

The Oregonian

Portland provides \$1.9 million worth of extra vacation time to nearly 800 employees

*By Brad Schmidt
August 12, 2014*

The city of Portland rewarded nearly 800 employees with extra time off in 2013, costing taxpayers and utility ratepayers \$1.9 million to pay employees for hours they didn't work.

That's a decrease from the previous year.

Among Oregon's largest governments, the city of Portland stands alone in the volume of extra vacation time it gives to employees.

Portland's vacation program provides salaried, non-unionized employees with up to 80 hours of time off beyond regular vacation. City officials created the program 25 years ago to reward performance, with extra hours awarded at the discretion of bureau directors and elected officials.

The Oregonian in August 2013 highlighted the little-known perk, called "management leave," finding that city officials provided minimal oversight and accountability in the program.

In response to the newspaper's reporting, the Bureau of Human Resources now requires written justifications for any award.

By the end of 2013, records show, use of the program decreased.

Anna Kanwit, the city's human resources director, said she doesn't know why overall hours dropped from 47,523 in 2012 to 43,289 last year.

"I don't see the 10 percent as being any indication that people are saying, 'Don't use it,'" Kanwit said.

While the average employee received about seven extra days off in both 2012 and 2013, the number of employees receiving the perk declined.

Between 2012 and 2013, the number of employees receiving and taking extra leave fell from 868 to 798, with total costs dropping from \$2.1 million to \$1.9 million.

What caused reductions?

Four bureaus accounted for most of the decrease citywide. Each had a new elected official or bureau director in charge.

For Portland Fire & Rescue, hours dropped from 1,747 in 2012 to just 60 last year – a reduction of 1,687 hours, or 40 percent of the citywide total.

Why such a big drop? Fire Chief Erin Janssens, appointed to lead the bureau in June 2012, said the answer is complicated.

Fire managers historically waited until July or later to conduct employee performance reviews and award management leave, Janssens said. Under city policy, management leave expires at the end of the calendar year, leaving less time for Fire Bureau employees to use it.

Concerns about the bureau's budget delayed performance reviews in 2013, Janssens said. Because it was so late in the year, Janssens said she decided the bureau would switch awards to a calendar-year cycle.

As a result, only one Fire Bureau employee received extra vacation time in 2013.

"I believe it should be awarded only when people ... not only demonstrate consistently outstanding work (which our people do), and, contribute extra time above and beyond their work week," Janssens said in an email, noting that she shares the same philosophy as Commissioner Dan Saltzman, who took over bureau management in 2013.

Also accounting for a sizable drop in hours: Portland's utility operations, the Water Bureau and Bureau of Environmental Services.

Year over year, the Bureau of Environmental Services awarded about 1,000 fewer hours, nearly one-quarter of the citywide reduction. The Water Bureau cut awards by about 620 hours, similar to reductions in the Planning Bureau.

In 2013, Commissioner Nick Fish took over the utility bureaus while Mayor Charlie Hales assigned himself planning.

"Nick's approach to management leave is pretty judicious," said Hannah Kuhn, Fish's chief of staff.

Goals of program

According to city administrative rules, Portland's management leave program is intended to "recognize the additional individual efforts, performance and achievements beyond the standard workweek."

But city human resources officials are largely hands-off in the supervision of the program.

Last year, The Oregonian found that similarly sized bureaus awarded hours on dramatically different scales with no central oversight – a practice that remains.

The Oregonian also randomly sampled nearly three-dozen awards and found no written justification in more than one-quarter of the cases.

Portland's Bureau of Human Resources now requires a written justification for all awards but Kanwit said no other changes to the program were needed.

"I still think it's an excellent tool," she said, "for performance management."

SE Portland sidewalk ridge caused woman to trip, states \$178,000 lawsuit against city

*By Aimee Green
August 12, 2014*

A woman is suing the city for nearly \$178,000, claiming she tripped and broke her hand on a raised section of unmaintained sidewalk next to a Southeast Portland park.

Portland city code requires owners of property abutting sidewalks maintain those sidewalks. Unlike most trip-and-fall sidewalk lawsuits -- which seek money from private individuals, such as homeowners or businesses -- Christine A. Smith's is the rare suit that seeks damages from the city.

Smith claims in a suit filed last week in Multnomah County Circuit Court that the city shouldn't have let a stretch of pavement next to its property fall into disrepair.

"That city ordinance was intended in my opinion to deflect the claims against the city," said Smith's attorney, John O'Hara. In this case, the city is the one that could end up paying.

Smith, a hairdresser, states she was walking her dog next to John Luby Park at Southeast 127th Avenue and Brazee Street on Aug. 31, 2012, when she stumbled over a 1¼-inch rise between two sections of sidewalk.

Her suit states that she fractured a bone in her right hand, requiring surgeons to insert wires and pins. The suit also states Smith suffered a cut to her palm that required sutures and a splint, and that she now has limited use of her hand.

Smith seeks more than \$22,000 in medical costs, about \$5,500 in lost wages and \$150,000 for pain and suffering.

The city attorney's office does not comment on pending litigation.

In April, a man who used a wheelchair filed suit against a Northeast Portland business for \$63,000 after he says he tumbled out of his wheelchair when it struck a 3-inch raised section of sidewalk. That suit is still pending.

Charlie Hales participates in U.S. mayors' equity task force: Portland City Hall Roundup

*By Brad Schmidt
August 11, 2014*

Portland Mayor Charlie Hales is in New York on Monday participating in an equity conference with other mayors from across America.

The task force, led by New York City Mayor Bill de Blasio, is expected to develop an action plan with "practical tools and best practices" that municipal leaders can use to improve equity in cities.

"Mayors from throughout the nation face many of the same equity issues," Hales said in a statement. "We want to learn other cities' best practices and, frankly, a lot of other cities want to learn from Portland, too. We are talking about, thinking about and acting on equity issues, and that has not gone unnoticed among the nation's mayors."

Hales' own equity efforts and challenges have been in the news recently.

Portland's former chief administrative officer, Jack D. Graham, has warned the city he plans to sue for racial discrimination in the wake Hales' 2013 decision to fire him.

Last month, Hales and other top leaders – including 11 members of the Portland Police Bureau – attended a \$56,000 diversity conference for white men.

The Cities of Opportunity Task Force is a one-year effort first announced in June at the U.S. Conference of Mayors. Monday's meeting is the first, where mayors are expected to plot out its scope and direction.

Haynes said the city of Portland covered airfare and lodging expenses, with the U.S. Conference of Mayors picking up the rest. The plane ticket cost \$627. Haynes said he was tracking down hotel expenses.

The Portland Tribune

Old Town revival plan banks on housing

*By Steve Law
August 12, 2014*

Mayor Charlie Hales says he's "ashamed at the condition of Old Town/Chinatown."

Now we'll see if the mayor's proposed fixes will do much to change that.

The Portland City Council narrowly approved an ambitious Old Town/Chinatown Action Plan last week, aimed at helping historic-building owners afford earthquake safety upgrades and luring the first middle-income tenants to the city's oldest and poorest neighborhood.

The Portland Development Commission, which crafted the action plan in close consultation with neighborhood property owners and community leaders, set aside \$500,000 to help owners assess their buildings for potential seismic upgrades. Then PDC will award \$5 million for actual upgrades, in what is billed as a demonstration project with the city's Bureau of Emergency Management and Bureau of Development Services. The idea is to model how to renovate old brick buildings that are largely vacant because earthquake safety requirements make remodels so costly.

Beyond that initial phase, PDC has another \$50 million or so available in urban renewal funds, which could subsidize a series of seismic retrofits in Old Town/Chinatown during the next several years.

Commissioners Amanda Fritz and Nick Fish hotly opposed one provision designed to spur construction of 500 middle-income apartments by freeing builders from paying an estimated \$7 million in development fees. That kept the action plan bottled up for several months while Hales made concessions and rounded up two more votes needed to pass it.

Lisa Abuaf, PDC's central city manager, says there are a few projects already "in the pipeline" that likely will contend for early seismic upgrades.

"We hope to be one of those," says Brian McCarl, who hopes to renovate and expand the historic Whidden & Lewis Building at Northwest Flanders Street and Fifth Avenue.

McCarl says PDC would be wise to target projects, such as his, that will be a magnet for others and create momentum for improving Old Town/Chinatown.

"You can go for the capillaries or you can go for the jugular," he says.

Another potential candidate is the Suey Sing Building on Northwest Third Avenue and Davis Street, Abuaf says. An organic farmer from California reportedly has a contract to acquire the building and hopes to renovate it.

PDC also is keen on assessing potential seismic improvements to the old city fire station the agency controls on the northeast corner of Glisan Street and Second Avenue.

The middle-income housing subsidies weren't a sure thing until last Wednesday's City Council vote, so there are fewer ripe proposals. But any vacant parking lot in the Old Town/Chinatown area is a potential candidate, says Howard Weiner, owner of Cal Skate Skateboards and chairman of the Old Town/Chinatown Community Association.

Weiner is one of many community leaders who have argued that getting a broader mix of incomes in the neighborhood will stimulate the local economy and help Old Town/Chinatown shed its stigma as a haven for drug dealers, the homeless and low-income social services.

Potential apartments

The neighborhood is very enthused about getting middle-income apartments in what's considered the heart of Old Town/Chinatown on Third and Fourth avenues, which has seen little development. One prime site, Abuaf says, is the Goldsmith Block, between Couch and Davis streets and between Fourth and Fifth avenues. There also are empty parking lots near the Lan Su Chinese Garden, on Broadway and Glisan Street, she says.

Gerding Edlen Development Co., which recently signed up Ankrom Moisan Architects to anchor its proposed six-story building at 60 N.W. Davis St., also could be a candidate for fee waivers for residential units in that building.

The Goodman family, which sold its Portland parking lot empire about a year and a half ago to focus on real estate development, retained one surface parking lot in Old Town/Chinatown and six in the adjacent Skidmore Historic District to the southeast. Greg Goodman, co-president of the Downtown Development Group, is one of several property owners who urged the city to add the development fee waivers to spur middle-income housing, arguing that developers can't fetch the necessary rents in the area to finance new apartments right now.

Goodman says he's more focused now on developing the family's Skidmore properties. The action plan includes the Skidmore district, making those eligible for the fee waivers.

Planners figure the 500 apartments might be spread among three to five projects.

Council divided

Mayor Hales argued last week that Old Town/Chinatown "managed to sleep through two real estate booms," and still has many vacant storefronts and empty buildings deemed fire traps because the owners can't afford needed seismic upgrades.

But most of the City Council debate was over his proposal to waive System Development Charges, known as SDCs, for those selected to build the middle-income housing. SDCs are levied on new developments to help pay for parks, transportation, sewer and water infrastructure needed to serve new housing and commercial projects.

Fritz oversees the parks bureau, and Fish oversees the sewer and water bureaus and formerly led the parks and housing bureaus.

The city already grants SDC waivers to housing for poor and low-income tenants, and for residents building "granny flats" on their lots, also known as accessory dwelling units.

Fritz portrayed the SDC waiver as a subsidy to developers, construction companies and landowners for projects that would be built anyway, depriving parks and other city bureaus of millions of dollars. The new residents of Old Town/Chinatown will rightly demand more parks in the area, she said, yet the action plan doesn't direct money to needed parks. Fritz also opposed awarding city subsidies for housing at a time when there are so many unmet needs for the homeless and those needing more affordable housing.

Commissioner Dan Saltzman, who oversees the Housing Bureau, said the fee waiver was a worthy gamble to jumpstart construction of middle-income housing in an area dominated by low-income housing projects.

"We think this is a significant inducement for a part of our city that is in dire need of changing the status quo," Saltzman said.

Commissioner Steve Novick said the fee waiver is a "reasonable thing to do," given that city policies created a neighborhood with a high concentration of poverty. "It is a worthwhile goal to try to have a wider range of incomes in the neighborhood," he said.

Fritz said as the Pearl District gets built out, developers will turn to Old Town/Chinatown. "I believe that this new construction will happen anyway."

Supporters argue that the city bureaus aren't losing any money from the fee waiver, because middle-income housing won't pencil out in Old Town/Chinatown without subsidies, and thus no SDCs would flow to the four city bureaus. In the past decade, the city has collected a total of \$97,113 in parks development fees in Old Town/Chinatown, and \$166,372 for transportation fees.

PDC expects that middle-income apartments will bring the four bureaus some SDCs for ground-floor retail built under the new units.

"It is an investment of money that we would otherwise never receive," Hales said of the potential \$7 million in SDC waivers.

But the notion of subsidizing wealthy property owners rubs many Portlanders the wrong way, especially champions for homeless and low-income people. And, critics point out, the apartment developers will only be required to keep their rents affordable to middle-income tenants for the next 15 years in exchange for the development fee waivers.

But Weiner, who has long worked on improving Old Town/Chinatown, says he hopes the development fee waivers can help "jumpstart" the neighborhood to become more diverse, so there comes a time when city subsidies aren't needed there.

"The Pearl District needs no help today," he says, "but it did 20 years ago."

Hales: Demo rule changes on tap

*By Jim Redden
August 12, 2014*

Mayor Charlie Hales is convinced the city needs to act quickly to prevent more historic homes from being demolished and replaced with infill developments.

"The existing system is not working. When historic homes are replaced by one or two new ones, you lose the character of neighborhoods," Hales says.

According to Hales, staff members in his office have already begun meeting to discuss policy options. He expects to announce one or more proposals soon.

"It will be a matter of weeks, not months," Hales says.

Hales says he became convinced of the problem during the July 31 City Council meeting that turned into a lively forum on demolition and other growth-related issues. It was originally scheduled so the council could receive annual reports from two commissions that advise on related matters, the Portland Landmarks Commission and the Portland Design Commission.

But preservationists and neighborhood activists alarmed by the increasing number of residential demolitions took the opportunity to present their concerns to the council. And both commission's

supported their testimony, with local architect Brian Emerick, chairman of the landmarks commission, declaring Portland's livability is threatened by a "demolition epidemic."

Hales praised those who testified for presenting a compelling case that existing city policies intended to preserve historic properties are not working, especially now that the economy is improving and many people want to live in close-in Portland neighborhoods that contain a large number of older homes that can be replaced.

"It was an excellent hearing. The people who testified made a very reasonable case that something should be done to save historic home and the answer is yes," says Hales.

Still, there are a number of challenges for Hales.

For starters, a law passed by the 1995 Legislature during the height of the property rights movement prevents the city telling homeowners they cannot demolish their houses or sell them to developers. The "owner consent" law says property owners must agree to any kind of historic designation.

And not all of the homes being demolished are historic. Many of those who testified were upset about relatively newer houses being torn down and replaced with one or more that are simply not compatible with the surrounding ones.

In addition, an advisory committee is already working on the issue, although it may not complete its work until the end of the year. The Development Review Advisory Committee of the Bureau of Development Services has been discussing how to give neighbors better notice of pending demolitions for months. It is also discussing when a major remodeling job is large enough to require a demolition permit.

Jeff Fish, a local developer, leads the Development Review Advisory Committee. He admits work on the issues has been slowed by summer vacations, but still plans to complete the work by the end of the year, when his term expires.

Commissioner Amanda Fritz is in charge of BDS and she supported the committee's work during the council meeting. Hales spokesman Dana Haynes says the work will be coordinated.

Infill evolution

Everyone at the council meeting agreed residential demolitions are increasing although some questioned whether it was a crisis. The Bureau of Development Services issued around 275 demolition permits last year. It is on track to issue more than 300 this year, not counting major remodeling projects that only leave part of the original house without being a demolition.

Emerick warned that the paced of demolitions could increase dramatically in coming years, however. He said that a full 20 percent of existing houses are on lots that can be legally divided for more homes, putting them at increasing risk for redevelopment as the economy continues to improve.

Most of those who testified called the current rate of demolitions an epidemic that is destroying the character Portland neighborhoods. Developer Jeff Fish noted they were a very small percent of the cities existing 150,000-plus homes. He has also said that most of those homes are not worth saving forever, noting that many were not built to last in the first place. He considers most of the infill projects part of the evolution of all cities, which are constantly changing in response to market forces.

Nevertheless, Fish says the city should identify those considered historic and find some way to allow preservationists instead of developers to purchase them when they come up for sale.

There were no shortage of other ideas for slowing the pace of demolitions offered at the July 31 meeting.

The Historic Landmarks Commission presented the council with a white paper that recommend appointing a Demolition Task Force directed by the council and including staff from the Bureau of Development Services and the Bureau of Planning and Sustainability to work with stakeholders to identify building and zoning code changes. At a minimum, the white paper said all residential demolitions should require public notice and a minimum delay.

It also said any remodeling project that removes more than 50 percent of an existing building should be classified as a demolition. And it recommended the city update the Historic Resources Inventory compiled in 1984, even though it provides no permanent protection to the properties on it.

The Coalition for Historic Resources, an umbrella group representing preservation organizations and activists, agreed. Members also said policies should be adopted to ensure that replacement houses fit into the existing neighborhoods.

Individual witnesses offered additional suggestions. Some said the city should require houses to be deconstructed instead of demolished, allowing construction materials to be recycled instead of sent to landfills. Others said steps should be taken to ensure developers do not inadvertently damage adjoining properties, something they said is happening all too often today.

And they all urged that action be taken now instead of waiting until the council approves the update of the Comprehensive Plan that will guide Portland growth for the next 20 or so years. It is not scheduled to be considered by the council until spring 2015.

The Skanner

Portland Mayor Charlie Hales in New York for Equity Task Force

*By Helen Silvis
August 11, 2014*

Mayor Hales has been a visible presence at many of the city's violence prevention events. Here Hales talks to artist Antoine Thomas at the site of a street painting "The Big Bang of Peace." Interns and volunteers with the county's STRYVE (Striving to reduce violence everywhere) program created the painting as part of a series of projects aiming to build community in some of the city's poorest neighborhoods.

Portland Mayor Charlie Hales says equity will be at the center of the city's work during his tenure. Hales joined New York Mayor Bill de Blasio, Philadelphia Mayor Michael Nutter and others at a Cities of Opportunity Task Force in New York City.

Sponsored by the U.S. Conference of Mayors, the task force will work to identify the best initiatives to promote equity in American cities. Hales said he already has begun the work with initiatives such as the Black Male Achievement initiative and the equity training he and senior staff took last week. And he promises that more equity initiatives will be announced soon.

Here's the Press Release from the Mayor's office

Mayor Charlie Hales is in New York today, to take part in a nationwide Cities of Opportunity Task Force, sponsored by the U.S. Conference of Mayors.

"Mayors from throughout the nation face many of the same equity issues," Hales said. "We want to learn other cities' best practices and, frankly, a lot of other cities want to learn from Portland, too. We are talking about, thinking about and acting on equity issues, and that has not gone unnoticed among the nation's mayors."

The year-long task force will develop and share governing methodologies to empower cities to make equity a central governing principle; explore how municipal powers are best used to advance an equity agenda and how cities can work together to produce the most meaningful impact; and catalogue potential tools – such as overall budget decisions, purchasing power, regulatory controls, and procurement policies – and offer a set of best practices for using these levers of municipal government to drive greater equality and opportunity.

Chair of the group is New York Mayor Bill de Blasio, with vice chairman Mayor Martin Walsh of Boston. Other mayors on the task force include Michael Nutter, Philadelphia; Eric Garcetti, Los Angeles; Mike Rawlings, Dallas, Texas; and Annise Parker, Houston, Texas.

"The purpose of cities is to lift up residents and build a community and economy that works for everyone," said Kevin Johnson, president of the U.S. Conference of Mayors and mayor of Sacramento. "That means having a higher minimum wage, expanding the supply of affordable housing and ensuring every child has access to Pre-K."

De Blasio said such issues are best tackled at the city level. "We are living in a time of rising inequality and declining opportunity," he said. "This is a threat to our fundamental

values and an obstacle to the nation's economic growth. Mayors are starting to respond to this crisis, and this task force is going to organize and focus the progressive ideas coming out of cities across the U.S., and put city issues back on the national agenda."

The task force will develop a plan for cities to take action in developing aggressive equity agendas and implement changes. This plan will include real, practical tools and best practices – both previously executed and newly developed by the task force – which cities can use to make the most equitable decisions they can, with the powers they have, to create more equitable cities.

For Portland, equity work under way has included a new emphasis on equity in the re-write of the city's Comprehensive Plan; the mayor's Black Male Achievement initiative; and an unprecedented, three-day training for the mayor, members of his senior staff, and the command ranks of the Portland Police Department, on the issue of equity. More programs for ensuring equity in city services will be forthcoming over the next few months.

Participating mayors gathered Sunday in New York for a reception, following by a work meeting today at Gracie Mansion, 8:30 a.m. to noon (Eastern Time). That will be followed by a 12:30 p.m. press conference.