

## CHAPTER III

## ORIGINS &amp; DEVELOPMENT: ONA'S FIRST DECADE

"It was in the air..."<sup>1</sup>

Although novel in 1985--when the Tufts team first began to undertake their nationwide study of neighborhood associations--Portland's experiences with neighborhood involvement in planning efforts had been matched by many cities across the country in the early 1970s (Berry et al, 1993). The enthusiasm for citizen involvement at the time stemmed from several historic factors. First, demands for greater citizen access to local government had been building steadily for more than a decade. This trend originated in large part with the devastation imposed on many big city poor communities as the result of failed urban renewal policies and programs, including, notably, slum clearance, public housing, and freeway building and suburban development.

Secondly, the confluence of the civil and women's rights movements, the student movement, and the

continued momentum of President Johnson's War on Poverty programs would be momentous in shaping the outlook of a baby-boom cohort coming of age in America's larger cities. Matching these broader social movements was a shift in the leadership cadre seeking political power at all levels of government.

Finally, a cataclysmic shift had been gaining force in the urban planning zeitgeist of many major U.S. cities. Concurrent with this trend, urban neighborhood-based coalitions formed to fight freeway developments, hospital expansions and other incursions that threatened the last vestiges of inner-city neighborhood livability—an attribute long in decline following years of suburban development and diminished central city political stature. Portland would come to figure prominently as these historic forces unfolded, most notably for its efforts to carry out provisions required by land use reforms passed in 1973 by the Oregon legislature, and its land-mark urban growth boundary law.

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<sup>1</sup> From Bill Scott, executive assistant to Goldschmidt, commenting on the fervor for populist action in Portland in the early 1970s.

The War on Poverty programs had triggered political flux and tension within major cities across the country. At issue was the question of federal interference with local governing coalitions. The massive influx of federal dollars attached to mandates for participation among target groups had unsettled city administrations and disrupted political alignments across the country.<sup>2</sup> The prospect of well-funded organizations deliberating social policy and economic development issues at the local level with only loose alignment with city administrators and elected officials was in most instances tremendously unsettling to status quo power interests. Although direct funding to community from the Department of Housing and Urban Development was to be channeled through Community Development Agencies, over which city councils had veto power, Model Cities and Citizen Action Programs would mobilize millions of low-income whites and African Americans across the country. This factor, coupled with the huge drain on the federal treasury posed by the war in Vietnam, would

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<sup>2</sup> These were provisions attached to federally funded poverty programs, including Model Cities, the Community Action Programs, and other Housing and Community Development funded projects.

lead to the cutback and eventual demise of these programs (Elkin, 1985).

Emergent leadership in Portland hoped at this time to retain elements of these programs as a means of sustaining newly enfranchised community interests while enlarging the scope of citizen involvement as a means of mobilizing a broader, middle class electorate and tax base. By 1972, facing the continuing specter of lost property tax revenue following a long cycle of suburban development, the Portland City Council was desperately seeking a strategy for downtown and central city neighborhood revitalization. Movement towards what would become Portland's NA program began in earnest that year, when the City approved funding for a task force to study the growing influence and potential future role of Portland's various neighborhood based organizations, especially with respect to local planning efforts.

The "DPO Task Force" as it was entitled, eventually recommended to the City Council that neighborhood and district level organizations be established for purposes of planning for land use and social services provision. The contours of the plan derived from the City's

experience with the Model Cities Program. In effect, Council leadership hoped to sustain the neighborhood based planning ethos as it had evolved in Portland under Model Cities--which expired in July, 1973--while enlarging its scope to encompass the entire city.<sup>3</sup>

Under the proposal, District Planning Organizations (DPOs) would serve a clearinghouse and staff resource function to member Neighborhood Planning Organizations (NPOs). The plan mapped out districts in wedge formations radiating from the City center, with each district further partitioned into several neighborhood areas. At the time, five districts were envisioned: West-Northwest, Southwest, North, Inner Northeast, and Southeast. This network of neighborhood and district level organizations would be further supported through a centralized administration, the Office of Neighborhood Associations.

The program was first adopted by ordinance in February 1974. Initially, only two districts had

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<sup>3</sup> Abbott (1983) notes that City Commissioner Lloyd Anderson was initially responsible for urging the City Council to state its support for neighborhood involvement and to adopt a structured system for neighborhood input. Anderson's pleas came a week after a highly contentious council hearing on the Lair Hill urban renewal

contracts, the North and West-Northwest sections of the city. The City Council had dropped the DPO requirement, called for in a draft ordinance, after hearings during 1973. This was deleted as a concession to citizen suspicions that downtown would control DPO staff and agenda setting.<sup>4</sup> Likewise, "Neighborhood Planning Organizations" became, simply, "Neighborhood Associations."

Between 1974 and 1975, the infant neighborhood association program struggled for survival on two fronts. First, conservative City Council members remained dubious of an enfranchised neighborhood edifice, fearing it would de-stabilize Portland politics and diminish Council authority. There was also suspicion at the time that then two-year mayor Neil Goldschmidt--a key sponsor and staunch advocate of the NA program--would commandeer the system and use it as an electoral machine.<sup>5</sup> On another front, supporters of the

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project in early 1971. Goldschmidt supported the idea and City Council approved the Task Force in December 1971.

<sup>4</sup> Formal references to district level functions would not emerge again until a 1987 re-write of the ordinance. In the interim, the "DPO" label would be replaced by "DCB", for "District Coalition Board."

<sup>5</sup> In what onlookers would later hail as a very canny tactical move, Mayor Goldschmidt would assign oversight of ONA to Commissioner

proposal faced a reaction from neighborhood leadership suspicious of what appeared to them to be a downtown initiative to co-opt and control grass roots mobilization.

Long-standing neighborhood groups bridled at provisions detailed in the 1974 ordinance stipulating membership requirements and a formal recognition process, resulting, in February of 1975, in a redrafted ordinance by City Council that deleted these two provisions. Since the ordinance still did not specify the role and functioning of DPOs, contracts with the North and West-Northwest districts were retained, and used as a means for defining their responsibilities vis-à-vis the Office of Neighborhood Associations (ONA) and member NAs.<sup>6</sup> With the addition of two other features-- the Budget Advisory Committee and Neighborhood Needs

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Mildred Schwab, initially shocking many of the program's supporters. Schwab, not a fan of citizen involvement, was ideologically nearly polar opposite of Goldschmidt. While considered to have strong populist sentiments, she was far from being a progressive activist. But by giving her ONA, Goldschmidt successfully neutralized suspicion he was building an electoral machine. Also, Schwab had earned renown on Council for being scrupulously pecunious with her bureau operations. At the same time, she garnered strong loyalty from bureau personnel because she ardently fought to support their programs when challenged.

<sup>6</sup> At this time, the West-Northwest district did not yet have a functioning district coalition board. ONA contracted for services

programs--the essential armature for Portland's NA system was largely in place by the fall of 1975.<sup>7</sup> By 1979, District Coalition Boards in Southeast and Southwest Portland would acquire separate contracts. Southeast Portland neighborhoods, organized into a consortium under the Citizen Action Program during the 1960s, would transition into the City's NA program largely intact. The district coalition in Inner Northeast Portland would evolve from that district's experience in Model Cities, with leadership from that program likewise transitioning into the neighborhood association program.<sup>8</sup>

#### CAPACITY BUILDING

##### The Pederson Years: 1974-79

The first ONA director, Mary Pederson, faced significant obstacles in launching the ONA program. As

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with the Northwest District Association, which would eventually become one of nine NA members to the West Northwest Review Board.  
<sup>7</sup> Another significant tool shoring up the citizen role in planning came from the National Environmental Policy Act of 1969, which required environmental impact statements for major development projects (Abbott, 1983). Portland activists used this tool with tremendous success in the freeway fights of the 1970s.

<sup>8</sup> From Mary Pederson memo to Commissioner Charles Jordan, "Five-Year Evaluation of Portland's Neighborhood Association Program." (1979)

noted above, she was forced to operate within a climate of two-pronged distrust. Furthermore, the challenges she faced called for solutions that appeared at first glance contra-indicated. On the one hand, she had to dispel the suspicions of existing neighborhood groups that ONA was a front for downtown control. On the other hand, she had to demonstrate to City Council that the program she sought to foster had sufficient support in the community to warrant Council's ongoing support. The first case would suggest working closely with indigenous groups in order to foster necessary trust and buy-in for the program. The second case would require mobilizing new NA groups in a fashion that signaled Council members that the program addressed a latent demand. Yet, in mobilizing new NAs, especially in circumstances of close proximity to existing groups, ONA's efforts would appear to diminish the authority of indigenous community leadership: ONA would face criticism it was out to "divide and conquer."

Within this context, Pederson worked diligently to see that neighborhood concerns were made sufficiently visible so that City Council, as well as downtown bureaus, would have to take notice. As such, her administration worked very much from a "capacity building" logic. Pederson drew support and assistance

in these efforts from several sources, most notably the sympathetic efforts undertaken by Goldschmidt and his staff, with whom she shared a close working relationship. Both Pederson and Goldschmidt were individuals passionate about public service as well as very able tacticians. Although they would view the role of neighborhood association activity quite differently--and, in fundamental ways, antagonistically--there was a strong congruence between their efforts to see that the program succeeded.

Pederson's faith in a participatory ethos, whereby neighborhood-based action could serve as a catalyst for community building, was, by the mid-70s, the clarion call of urban activism around the country. In this respect, her vision was part of a popular, and populist, zeitgeist then enjoying prominence. On a personal level, Pederson dedicated tremendous energy to Portland's program, and struggled ardently to achieve integrity for the process to which she was very personally dedicated. A fundamental dilemma, apparent from the outset of these efforts, was the result of forces diametrically opposed, forces clearly articulated by Dondero's 1976 essay: the need to strike the right balance between community autonomy on the one hand, and connectivity to a downtown agenda for Central City

revitalization on the other. The first force pulled the program towards neighborhood independence and power. The second force enmeshed the program within a geopolitical contest for control over metropolitan development.

From Goldschmidt's perspective, neighborhood associations were vital in a very explicit, tactical sense. In order to focus a planning agenda for revitalization, he needed to mobilize the consent and active participation of Portland's middle-class yeomanry. Several forces, noted above, would converge to help enable this agenda. First, there was a unified sense of imminent threat among city-dwellers, posed, principally, by continued out-migration to the suburbs coupled with an ongoing acquiescence to auto-oriented development. The transportation planning paradigm at the time, still in tact by the early 1970s, was very much anti-central city. This sentiment manifested most clearly with plans, then underway, to carve up Portland east of the Willamette River with one expressway corridor after the other.<sup>9</sup>

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<sup>9</sup> The Portland Vancouver Metropolitan Transit Study, established by Oregon's Department of Transportation, called for massive freeway development across the east side of the Willamette River, and major extensions to the west.

Huge federal subsidies for new home construction (FHA and G.I. Bill) and freeway development had, beginning in the mid-1950s, created a mammoth highway lobby across the country from which Oregon was not immune. Mortgage lending practices that steered first time homebuyers away from "risky" neighborhoods--common for many years across the country--had posed in Portland, as in other cities, a chronic dilemma. Additionally, urban renewal policies routinely called for school closures and relocation as they sought to eradicate "blighted" neighborhoods.<sup>10</sup> Other pressures driving a suburban development mindset in Portland by the early 1970s included continued light industry and warehousing expansion (notably in Northwest), hospital expansion (Northwest and Northeast), shopping center development (throughout the city), and expansion of Portland State University (Abbott, 1983).

Goldschmidt sought, through mobilizing the NA network then in place, to tap the rising tide of discontent, swelling since the late sixties, that residents felt about central city decline and neglect. A very explicit quid pro quo would emerge through this

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<sup>10</sup> First prepared in 1958 and revised in 1966, Portland's "Comprehensive Development Plan" had issued a "Lands for Schools" report in 1957 calling for the relocation of five schools in Southeast and 15 schools in North and Northeast Portland (Abbott, 1983).

process. Goldschmidt would promise neighborhood activists that his office would do everything it could to address neighborhood livability concerns in exchange for the trust and buy-in of residents into a process of planning and negotiation, particularly in regard to downtown re-development.<sup>11</sup>

In order to achieve this, it was essential, from a tactical perspective, to forge the sense of a common fate for faltering neighborhoods and a faltering downtown tax base. The regional framework upon which subsequent political leadership would need to base its planning strategies, was, in the early 1970s, only just beginning to take shape. This meant that the formula for consolidating a city planning agenda could be kept relatively simple: "downtown and neighborhoods need one another."<sup>12</sup> Other factors would work very much in Goldschmidt's favor, including: a City not yet encumbered by annexation difficulties,<sup>13</sup> a relatively large pool of untapped volunteer resources, an ample stock of vintage housing that was still largely in tact,

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<sup>11</sup> Goldschmidt dedicated a full time staff person to tracking down federal and state subsidies. Though by now such practice is common, it was a novel tactic when he first entered office as Mayor.

<sup>12</sup> Portland's urban growth boundary provided the larger legal and political framework within which Goldschmidt geared his efforts.

<sup>13</sup> These would include the distrust and alienation mid-Multnomah County residents feel to this day with respect to downtown Portland.

and broad based, shifting expectations of government by an increasingly mobilized and youthful middle class.

During the 1970s, Portland's eastern boundary stopped at 82nd Avenue. Between 1974 and 1975, there were only 30 active neighborhood associations in the city.<sup>14</sup> By the time Goldschmidt would leave office in 1979, Portland would host 60 active neighborhood associations as compared with 89 active neighborhoods operating by 1993. Relative to later City administrations, this meant a critical mass of popular support could be assimilated into Portland's planning program, with more resources devoted to securing citizen buy-in and good will, with less staff time and less turn-around time for decision making. Added to this was an ample fund of volunteer resources. Women were just beginning to enter the workforce in significant numbers in the early 1970s. Two parent households were the norm. This enabled mobilization of a legion of previously untapped organizing talent, particularly among baby boom-aged women.

Portland's stock of craftsman bungalow and Victorian townhouse architecture provided a major material incentive for the pioneer re-settlement of

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<sup>14</sup> From Mary Pederson, "Five-Year Evaluation of Portland's Neighborhood Association Program," in Commissioner Jordan files.

inner-city neighborhoods in the 1970s. A deflated housing market coupled with subsidy available for rehabilitation forged a solid material incentive framework for this process of neighborhood revitalization to take hold.

Finally, popular shifts in cultural outlook, gaining momentum across the country through the 1960s, played a major role in legitimating and invigorating Portland's neighborhood association movement. By enfranchising a neighborhood network in 1974, Portland was able to meet the demands for greater governmental accessibility that had been kindled by the civil unrest and political shifts that had riven national politics over the previous two decades. As noted above, a baby boom cohort was coming of age in the early 1970s. The organizational networks, energy and capacity developed through the years of Vietnam protest coupled with the mobilization around civil and women's rights and War on Poverty programs, triggered what would become a shift in focus towards city life. Young couples starting families and acquiring their first mortgages would be incorporated through mobilization around civic issues driven by a vanguard of urban activists. In this way, broad based material incentives would be integrally linked to civic activism.

By 1979, Portland's planning and neighborhood association programs were intimately aligned. Major accomplishments had been achieved across the City by way of neighborhood revitalization efforts.<sup>15</sup> These successes, coupled with a new downtown transit mall, signified to the entire city, and nation, that Portland had turned the corner from imminent decline to restored stature within its metropolitan region. Mary Pederson resigned that year as ONA Director, and Goldschmidt left local office for Washington DC as newly appointed Secretary of Transportation under President Jimmy Carter. Pattie Jacobsen, who had worked under Pederson since ONA's inception, would take over as its next Director. Jacobsen would build on the program's initial accomplishments, maintaining a capacity building ethos while consolidating ONA's stature vis-à-vis downtown agencies.

#### The Jacobsen Years: 1979-84

Upon leaving her post as ONA Coordinator, Mary Pederson expressed concerns to her boss, then City Commissioner Charles Jordan, about the direction ONA needed to take in order to consolidate the gains it had

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<sup>15</sup> For a concise compendium of these accomplishments, see Abbott (1983, Ch. 9).

made during its five year existence. Central among these was the need to build the capacity of District Coalition staff as well as the leadership skills of NA participants. Also noted was the need to establish a regular (annual or biennial) process for goal setting, as well as the codification into city ordinance of the Budget Advisory process. Patti Jacobsen, who had worked closely at ONA with Pederson since the mid-1970s, undertook these recommendations in earnest.

Initiating the primary piece of her first task, fostering greater administrative capacity among the District Coalition offices, Jacobsen contended with issues that were apparent from the outset of the program. Activists remained leery that ONA sought to subordinate them to the downtown bureaucracy. But in order to maintain the salability of the program to City Council--now led by an ardently conservative Mayor, Frank Ivancie--and key administrative support, ONA needed to demonstrate the program was able to function smoothly and accountably.

Jacobsen's administrative style was well suited to this task. Her soft-touch management skills would often be compared to Mary Pederson's brisk, intellectual, and frequently confrontational approach. In a feature

article published in the *Oregonian* at the end of her term in May 1984, Jacobsen reflected on this difference:

Usually you have someone really creative establish a program like this. The next person is someone with more management skills. I tried to get more reporting from the neighborhoods, but that was hard to do. Getting information from neighborhood coordinators at first was like pulling teeth. (Oliver, May 13, 1984)<sup>16</sup>

Part of this difficulty stemmed from the fact that District Coalition volunteers typically did not identify themselves with an administrative role. This made ONA efforts to build ties with District Staff people problematic, since any appearance of direction from ONA was often viewed with suspicion. Under Mary Pederson, most of ONA's efforts were focused on mobilizing newly forming organizations while placating and building the technical capacity of existing neighborhood based groups. During these early years, ONA would pick up the slack in administrative work, and forgive breaches in

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<sup>16</sup> In the same article a long-time neighborhood activist, John Werneken, offered a pithy comparison: "If Mary Pederson was the Tom Paine of Portland neighborhoods, then Patti Jacobsen as the George Washington." (Werneken had also been the City's first Crime Prevention Coordinator under a grant from the Law Enforcement Assistance Administration.) People interviewed for this dissertation would describe Jacobsen's management style as "nurturing" and "trust building." Several would note that this style was needed in order to normalize relations among City Council and bureaus after often-times stormy relations with Mary Pederson.

accountability among District Coalition boards and staff as a means for leveraging trust in ONA. But with the number of active NAs steadily growing, ONA needed to build District Coalition capacity in order to help spread the burden of accountability in the program. Capacity building among the District Coalition Boards was also imperative in order to demonstrate to City Council that the two-tiered, sovereignty model of neighborhood association activity was viable.

Jacobsen's approach to this would distinguish her both from Pederson as well as succeeding ONA Directors. As much as possible, Jacobsen administered from a "relational" basis. As noted, she inherited the lingering suspicion of downtown from neighborhood activists with which Pederson had to contend. But unlike Pederson, Jacobsen faced the necessity of grooming activists into a more administrative role. Since the various parts of the City differed in their capacity and inclination to assume more formal contract relations with ONA, there was no "standard" approach available for inculcating a sense of contractor accountability and responsibility. Coupled with this was an often indignant attitude among neighborhood association and district coalition leadership who viewed ONA contract dollars as entitlement funding. This

outlook would remain thematic and problematic until the present day, and is, in a sense, encoded into the program. But Jacobsen's approach to this dynamic would be unique. Capacity building under Jacobsen would involve a degree of "hand holding" that subsequent directors would, for a variety of reasons, be loathe to undertake.<sup>17</sup>

Shoring up faith in the neighborhood association ethos required that more attention be paid to downtown administrators as well. Under Pederson, relations with key administrators, as well as Council members, had at times been strained. This had in part to do with the newness of the program as well as fears among Council members and downtown administrators of losing control over City agenda setting. But Pederson's style, often didactic and at times even combative, would in many cases intimidate and alienate needed supporters. The admiration and respect Pederson would garner from among her staff and key allies--including Goldschmidt and,

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<sup>17</sup> This would take various forms. A key feature of Jacobsen's approach would involve engendering a sense of esprit de corps among district coalition office coordinators. This served two functions. It signaled office staff that ONA would support them when necessary--in several key instances in the face of district board member disputes and staff scape-goating. Courting staff also laid the groundwork for slowly building the trust of key district coalition leadership. These efforts would face obstacles, however, as funding inequities across district coalitions would strain relations among district office coordinators.

eventually, Commissioner Mildred Schwab--was not easily forthcoming among other key downtown officials.

Responding to this, Jacobsen worked diligently to establish trust between ONA and other bureaus, especially the Bureau of Planning and the Department of Transportation. Under her administration, ONA sponsored workshops for downtown staff covering the skills necessary for successfully communicating with neighborhood activists. The esteem with which Portland administrators would hold the neighborhood program by the time Tufts held its first round of interviews in 1986 can be attributed in large part to these pioneering training efforts.

Another key aspect of Jacobsen's work was the incorporation of two additional program offerings under ONA umbrella, including crime prevention and neighborhood mediation. Crime prevention had been a separate program first supported by federal funding under the Law Enforcement Assistance Administration (LEAA) in 1979. This program was not altogether popular while operating under federal guidelines. District coalition board directors and staff often bristled at the mandates attached to LEAA funding. The City picked up the program in 1984 and housed it within ONA.

Trained in community outreach, crime prevention staff associated with ONA cultivated an outlook distinctively separate from crime prevention efforts operating out of the Bureau of Police. Police efforts at the time focused on "target hardening" workshops and school-aged programming including D.A.R.E (Drug Abuse Resistance Education) and the McGruff Crime Dog programs. The Crime Prevention program operating from an ONA base focused on assisting neighborhood residents in identifying crime and public safety issues, setting up block watches, and providing training in spotting and addressing neighborhood crime trends. Outreach workers served as a bridge between beat officers and their police precincts, and neighborhood activists.

The neighborhood mediation program had been functioning under the Metropolitan Human Relations Commission. At the time a cutting edge innovation, the mediation program focused on resolving disputes between neighbors that otherwise might have escalated to confrontation and legal proceedings. Jacobsen foresaw the needs this program could address in dealing with landlord-tenant disputes, and established a citizen committee to oversee the feasibility of expanding in that direction.

Just prior to leaving her position at ONA, Jacobsen successfully lobbied City Council to approve pay scale raises that would, for the first time, establish pay equity between ONA staff and other downtown personnel. Jacobsen viewed this as essential on two counts: it would more fully support ONA staff efforts and shore up morale while signaling other bureaus that ONA had arrived as an equal player downtown.<sup>18</sup>

In total, Jacobsen and her staff achieved much of what Pederson had perceived, upon leaving in 1979, as essential to the ongoing viability of the ONA program. Partial testimony to these accomplishments was ONA's successful challenge to a proposal by Mayor Ivancie to cut the district coalition program in 1983. Ivancie's bid against the DCBs stemmed from residual skepticism and fear that the DCB level would detract authority from City Council. An immediate response from ONA supporters deluged Ivancie's office with protest calls and swiftly bury Ivancie's challenge.<sup>19</sup>

The only aspiration of Pederson's left unaddressed was her hope that the City Council would codify the role

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<sup>18</sup> Jacobsen would reflect upon this final victory as double-edged. While necessary at the time in order to gain stature for the ONA program, raising pay scales to civil service levels would mean running the risk of attracting a less activist mindset to the job.

<sup>19</sup> Jacobsen would recall a distraught but bemused Ivancie pleading with her to "call off the dogs." (from interview notes)

of the Budget Advisory Committees through Council ordinance. Although expanded and in some ways strengthened under Jacobsen's successor, Sarah Newhall, the BAC program would never be dedicated a separate ordinance. It would, however, retain recognition through Council resolution as well as through explicit reference in subsequent ONA "Guidelines".

#### CONCLUSIONS AND TRANSITIONS

Portland's first decade spent with neighborhood-based civic involvement was a time of discovery and experimentation. The first five years were spent expanding and defining the process, as well as protecting the infant organization against interest group skirmishes (over defining the program) and skepticism about its durability. In keeping with the imperatives she faced, as well as the talents and predilections she brought to the ONA Coordinator's post, Mary Pederson focused her capacity building efforts on the neighborhoods, the target end of the program. The period between 1979 and 1984 was spent consolidating these early gains, and focusing on building stakeholder investment at the agency level, a task well suited to the second ONA Coordinator, Patti Jacobsen.

Although apparent to both these administrators, the contradictions and embedded conflicts the program embodied were contained during ONA's first decade for several reasons. First, few were willing to publicly gainsay the program during its infancy. For one, a norm of "fair play" necessitated that it be given a chance. Secondly, the memory of urban renewal in Portland was not yet dim, and the ONA program served the symbolic function of signaling the City Council's good faith never again to impose a unilateral will upon the City's struggling neighborhoods. Third, both Pederson and Jacobsen deftly managed to build stakeholder investment in the program, thereby capturing insurgent dissent. Goldschmidt also played a key role in this. His political presence in Portland throughout the 1970s left a strong legacy of activist leadership. As Mayor, his close affiliation with the NA program, and visa versa, imbued citizen participation with a halo effect it would retain for the next several years.

In sum, Portland wasn't quite sure what it had done by creating an NA program; but whatever it was, or was to become, it had something in it for everyone. Finally, with respect to Professor Dondero's insights (noted in Chapter II), an antipathy to "rock the boat" had settled into the program from its early stages; but

while the program was still expanding, there were sufficient spoils--either immediate or prospective--to buy off the skeptics.

But forces were in motion that would have a lasting impact on the NA program. Beginning around 1982, economic recession traumatized Portland's development community. Housing starts for the metropolitan region had reached an historic low, sparking cautious budget forecasts for the next several years and triggering agency budget threats. Also that year, Portland would become actively embroiled in what would emerge as an annexation push eastward that would bind ONA within a thicket of distrust among East Portland neighborhood activists, resentful and suspicious that ONA'S intentions were to break up their resistance to Portland's annexation plans.

Starting around 1984, ONA wrestled with activists in North Portland, whose unique history had spawned a hybrid activist structure distinctly different from the DCB model the City was by that time endeavoring to consolidate.

These and other events that rocked the City's NA program in 1985 posed important challenges for ONA's new Director, Sarah Newhall. Newhall's stewardship would lead the City into a new era of citizen participation;

and, while fostering innovations, surfaced contradictions that forever altered the terms of engagement among Portland's NA stakeholders.