

CITY COUNCIL MINUTES

City Council Chambers
Tuesday, Jan. 20 , 1970

The meeting was called to order by Mayor Johnston at 7 P. M.

Present on roll call 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

The Flag Salute was led by Mr. Jarstad.

Mayor Johnston asked if there were any omissions or corrections to the minutes of Jan. 6th, 1970.

Mr. Cvitanich moved that the minutes of Jan. 6th be approved as submitted. Seconded by Mr. Zatkovich. Voice vote was taken. Motion unanimously carried.

Mr. O'Leary moved to suspend the rules to remove Resolution No. 20534 from the table, concerning the appointment of a City Manager. Seconded by Mrs. Banfield. Voice vote was taken. Motion carried.

Resolution No. 20534

Appointing A. L. Rasmussen as City Manager of the City of Tacoma.

Mr. Cvitanich moved to amend the resolution by inserting the name of Floyd Oles and deleting the name of A. L. Rasmussen from the resolution. Seconded by Mr. Dean.

Mr. Cvitanich informed the Council members that Mr. McCormick, Acting City Manager has said that he would prefer to return to his position as City Attorney. Mr. Cvitanich thanked Mr. McCormick for the fine work and cooperation he has given the City as Acting City Manager.

Mr. McCormick said he will be happy to return to his position as City Attorney. He added, he would do all he could to help the new City Manager who will be going through a transitional period as there are many problems to be resolved. He was also sure the Department Directors would cooperate and be of great assistance to the Manager.

Mr. Finnigan asked what were Mr. Oles qualifications to serve as City Manager.

Mr. Cvitanich pointed out that Mr. Oles would be a very dedicated person to serve as City Manager. He was a former Executive Director of the Washington State Taxpayers Association. He has a very broad knowledge of the taxing problems and is well aware of local problems. He also has had a long and brilliant military career. Mr. Cvitanich said that Mr. Oles would be an excellent City Manager.

Dr. Herrmann explained that normally the entire Council has been given the courtesy of discussing personnel matters at an executive meeting. He added, he had not been advised of any session held relative to this appointment, which he felt was the most significant appointment in the entire City government. He further added, that approximately two weeks ago, Council members were assured that the matter of a successor to Mr. McCormick would be examined by the entire Council. He felt Mr. Oles was a very dedicated man, however, it is a matter of record that he is opposed to the Council-Manager form of government. He thought this action speaks very poorly of the Council majority, the manner in which this matter was handled.

Mr. Cvitanich said, it should be made clear that Mr. Oles will serve no longer than after the vote when the citizens approve or reject any particular form of government.

Mr. Jarstad said he resented the fact that this man's name has been brought before the Council meeting without the entire Council having the opportunity to discuss the matter. He said he was under the assumption that the Council would peruse the qualifications of people who are specialists in the management field. He felt, such an appointment would certainly weaken the opportunity for someone who is a specialist in management to apply for the position.

Mayor Johnston said he had not been informed that a name would be proposed for the position of City Manager at a Council meeting without being discussed. He felt any Mayor of the City of Tacoma should be entitled to the opportunity to interview a person who is proposed for a position as important as this, as success rests on a good relationship between the manager and the mayor.

Roll call was taken on the amendment to the resolution to substitute the name of Lloyd Oles in place of A. L. Rasmussen, resulting as follows: Ayes 6: Banfield, Cvitanich, Dean, Herrmann, O'Leary and Zatkovich. Nays 3: Finnigan, Jarstad and Mayor Johnston. Motion carried.

Roll call was taken on the resolution, as amended, resulting as follows:

Ayes 5: Banfield, Cvitanich, Dean, O'Leary and Zatkovich.

Nays 4: Finnigan, Herrmann, Jarstad and Mayor Johnston.

The Resolution was declared passed by the Chairman.

HEARINGS & APPEALS:

The City Planning Commission recommending the denial of the petition submitted by Mobil Oil Corp. for waiver of development standards on the S. W. corner of So. Tacoma Way and So. 74th Street.

An appeal was filed by Delbert D. Miller, attorney, for the petitioner and the suggested date for hearing on the appeal before the City is Feb. 10th.

Mr. Cvitanich moved to set Feb. 10th, 1970 as the date for hearing on the appeal filed by Mobil Oil Corp. Seconded by Mrs. Banfield. Voice vote was taken. Motion unanimously carried.

PETITION:

Wheeler Realty Co., requesting rezoning of the N. E. corner of No. 26th and Madison from an "R-2-T" to a "C-1" District.

Referred to the City Planning Commission.

COMMUNICATIONS:

Civil Service Board advising that they have not heard from the City Council relative to the proposed amendment to the Civil Service rules which was referred back to the Board for clarification.

Mr. Cvitanich explained, at the time this communication was referred to the Civil Service Board for clarification, he thought that a representative of the Civil Service Board was to verbally inform the Council of the total ramifications of the proposal as well as submitting additional information to the Council.

Mr. Hamilton, Acting City Attorney, said it was his understanding that the former Mayor had indicated he would discuss the matter with the Board and obtain a clarification. He further explained the matter was filed by the Board pursuant to the Charter and it would automatically become law after 45 days, even though a meeting is not held with the Council.

Mayor Johnston asked Mr. Hamilton what his recommendation would be.

Mr. Hamilton explained, if the Council desires to change the rule, action should be taken immediately to propose any amendments which would require an affirmative vote of six members of the Council.

Mr. VanCamp, Civil Service League business representative, explained this proposed amendment was an attempt to modify the authorization for provisional appointments in cases of incomplete certifications by requiring prior approval by the Civil Service Board.

Mr. Zatkovich explained he felt this amendment would help to rigidly enforce the rule of three concerning employment.

Mayor Johnston thought, perhaps, this matter should be referred to the investigation committee of the Council.

After some discussion Mayor Johnston ruled that this matter would be reviewed by the investigation committee of the Council and a report submitted at the next Council meeting.

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Mr. McCormick, Acting City Manager, submitted for the Council's information, a communication sent to the Secretary of the Journeymen Barbers International Union of America, Local No. 158 in answer to their communication relative to the tax raised on personal services.

Placed on file.

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RESOLUTIONS:

Resolution No. 20506 (postponed from the meeting of Dec. 23rd)

Awarding contract to General Electric Co. on its bid of \$13,435.57 for the furnishing of (13) Mobile Radio Units for the Fire Dept.

Mrs. Banfield moved to postpone the resolution until Feb. 17, 1970, as the strike is still in effect against the company. Seconded by Mr. O'Leary.

Mr. Hamilton explained that he did not think a postponement would pose a legal problem, however, the courts throughout the U. S. have ruled that a bid could not be rejected because of a strike or other related matter.

Mr. Zatkovich asked if this resolution were postponed would it create any hardship on the Fire Dept.

James Reiser, Fire Chief, explained, if the resolution were postponed for thirty days, it would not create any problem.

After some discussion, voice vote was taken on the motion to postpone the resolution for (30) days, until Feb. 17th, 1970. Motion unanimously carried.

The Resolution was postponed until Feb. 17th, 1970.

Resolution No. 20542 (postponed from the meeting of Jan. 13th)

Reestablishing the position of Land Officer at Salary range No. 36 in the Urban Renewal Dept.

Dr. Herrmann moved that the resolution be adopted. Seconded by Mr. Finnigan.

Mrs. Banfield suggested that the resolution be referred to the finance committee of the Council.

Mr. Cvitanich explained, a meeting with the Urban Renewal Dept. is pending, but he wished to make it very clear that it is not the intent of the Council to scuttle the existing urban renewal program. However, he did not feel this resolution should have come before the Council at this time due to the discussions that had been held on the matter.

Roll call was taken on the resolution, resulting as follows:

Ayes 5: Finnigan, Herrmann, Jarstad and Zatkovich, and Mayor Johnston .
Nays 4: Banfield, Cvitanich, Dean and O'Leary. Absent 0.
The Resolution was declared passed by the Chairman.

Resolution No. 20544

Awarding contract to Shell Oil Company for the furnishing of gasoline requirements for the year 1970.

Mr. Finnigan moved that the resolution be adopted. Seconded by Dr. Herrmann.
Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.
Nays 0: Absent 0.
The Resolution was declared passed by the Chairman.

Resolution No. 20545

Authorizing the sale of 187 reclaimed bushings to R T E Corporation for the sum of \$935.00 which are surplus to the needs of the Public Utilities Dept.

Mr. Cvitanich moved that the resolution be adopted. Seconded by Mr. Zatkovich.
Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.
Nays 0: Absent 0.
The Resolution was declared passed by the Chairman.

Resolution No. 20546

Authorizing the sale of Transformers to Harry Peabody of Troutdale, Oregon for the amount of \$800.00.

Mr. Finnigan moved that the resolution be adopted. Seconded by Mr. Zatkovich.
Voice vote was taken on the resolution, resulting as follows:

Ayes 8: Banfield, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.
Nays 0: Absent 1: Cvitanich (temporarily).
The Resolution was declared passed by the Chairman.

Resolution No. 20547

Authorizing the exchange of So. 30 feet of property owned by Mrs. Dorothy L. Olson at So. 64th & Alaska Sts. for the North 20 feet of Water Division property which is surplus to the present needs of the Utility Dept. for an even exchange of \$90.00.

Mr. Finnigan moved that the resolution be adopted. Seconded by Dr. Herrmann.
Voice vote was taken on the resolution, resulting as follows:

Ayes 8: Banfield, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.
Nays 0: Absent 1: Cvitanich (temporarily).
The Resolution was declared passed by the Chairman.

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Resolution No. 20548

Authorizing the execution of a lease to the Tacoma Suburban Lines, Inc. for certain buses to transport students to various ski schools in the area.

Dr. Herrmann moved that the resolution be adopted. Seconded by Mr. Dean.

Mr. Hendry, Transit System Director, explained this is the sixth year that the Tacoma Suburban Lines have requested leasing a number of Tacoma Transit buses for the transportation of students who are attending Ski School on Saturdays. He added, previously the lease had been in effect from Saturday to Saturday, but Mr. Hamilton has suggested that the lease be changed to commence with the execution of the lease and extend through the end of the ski school schedule. Twenty four buses will be made available for this school. The Tacoma Suburban Lines will pay all driver costs, gas, oil and insurance. The only cost to the City is the wear on the coaches and tire mileage cost of one cent per mile per bus, he added.

Voice vote was taken on the resolution, resulting as follows:

Ayes 8: Banfield, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston

Nays 0: Absent 1: Cvitanich (temporarily).

The Resolution was declared passed by the Chairman.

Resolution No. 20549

Fixing Monday, Feb. 9th as the date for hearing for L I D 6925 for street lights on East K from Division Lane to East 38th Street.

Mrs. Banfield moved that the resolution be adopted. Seconded by Mr. Dean.

Voice vote was taken on the resolution, resulting as follows:

Ayes 8: Banfield, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 1: Cvitanich (temporarily).

The Resolution was declared passed by the Chairman.

Resolution No. 20550

Fixing Monday, Feb. 9th as the date for hearing for L I D 5499 for water mains in Copalis St. from Browns Pt. Blvd. easterly approx. 200 feet to the cul-de-sac and in 52nd St. N E. and other nearby streets.

Mrs. Banfield moved that the resolution be adopted. Seconded by Mr. Dean.

Voice vote was taken on the resolution, resulting as follows:

Ayes 8: Banfield, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 1: Cvitanich (temporarily).

The Resolution was declared passed by the Chairman.

Resolution No. 20551

Accepting the bid of Foster Campbell & Wayne Johnson in the amount of \$60,500.00 for property situated within the Fawcett St. Urban Renewal Project Wash. R-3.

Dr. Herrmann moved that the resolution be adopted. Seconded by Mr. Zatkovich.

Mr. Wright, Urban Renewal Director, explained that two bids were received for Parcel 12 in the Fawcett Urban Renewal Project. One bid was received from the partnership of Foster Campbell and Wayne Johnson in the amount of \$60,500 and the other from John D. Dobler, in the amount of \$57,000. Mr. Dobler's proposal is for a residential

high-rise apartment building and Mr. Campbell's proposal is for a convalescent center. The Urban Renewal Dept, is recommending the acceptance of the Foster Campbell bid proposal for the inclusion of a convalescent hospital for the area. This plan has been reviewed and meets all of the requirements. The City Planning Commission has approved the special use permit for the convalescent hospital. The City's Building Dept. has also reviewed these two proposals and has found that both proposals meet with the zoning ordinances of the City.

Mr. Wright noted the proposed height of the apartment building might have to be changed to comply with the project plan. The project plan also requires 248 sq. feet more for open space, than is in the convalescent hospital proposal. However, these both can be adjusted in the final plans of the developers.

Mr. Wright explained Mr. Campbell has said they will be able to start construction within ninety days, to be completed in October of 1970.

Mr. Dobler's proposal is not provided for in the urban renewal plan and it would take many weeks to amend the plan for such a use. Upon weighing all these facts, the Urban Renewal Dept. recommends that the Foster Campbell proposal be approved by the City Council.

Mr. Cvitanich said that Mr. Dobler had recently contacted him and said he had been trying to settle into the Fawcett St. project for four years. Mr. Cvitanich said he has invited Mr. Dobler to this meeting to present his plans.

Mr. O'Leary asked why Mr. Dobler's offers have not been accepted.

Mr. Wright explained the area is planned primarily for a commercial district. However, due to the problems of the elderly in Tacoma an exception was made approving the Baptist housing project.

Mr. Dean asked which of these two projects would give the greatest over-all benefit to the City.

Mr. Wright felt this would be hard to determine as proposals would cost approximately the same as they are commercial establishments. He added, he would obtain more detailed information in regard to the B & O tax if the Council wishes.

Mr. Dean asked that a report be submitted.

Mr. O'Leary asked if all other participants in the project have been notified of this plan.

Mr. Wright said, he has not yet had time to contact all of the other owners, relative to this development.

Mr. Finnigan explained he had heard that the Doctor's Hospital plan to build a convalescent hospital. He asked that the Council be informed officially before this resolution is passed.

Mr. Wright stated he would do his best to obtain this information for the Council.

Mr. O'Leary moved to postpone the resolution for two weeks, until Feb. 3, 1970. Seconded by Mrs. Banfield. Voice vote taken. Motion unanimously carried.

The Resolution was postponed until Tues., Feb. 3, 1970.

Resolution No. 20552

Accepting an offer to sell property at 1101-5 Market St. from the Puget Sound National Bank situated within the New Tacoma Urban Renewal Project No. Wash. R-14 for the sum of \$125,000.00.

Dr. Herrmann moved that the resolution be adopted. Seconded by Mr. Finnigan.

Mr. Wright explained this property is located at the corner of So. 11th and Market St. and is owned by Mr. Nichols. The City has offered \$125,000 for this land which includes several small shops fronting on 11th St., the Item House operation and a few small apartments on the 2nd floor. Mr. Nichols has considered the possibility of rehabilitating the building and has elected to sell to the city. He added, the proposal was rejected several months ago, largely for the reason there wasn't a ready buyer, but at this time there are several interested developers.

Mr. O'Leary felt that this resolution should be continued until the Council meets with the Urban Renewal staff relative to the urban renewal program, next Monday evening.

Mrs. Banfield moved to postpone the resolution for two weeks, until Feb. 3, 1970. Seconded by Mr. O'Leary. Roll call was taken, resulting as follows: Ayes 5: Banfield, Cvitanich, Dean, O'Leary and Mayor Johnston. Nays 4: Finnigan, Herrmann, Jarstad and Zatkovich. Motion carried.

The Resolution was postponed until Tues. Feb. 3, 1970.

FIRST READING OF ORDINANCES:

Ordinance No. 19023

Amending the pay and compensation plan to include certain classes in the Fire and Police Dept. in the Longevity Pay which were not included in the plan through an oversight.

The ordinance was placed in order of final reading.

Ordinance No. 19024

Amending the pay and compensation plan for the Belt Line Employees to include Holiday pay.

The ordinance was placed in order of final reading.

Ordinance No. 19025

Vacating Ferry St. between Center and the S. R. 16 right-of-way. (petition of John C. Woodard).

The ordinance was placed in order of final reading.

FINAL READING OF ORDINANCES:

Ordinance No. 19011

Amending Sec. 6.70.010 of the official code to provide for a tax of eight per cent on the gross earnings of the Belt Line Division.

Roll call was taken on the ordinances, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19012

Amending subsections 2 & 3 of Section 12.15.030 of the official code relative to the Levy of Excise Tax for the needs of the Tacoma Transit System operation.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19013

Amending Chapter 12.12 of the official code by adding a new section 12.12.035 to establish a special route of the Tacoma Transit System extending from So. 11th & Pacific to So. 11th & Tacoma Ave. for a fare of 10 cents between the hours of 7:30 A.M. and 5:30 P. M. on any working day that all offices in the County-City Bldg. are open.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19014

Rezoning the East side of Hosmer St. approx. 630 feet north of So. 96th from an "R-2" to an "R-2-T" District. (petition of Fred Roberson)

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19015

Providing for the improvement of L I D 6912 for street lights on 38th Ave. N. E. from 33rd St. N. E. to Browns Point Blvd. and other nearby streets.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19016

Providing for the improvement of L I D 6913 for street lights on Idaho St. from So. 35th to So. 37th St. and other nearby streets.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19017

Providing for the improvement of L I D 6921 for street lights on Adams St. from 500 feet north of So. 45th to So. 50th St. and So. 45th from Adams St. west 100 feet.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19018

Providing for the improvement of L I D 6923 for street lights on "A" & Ea. "B" from Ea. 56th to Ea. 60th St. and other nearby streets.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0:

The Ordinance was declared passed by the Chairman.

Ordinance No. 19019

Approving and confirming the assessment roll for L I D 4820 for paving on No. 12th from Woodlawn to Highland Street and other nearby streets.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19020

Approving and confirming the assessment roll for L I D 4824 for paving on So. 37th St. from Thompson Ave. to Park Ave. and on Park Ave. from So. 37th to So. 38th Street.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19021

Approving and confirming the assessment roll for L I D 6878 for street lights between So. 56th and So. 64th St. from Park to Pacific Ave. and other nearby streets.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 19022

Approving and confirming the Assessment Roll for L I D 6894 for street lights on Ea. 40th from McKinley Ave. to Portland Ave. and other nearby streets.

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0: Absent 0.

The Ordinance was declared passed by the Chairman.

UNFINISHED BUSINESS:

The Director of Public Works & Public Utilities presents the assessment rolls for the following:

L I D 4876 for paving on Ea. 61st from Ea. L to M and other nearby streets.

L I D 5436 for water mains in Titlow Rd. from 6th Ave. to So. 17th; So. 16th from Titlow Rd. to Walters Rd.

L I D 5468 for water mains in 30th Ave. S. E. from S. W. 300th Place to S. W. 304th Street and other nearby streets.

Mr. Finnigan, moved to set Monday, March 23, 1970 as the date for hearing on the assessment rolls. Seconded by Mrs. Banfield. Voice vote was taken. Motion carried.

Mrs. Banfield said she had asked Mr. Wells to speak at this time as he had obtained important information for the Council.

Mr. Wells, 841 Ea. 48th St., explained he was extremely disturbed relative to the sensitivity programs conducted within the schools. He also did not agree with the policies of the Human Relations Commission. He read articles and letters relative to regional government throughout the country.

Mrs. Banfield read an article relative to urban renewal, model cities programs as well as the regional housing development corporation. She said Bills at the State level are being introduced on these matter and she hoped they would be defeated.

Mr. Zatkovich explained that at last week's meeting information was submitted by the Legal Dept. to the Council relative to the license suspension of Thomas W. Hutson d/b/a Rack and Cue. It appears that the City and the parties concerned wish to settle this matter. He added, what he gathers from the information is that Mr. Hutson is asking the Council to overrule the decision to revoke the business license for the 38th Street location. However, the request does not state that Mr. Hutson would not relocate elsewhere in the City.

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Mr. Cvitanich urged that the opinion from the Legal Dept. be thoroughly studied. He felt that the previous action taken by the Council to revoke the license should be sustained. He also asked that the various communications pertaining to this matter be submitted to the Council before any further action is taken.

Mr. Zatkovich explained he had investigated this matter and many problems, including some with racial overtones, were not brought out during the hearing by the business men in the area. He also felt other establishments within the City could be placed in the same category and their licenses were not revoked. Mr. Zatkovich asked that a resolution be drafted rescinding the action taken by the Council which suspended the license of the Rack and Cue.

Mr. Cvitanich asked that additional information on the various matters which occurred relative to this problem be submitted to the Council when the resolution comes before the Council.

Mr. Hamilton explained, he would try to obtain the most recent information, but he wasn't sure whether he could obtain the information as the Pierce County Sheriff does have a case in Court regarding the establishment owned by Mr. Hutson in Lakewood.

Mr. Zatkovich explained that Mr. Hutson had contacted the Prosecuting Attorney's office for help relative to that establishment.

Mr. O'Leary requested that all the new members on the Council be furnished with all the previous material on the matter as well as the results of the homicide that took place and the threats made to the citizens in the area of the Rack & Cue.

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REPORTS BY CITY MANAGER:

Mr. McCormick, Acting City Manager, explained, according to the direction given under Resolution No. 20543 passed by the Council on Jan. 13, 1970, a date for a public hearing must be set and notices published ten days before such a hearing, under the O. E. O. regulations. He asked that the Council set a hearing date if they intend to pursue the matter of designating the City of Tacoma as the Community Action Agency under the Economic Opportunities Act of 1964, as amended in 1967.

Mr. Cvitanich moved to set Monday, Feb. 9th, 1970 at 7:00 P. M. as a special Council meeting in the City Council Chambers to consider only the O. D. I. hearing. Seconded by Mrs. Banfield. Voice vote taken. Motion carried.

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Mr. McCormick explained that on Wed. Jan. 21st a meeting has been scheduled for the full day with the various unions on negotiations. He added, the Manager is a member of the negotiating team and he would be most happy to assist Mr. Oles in any way possible.

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Mr. Gaisford, Director of Finance, explained that a sale of fifteen pieces of guaranty fund real property has been scheduled and asked for direction from the Council relative to what interest rate to charge.

Mr. Gaisford further explained that the County charges 6%; Seattle 7 1/2%; Bremerton 6%. He noted that real estate contracts in the area are from 5% to a high of 9%. Mortgages recorded in the County Auditor's office show a rate of 5% to 9 1/2%. Savings and Loan Associations 8 1/2% and commercial banks 8 1/2% and 9%.

Mr. McCormick noted this process is only required when the City sells this type of property on a contract.

Mr. Cvitanich explained that last year, after the Legislative session, the Council discussed the matter of revaluating the entire interest rate. He felt that the Council should set a reasonable rate.

Mayor Johnston asked Mr. Gaisford to make a recommendation to the Council.

Mr. Gaisford suggested that a 7% rate be set.

Mr. Zatkovich moved to set a rate of 7% for the interest charge on the fifteen pieces of real property to be sold. Seconded by Mr. Cvitanich. Voice vote was taken. Motion unanimously carried.

COMMENTS BY MEMBERS OF THE COUNCIL:

Mr. Finnigan asked that he be excused for the next three weeks as he is leaving on vacation.

Mr. Cvitanich moved to excuse Mr. Finnigan for the next three weeks. Seconded by Dr. Herrmann. Voice vote was taken. Motion unanimously carried.

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Mr. Cvitanich asked that the Opportunity Bulletin dated Jan. 16, 1970 be inserted in the minutes of this meeting - (copy of which is attached hereto).

Mr. Cvitanich asked that the record show that no one on the City Council has ever said that the Council was trying to phase out any of the O D I program.

Mr. Cvitanich said a copy of a suggested amendment to R. C. W. 35.34.150 was submitted to the Council members by the City Attorney's office which concerns installment notes and interest certificates. He added, he would submit a copy to the proper Legislators in Olympia.

Mayor Johnston said he would be calling an Executive meeting of the City Council for Monday, Jan. 26th at 7 P. M. in the Council Conference Room.

Mr. Cvitanich explained that all members of the Council have been invited to a meeting with the Model Cities Executive Board at 7:30 P. M., Thursday, Jan. 22nd at the Model Cities office.

CITIZEN'S COMMENTS:

Mr. Tom Wells asked that his request to speak at this time be postponed two weeks.

Mayor Johnston stated, if there were no objection, he would rule that Mr. Wells would be able to speak on the agenda of Feb. 3, 1970.

ITEMS FILED IN THE OFFICE OF THE CITY CLERK:

- a. Human Relations Commission meeting of Dec. 18, 1969.
- b. Tacoma City Planning Commission minutes of Jan. 5, 1970.
- c. Tacoma City Planning Commission report for Dec. 1969.
- d. Herman G. Walker, Director of Model Cities Program, filing with the City Clerk, Program No. MP-46-002, Financial Statement, Dec. 1969 and Funds Requisition No. 4.
- e. Tacoma Police Dept. report for Dec. 1969.
- f. State Examiners report for the Garbage & Refuse Dept. for Jan. 1 to Dec. 31, 1968.
- g. The City Clerk advising that the time for filing protests on L I D's 6918, 6919, 5497 and 6917 has expired.

Placed on file.

Dr. Herrmann moved to adjourn the meeting. Seconded by Mr. Finnigan. The meeting adjourned at 10:00 P. M.

Gordon N. Johnston

Gordon N. Johnston - Mayor

Attest:

Josephine Melton
Josephine Melton - City Clerk

[Large circular stamp or mark]

OPPORTUNITY BULLETIN

RATIONALE OF CONCERN

By

L. H. PEDERSEN

Chairman of the Board of ODI Trustees

January 16, 1970

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There is great danger to the poor people of Tacoma and Pierce County that War on Poverty programs face suspension and closure on February 28, 1970 ... the date that funding of program year "D" for ODI ends.

Program Year "E" (5th Year) is scheduled to begin March 1. And toward that goal ODI and its various agencies have completed their plans and priorities. This week the proposals were forwarded to the Regional office of OEO for approval.

It is a good program with the main emphasis on jobs for the hard-to-employ and job training to enable the unskilled and untrained to have a chance to get a job and hold it. Many other programs are included in the \$2.1 million proposal.

The real danger to the continuance of the programs past March 1 is that Community Action Programs throughout the nation are being closed out with increasing rapidity.

Four years ago there were some 1,500 CAPs under OEO sponsorship. Today there are less than 900 and by the end of this year, some experts predict, another 100 or more could be phased out.

Santa Clara Community Action program based in San Jose, California will be closed at the end of their funding year this spring. Likewise, Bakersfield and San Bernardino Community Action agencies will close when funding ends in a few months. These three CAA's were originally funded at an estimated \$7 million.

It would seem to me, and I've studied the OEO handwriting on the wall since ODI was organized in 1965, that Tacoma could follow in the footsteps of these and other CAAs.

Closures have come about for a variety of reason.

In the case of Santa Clara, the decision by OEO was based partially on a refusal of that organization to properly institute Central Accounting. Seattle faces the same difficulties in properly documenting and enforcing OEO guidelines in that regard.

ODI has utilized Central Accounting for 30 months and this year stood firm against the threats of those forces which would have de-centralized its operations even against the advise of OEO officials.

Other CAA's have been suspended over political jockeying and petty struggles for power and control of local programs.

These things have happened elsewhere and could happen right here in Tacoma. It seems to be national OEO policy that CAAs that aren't productive in their service to the poor... those where political pressures make programs less productive and those with any problems at all are junked.

The OEO Community Action program has been downgraded in national importance.

Many authoritative sources feel that it is in a "caretaker" period. The strong CAAs... those who are performing a service to the poor and can keep their skirts free of local political disruption survive. The weaker ones will continue to be phased out.

We have a strong CAA in Tacoma. We have been proclaimed a "model CAA" by many, including the last San Francisco Regional Director, Mr. Joe Maldonado.

We have exceeded nearly every pledge to the poor in maintaining our programmed promises. Last year, for instance, we pledged job and job training slots for 1,000 persons. This far we have produced 1,500, a 50% improvement over our pledged goal for 1969-70.

The same is true in other fields such as summer youth programs, senior activities, health, housing, day care for children, aid to mentally retarded children, emergency help to needy families.

We have received the finest community support in the nation for our work. More than \$640,000 was developed in private funds, local contributions and services, every dime of which went to assist the people in need.

Now because of politically inspired controversy and false claims, false because we have documented proof of our work and services, the poor of Tacoma and Pierce County face the loss of a valued resource.

This area, it would seem, can ill-afford to reduce service to the 17,500 families who earn less than \$3,000 per year. Particularly in view of statistics by the U.S. Department of Labor which shows Tacoma as having the 6th greatest percentage of unemployed among all cities in the nation more than twice the national average.

It can hardly afford to close out a \$2 million program for its poor and discharge into the unemployed ranks more than 300 persons from ODI Headstart and other units.

It seems completely irrational, irresponsible and capricious to recklessly shoot craps with the destiny of the poor at stake over the jockeying for political power and by the disruption of threats and intimidations.

It would be less than honest or responsive, speaking for all the Board of ODI Trustees, if I did not point out the danger inherent in the current politically-inspired plot to discredit our efforts.

Our principal concern today is not with who will administer the War on Poverty Program here in Pierce County in 1970, but that there might not be one at all.

In that case, only the poor would suffer.