

The Oregonian

Audit dings development services bureau for allowing building permits to have 'unlimited lives': Portland City Hall Roundup

By Andrew Theen

Building officials are extending permits in Portland on an “unlimited” basis and without consistent policies, potentially causing safety concerns and leading to communication issues among staff and the public, according to an audit released Thursday.

City Auditors examined how the Bureau of Development Services, which manages permitting and inspections of construction projects city-wide, handles extending permits.

"Construction on projects with expired permits may not have had important inspections completed, which could make the work site a hazard to the public and/or the property owner." the audit said.

Drummond Kahn, Audit Services Director, said his department didn't find any specific project posing a risk to the public. But the city is juggling “service and safety” by making it so easy to extend permits.

Auditors found documentation of permits kept alive for more than eight years without construction moving forward.

Expired permits are classified as "inactive" but remain valid, according to the audit, and can be reactivated even years later. The city doesn't cancel permits "unless requested by the customer."

Kahn said extending a permit is a “service” to customers. “But the application is not consistent with code and policies, which can lead to confusion,” he added. Kahn said it's confusing for both permit holders and the city.

Building permits, once issued, have a 180 day shelf life before customers must initiate and pass an inspection. After passing inspection, permits are once again extended by another 180 days.

Beyond those guidelines, customers may also request an additional permit extension. The reasons for needing an extension vary. Funding for a project may jeopardize timing, or the contractors could come and go, leading to a new request.

That request is required, according to city code, to be in writing. Auditors, when studying 143 permits from the 2012-13 fiscal year, discovered requests from customers were uncommon and inconsistently documented.

According to the report, "it is unclear" if extension requests were ever denied, because city officials said "there is no process to document denials."

Auditors discovered BDS is often out of step with City Code, especially by extending permits that have been inactive for more than six months, and having inconsistent practices about when reminder notifications went out to customers to renew permits.

"Significant lags between expiration letter dates and the actual expiration dates in the database were not uncommon and could undermine any urgency by the customer to contact the Bureau," the audit reads.

Portland is an outlier when compared to Gresham, Hillsboro and other cities and counties, as well as Austin Texas and Bellingham Washington. The majority of those cities and agencies required permit extensions requests "be in writing and have justification."

According to the report, 19 percent of commercial permits studied actually identified who requested a permit extension. Just 10 percent of residential permits and 2 percent of commercial permits provided a reason for the extension.

Last fiscal year, the Bureau of Development services issued 42,000 building and trade permits, the audit says. City workers also performed more than 134,000 residential and build in inspections.

The auditors applauded the bureau for trying to make the process convenient. "Making extensions easy helps that goal and promotes good customer service. However, BDS has to balance this approach. Permits should not have unlimited lives."

The auditors recommend documenting instances when managers grant authority to subordinates to extend permits, and limiting the number of staff who can do so.

Portland should have a clear total number of permit extensions allowed, and make sure those guidelines are "consistently applied."

Commissioner Amanda Fritz, who oversees BDS, responded with a joint letter signed by BDS Director Paul Scarlett. The city "generally agrees" with the audit.

The city is working to address whether permits expired more than six months should be reactivated, according to Fritz and Scarlett's response.

Permit extensions arise under many situations, and "some of these conditions were particularly acute during the recent recession," according to the city's letter.

Auditors also released a report last year examining the lack of oversight and performance reviews for building inspectors.

Portland citizen panel disturbed by 5-month delay in hearing police chief's response

By Maxine Bernstein

A Portland citizen review panel, which voted unanimously in December to challenge the Police Bureau's unproven findings on a complaint that a police officer threatened to beat up his ex-wife, must wait five months to hear back from Portland Police Chief Mike Reese or his designee, on whether he'll alter the bureau's ruling.

The panel, after hearing from the ex-wife and reviewing the bureau's internal affairs investigation, voted 5 to 0 in December to recommend the bureau sustain the allegation that Officer Jason Lobaugh violated the bureau's policy on professional conduct.

The committee is not expected to hear back from the police chief until its May 7 meeting.

"It's a complicated issue. The chief still has that matter under review," Portland deputy city attorney Mark Amberg told the Citizen Review Committee Wednesday night. "The chief is still reviewing his decision on that.

Committee chair Jamie Troy said he was dismayed that it's taken so long for the chief to respond.

Troy, noting the recent push by U.S. Department of Justice officials to have city officials speed up internal affairs investigations and citizen appeals of bureau findings, said he'd expect the chief would be mindful of the need for "timely resolutions" of such cases.

"So it's my expectation the chief would have adequate time to make a decision two months out," Troy said.

The review committee - which hears citizen appeals of police bureau findings on complaints of alleged police misconduct - voted to set a conference hearing May 7 to hear the police chief's position on the initial complaint against Lobaugh.

Lobaugh's former wife, Laurie Grant, filed a complaint, alleging Lobaugh threatened to beat up her and her new husband at her home during a custody fight. Lobaugh, a 22-year veteran, was off-duty when he threatened to beat up his former spouse and her new husband at their home, according to her complaint.

"I filed a complaint because I was afraid of my situation that day," Grant told the committee last fall. "It was extremely awkward and horrifying."

If Reese stands by the bureau's unproven finding, then the committee could appeal to the City Council.

Committee members had expected Reese to address the citizen panel in March, but that did not occur.

"Due to complications, it was set back," Amberg told committee members Wednesday night. "I know the chief intends to have a response prior to the May meeting."

Amberg did not detail what those "complications" are, or whether they stem from a second similar complaint from another of Lobaugh's ex-wives, who, according to the Willamette Week complained that Lobaugh was aggressive and threatening when he came to her Milwaukie home last summer to pick up their daughter, though she had custody of their child.

Portland Commissioner Amanda Fritz requests more funding for day laborer center, city 'at the table' discussing long-term plan

By Andrew Theen

Voz Workers' Rights Education Project, the city-sanctioned day laborer site in Northeast Portland, could receive more funding starting in July.

Commissioner Amanda Fritz requested an additional \$5,000 for the nonprofit group to help pay cost of living increases for staff. Fritz made the special budget request earlier this week. Voz currently receives \$25,000 annually from the city, which helps pay operating expenses at the day laborer and workers' education center.

The Martin Luther King Jr. Worker Center opened on land owned by the Portland Development Commission in 2008 thanks to \$200,000 in public funding.

A campaign promise of then-Mayor Tom Potter, the City Council decision was unanimous and celebrated by Commissioner Dan Saltzman. "I would have supported a much greater amount," Saltzman said at the time.

The center offers low-wage manual workers, often from immigrant populations, a safe and dry place to wait for work. Voz leaders say 60 to 120 workers typically use the site each day, with roughly 20 picking up work on a daily basis. The numbers typically go up during the summer months.

Last July, Voz's original five-year lease at the city property transitioned to a month-to-month agreement. PDC officials agreed to give the organization a six-month grace period if and when they were asked to relocate. That raised some concerns from Voz employees about city support for a long-term solution. PDC leaders deflected those concerns last fall, saying the city wasn't planning on selling the property or having Voz relocate anytime soon.

Now, it appears PDC and Voz are both at the negotiating table trying to figure out a long-term solution.

John Jackley, PDC's Communications and Social Equity Director, said there's been a lot of "positive momentum" in the past month. "Everybody's at the table, including the Hispanic Chamber and Latino Network," Jackley said in an email. "Communication is clear and transparent, and together we're in the process of identifying opportunities and resources available."

Ranfis Villatoro, Voz's development director, said the relationship between the day laborer center and PDC "has improved."

He said although there hasn't been any concrete agreements yet, Voz is finalizing a business plan, hoping to restructure the lease and also receive assistance in helping build and plane a permanent structure on the property.

Currently, the day laborer center has two buildings, including a temporary trailer, on the 5,500-square-foot parking lot between Northeast Martin Luther King Jr. Boulevard and Northeast Grand Avenue on Northeast Everett Street.

Jackley said PDC is awaiting the group's fundraising plan and business plan. PDC leaders will meet with the Voz board in the next few weeks.

As Portland polls on street fee, city officials confident they can land business support

By Brad Schmidt

The Portland Bureau of Transportation is gauging political support for a new \$8 to \$12 monthly fee that would be assessed to homeowners and renters to help repair the city's crumbling street system.

Those fees could raise up to \$35 million a year. And they'd likely be only one part of a broad street-fee package that could charge local businesses, potentially raising some \$70 million a year for transportation improvements.

Portland's auditor determined in 2013 that the transportation bureau would need to spend to bring streets up to city standards.

Now, the transportation bureau is spending about \$28,000 on a poll to determine if residents are willing to pay \$8 or \$12 a month for transportation projects – and under what circumstances.

Website Bike Portland first reported the city's poll.

Dylan Rivera, a spokesman for the transportation bureau, said results are expected as soon as next week and will be shared publicly.

Contacted Tuesday, Rivera originally said in an email that the transportation bureau was "not sure" how much an \$8 or \$12 monthly fee would raise for the city.

On Wednesday, Rivera provided specifics.

"Depending on a wide variety of factors, including what level and type of discounts we might provide, the \$8 fee could raise anywhere from \$17 to \$25 million and the \$12 fee could raise anywhere from \$25 to \$35 million," Rivera said in an email.

The poll also highlighted other options being considered, such as a 1-percent income tax. But the focus of the poll tracked opinions about monthly fees, such as support for the street fee if the city's separate leaf fee is killed off, or if the fee is added to city water and sewer bills.

It's clear from the poll language that the city is considering options far beyond basic street maintenance.

Other options include flashing beacons at crossings, building sidewalks and bicycle improvements, improving TriMet's bus service in low-income areas, and making seismic improvements to one Willamette River bridge.

One poll question gauged support for the fee if half of all revenues come from businesses.

"We would assume that we would also have a business fee that raises equivalent amounts," Rivera said in an email.

The business side of the equation is perhaps the trickiest part of the political process.

Opposition from business has derailed past efforts in Portland and made them more difficult in the suburbs.

More than a decade ago, then-Commissioner Charlie Hales pushed street fees but didn't get political traction.

In 2008, the City Council held three hearings and approved a street fee of \$4.29 for single-family homes and fees for businesses based on traffic counts. It was expected to raise \$464 million over 15 years.

A week later, the City Council backtracked.

"The corrosive interests of special interest lobbyists have taken their toll on this issue," then-Commissioner Sam Adams said in February 2008, noting that he had lost the support of then-Mayor Tom Potter.

He proposed sending the fee to voters in the November election.

"It will be subjected to monumental misinformation by the big oil/petroleum industry, but I trust voters," he said at the time. "I trust Portland voters to see through this misinformation and to make the right choice to save lives, save money, and reduce greenhouse gas emissions."

The street fee never went to voters.

Similar business opposition tripped up a plan in Tigard to increase an existing street fee. When business groups threatened to collect signatures to force a public vote, the Tigard City Council in 2010 reworked its funding plan.

Instead of collecting 55 percent of money from residents and 45 percent from businesses, the city put 69 percent of the burden on residents.

In Portland, it's likely that city officials will pursue the same approach and approve street fees through a City Council – not public – vote.

Rivera said the city has already begun talking to business groups, including the Portland Business Alliance, and a public process will be developed.

So far, the city has been meeting behind closed doors to explore options in meetings that are not open to the public.

"We need to engage the business community and see what they're comfortable with," said Rivera, adding that business leaders recognize the importance of, and business benefits from, a stronger transportation system.

"We think we can get business support for this," he added.

Transportation officials will hold four open houses April 16 through May 1 about funding options and priorities. Portlanders are encouraged to attend.

"The upcoming meetings will provide an opportunity to give input and learn more about funding mechanisms and potential maintenance and safety investments," according to the city's website.

The Portland Tribune

City's message on Superfund payment muddied by expectations

By Steve Law

The city of Portland is sending mixed messages about the \$52 million that sewer ratepayers have paid for the Portland Harbor Superfund cleanup — and whether they'll get that money refunded.

Bureau of Environmental Services ratepayers have been paying for nearly all the city's spending on the Superfund cleanup for 13 years. During that time, it has not been spelled out what role the sewer system

played in fouling the Willamette River bottom, and whether ratepayers would get some or all of that money back.

In 2011, a group of corporate water and sewer customers sued the city, saying water and sewer funds have been used as a cookie jar for unrelated city spending, including the Superfund cleanup.

In December 2012, the Portland City Council passed a resolution spelling out that the council ultimately will determine which bureaus, if any, pay for part of the Superfund cleanup, based on their liability for polluting the river.

Last month, Dean Marriott, the longtime BES director, said it was always assumed that sewer ratepayers were fronting the money for the Superfund, and that now it's clear the bureau bears no responsibility for the kind of pollution at issue in the Superfund process.

Though the sewer system transmits E. coli and other nasty stuff into the river when the sewer system gets overloaded by heavy rains, that bacteria generally washes downstream rather quickly. It was PCBs, DDT and other contaminants dumped into the river by manufacturers that caused most of the polluted river bottom sediment that was the main target of the Superfund cleanup.

To Kent Craford, a leading critic of city sewer and water spending, Marriott's comments implied that the \$52 million was really a loan from ratepayers, and they'd eventually be repaid. Craford said ratepayers ought to be paid back with interest.

But city Commissioner Dan Saltzman, who was the commissioner in charge of BES, had a different view last week when he spoke to the Portland Tribune editorial board.

"It's kind of looking like the sewer system is less culpable than we originally thought," Saltzman said. "I still believe there should be some ratepayer contribution" to the Superfund cleanup.

When asked about Marriott's contention that the BES merely fronted the money and bears no responsibility for cleanup costs, Saltzman answered: "I think that's always been Dean's expectation. Dean's a great protector of ratepayers."

However, Saltzman doesn't exactly share that view.

He did say that the city needs to find a way to spread the financial burden among other sources of funding in the general fund, aside from billing sewer ratepayers. It's not clear when that would occur.

Craford said it's surprising that Marriott and his former boss, Saltzman, have a different interpretation of this issue. "That's concerning when we've got \$52 million in question," Craford said. But he said both city officials acknowledge that sewer ratepayers shouldn't be picking up the full city tab for the Superfund cleanup.

"It's time they stop using ratepayers as a credit card to fund this expenditure," Craford said.

The issue figures to get more attention in the May initiative campaign, led partly by Craford, over whether to shift the city water and sewer bureaus to oversight by an independently elected board, instead of the City Council. Craford and his allies also are awaiting a judge's decision on whether the Superfund funds were properly billed to sewer ratepayers, as part of their ongoing lawsuit.

New, larger sign greets Willamette River swimmers

By Steve Law

Portland Parks & Recreation is installing two new signs at Gov. Tom McCall Waterfront Park to notify people they can swim in the Willamette River there, at their own risk.

The signs replace one smaller sign posted last year,

Will Levenson, who calls himself the ringleader of the Human Access Project, has been working with the parks bureau and other agencies to create a swimmable beach at the bowl north of RiverPlace in downtown Portland. The nonprofit donated \$270 to make the signs, including a third one to be posted this summer at Markham Beach south of RiverPlace.

When the parks bureau agreed to put up the existing small sign last summer, "it was really putting their toe in the water in terms of saying it's OK to swim," Levenson says.

But the sign was hard to read because the lettering is so small, and it stands in the middle of the beach area, obscuring the views.

The new, larger signs will be placed at the north and south sides of the beach, which some call the Tom McCall Bowl. The smaller sign will be relocated to Markham Beach as well, along with a second, larger sign.

The Human Access Project and other groups have been clearing concrete and other materials from the beach to create smooth sand where people can put down towels. The beach is largely submerged under the river, but when summer approaches and the waters recede, Levenson and others hope more Portlanders will frolic on the beach and swim in the river.

The annual Big Float, an event Levenson created, takes off from Markham Beach and puts in at Tom McCall Beach. He also is working to create a usable beach on the other side of the river, which he dubbed Audrey McCall Beach, after Tom McCall's wife.

The new signs are a small step, Levenson says, to bring Portlanders closer to the river that runs through the city.

The Mercury

Rough Draft

How "Prosper Portland" Went from Concept to Confusion

By Dirk VanderHart

IN FEBRUARY, Police Chief Mike Reese made headlines when he introduced Prosper Portland.

It was a chimeric proposal, drawing together organizations and bureaucracies from across the city with an eye toward stemming homelessness, which he said had reached a "tipping point." Still, with an emphasis on better sidewalk enforcement, cleaning up homeless campsites, and moving slumberers from downtown alcoves, the presentation had an undeniable law-enforcement bent.

And this is its greatest difficulty.

Prosper Portland—touted in a flashy PowerPoint, complete with a red, white, and blue logo—found enthusiastic backing from the Local Public Safety Coordinating Council (LPSCC), a collection of high-ranking justice, social services, and law enforcement officials in Multnomah County. The reception was much chillier in city hall.

At least one city commissioner took umbrage with not being informed of Reese's proposal before its unveiling. Mayor Charlie Hales' office confirmed Chief of Staff Gail Shibley was given a general sense of the program, but wasn't briefed on the "bells and whistles" until after Reese's presentation.

At some point, Hales' office decided the police chief wasn't the best person to float a plan to combat homelessness.

"This is an interesting framework, but if it's coming up as a police-department-driven program, that's probably the cart driving the horse," said Dana Haynes, a spokesman for Hales. "We think it starts with the housing commissioner. The mayor has said you've got to do services first."

Hales' office, meanwhile, was busy pulling together its own plan for cleaning up illegal campsites, effective Tuesday, April 1. It closely mirrors some of Reese's notions, though Haynes says that effort was conceived separately from the chief's.

It's a muddled situation, and symptomatic of an often-uncoordinated response to one of Portland's highest-profile issues since Hales took office.

Prosper Portland "basically came out of nowhere," said Commissioner Nick Fish, who used to oversee the housing bureau. "I think the police got over their skis."

But there's some confusion among officials over whether Prosper Portland is still a go. Sergeant Pete Simpson, a police spokesman, recently told the Mercury: "As a plan, it died on the vine. Last I heard was: There is no Prosper Portland. It was never anything more than a concept."

Simpson has since walked back that statement, saying Prosper Portland is a LPSCC initiative, yet acknowledging it was the police bureau that stirred up the idea in the first place.

And it's more confusing than that. Prosper Portland, it turns out, didn't begin solely with Reese. It's partly the brainchild of a local software firm, Thetus Corporation.

Located on two roomy floors in an Old Town office building, Thetus is the kind of tech firm with beer on tap and diagrams scrawled in dry-erase marker on every free window. The company works largely as a federal defense contractor, helping intelligence services map out problems and tie together loosely connected concepts.

But three or four months ago, the police bureau approached Thetus CEO Danielle Forsyth about tackling homelessness.

After some discussion, Forsyth said, her company felt it could use its software to help Portland piece together wide-ranging data and differing perspectives on the problem—to allow officials and the public to see homelessness in ways they'd perhaps never pondered. It would all be available on a publicly accessible website. And Thetus would call it Prosper Portland.

"Anything that's a risk is something we can model and analyze," Forsyth said in an interview at Thetus headquarters March 12. "It turns out all the things we're talking about around Prosper Portland are risks. They're risks to the health of the population at large, the health of our businesses, to people's perception of livability, their willingness to come downtown."

And Thetus is willing to do all this for free. If the effort in Portland is successful, Forsyth believes, the company can market the service to other cities.

"Did Mike overstep his bounds in sort of saying, 'This is Prosper Portland'?" Forsyth said of Reese. "Probably. But since then I've made it clear Prosper is a thing we came up with."

Weeks before Reese's February 4 presentation to LPSCC, Thetus hired an analyst to take on the effort full time, Forsyth says. But Prosper Portland, as Forsyth explained in the March interview, is partly based on extensive police bureau cooperation. The police bureau has been called off that effort for now.

Forsyth didn't respond to multiple requests for comment on the current state of the program, other than to say: "We're an analysis software company working to bring rigorous analysis to a broad range of programs."

Brendan Finn, chief of staff for Housing Commissioner Dan Saltzman, confirms the office has been in touch with Thetus about information sharing, but so far little has come of it.

At the same time, Hales' office revealed it was taking steps to better coordinate the clean up of homeless campsites.

In the last week of March, the city signed a contract with private security outfit Pacific Patrol Services to post notices and dismantle—with 24 hours to seven days warning—sites on city land. The cost of the three-month contract won't exceed \$115,000, officials said.

And city staffers have been holding talks between a wide range of bureaus—along with the Oregon Department of Transportation, Oregon Department of State Lands, and homeless advocacy groups, among others.

The idea, still in the early stages, is to develop an understanding among different agencies about how a campsite should be cleaned up—and what happens to the belongings that are whisked away.

"It's being proactive as opposed to retroactive," said Wendy Gibson, sustainable operations and maintenance manager in the Portland Office of Management and Finance. "When it comes to campsite cleanup, I don't think there's been an organized approach."

This approach, officials say, will give the city a clearer sense of how many camp sweeps it carries out, and the types of items it's picking up. The city's also planning to create a central repository for confiscated goods, which it hopes will help people find their belongings.

"That's the kind of coordination we haven't done really well in the past," says Haynes. "It's not going to be crystal clear and perfect, but we're really going to try."

The move is the mayor's latest foray into the issue of Portland's urban camping. Last year, Hales publicly battled protesters who'd been camping in front of city hall—drawing criticism from city commissioners for ignoring housing policy while he did so. And Hales has ushered in the focused dismantling of encampments in downtown and the central eastside.

But the new developments revealed by the mayor's office also echo moves Reese touted in Prosper Portland. Reese specifically called for city-financed "clean-up contractors" and more formal agreements for how to deal with problem sites.

It seems clear other elements of the police chief's Prosper Portland presentation are also going forward. Simpson says the bureau is undertaking police-specific efforts—including stepped-up foot patrols.

And LPSCC is still on board, according to Executive Director Abbey Stamp.

"I'm moving forward," she said on April 1, "with the tangibles around public safety."

Hall Monitor

The War (on the War) on Drugs

By Denis C. Theriault

MIKE REESE, Portland's police chief of nearly four years, is used to hearing criticism about certain controversial aspects of police work: officer-involved shootings, hiphop raids, homeless camp sweeps, pepper-spraying protesters, etc.

Those are the gray lines in a world of black and white (and blue). They mark the margins and boundaries of police power in a civilized society. Reese might not like it, but he's adjusted to a world where his office must take the time to speak on those issues and publicly defend his officers (or not, if you're Ron Frashour, fired for killing Aaron Campbell in 2010).

But this was different. This wasn't so comfortable.

On Tuesday, April 1, Portland City Council sat down across from the chief and publicly questioned him about something most cops wouldn't see as a gray line or a matter of politics.

They had him defend the bureau's \$3.9 million Drugs and Vice Division (DVD)—a group of 29 cops who don't focus on prostitution or street dealing, just mid- and high-level drug rings and (sometimes) violent criminals.

Commissioner Steve Novick (and maybe some of his colleagues) is looking at all that money, the failure of the Nixon-era drug war it's being used to help fight, and everything else the city would like to do with its budget this year, but can't.

In an unprecedented display of political chutzpah, Novick has asked the chief to explain why the sky would fall if the city decides to claw some of that \$3.9 million back.

"It's an appropriate conversation to have," Reese, edgier than usual, said after the hearing.

Reese said it. He endured it. (Don't cry: The hearing lasted a little more than half an hour.) But I'm not sure if he believes it.

Novick started off by reading from a 2011 report that called "multibillion-dollar" efforts like those led by the DVD "largely symbolic." Novick then pointed to a report produced by the police bureau's own crime analysts.

"Law enforcement efforts can only touch a small percentage of the drug market that exists in Portland," it says.

Then he asked a question that loomed over the rest of the hearing: "What are we getting for our \$4 million?"

Reese gave a few answers, and so did his drugs and vice captain, Mark Kruger. We were told about Mexican cartels. We heard about the ties between drugs and violent crimes. We heard about the 21 times cops spent two or three days, on average, investigating overdose deaths last year. We heard about the ties between drugs and violent crimes. We also heard how the drugs and vice division is a "shell" of itself since Reese led the unit and that eliminating the unit would fuel more crime.

Novick wasn't all that convinced.

"But if you're only affecting a small percentage of the market," he said, "I don't see how it's useful to assume that a reduction in enforcement would result in an explosion [of crime]?"

Reese and Kruger didn't answer with any data. They warned, instead, that chaos would erupt. Again, Novick wasn't convinced.

"We can't change the drug laws," Novick said. "But we can decide how much resources we devote to enforcing them."

His colleagues might not follow him that far. But that they followed him as far as they did is a good sign for city hall.