

The Oregonian

Portland man files court appeal seeking campaign finance fines against Mayor Ted Wheeler

*By Everton Bailey Jr.
February 18, 2020*

A Portland man has appealed the city auditor's decision not to investigate claims that Mayor Ted Wheeler's re-election campaign violated a voter-approved \$500 individual contribution limit.

Ronald Buel, a member of political action committee Honest Elections Oregon, said in his complaint filed last week in Multnomah County Circuit Court that he believes Wheeler has received more than \$73,000 in contributions that violate the legal limit. The court appeal comes after Auditor Mary Hull Caballero's office dismissed campaign finance complaints filed by Buel in December against Wheeler, mayoral candidate Ozzie Gonzalez and city commissioner candidate Jack Kerfoot.

[\[Read the complaint\]](#)

The office said in January it wouldn't investigate the complaints because a judge found the limit on campaign contributions unconstitutional several months after Portland voters approved it in November 2018. Honest Elections Oregon organized the Portland measure, as well as a similar one that was passed by Multnomah County voters in 2016.

The Portland measure amended the city charter to limit individual or political committee donations to \$500 per election cycle in city races. The measure also limited campaign spending and required campaigns to disclose advertising funders and as well as impose other restrictions.

Multnomah County Circuit Judge Eric Bloch struck down the county rule in 2017 and did the same to parts of the Portland rule in June 2019, saying they violated the Oregon Constitution's prohibition on limiting free speech.

Buel said the city should still enforce the contribution limits because the judge only deemed certain parts unconstitutional, and he believes there isn't an injunction stopping the Portland restrictions from being imposed.

"Such refusal completely defeats the purposes of Measure 26-200, enacted with an 87.4% 'yes' vote in November 2018," the appeal said. "Those purposes include 'avoid[ing] the reality and appearance of corruption, including quid pro quo corruption,' in City of Portland elections."

The court appeal asks a judge to order Hull Caballero to fine Wheeler's campaign.

Hull Caballero said Tuesday that her office "looks forward to the court's decision."

"We have faith in our process," she said.

Wheeler's campaign has said they don't believe the mayor has violated any laws.

The Oregon Supreme Court is expected issue a decision later this year on Honest Elections Oregon's appeal to the 2017 ruling over the county contribution limits. The ruling will likely impact the Portland measure.

Woof! Portland police dog sniffs out \$750k in meth

*By Shane Dixon Cavanaugh
February 18, 2020*

A Portland police dog named Niko and Officer Chris Devlin, his human partner, seized 33 pounds of methamphetamine during a recent drug bust, authorities said Tuesday.

The pair, assigned to the Narcotics and Organized Crime unit, netted the haul Feb. 13 and also made one arrest, according to the Portland Police Bureau.

Police estimate the stash to have a street value of \$750,000, the bureau said. They did decline to provide additional information about the bust, citing an ongoing criminal investigation.

Niko is a different crime-fighting canine than Nikko, who worked the narcotics beat in Portland for years before dying of cancer in 2015.

During his storied 7-year career, Nikko helped seize 215 pounds of cocaine, 246 pounds of methamphetamine, 86 pounds of heroin and 2,600 pounds of marijuana, altogether worth \$39.7 million, police said.

The Portland Tribune

Sources: Half of voters worried about region's future

*By Jim Redden
February 19, 2020*

Plus, the Portland ballot is getting crowded and who would Nick Fish have endorsed in the City Council races?

Forty-nine percent of voters believe the quality of life in the region is getting worse, according to a newly released poll by Portland-based DHM Research.

The poll on economic and other issues was commissioned by the Portland Business Alliance and posted on its website. It found that only 8% of voters believe the quality of life in the region is getting better. Thirty-seven percent said it is staying the same, while 6% don't know.

The homelessness crisis is most likely a major cause for the unease, with 30% calling it the biggest issue in the region, compared to 15% for traffic congestion, the second-biggest issue. The concern is greatest in Portland, where 43% of voters says homelessness is the biggest issue, compared to 22% for the rest of the tricity region. (See editorial, Page A7.)

City ballot getting crowded

Thirty-five candidates, so far, are running for a City Council position with a little over two weeks to go before the filing deadline. As of Monday, 29 candidates have filed for the four positions with the City Auditor's Office and another six have filed political action committees with the Oregon Secretary of State's Office.

The largest number, 16, have either filed with the city or state in the race to fill the unexpired term of the late Commissioner Nick Fish, who died of cancer Jan. 2.

That special election also will be held during the May 19 primary. If no candidate receives more than 50% of the vote, a special runoff election is slated for Aug. 11.

All of the remaining candidates have filed with the city and most also have filed campaign committees. Fifteen are running for mayor, including incumbent Ted Wheeler. Nine have filed for Position 4, including incumbent Commissioner Chloe Eudaly. And five have filed to succeed Commissioner Amada Fritz, who chose not to run for reelection.

Fish gave to Chase, Rubio

Who would the late Commissioner Nick Fish have endorsed in the 2020 City Council races if he were still alive? We'll never know, of course, but his campaign committee made expenditures related to two candidates before it was closed shortly before his Jan. 2 death.

On March 30, 2019, the committee contributed \$250 to Metro Councilor Sam Chase's campaign committee. The contribution should not be surprising. Chase served as Fish's chief of staff before being elected to the regional government. But after Fish's death, Chase entered the race to fill the unexpired remainder of his term.

And on Sept. 3, 2019, the committee spent \$250 for Fish to attend a Latino Network event. Carmen Rubio, the organization's executive director, is running to succeed retiring Commissioner Amanda Fritz.

Metro proposed homeless tax lower than expected

*By Jim Redden
February 18, 2020*

UPDATE: Agency staff estimate of \$175 million per year is far less than what advocates have been seeking.

A newly released report says Metro, the regional government, could raise at least \$250 million per year to help the homeless in the three-county with an income tax on wealthier people in the region.

But shortly before the start of a Tuesday, Feb. 18, work session, Metro staff said the proposal they are considering would raise only \$175 million per year.

Metro staff is working quickly to hit the deadline for getting the measure on the May 19 primary election ballot.

The Metro Council could vote to refer the measure to the ballot at its regular weekly meeting on Thursday, Feb. 20.

On Sunday, Portland Business Alliance officials said a progressive regional payroll tax would be a better funding source. The alliance supports increased funding for homeless services but thinks a payroll tax would be more stable during economic downturns, according to a letter sent to the council.

The homelessness measure was requested the HereTogether advocacy organization. The report was commissioned by Multnomah, Washington and Clackamas counties. It was conducted by the Portland-based ECONorthwest consulting firm.

The report reads: "A \$250 million annual investment in homeless services in the Portland tri-county area would have a meaningful, positive impact on the lives of some of the region's most vulnerable residents. The resources would be sufficient to provide supportive housing for people experiencing chronic homelessness at a scale unmatched by other communities along the West Coast. Additionally, the investment could fund evidence-based prevention services for a sizable

share of a population that frequently transitions into chronic homeless status — low-income people with disabilities who are severely rent burdened."

State law limits Metro's personal income tax authority to 1% of the adjusted gross income of people living within its boundaries, which include the urbanized areas of all three counties. The report found a 1% tax on individuals earning more than \$150,000 and couples earning more than \$300,000 would raise at least \$250 million per year.

Different rates applied to different incomes would raise more. The highest estimate is \$274 million per year.

The examples in the report are different than what the council has been considering. It is looking at a 1% tax on individuals earning more than \$125,000 per year and couples earning more than \$250,000 per year. Before the session, Metro staff said that would only raise \$175 million a year.

However, the report says that even \$250 million per year would not completely eliminate homelessness in the Portland region.

"A comprehensive response to the crisis — an effort to end homelessness — would require a broader set of solutions, including the acceleration of housing construction at all price points, an increased supply of rent-restricted affordable housing, and additional rent subsidies," reads the report.

The report is titled "Potential Sources and Uses of Revenue to Address the Region's Homeless Crisis." [You can read it here.](#)

Portland Police K9 Niko sniffs out \$750,000 worth of meth

February 18, 2020

Canine officer Niko has taken about 300,000 dosage units of methamphetamine off the street, authorities say.

More than \$750,000 worth of methamphetamine has been taken off the streets — thanks to the crime-sniffing nose of K9 officer Niko.

Police say Officer Chris Devlin and Niko arrested a person carrying approximately 33 pounds of meth — or 300,000 dosage units — on Feb. 13. The illicit drug was destined for users across the metro area, police say.

Devlin is assigned to the Narcotics and Organized Crime unit, but no other details of the arrest were released.

Niko, however, is said to have played a key role.

"This case highlights the important work our K9 teams do to increase public safety," said Assistant Chief Andrew Shearer. "Methamphetamine is a dangerous narcotic that destroys and takes lives. The work of the Narcotics and Organized Crime unit is critical to interdict drugs before they flood our community."

Suit seeks penalty for \$73,000 donated to Portland mayor

*By Zane Sparling
February 17, 2020*

An advocate with Honest Elections claims city auditor has not enforced campaign finance limits for Mayor Ted Wheeler.

An elections advocate is suing Portland's auditor — claiming she failed to enforce campaign finance limits approved by city voters in 2018.

In a lawsuit filed Feb. 13 in Multnomah County Circuit Court, plaintiff Ronald Buel points to \$73,100 in allegedly over-the-limit contributions accepted by the re-election campaign of Portland Mayor Ted Wheeler. Whether such limits are constitutional, or even in effect, remains in contention.

After passing with support of 87% of the electorate, Portland's city charter was amended in several ways, including a new max contribution of \$500 per person to any one campaign. Buel says Wheeler has since accepted seven donations worth \$5,000 apiece and others as well, with much of the cash coming from developers.

"We are mystified at the actions of Mayor Wheeler, who is not above a law that is the will of the people," said Buel. "We do not understand why he is choosing not to comply with voters' clear desire."

Despite willingness in Portland and Multnomah County to rein back money's influence in politics, Oregon remains one of five states in the U.S. lacking any statewide caps on campaign gifts, a rule dating back to an Oregon Supreme Court decision in *Vannatta v. Keisling* in 1997.

Multnomah County Judge Eric Bloch has already ruled Portland's limits do not comply with that interpretation of the Oregon Constitution, though Buel and other advocates say he technically never enjoined — or halted — the charter amendments from going into effect.

The case is currently up for review by the Oregon Appeals Court.

"There's a difference between offering an opinion, which the court did, and issuing an injunction," said Buel, the founder of Willamette Week, who is filing the suit with the group Honest Elections Oregon.

The 25-page suit seeks to compel City Auditor Mary Hull Caballero to apply financial penalties to Wheeler's campaign for breaking the donation limits. Wheeler had announced voluntary caps of \$5,000 per individual, and \$10,000 for unions and organizations, in November.

Caballero and a spokeswoman for Wheeler's campaign did not immediately respond to requests for comment, but the Tribune will update this article if we hear back.

"Multnomah County can enjoin it, we recognize that, but they could also say you should be abiding by it until we reach this decision," Buel continued. "So we'll see what they say."

Police Bureau seeks to identify 4 Portland protesters

February 17, 2020

The four men, each wearing antifa style outfits, are accused of being involved in crimes that took place during a rally.

The city's police are seeking to identify four protesters who allegedly committed crimes during an anti-KKK protest in downtown Portland more than a week ago.

Police say "criminal activity" occurred during the two-block protest on Feb. 8 near Lownsdale Square. Authorities say some people were chased down while others were jabbed with metal-tipped umbrellas.

Police say rocks, concrete, batons, cans and food were thrown by the crowd as well, and at least two people were pepper sprayed. A war memorial was also covered in graffiti.

Police have identified four suspects:

Person #1 is said to be a white man of unknown age, wearing a black helmet with "161" painted in red on it, and also wearing a face mask, goggles, a black Adidas zip-up hoodie with white zipper on the left arm and black gloves. He was seen carrying a can with an orange lid.

Person #2 is described as a white man of unknown age, wearing a red or orange ski mask with a black zip-up hoodie, under a black coat with a red-and-black plaid liner, and a black backpack with "Nike" printed on it.

Person #3 is described as a white man of unknown age, wearing all black, and with a black-with-white bandana over his face.

Person #4 is described as a white male of unknown age, wearing a black beanie hat, black glasses, a black handkerchief over their face, a black puffy jacket and black pants.

Anyone with info is asked to contact police.

Portland police played role in cancellation of KKK rally

By Nick Budnick and Sergio Olmos

February 18, 2020

Self-described Klansman stayed away Feb. 8 after police declined to provide 'security;' disputes police report

The organizer of a planned protest outside City Hall was told something unusual recently by the Portland police: "No."

The cancellation of a planned Feb. 8 protest by a former Ku Klux Klan leader came after Portland Police Bureau declined his repeated requests that officers promise specific steps to keep him and any attendees safe, police reports and interviews show.

An avowed white supremacist rally at Lownsdale Square near City Hall downtown was sure to make national headlines of the sort that the Portland leaders don't like.

And the story of the KKK rally that never happened may shed light on a new police resistance to such protests.

In the past, right-wing would-be leaders have seemingly exploited clashes with Portland left-wing counter-protesters as a tactic to raise their profile, intentionally walking into hostile crowds to spark a backlash that is captured on video. Often turning violent, such protests have fueled millions of dollars of expenses in police overtime.

Steven Shane Howard, the would-be Klan organizer, called the outcome of his cancelled rally a win in a recent interview, citing the videos of black-masked counter-protesters engaged in violent behavior — including obscene graffiti on a war memorial in Lownsdale Square — that hit social media later that day. He said he lost money organizing the event, but told the Portland Tribune he considered it an investment in "starting this group back up again," adding "You've got to spend money to make money."

But reading the police report, it's unclear whether the police believed Howard intended to ever actually hold his rally, noting that he refused to say how many people were coming and what their plans were.

Adding to the uncertainty around Howard's plans is his history. He once claimed to have left the KKK to move to Washington state, but also has said he intends to establish a Pacific Northwest branch. And at least one past protest that he tried to organize never happened, according to the Southern Poverty Law Center.

Howard, for his part, denies several aspects of the police report documenting conversations with him — for instance, that he doesn't have an address in Vancouver, that he flew in from out of town in advance of the rally, that he intended to fly KKK members in from other states and that he has a warrant out for his arrest in the state of Washington.

"I don't know where that's coming from," he said.

Requests for publicity, safety

On Dec. 26, Howard called the phone of the communications director of the Multnomah County Sheriff's Office to say that he was holding a rally.

A few days later, the message was forwarded to the Portland Police Bureau, the Multnomah County District Attorney's office and Mayor Ted Wheeler's communications office: that a man identifying himself as associated with the North Mississippi White Knights of the KKK was planning a rally outside the Multnomah County Courthouse to protest the city's policies on immigration, according to the bureau report documenting interactions with Howard.

Howard also called the Portland Tribune with the same information.

Portland police opened up a report on the upcoming rally, citing Howard's past activities and suggesting he was a "catalyst for confrontation and violence" at a March 2017 rally in Lake Oswego.

Given the likelihood of violence at a right-wing protest designed to draw counter-protesters, "I believe there is reasonable grounds to document my findings and seek further information that can seek to uphold all individuals First Amendments rights and maintaining all participants' safety," wrote Officer Andrew Hearst.

On Jan. 7, the Portland Police went to an address in Camas they found for Howard, only to find he no longer lived there. They contacted the Camas Police, who told them that there is an active warrant out for his arrest for violating a restraining order filed by his ex-wife, according to the report.

The next day they contacted Howard, a diesel mechanic, by phone. He said he was currently in Mississippi, as his job takes him all over the country, but he intended to fly out to Portland on Jan. 14, and then stay in Vancouver, Washington, with some members of the European Kindred white supremacist group, or "EK," according to the report.

"Howard told me for his event he wanted to make a statement that the KKK was in Portland," the report said.

"Howard told me he had already notified all the large local news outlets such as KGW, KOIN and KATU of the event. Howard told me he will be flying in about three other Klan members to attend the event and will be having EK as security. Howard told me they would be wearing military fatigues and not in robes."

Howard, asked about his plans to fly in to Portland in January, to fly in three KKK members and have EK function as security, denied that any of those were true.

"Where is this coming from? I never said that," he told the Tribune, adding that he lives in Vancouver. "Totally false. Did I try to get in touch with members of EK? Yeah. Do I know members of EK? Yeah."

On Jan. 28, responding to police attempts to get information on his rally, Howard said "he believes approximately 50 people will attend," according to a summary of the conversation recorded by Officer Hearst. "Howard requested security assistance getting he and his group to the courthouse and away. Howard told me if police do not provide security assistance he and his group will come armed."

On Feb. 3, five days before the scheduled rally, Howard called police again to request a meeting, saying he "wants to make sure law enforcement has a plan for his demonstration to be safe, such as areas blocked off and a buffer zone between him and counter demonstrators. Howard told me he does not plan to back out of the demonstration, but would not tell me how many people he believes will be attending nor their plans while at the courthouse."

Hearst, the police officer, wrote that he informed Howard that the City of Portland passed a resolution this past year condemning white supremacist groups, saying that "the City of Portland is proud to be a welcoming city, a sanctuary city and an inclusive city for all, and our values are rooted in peace, respect, inclusivity and equity."

"Howard interrupted me, commenting that was true unless you're a white person proud of your nation," Hearst wrote, adding that Howard asked the cop to detail how his right to protest would be protected.

Hearst said a protest liaison officer would be in touch.

It appears that conversation didn't go Howard's way. On Feb. 5, he texted a reporter that the police were not going to escort him to and from the rally, and wouldn't promise to keep a buffer area from protesters. "If they (the police) will only get involved if a crime is committed, that's stupid for me to walk into that," he wrote.

Asked about his claims, the Portland police confirmed them. "We do not provide private security for individuals or groups; our responsibility is to reasonably protect public safety and restore peace and order," said Lt. Tina Jones, a Portland police spokesperson, in an email.

Howard claims he moved his rally up to 7 a.m. to avoid a left-wing counter protest, but he decided to cancel at the last minute on the advice of his lawyer.

Instead, he said, he attended a cookout in Ridgefield, Washington.

The treatment of Howard comes in contrast to past criticisms of Portland police, including some city commissioners, suggesting they were too cordial to right-wing protesters. In response, Portland police have said they talk to anyone who will talk to them, with the aim of trying to minimize violence.

Asked whether Mayor Ted Wheeler's office weighed in on the handling of Howard's requests, a spokesperson declined to answer the question.

Clash happens anyway

Though Howard did not show up on Feb. 8, others did, including about 200 protesters, many wearing black "anti-fascist," or "antifa"-style masks. Police seemed to show little sympathy for those who appeared to try to provoke them, and three arrests were made.

"You should probably leave, because we're leaving," livestreamer Brandon Brown was told by an officer dressed in riot gear, according to video of the encounter.

Brown, who has filmed and attended Patriot Prayer events since 2018, was surrounded by a crowd dressed in black shortly thereafter, with some in the masked cluster appearing to recognize him.

Another video shows Brown being sprayed with orange liquid at close range, then stumbling blindly toward a group of bike officers clustered near the 7-Eleven at Southwest Fourth and Taylor.

"Why did you walk back in there, sir?" one bike cop asks Brown incredulously. The videographer was one of three people treated by authorities for exposure to pepper spray that day.

But while the videos spread, police sought to portray the event as minor in comparison.

"This is where perception matters. This event occurred for the most part in one city park and in in the nearby sidewalks," said Jones, the police spokeswoman, adding that she saw headlines about "Chaos in Portland."

She added, "This one tiny event doesn't define everything that was happening in the city of Portland at that particular time. Compared to a lot of our other events I would say, on the whole, it was not as tumultuous as some."

Willamette Week

City's Longtime Golf Director Came Back to Work After Retirement, Got Paid Nearly Twice Promised Amount

*By Nigel Jaquiss
February 19, 2020*

A call to the city auditor's hotline led to the discovery of a cozy arrangement for the city's former golf director.

A new focus on a fraud hotline has paid dividends for the Portland city auditor's office.

A caller tipped the auditor's office to a cozy arrangement for John Zoller, the former longtime director of the city's troubled golf program.

Zoller retired in 2018, after 31 years in charge of the city's five golf courses, which a 2019 city of Portland audit found were bleeding cash.

The golf program, which has about a \$10 million budget, is supposed to pay for itself from user fees but in 2017, it had required a \$800,000 bailout from the city's general fund to stay solvent.

"Rounds of golf played at Parks courses are down six percent over the last five years and 46 percent over the last 25 years," the 2019 audit found. "The long-term viability of the golf program is in question."

After his retirement, Zoller came back to work on what was supposed to be a limited assignment through December 2018. Instead, an auditor found, he worked without supervision until July 2019, earning a total of \$52,702, nearly double the \$26,684 he was supposed to be paid for the post-retirement project.

"The working retirement lacked justification," an audit report on Zoller's post-retirement assignment stated. "The retiree did not have a supervisor and had sole discretion over what to record as hours worked." (Zoller could not be reached for comment.)

A WW cover story last year found that Portland Parks and Recreation has deep-rooted financial problems of its own.

In a response to the audit report on Zoller, Parks & Rec pledged to obey city rules in the future—although the auditor's report noted the bureau resisted recommendations that it tighten procedures on retirees coming back to work.

"The bureau did not agree to require director approval for appointments to working retirements or double-fill positions," the report noted. "It also did not agree to document working retirements with formal offer letters or to add working retirees to organizational charts."

Portland Officials Are Targeting Persistent Traffic Snarls Where Buses Should Go First

*By Nigel Jaquiss
February 19, 2020*

The program could unclog key TriMet bus routes that carry 100,000 passengers a day.

The Portland City Council last week unanimously greenlighted a new initiative from Commissioner Chloe Eudaly—a \$10 million program to unclog key TriMet bus routes that carry 100,000 passengers a day.

At Eudaly's direction, the Portland Bureau of Transportation identified 29 choke points it will address with a combination of fixes that include bus-only lanes, traffic signal upgrades and redesigned bus stops, as well as safer bike lanes.

Eudaly hopes the Rose Lane Project will relieve congestion—and move toward doubling the percentage of commuters who use transit, a key part of the city's carbon reduction plans. Eudaly stressed the equity benefits of her initiative: TriMet riders are disproportionately low income and people of color.

"The Rose Lane Project is a major step toward meeting our equity, climate and transportation goals by making transit a more viable option for more Portlanders," Eudaly said in a statement.

The City Council is betting punctual buses will be more appealing to commuters. Success hinges on unsnarling those 29 specific stretches of road—most of the selected locations are near downtown—so that dozens of TriMet bus lines can skip traffic jams and arrive more reliably at their destinations across Portland.

Here are five of the choke points PBOT will tackle first:

1. Northwest Broadway

PBOT will upgrade traffic signals and install a northbound protected bike lane.

2. Martin Luther King Jr. Boulevard and Grand Avenue

This project will insert bus and turn lanes on MLK and Grand, benefiting streetcar and TriMet Line 6 riders.

3. East Burnside Street

PBOT says a dedicated bus lane and protected bike lane will increase capacity on the Burnside Bridge crossing by 145 percent.

4. Southeast Madison Street

PBOT will unclog westbound traffic crossing the Hawthorne Bridge with signal and turn-lane upgrades, improving service for TriMet Lines 2, 10 and 14.

5. Southeast Hawthorne Boulevard

PBOT will install a protected bike lane on Hawthorne and re-engineer traffic signals to give transit priority.

Portland Mayoral Candidate Sarah Iannarone Picks Up an Establishment Check

*By Nigel Jaquiss
February 12, 2020*

A key question for the second-time candidate is whether she can broaden her support.

CONTRIBUTION OF THE WEEK

HOW MUCH?

\$50

WHO GOT IT?

Sarah Iannarone, candidate for Portland mayor

WHO GAVE IT?

Don Mazziotti, managing director of Oregon Harbor of Hope

WHY IS IT INTERESTING?

Iannarone is running for mayor under the city's new campaign finance program. A key question for the second-time candidate is whether she can broaden her support beyond the 12 percent of votes she got running against Mayor Ted Wheeler in 2016. Among the more than 1,500 people who have contributed to Iannarone's campaign are plenty of recognizable activists, but checks

from establishment figures such as Mazziotti add breadth to her effort. Before partnering with developer Homer Williams on Harbor of Hope, a homeless services center in Old Town, Mazziotti served as economic development director for the cities of Portland and Beaverton and did private development work. Support from figures such as Mazziotti suggests Iannarone is making inroads. "I have known and worked with Sarah for five or six years," Mazziotti says. "I know her leadership capabilities and I wanted to help her to qualify for public funding. I think she has a lot of new ideas on affordable housing and homelessness that are the city's most vital priorities—not only today but for the next 10 years."

An Income Tax on Wealthy Households Could Go to Portland Voters in Weeks. The Business Lobby Just Lost its Appetite.

*By Rachel Monahan
February 19, 2020*

The idea wouldn't be headed to voters without the aid of the Portland Business Alliance.

Over the years, Portland-area voters have approved all kinds of taxes. But this May, voters will be offered a new proposition: Tax the rich to house the poor.

On the May 19 ballot, voters in three Portland-area counties could be asked whether households making \$250,000 a year should pay more of their income in taxes to fund homeless services.

An income tax on the rich sounds like an obvious winner in progressive Portland.

As advocates have quickly crafted a ballot measure for May, they've zeroed in on the high-income tax as the most popular method to raise hundreds of millions.

But here's what's more surprising: The idea wouldn't be headed to voters without the aid of the city's business lobby.

The Portland Business Alliance, the city's chamber of commerce, has been working for two years as part of a coalition seeking taxpayer funding to help the homeless. Over the past two months, the PBA played a key role in pressuring the regional government Metro into referring a homeless services measure to the May ballot. It did so knowing the most popular tax to fund that measure was an income tax on the rich.

But last weekend, the PBA recoiled from its own creation. It opposed the central part of the measure—sending a letter to Metro voicing its opposition to the income tax.

On Feb. 16, the board sent a letter to Metro asking for a different funding mechanism: a payroll tax on most of the region's employees, not just the very wealthy.

"Asking only one small and highly mobile group of individuals to pay for this does not present the societywide policy solution that this initiative seeks to advance," wrote PBA president and CEO Andrew Hoan and PBA board chair Vanessa Sturgeon, a real estate developer.

Now the city's business community faces a dilemma: It has told Portland its top priority is helping the homeless. But Portland-area voters seem to prefer taxing the rich over other methods to raise the money.

In a town where Democrats outnumber Republicans by more than 4 to 1, the PBA is what has traditionally counted as the conservative interest group with sway at City Hall and beyond. But

in recent years, the group has sought to create a kinder, gentler image and restore political relevance to the organization.

Perhaps nowhere has that new approach been more in evidence than in the PBA's work to push Metro to present voters with a measure to fund homeless services.

The group also supports the concept for a \$300 million transportation measure—which brings the total price tag of the measures it endorses to a startlingly high \$550 million. "It certainly should make members of our region check their perceptions of this organization," says Hoan, "and understand [that] fundamentally businesses' natural inclination is to be at the table solving the problems that we face."

But last week, the PBA board, when asked formally to weigh in, also voted to oppose a tax on high-income households.

"The alliance board of directors has overwhelmingly adopted the position that a regional payroll tax is the best way to achieve a resilient funding mechanism to combat chronic homelessness in our region," wrote Hoan and Sturgeon. By Feb. 17, a PBA representative testified against an Oregon House bill that would give Metro legal authority to levy a 2 percent income tax on the highest-earning households.

Why the sudden revulsion? After all, the PBA had known since at least October that a wealth tax was the likely preference of its allies: housing advocates and community groups.

Three sources tell WW that a handful of big companies led the opposition within the PBA to an income tax. Those companies include insurance firm the Standard and sportswear giant Nike. But Nike and the PBA both say that's not what happened. Instead, the PBA says it conducted a blind poll of its members, and 90 percent of them favored a payroll tax.

The opposition has the potential to wreak havoc on the plan to tax the rich to house the poor. A measure that has active opposition is less likely to pass. And the PBA's letter suggests its members may provide that opposition.

The alliance is obviously an organization run by people who would be taxed by the measure, though the group has put its opposition in high-minded terms, saying a wealth tax isn't the best policy and that a payroll tax could also be progressive.

Others in the coalition backing the measure expressed alarm, in part because a payroll tax would hurt some businesses in a way an income tax wouldn't.

"We shouldn't push the burden of funding critical homeless services onto small business owners and workers who are already financially stretched," says Ashley Henry, executive director of Business for a Better Portland, which fashions itself as a more progressive business association. "If Oregon is to be a place where our community and our businesses thrive, regional support for homelessness services is essential, and we need to ensure that the ballot measure includes a funding mechanism that voters are going to approve on election day."

Polling shows voters like an income tax on the highest earners: According to polling shared at the last meeting of the HereTogether coalition, only 42 percent of area voters favored a payroll tax even if it carved out people making less than \$50,000, while 62 percent favor a 2 percent tax on households that earn \$250,000 or more annually.

The polling was paid for by business leaders who are members of the PBA and by backers of HereTogether. Both HereTogether and the alliance declined to release the poll's results. But the PBA suggests that as many as 60 percent of Portland-area voters support a payroll tax that exempts small businesses.

"We believe it would be a difficult campaign, but we believe it would be winnable," says Hoan. "We want HereTogether and this initiative to win. "

Metro was holding a work session as of press deadline and is still expected to refer the measure to the ballot Feb. 20, though details were still being hashed out in the days leading up to referral. Metro staff was recommending a measure that would raise \$175 million a year by taxing any household income above \$250,000. But advocates want the measure to raise \$250 million a year.

All sides say the unexpectedly quick timeline for referral has given the PBA little time to negotiate with the coalition and come to an agreement with its own members.

Experts on progressive taxation say the income tax is understandably appealing to voters, even if business owners blanch.

"Of all the ways we can raise revenue, income taxes on people who are in the top 5 percent of household incomes is a good thing," says Daniel Hauser, a policy analyst with the Oregon Center for Public Policy, a left-leaning think tank. "It's the kind of tax that will do a much better job of focusing on those who have the most to help fund services for those with the least."

The Portland Observer

Power in Governing

By Beverly Corbell
February 18, 2020

Activist city leader fights for equity, fairness

When City Commissioner Jo Ann Hardesty, herself a historic leader at Portland City Hall, thinks about Black History Month, she thinks about Charles Jordan, the first African American Portland city commissioner, who served from 1974 to 1984.

"I had the privilege of meeting him and getting to know him," she said. "And what I learned from his legacy is that there is always strong leadership from people of color communities, but the problem is whether they are recognized by everybody else."

Hardesty, who first was elected to public office in the Oregon House of Representatives from 1995 to 2001, is widely recognized today because of her historic City Council race last year in which she became the first African American female on the council. It followed two decades of outspoken activism for progressive causes.

She served in the trenches as a community organizer as executive director of Oregon Action, building a movement for justice in Oregon led by people of color, immigrants and refugees, rural communities, and people experiencing poverty, and later as president of the Portland NAACP. She also hosts a progressive radio show, "Voices from the Edge," on KBOO Radio.

In an interview with the Portland Observer for Black History Month, Hardesty talked about her work and what it takes to overcome obstacles.

Because of her activism, Hardesty said there was a public misperception that she couldn't build coalitions, that she "was just a bullhorn and would just yell at people," but that's not true, she said.

"What I wanted was equity and fairness, and what I wanted was for my people to be treated the same way as the people who live downtown."

Calling herself “a community organizer who happens to have a seat on the City Council,” Hardesty said she brings those grassroots skills to the table of city government.

“My style is radically different from my colleagues because I have always come to this work from a position of, ‘Who’s most impacted, how do we hear their voices, and how do we make sure they’re part of helping us develop what the solution is?’ ” she said.

The full council heard those impacted voices, when under Hardesty’s leadership, commissioners developed a plan for Portland Street Response, a new pilot program that will start this spring that will use mental health professionals instead of police in responding to some non-emergency calls, many of which come from homeless camps. But before coming up with a plan, volunteers went out and interviewed hundreds of homeless first, to see what they needed.

“We very intentionally started out talking to the houseless people before we started talking to the neighborhoods and the business associations,” Hardesty said. “We wanted to make sure that we were grounded in what houseless people said they needed. It’s a different way to go and I think people of color govern differently and I think women govern differently.”

Women also lead differently in crisis situations, and although she’s a frequent critic of police brutality, Hardesty said one reason that there was no major disturbance to the peace last August when white supremacists and anti-supremacists clashed in downtown Portland, was that women, including former Police Chief Danielle Outlaw, were in charge and kept confrontations to a minimum.

“They had a lot of pushback when they opened to the Hawthorne Bridge to let the white supremacists go, but I said that was the smartest thing they could have done,” she said, to separate the groups.

Because she oversees fire and rescue and emergency management, Hardesty said she spent that day last August among the EMTs and watched developments, including one where a handful of kids were dancing in front of Nordstrom’s, which like other downtown businesses, was closed for the day. Hardesty said she was alarmed when a half dozen cops in riot gear started to approach the dancing kids, but, apparently upon receiving orders, turned around, got back on their truck and left.

“I’m not saying women are better leaders, but what I’m saying is that women are not so prone to immediately escalate,” Hardesty said of the incident.

But that doesn’t mean Hardesty doesn’t push some buttons with her strong sense of what’s right and wrong. Take facial recognition technology, for example. Hardesty said it’s bad science and does not work the way it’s supposed to, particularly for women of color.

“My goal is to ban both public and private use of facial recognition technology and plan to have it before the council no later than April,” she said. “Until I’m comfortable that it works the same way for white men as it does for black women, I don’t want any part of it.”

Another thing Hardesty wants no part of is saving all five city-owned golf courses, which she doesn’t see the need for, and believes that space could be better used.

“Why do we have golf courses?” Hardesty asked. “I haven’t gotten a good answer to that, especially since we now have the third mayor who’s declared a housing emergency and the most expensive thing in building new housing is that people can’t afford the land.”

Golf courses have plenty of land, she said, which could be used either to build new housing or to construct tent communities for homeless residents, with mobile cooking units, showers and garbage containers.

Hardesty said she believes in a “housing first” approach to the housing crisis, but that developers are not really building affordable housing in many cases and are not helping people who are very poor.

“The only tools we have today that are addressing the severe housing shortage on the very low income scale are community development corporations, but if you build housing at zero to 30 percent (of mean income) you need to have services in the building; it can’t just be housing,” she said. “We need people to be able to have their needs met where they live... We’re doing things the way we’ve always done them and there doesn’t seem to be a sense of urgency around it.”

In some ways Portland is better than it was 20 years ago, but Hardesty said she believes that racism has gotten worse in “the whitest city in America.”

“In my entire 60-plus years on the earth it’s only been in the last two years that I’ve been fearful in walking the streets of Portland because of all the white supremacists’ activity taking place, out in the daylight, out in public,” she said.

But Hardesty has hope for the future, especially for the city’s Charter Review Commission to be assembled in 2021. At present, each commissioner is allowed to appoint four people to run the commission, whose work could take up to two years.

Big issues the commission will be evaluating, include the city’s form of government and whether to make changes in how power is shared between the mayor and commissioners or a possible appointed executive; and if council members should continue to be elected at-large or from particular districts of the city.

“We are all elected city-wide, which explains why I’m the only person of color on the council,” she said. “We want to make sure the Charter Review Commission is diverse and clear about their mission, which is to talk to every corner of the city of Portland.”

Wrongful Arrest

February 18, 2020

Settlement leads to more investigations

Multiple police investigations looking at possible misconduct have been sparked after the story of a Portland African American man who was the alleged victim of a racially-motivated harassment in 2017 by a towing company employer and the West Linn Police Department, actions that also enlisted Portland’s former gang enforcement team to make an arrest during a traffic stop.

Since the case of Michael Fesser, 48, was reported last week by the Oregonian, new investigations have started in Clackamas and Multnomah counties, the Portland Police Bureau and city of West Linn. Oregon Sens. Ron Wyden and Jeff Merkley and Congressman Earl Blumenauer have also asked the U.S. Attorney for Oregon to investigate possible civil rights violations.

In addition, Portland City Commissioner Chloe Eudaly has directed the Portland Bureau of Transportation to sever its contract with A&B Towing, the company at the heart of the harassment claims and Fesser’s former employer.

Fesser this month won \$600,000 in a civil suit against West Linn police, claiming he was targeted for arrest as a favor to a fishing buddy of former West Linn Chief Terry Timeus. The

fishing friend was Eric Benson of A&B Towing, Fesser's employer at the time who accused Fesser of stealing money from the company. The lawsuit claimed two West Linn detectives and Timeus worked with the employer to fabricate a theft case against Fesser just as Fesser was alleging racial discrimination on the job because he was black.

Saying she was sickened by Fesser's wrongful arrest, Portland City Commissioner Eudaly last week released a statement, saying she's instructed Portland Bureau of Transportation to cut ties with A&B Towing, which currently holds one of the main towing contracts with the city.

The Clackamas County District Attorney's Office will conduct a review to determine if officers involved committed crimes and whether action should be taken to avoid putting future cases in jeopardy. Portland Police Chief Jami Resch has called for an internal police investigation.

The Multnomah County District Attorney's office also announced it would initiate a review of what led to Fesser's arrest, including the involvement of the city's gang enforcement team.

Current West Linn Police Chief Terry Kruger said in a statement that the department would fully cooperate with the investigations, and that like many, he was deeply troubled and angered by the full weight of the allegations. He said the only remaining member of the West Linn police department associated with the Fesser case was put on paid administrative leave pending the final outcome of the Clackamas County District Attorney's investigation.

The Skanner

Wednesday, February 19 Will Be Declared 'Rip City Day'

February 18, 2020

On Wednesday, Feb. 19, at 10:30 a.m., Portland City Council will commemorate the Trail Blazers' 50th anniversary by declaring the day to be Rip City Day. Mayor Ted Wheeler will read a proclamation that he will introduce. The ceremony will honor the rich history of the franchise and celebrate the team's many accomplishments and contributions to the community during its 50 years of existence. It will also memorialize the beloved moniker "Rip City" that was founded by legendary team announcer Bill Schonely, and honor the fans who have transformed Rip City from a nickname into a community.

Trail Blazers President and CEO Chris McGowan, Bill Schonely and Rolia Manyongai-Jones – "The Dancing Lady" who is also a season ticket holder of 29 years, will join the proclamation ceremony on behalf of the Trail Blazers. Members of the Rip City community are welcome to attend and encouraged to wear their Blazer colors.

The event will be held in the Portland City Hall Council Chambers on Wednesday, Feb. 19, at 10:30 a.m.