

## The Oregonian

### Portland Commissioner Nick Fish files for re-election

By Brad Schmidt

Portland city Commissioner Nick Fish filed for re-election on Monday, four months before the May primary.

Fish's plan to run for a second full term had been expected but the incumbent, facing only one challenger, waited a long time to make it official.

Fish, 55, took office in 2008 after Commissioner Erik Sten resigned in the middle of his term. Fish breezed to an easy win in 2010 with nearly 80 percent of the vote.

Fish's only challenger this go-round is Michael Durrow, a self-described realtor, who announced in September that he's running. Durrow has previously chased other offices, including Metro.

Fish's decision to wait until January to make a formal announcement is fairly rare, even for an incumbent facing little opposition. In advance of the 2010 election cycle, Commissioner Dan Saltzman waited until January to submit his re-election paperwork (but Saltzman announced his 2014 intentions in September).

Fish, the son of a Congressman from New York, worked as a labor lawyer before winning a seat on the Portland City Council. He spent time overseeing the city's housing, fire and parks programs before taking over responsibility of the Portland Water Bureau and the Bureau of Environmental Services last year.

A ballot initiative, also slated to hit the May election, is seeking to strip control of those utilities from the Portland City Council. There's been some speculation that Fish would face competition from someone with ties to the initiative campaign, but so far that hasn't happened.

The Portland Mercury first reported that Fish filed re-election paperwork.

### Portland declares impasse in contract talks with District Council of Trade Unions, which represents more than 1,600 city workers

By Andrew Theen

Portland and the District Council of Trade Unions, the labor group representing more than 1,600 city workers, are at an impasse after spending the past 11 months trying to negotiate a new contract agreement.

David Rhys, Portland's assistant Human Resources director, confirmed that city officials notified the state's Employment Relations Board of the impasse Monday morning.

DCTU represents a wide swath of city workers, including housing inspectors, park maintenance staff, lower-level administrative workers across city bureaus and street cleaning and maintenance workers.

The primary concern for DCTU members is the city's stance on contracting out services that would otherwise belong to union workers. "It's really about contracting out for us," Megan Hise, DCTU spokeswoman, said. "We would settle if we could."

All other aspects of the contract, Hise said, the city and DCTU are pretty close to finding a deal, although they haven't settled on final cost of living adjustments for the four-year contract period.

DCTU is asking that the city add back language to the contract which shows Portland saves money by contracting out specific services. Hise said that language helps protect city workers and saves taxpayer money, "by requiring the city to show cost saving we can make sure it makes sense financially," she said.

Rob Wheaton, chief negotiator for DCTU, called its omission "appalling."

"They do not check to see if it's going to save the city money," Wheaton said.

Both parties have until Jan. 13 to submit final contract proposals and expected costs of the proposals.

When asked if the city wanted to respond to DCTU's statements, Rhys said "not at this time."

The city and DCTU were attempting to negotiate a new four-year contract. After the sides submit final proposals, the city and union will enter a 30 day cooling off period. The city could then move forward with the proposed contract or DCTU workers could strike.

## **Opinion: Fixing or replacing the Portland Building should be a public choice**

By The Oregonian Editorial Board

Nearly 15 years after the \$25 million Portland Building was built, then-Mayor Vera Katz faced a \$9 million repair tab on the structure and was ready to abandon it. But the city held tight, waiving the fixes and leaving more than 1,000 civil servants to occupy its 15 floors and continue in their complaints about water leaks and sagging floors.

Now, The Oregonian's Brad Schmidt reports, the repair tab is estimated at \$95 million – that's if the city council decides in the coming months to completely overhaul the downtown structure. That's also if the public can learn fully about problems riddling the Michael Graves-designed icon. Up-to-date records detailing structural deficiencies and water damage, and comprehensive approaches to fixing both, were kept secret this week by a key office at City Hall, and Schmidt has filed an appeal for them as public documents.

The building, placed on the National Register of Historic Places, is an historic turkey. Unfortunately, it is owned by Portland taxpayers, and no amount of postcards celebrating post-modern urban architecture can convert the colander that it is into a sealed structure fit for a rainy climate. The building's troubled construction, engineering, seismic fitness and repair history, as well as any plans for its overhaul or replacement, should be fully in the public's hands. Ditto for the destiny of Portlandia, the massive copper sculpture over the building's main entrance and iconic in its own right.

The keeper of essential findings about the building is the internal business services division of the city's Office of Management & Finance, which over the last year came under fire for financial practices that ended with the departure of its chief administrator and left Mayor Charlie Hales chagrined. Yet already four city offices have been briefed in detail, with a Power Point presentation, on the Portland Building's mounting problems and options ahead. Already talk at City Hall swirls about who'd pay for a repaired or altogether new building, estimated to cost between \$110 million and \$400 million. And already a big new

idea for a big new government center that would join the city's offices and perhaps a new county courthouse has leaked out.

One word: Whoa. The Portland Building's systemic problems – extensive internal damage from continual water intrusion and seismic deficiencies – did not happen last week. They were known in various degrees for years. Meanwhile, we are assured that despite its problems, the building would be safer for its occupants in the event of quake than most downtown masonry buildings. But the public needs to start this month with a full accounting of what's wrong and what's possible, what's sane and affordable. City Hall speculation already holds that a \$95 million overhaul could be funded through 20-year revenue bonds, requiring \$8 million annually in payments by taxpayers and utility ratepayers, Schmidt reported.

The Office of Management & Finance must immediately lay out what it proposes. Schmidt quotes an official overseeing the internal business services division as saying no recommendation has been made while finding separately that the division had indeed argued for an overhaul of the Portland Building instead of total replacement.

Sure. But why? And at whose behest? Real people paying real bills will pay the city to get out of this mess. But real people who can't spend other people's money to solve problems deserve real answers.

It's time for the riddle of the Portland Building to end. It's no longer a question of whether people like it. It's a question of how the building's City Hall stewards can find the political will to get it right, prudently and with transparency, on behalf of taxpayers.

## **Willamette Week**

### **City Declares Labor Impasse with 1,600 Workers**

By Aaron Mesh

The City of Portland today declared an impasse with a coalition of seven labor unions, signaling negotiations over a new contract have broken down.

"We started bargaining on Feb. 19," says Rob Wheaton, chief negotiator for the District Council of Trade Unions. "Essentially, they're saying that they don't want to talk anymore."

The DCTU represents more than 1,600 city workers, ranging from janitorial employees to police staff. The city and the union coalition have clashed over the contract language that would let the city contract out jobs the unions say should go to its members.

Those outside contracts include deals with the county jail and state prisons—programs that union leaders described as "slave labor" to *WW* in September.

Wheaton says outside contracting is the main sticking point in talks.

"This isn't about wages and benefits," he says. "It's all about contracting out."

City officials have confirmed the declaration of an impasse to *WW*. "The next step," says city Human Resources executive assistant Karen Sorensen, "is for both parties to submit their final offers and cost summaries to the State Employment Relations Board."

# The Daily Journal of Commerce

## Problematic Portland Building won't be prioritized higher

By Jeff McDonald

After an Office of Management & Finance report stating that the Portland Municipal Services Building could need structural repairs costing upwards of \$95 million reached the media last week, the spokesman for Mayor Charlie Hales had a simple message for the office: Get in line.

Approximately 300 projects are expected to go before City Council in the upcoming budget session, said Dana Haynes, Hales' spokesman. Media attention does not improve a project's chances to gain funding, Haynes said.

"It's not one bit more of a priority than it was a week ago," he said. "If they came to the mayor and said, 'We have a dire need,' then of course we're going to take it very seriously. But if they leak it to the media, it doesn't get you ahead of the other bureaus."

The report was not shared with the mayor directly, but a summary of it was shared orally with his chief of staff, Gail Shibley, along with the chief of staff for Commissioner Nick Fish, said Bryant Enge, director of the internal business services division – a division of the Office of Management & Finance. Additionally, three commissioners – Amanda Fritz, Steve Novick and Dan Saltzman – have seen the report, Enge said.

"We're still very preliminary in the information gathering process," he said. "We have recommendations from the architect and engineering firm on how to fix this building."

Also, preliminary discussions have taken place about potentially partnering with Multnomah County, which is in the early stages of replacing its courthouse, Enge said. Further discussions, along with presentations to City Council in the upcoming budget process, will likely stretch the process out beyond the next budget year, he said.

Fixing the Portland Building, improving the police training center and developing the west-side emergency center are top priorities for the agency, Enge said.

The report from the Office of Management & Finance included concerns about how the building would perform during an earthquake. The building houses about 1,300 employees, including several bureau directors and support staffers who would be involved in emergency response efforts during an earthquake.

"What we have been told is that people would be able to get out of the building," Enge said. "The concern is that they would not be able to re-enter because it would be dangerous."

When the city's 27 bureaus submit their early budget proposals in early February, they will for the first time in at least five years not face the prospect of cuts, Haynes said. Roughly \$5 million in additional funding will be available for projects that meet the mayor's goals of completing a neighborhood, addressing homelessness and emergency preparedness, he said.

"(The mayor) is well aware the building is not in good shape," he said. "It is hot in the summer and cold in the winter. It has always been known that there are problems in the building, but it would take three votes out of five to get any budget changes come June."

According to Haynes, the mayor would not support taking the issue to voters via a bond measure.

“The mayor is not going to be championing that,” he said. “If somebody said we don’t have enough money to pay for roads or parks – those two things are looming. There’s no way he’s going to be a champion for another bond measure.”

Saltzman was more optimistic about the possibility of either repairing or replacing the Portland Building, which was built in 1982.

“I think it’s a priority in that we have about (1,300) people working in that building,” he said. “We want to make sure they have a safe and good working environment.”

But Saltzman would like to see the replacement option explored further. Additionally, a public-private partnership with Multnomah County would be a viable option, he said.

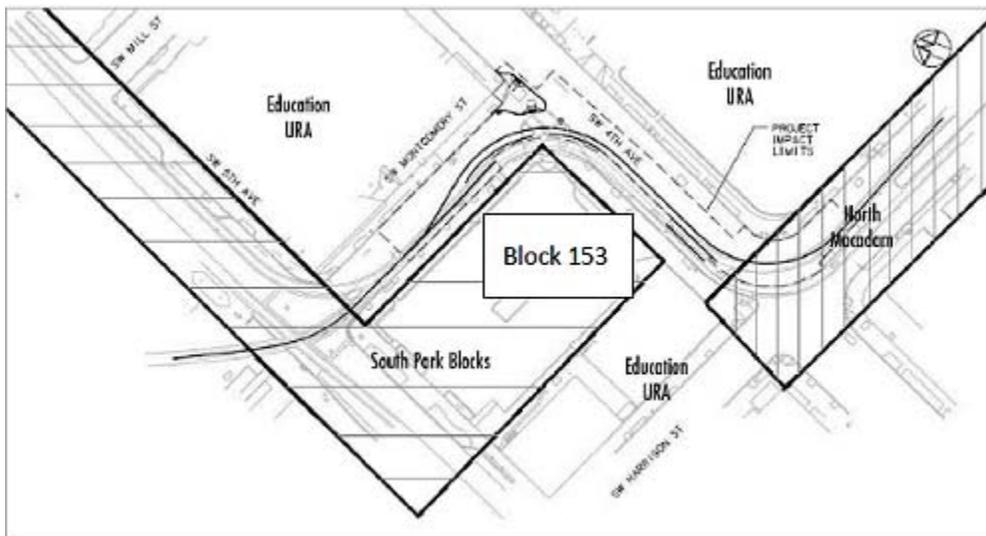
A financial plan, however, would take at least a year to create and could not start for at least six months. While not likely to happen in the next budget cycle, the project is on the council’s radar, he said.

“I’m very concerned and the council’s very concerned,” he said. “It has a big price tag and we don’t have a way to pay for it at this point.”

## Portland Mercury

### Streetcar Project Expected to Go Forward—Even as Urban Renewal Questions Remain Unsettled

BY DENIS C. THERIAULT



The Portland Development Commission is ready to kick down more than \$1 million it's promised the city's transportation bureau to help unclog a streetcar bottleneck near Portland State University—in part by tapping revenue from a controversial urban renewal district near the school, according to documents (pdf) reviewed by the *Mercury*.

But in a shift—hashed out this fall amid some major questions about the future of urban renewal in Portland—the PDC has found a way to fund the work without preventing Mayor Charlie Hales from rolling

back or canceling the Portland State urban renewal district as part of a restructuring proposal expected to be refined later this year.

Instead of borrowing money against future tax revenue raised in the city's so-called "Education URA," a decision that would prevent the PDC from shutting year-old urban renewal area early, the PDC has proposed spending some of the tax revenue it's already collected and put in the bank.

"It allows us to leave all options open," says Lisa Abuaf, the PDC's central city manager.

The agreement heads before the PDC's board for a vote this Thursday. Hales had already told the PDC it needed to pay the money it promised. If the PDC didn't find the money, the \$3.8 million project—adding a second track to the only remaining single-track segment of the streetcar system—would have been in jeopardy. State grant money obtained by the Portland Bureau of Transportation to pay for much of the work would have expired.

In total, PDC is pitching in a little more than \$1.5 million, with just over \$1.2 million coming from the PSU district.

SOURCES		USES	
ODOT Grant	\$1,985,651	Construction Costs	\$2,202,987
General Funds	\$230,000	Soft Costs	\$1,607,672
South Park Blocks URA FY 2012-13	\$70,461		
South Park Blocks URA FY 2013-15	\$152,426		
North Macadam URA FY 2013-15	\$152,426		
Education URA FY 2013-15	\$1,219,694		
TOTAL	\$3,810,659	TOTAL	\$3,810,659

Officials are keen to have the streetcar work start before the new light-rail bridge over the Willamette opens. With the chokepoint in place, requiring trains in opposite directions to take turns sharing a track near SW 4th and Montgomery, the entire streetcar loop would face delays and travel times more interminable than they already are.