
Samuel R. Herrick
Emerson Hoogstraat
James A. Larpenteur, Jr.
Donald H. McGraw
Kenneth M. Winters
William F. Caldwell, Chairman

Approved April 9, 1964 by the Research Board for transmittal to the Board of Governors.

Received by the Board of Governors April 13, 1964 and ordered printed and submitted to the membership for discussion and action.
REPORT
ON
BONDS FOR REBUILDING AUDITORIUM
(Municipal Measure No. 53)

To the Board of Governors,
The City Club of Portland:

I. Introduction

Your Committee was appointed to study and report on the City of Portland Measure No. 53, placed on the ballot by action of the City Council, and reading as follows:

A measure authorizing issuance of serial general obligation bonds totaling not more than $3,925,000 for Auditorium rebuilding and modernization.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF PORTLAND, OREGON:

Section 1. Pursuant to Chapter VII, Article 2 of the Portland City Charter, the City Council is authorized to issue serial bonds in a total sum not exceeding $3,925,000 with initial maturity date three years from the date of issue and final maturity date twelve years from the date of issue. Such bonds shall be general obligations of the city, but any net revenues from the public auditorium after expenses, including but not limited to maintenance and repair, may be used for payment of interest or principal of said bonds outstanding. Said bonds shall be known as “Auditorium Modernization Bonds.” The proceeds therefrom shall be used for rebuilding, furnishing, equipping, and modernizing the Public Auditorium as the Council may find necessary or appropriate for a theater-concert, multi-use auditorium.

The measure will appear on the municipal ballot at the May 15, 1964 primary election.

II. Scope of Committee Work

In its study your Committee, or its individual members, interviewed the following persons:

Messrs. Ormond R. Bean, William A. Bowes and Mark Grayson, Commissioners, City of Portland;
Messrs. Rollin H. Boles, Lewis Crutcher, Walter L. Gordon, Keith Maguire, David Pugh and Richard Ritz, Architects;
Mr. George Annala, Manager, Oregon Tax Research;
Mrs. Janet Baumhover, Chairman, Committee for Political Education (COPE), AFL-CIO;
Mr. Harry Hanson, Manager, Civic Auditorium;
Mr. Robert Hazen, member, Citizens Auditorium Committee;
Mr. Phil Heppner, President, Theater Opera Arts Association;
Mr. Mark Huber, Manager, Portland Symphony Society;
Mr. John Kenward, Executive Director, Portland Development Commission;
Mr. Earl Kirkland, President, Portland Building and Construction Trades Council, AFL-CIO;
Mr. Fred B. Klaboe, Metropolitan Engineer, Oregon State Highway Department;
Mr. Edward H. Look, Chairman, Citizens' Auditorium Committee;
Mr. Douglas Lynch, Member, Portland Art Commission;
Mr. Walter W. R. May, Editor and Publisher, the Oregon Voter;
Mr. Ivan D. Merchant, Bridge Engineer, State Highway Department;
Mr. M. M. Mesher, General Manager, Portland Paramount Corporation;
Mr. Alex Pierce, President, Portland Beautification Association;
Mr. Howard Rich, Business Manager, American Federation of Musicians. Local No. 99;
Mr. Ariel Rubstein, Owner, Celebrity Attractions;
Dr. Jacques Singer, Conductor, Portland Symphony Orchestra;
Mr. William W. Wessinger, President, Portland Chamber of Commerce;
Mr. Edward J. Whelan, Secretary, Multnomah Central Labor Council.

By telephone and correspondence, your Committee contacted and received information from:
Mrs. Hugh E. McCreery, Manager, Seattle Symphony Orchestra, Inc.
Paul S. Veneklasen & Associates, Consultants in Acoustics
B. Marcus Priteca, Architect and Theater Consultant.

Your Committee toured the Civic Auditorium and viewed exhibits and sketches of the proposed modernization.

III. Background

Around 1900, the citizens of Portland recognized the community necessity of an opera house and, according to records, took ten years to decide its location. Finally, a bond issue for $600,000 to construct one was passed on June 5, 1911. After the election, the Auditorium Bureau commissioners decided to include plans for a horse arena within the 1500-seat opera house. The total building was intended to be 200 by 400 feet, and the inclusion of the horse arena required an additional $200,000. At the subsequent November election in 1911 the issue for additional bonds was denied approval.

It was not until 1915 that the present site for the auditorium was actually chosen, and on July 4, 1917 the building was finally dedicated. Some items originally in the plans were not completed. However, the structure as finally built shows excellent workmanship even today. No attempt was made to supply the omissions from the original plans until 1950 when a $150,000 bond issue for remodeling was submitted to the voters and carried. The bond issue was expected to provide new seats, redecorating, improve the public address system, the stage, heating, ventilating, plumbing, fire escapes and roofs as well as install some other miscellaneous equipment. However, the actual improvements possible with that amount of funds included putting in new upholstered seats, renovating the proscenium arch and making some improvements in the acoustics. Further plans for remodeling the auditorium were submitted to the voters in 1960 and again in 1962 as part of tax base increase proposals, but both tax base proposals were rejected by the voters. Consequently, only minor improvements have been made since the original construction in 1917.
The present seating capacity of the auditorium is 4178. Of this total, 2078 seats have oblique, limited views of the stage, being located either in the wings off the orchestra level, or in the side portions of the first and second balconies which do not face the stage. The main floor wing seats are not permanent and are extremely uncomfortable wooden folding chairs on antiquated wooden risers. The basement below the orchestra level is available for exhibits and houses a kitchen, the equipment for which dates back to 1914.

Space on the second floor is occupied by the Oregon Historical Society and the Portland Civil Service Commission.

The building, bounded by 2nd and 3rd Avenues and Clay and Market Streets, is adjacent to the South Auditorium Urban Renewal Area.

In 1963, at the request of Mayor Schrunk, the Portland Art Commission made an inventory of Portland's needs for an adequate theater and concert facility. From this study came the formation of a citizens' committee, charged with the responsibility of investigating and solving these needs. The Federal Government granted $100,000 for the surveying and planning and for the retaining of architects and consultants. If the measure passes, this sum is to be paid back to the Federal government; if the measure fails, it is considered a grant.

The result of this study by the Citizens' Committee and the consultants is the proposed Ballot Measure No. 53.

IV. What the Measure Would Do

The proposed measure would authorize the City Council to issue serial bonds in a total sum not exceeding $3,925,000, with initial maturity date three years from the date of issue and final maturity date twelve years from date of issue. Such bonds would be general obligation bonds of the City, with any net revenues from the public auditorium to be used for payment of interest and principal of the bonds. The bond proceeds would be used for rebuilding, refurnishing and re-equipping the present auditorium into a modern and adequate theater and concert facility. The entire interior or the proposed rebuilt auditorium will be completely refinished. The outside surface will be reinforced and beautified by resurfacing.

The proposed renovation will meet the following criticisms which have been levelled against the present facility: no air-conditioning; antiquated and inadequate electrical wiring and heating systems; lobby too small; not enough drinking fountains, refreshment centers, rest rooms, toilets and powder rooms; box office too far from curb; stage not deep enough nor wide enough for many types of shows; stage too narrow for good viewing and difficult to see from orchestra seating section; too many side seats downstairs and in balconies with obstructed view of stage; balcony slope too steep and rows too close together for safe or comfortable seating; orchestra pit too small; inadequate mechanical stage facilities; main entrance stairs and balcony stairs too hazardous.

In addition, it will provide more and improved dressing rooms, and two completely soundproofed rehearsal rooms. The bleak and dismal and practically unusable basement will be modernized for greater and more efficient use.

The total result will be a modern, useful building in a strategic area of the City. Some of the important comparisons between the proposed structure and the existing facility are:
V. Arguments For the Measure

The following arguments have been advanced in favor of passage of the measure:

(1) The present auditorium is almost fifty years old. It is uncomfortable and old-fashioned, and, if not rebuilt, will require expensive maintenance to preserve even its present condition. The present physically deteriorated building in the next few years will require the following minimum maintenance expenditures: $18,500 in the next year, including $2,000 for painting of fire escapes, $2,500 for painting in south wing, $6,500 for replacement of stage floorings, and $7,500 for a new roof; $35,000 in the next two years for replacement of entrance doors; $150,000 to $175,000 within the next five to six years for new seats. All of the above expenses would be avoided by the proposed measure and would otherwise be wasted on an outmoded building.

(2) The new facility will provide 3002 seats with excellent view of the stage as compared with 2100 seats which offer good viewing in the present building. Although a total of 4178 persons can be seated now, 2078 of these have only limited visibility because they do not face the stage.

(3) An increased use of the auditorium with resulting revenue increase would be accomplished by longer runs of attractions and a more extensive utilization of presently outmoded facilities. Some productions that presently by-pass Portland might be lured to performances in this City.

(4) It would be far less expensive to modernize the present auditorium than to construct a new building of comparable size, beauty and efficiency.

(5) As one factor in choosing a location, new industries examine existing cultural opportunities and facilities. The growing convention business in Portland requires a pleasant civic entertainment center.

(6) The present Auditorium site is considered excellent, as evidenced by its location in the heart of a triangle bordered by Harbor Drive, Burnside Street and the new Foothills Freeway. Its strategic location, for instance, is only ten blocks from the Pioneer Post Office.

VI. Arguments Against the Measure

The following arguments have been advanced against the measure:

(1) The proposed measure is a compromise. It would be better to do nothing now, and sometime in the future spend the $8 to $12 million required for a new multi-purpose facility.

(2) The present auditorium should be remodeled into a convention hall with a seating capacity of 4000 to 5000, at an approximate cost of $500,000, and the City should build a separate concert hall-opera house with 2500 seats costing a minimum of $6,000,000.
(3) One multi-purpose facility in frequent or almost constant use would not permit adequate on-stage rehearsals for larger organizations, such as the symphony or large choral groups.

(4) There is no guarantee of adequate parking facilities, even though provision of such facilities is highly probable. There is at present no adequate, planned solution for pedestrian and vehicle traffic flow and circulation in the two-block area surrounding the auditorium.

VII. Discussion

It would appear that the existing auditorium facility is performing a necessary and valued function in the community's life for its many and varied users. But the archaic building has shown its age for some time, and this obsolescence has been recognized by the fact that as recently as two and four years ago, proposed measures to include auditorium remodeling were put on the ballot. Both "package deals" were defeated by the voters, not necessarily because of the individual items therein, but perhaps because the electorate was in an economy frame of mind.

The existing facility has served the community well in its lifetime. While it is paid for, there is a constantly increasing need of costly repairs and renovation, necessitated by the upkeep of a building in which obsolescence came to full bloom years past. This simply means that the taxpayer is paying for maintenance of both preventive and emergency nature to an extremely high degree. In simple terms: "The old gray mare she ain't what she used to be..." and never will be again.

To the taxpayer there will always be cost in any facility of this kind, whether new, old or modernized, no matter how large or how small. The taxpayer, through his elected representatives, the City Council, receives and expects to receive services for his tax dollar. In the case of a civic auditorium, this amounts to free use of such auditorium facilities for graduation exercises, Thanksgiving services, Lincoln Day ceremonies, etc.

There is another aspect of the present facility which has inspired constantly heard criticism of an esthetic nature. The present building seems to be generally regarded as a typical example of turn-of-the-century, "jailhouse Gothic" architecture: dingy, austere and depressingly stolid. It will look like an old, fat, gray dowager at the entrance of the urban renewal area.

The officials and individuals interviewed unanimously expressed Portland's need for an auditorium as a site for concerts, stage productions and other mass entertainment. We must ask the question: What are our choices? They are three:

(1) To continue to use an obsolete, uncomfortable and completely inadequate fifty-year-old building with constantly increasing substantial normal costs of maintenance and operation;

(2) To acquire suitable property for a new location and build a new auditorium at an estimated cost ranging from $8 to $12 million; or

(3) To rebuild and modernize the present facility for less than $4 million, or one-half to one-third the cost of a new auditorium.

Comparisons, while odious, are necessary for adequate evaluation. Some years ago, Seattle faced the same problem as Portland, and solved it by utilizing the shell of the then existing civic auditorium and constructing one of the finest opera houses in the United States, seating 3007 and costing $3,200,000. Seattle's modernization project did not require expensive removal of a balcony, and there were also several contributions from other sources which are not reflected in the building cost; hence, their rebuild-
ing cost was less than Portland’s is estimated to cost. The only flaw in an otherwise highly successful multi-purpose facility in Seattle was an inadequate sound system at the inception. This has been rectified, according to newspaper accounts, to the complete satisfaction of Seattle concert-goers. Plans for the modernization of the Portland auditorium include the required stereo equipment, eliminating such a later correction. The seating capacity of the proposed Portland auditorium with its 3002 seats is comparable to the 3007 of this highly successful theater-concert facility in Seattle. Your Committee calls again to your attention the fact that all 3002 seats will have perfect vision of the stage. The new auditorium also would have a size economically suited to productions which now bypass Portland. In some few cases, the attraction would be great enough to warrant a two-night stand.

To your Committee it seems there is no great problem involving the financing of the proposed Auditorium modernization. The City of Portland has magnificent credit for such bond financing. These revenue bonds would be bought by many underwriters on a competitive basis, with interest cost—since they are tax-free to the investors—probably not exceeding 3 3/4 per cent. The addition to the individual taxpayers’ burden would not exceed 83 cents per $100 of taxes.

In the matter of a theater and concert facility, Portland should not be forced to look at Seattle with envy.

VIII. Conclusions

Your Committee is convinced that the community needs an improved auditorium facility and that the quality of the basic auditorium structure is such that the proposed modernization would be completely feasible.

Your Committee believes that the existing facility is as efficiently administered as is possible with a building of such antiquity.

Your Committee believes that the Auditorium Ballot Measure is the best of all presently possible solutions.

Your Committee therefore agrees with the slogan that this ballot measure is “a good buy” for Portland.

IX. Recommendation

Your Committee unanimously recommends that the City Club favor the proposal to modernize the Civic Auditorium and urges a vote of “Yes” on Ballot Measure No. 53.

Respectfully submitted,

Daniel J. Cohn
Roland A. Hartl
Charles S. Politz
Theodore E. Reich
Edmund A. Smith
Lamar Tooze, Jr.
Carl O. Strand, Chairman

Approved April 16, 1964 by the Research Board for transmittal to the Board of Governors.

Received by the Board of Governors April 20, 1964 and ordered printed and submitted to the membership for discussion and action.
REPORT
ON
STREET LIGHTING SPECIAL TAX LEVY
(Municipal Measure No. 51)

To the Board of Governors,
The City Club of Portland:

I. Introduction

Your Committee was asked to study and report on Ballot Measure No. 51 to appear on the municipal ballot at the primary election on May 15, 1964. This measure would authorize:

"... a continuing ten-year special tax levy within the City of Portland of One Million Eight Hundred Fifty Thousand ($1,850,000) Dollars per year outside constitutional limitations for street lighting purposes, beginning with the fiscal year 1965-1966."

II. Sources of Information

Your Committee interviewed the following:

Sid C. Leo, Electrical Services Supervisor, Bureau of Lighting and Power, City of Portland;
James M. Setterberg, Budget Officer, City of Portland;
John Mulcahy and R. G. Layton, Citizens' Street Lighting Advisory Committee;
Portland General Electric representatives, including Leo Chaffin, Assistant General Sales Manager; Fred Groch, Chief Rate and Research Engineer; Chester Jarrett, Manager, Public Services; Ed Wildfong, Valuation Engineer and Bob Blakeny, Distribution Engineer.

Representatives of your Committee have also contacted:
William Choate, Vice-Chairman, Citizens' Street Lighting Advisory Committee;
C. Earl Bradfish, Jr., Senior Planner, City of Portland;
Alvin Brunn, Assistant Director, Portland Traffic Safety Commission;
Paul Northrop, Multnomah County Roadmaster;
Mrs. Louise Humphrey, Oregon Tax Research;
Walter W. R. May, Editor and Publisher, Oregon Voter.

Your Committee also corresponded with the National Safety Council which does analyses of cities' street lighting systems.

III. History and Background

In 1954 the voters passed a special ten-year levy of $1,000,000 per year to provide funds for a greatly expanded street lighting program. Previously the cost of street lighting was paid out of the general fund of the city, from which, in 1954-55, approximately $350,000 was appropriated for that purpose.

The sums appropriated from the general fund were not sufficient to maintain and extend an adequate street lighting system.

The City Club committee which studied the 1954 measure cited the National Safety Council rating that Portland was then one of the worst
lighted cities of its population class, with modern lighting on only nine miles of its streets.

The special levy, adopted in 1954, resulted in a major transformation in Portland's street lighting facilities. Of 360 miles of arterials in October 1963, 235 miles have now been provided with modern lighting. Approximately 2300 street lights have been installed at previously unlit intersections and mid-blocks in residential areas. In addition, 3000 incandescent and ornamental lights both in residential and business areas have been converted to modern mercury vapor lights, with greatly increased lighting efficiency.

The program which was planned for the first ten-year levy has been in large measure carried out. However, primarily due to annexation, freeway lighting and a power rate increase in 1960, not all installations planned under the levy have been made.

The following is a chart showing the expenditure for each of the fiscal years to date under the 1954 levy:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Revenue</th>
<th>Expenditures</th>
<th>Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 1955-56</td>
<td>$920,385.16</td>
<td>$487,774.57</td>
<td>$432,610.59</td>
</tr>
<tr>
<td>2nd 1956-57</td>
<td>976,192.98</td>
<td>678,697.29</td>
<td>730,106.28</td>
</tr>
<tr>
<td>3rd 1957-58</td>
<td>989,596.49</td>
<td>999,010.25</td>
<td>722,692.52</td>
</tr>
<tr>
<td>4th 1958-59</td>
<td>999,747.77</td>
<td>1,011,912.31</td>
<td>710,527.98</td>
</tr>
<tr>
<td>5th 1959-60</td>
<td>983,780.35</td>
<td>1,055,132.23</td>
<td>639,176.10</td>
</tr>
<tr>
<td>6th 1960-61</td>
<td>999,887.50</td>
<td>1,090,169.46</td>
<td>548,884.14</td>
</tr>
<tr>
<td>7th 1961-62</td>
<td>995,953.36</td>
<td>1,113,655.31</td>
<td>431,192.19</td>
</tr>
<tr>
<td>8th 1962-63</td>
<td>991,684.39</td>
<td>1,132,342.32</td>
<td>290,534.26</td>
</tr>
<tr>
<td>9th 1963-64</td>
<td>10th 1964-65</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

It should be noted that the annual cost for administering, operating and maintaining all existing street lights installed to date is approximately $1,145,000. Reserve funds accumulated from the first two years of the program have been reduced to approximately $290,000. This amount, divided between the current fiscal year (1963-64) and the remaining year of the first ten-year levy (1964-65) will limit the budgets each year to $1,145,000.

The City leases most of the lighting system from the power companies, primarily Portland General Electric, at a flat rate per lighting unit per year of between $39 and $55. This rate covers all cost per unit of installation, maintenance, repair and power.

Generally, then, the more lights installed and operating, the greater is the annual cost for street lighting.

The cost to each taxpayer, if the new levy passes, will be $3.03 per $100 of taxes paid, or an increase of $1.39 per $100 of taxes paid over what each taxpayer now pays for street lighting under the present levy.

IV. Arguments For the Measure

Arguments advanced to your Committee were:

1. Unless the measure is adopted, present street lighting services will be curtailed.
2. Continued improvement and expansion of present street lighting facilities is needed and cannot be financed without the special levy.
3. Unless the measure is adopted, the general fund will bear the cost of street lighting, and this will result in curtailment of other city services.
4. Proper street lighting helps prevent traffic accidents and crime.
V. Arguments Against the Measure

Arguments advanced against the measure were:
1. Present street lighting facilities are adequate.
2. Street lighting costs should be paid for out of the general fund revenue and not by special levy.
3. The proposed levy is excessive.

VI. Majority Discussion and Conclusions

The ten-year levy, effective in 1955, has resulted in a greatly improved program in street lighting. The evidence of new lighting facilities is apparent to all of us. Street lighting has helped to prevent traffic and pedestrian accidents, and crime. Merely to maintain the existing lighting system now, however, requires $1,145,000 per annum, or $145,000 more than the present $1,000,000 levy provides.

If the proposed levy fails, we do not see how the City could carry the present annual cost of $1,145,000 for street lighting in its general fund, and a substantial curtailment either of street lighting or other city services would be necessary.

Furthermore, the present facilities need to be expanded in the next ten-year period:

1. Ninety-five miles of arterials remain without modern lighting, and require approximately 3000 additional lights;
2. Many residential areas lack adequate lighting;
3. About 20 downtown streets have no lighting except where they may intersect with lighted streets, and almost 700 city-owned fixtures elsewhere in the city core area still use incandescent lights which should be replaced by mercury vapor lights;
4. Urban renewal and newly-annexed areas will require lighting;
5. Portland must pay the cost of power for lights on freeways within its boundaries, and exits and entrances must be lit.

The City expects to complete substantially all of the presently programmed work within the next three to five years. This will raise the level of expenditures about $500,000 per annum above the present yearly level of $1,145,000. Furthermore, there will be demands for street lighting expenditures which cannot now be foreseen, and an allocation of approximately $200,000 per annum over a ten-year period is reasonable to meet these contingencies. The experiences of the past ten years bear this out. The present million dollar per annum levy proved to be inadequate to meet the need.

Funds from the levy are segregated and, to the extent not expended, are invested at interest in government securities. Any surplus from the levy at the end of the ten-year period would be available for maintenance of the system in the succeeding years.

Street lighting is an essential city service, in the same measure as police and fire protection, and sewer and water facilities. Ideally, the general fund of the City should bear the cost of the street lighting program. Yet, in 1954, a substantial injection of funds was necessary to bring our street lighting system up to minimum acceptable standards; hence, the original special levy. Furthermore, the voters in 1962 rejected a tax base increase which would have permitted street lighting costs to be carried by the general fund. Without such increase the general fund could maintain the present lighting facilities only by substantial curtailment of other city services.

Admittedly, it would be advisable to increase the tax base before 1975 so that the annual cost of street lighting, which will be then approximately $2,000,000, can be paid out of the general fund. But we believe it is
unreasonable to oppose the special levy on the basis of risky speculation that the voters would approve a tax base increase in November. If such speculation should prove erroneous, we would be hard put to know just how the City could get funds to maintain the present street lighting system when the present levy expires in June, 1965.

VII. Majority Recommendation

The majority of your Committee therefore recommends that the City Club favor the special levy for street lighting, and it urges a vote of “Yes” on Measure No. 51.

Respectfully submitted,
James H. Bruce
Neil Farnham
Wesley L. Myllenbeck
Richard C. Newlands
Jonathan U. Newman, Chairman
For the majority

VIII. Minority Discussion and Conclusions

As the majority report points out, Portland had only nine miles of paved streets with modern type lighting in 1954 and was rated as one of the worst lighted cities in its population class. The City was spending annually just under $350,000 for street lighting, and it was argued that we were paying for better lighting that we were getting because of the inefficiency of the old type lights. With the backing of the Portland Junior Chamber of Commerce, the City Council placed on the November, 1954, municipal ballot a measure authorizing a special tax levy of $1,000,000 for ten years per year for street lighting purposes.

With the approval of that levy the general fund was relieved of the cost of street lighting, and the funds provided by the special levy financed a modernization and extension program, the progress on which by 1961 placed Portland on the National Street Lighting Honor Roll of “Street and Highway Lighting” magazine.

It must be clearly understood that this has not been a capital type expenditure. The money has been spent for improved and modern street lighting service primarily—a service provided by the two power companies who own and maintain the street lights. For this service, and electricity, the City now pays the power companies each year more than $1,000,000, the amount of the original special levy. It is only because of the surplus accumulated in the first two years of the levy that there is money available to cover the expenditures required this fiscal year and next. If the voters do not approve the special levy, the general fund will have to provide $1,150,000 in the fiscal year 1965-66 just to continue street lighting at its present level.

The conditions which existed at the time the voters were asked to approve the first levy no longer prevail. Portland now has a modern street lighting system and is reaping the rewards in reduced night-time accidents and crime. The special levy took the taxpayers from an annual lighting bill of $350,000 to one of $1,000,000 which their taxes have paid for the past nine years. Now that the voters can see what they are paying for, they should have an opportunity to approve this level of expenditure in the general budget of the city. This would require a tax base increase which should be in an amount that would provide for completion of the present program and further improvements could be covered under the six per cent increase provided by statute.

While it is true that street lighting was included in the tax base
increase rejected by the voters in 1962, that was not a true test of this issue, as that “package” measure included many other projects and capital expenditures, some of which had questionable merit.

If the proposed new special levy is defeated, the City Council could submit to the voters at the November general election a measure which would authorize an increase in the tax base which would enable the general budget to assume the street lighting costs beginning in the fiscal year 1965-66. Thereafter the city would not have to run the risk of having its street lighting curtailed because tax-conscious voters would not renew a special levy.

The amount to be spent each year would be determined when the city’s budget is prepared, taking into consideration the needs of the time, weighed against other demands for the city’s share of the tax dollar. To the Minority, this would be sounder financing than to give the Bureau of Lighting and Power a blank check for $18,500,000 which it would spend on street lighting, regardless of the need, and the possibility that other important city services might suffer from lack of funds.

IX. Minority Recommendation

The Minority of your Committee therefore recommends that the City Club oppose the passage of the $18,500,000 special ten-year levy for street lighting, and urges a vote of “No” on Measure No. 51.

Respectfully submitted,

Waldo B. Taylor

For the Minority

Approved April 16, 1964 by the Research Board for transmittal to the Board of Governors.

Received by the Board of Governors April 29, 1964 and ordered printed and submitted to the membership for action.