

The Oregonian

Business alliance submitted its own street fee plans this month: Portland City Hall Roundup

*By Andrew Theen
December 19, 2014*

For months now, Portland Mayor Charlie Hales outlined the unholy trinity options facing the city: "Do this, do nothing, or do something else," he's said of the street funding debate.

At a Nov. 20 public hearing, Hales provided perhaps his most forceful call for more ideas. He asked for concrete proposals.

On Dec. 4, the Portland Business Alliance obliged.

In a letter sent to City Council offices, the chamber of commerce offered a bullet point list of what it would (and wouldn't) support.

"We have agreed that increased investment is warranted and we have agreed that new fees, including fees on Portland businesses, can be justified if the new revenue is invested solely in transportation and safety improvements," PBA president and CEO Sandra McDonough wrote.

The "No Go" list is familiar. The PBA won't support a street fund plan that includes a new personal income tax. The plan must be fair to small businesses and share the load between residents and business owners. A new wrinkle, the PBA said it would oppose a plan that don't provide relief for low income folks on food stamps, but Commissioner Steve Novick said that specificity may not be possible.

With Wednesday's decision by Novick to revisit the residential half of the \$43.8 million plan, the PBA's plan offers a potential blueprint for what elements may make it to the final proposal. (Emphasis below are mine).

1. New revenue to fix Portland streets and do safety improvements, so long as the new revenue is based on a user-pay concept and the cost is shared equally between businesses and residents.
2. The general business fee structure in its current state, so long as it remains part of an overall package that raises revenue for both the business and residential sectors.
3. A residential fee of up to \$10/month per household, with exemptions for households receiving food stamps, so long as the fee is part of an overall package that raises revenue from both the business and residential sectors.
4. Exemptions for small business sole proprietors who also live in the city to ensure they only have to pay a fee once, in recognition of the burden on small businesses.
5. Acknowledging that some small businesses, such as realtors, may not generate income in Portland in a given year and therefore should not have to pay the business fee for that period.
6. An exemption for small businesses in their first year of start-up.
7. Dedication of at least 70 percent of the new revenue going toward paving.
8. Referral of a charter amendment which codifies that new and existing transportation revenues will be expended only on maintenance and safety improvements; establishes that the fee rates are unchangeable during the six-year life of this program, creates a six-year sunset of the program, and limits administrative costs to not more than 15 percent.

After the latest delay of a final vote, McDonough walked back at least one key element of the above proposal: the split of the revenue pie that is dedicated to paving projects versus safety work.

The revenue vs. safety debate was a key talking point on the summer work groups tasked with offering recommendations on the original May proposal.

The current plan calls for 56 percent of the annual revenue dedicated to paving, with the remainder for safety projects. Portland's transportation bureau estimates the city needs to spend \$91 million annually on paving for a decade to ensure roads are in favorable condition.

"We've said we would like it to be 70 [percent]," McDonough said of the paving split, "the mayor has said he thinks that's too high."

McDonough said she agrees that the city needs safety improvements, and the PBA is willing to work with the mayor and Novick on a "complete package."

Portland street fund: 'Gut check time' as \$43.8 million plan remains in flux

*By Andrew Theen
December 19, 2014*

Steve Novick says it's "gut check" time for the Portland street fund.

The first-term Portland commissioner, half of the political team driving the controversial and meandering plan to raise millions for street safety and maintenance projects, postponed a vote on a \$43.8 million plan until mid-January.

Nearly seven months after Mayor Charlie Hales, Novick and transportation officials stood on a grassy hillside at Southeast Portland's Kenilworth City Park and outlined a proposal that would eventually charge most households nearly \$140 fee per year, the politicians are once again back to the drawing board.

Half of the plan, Novick said, referring to an annual fee owed by businesses, appears to be less controversial. But how to collect money from residents remains a contentious and unresolved issue.

"I think we now know that the only two things that have a chance are the user fee or a real progressive income tax," Novick said Thursday, "and I don't think it should take too long to get that gut check of what people are willing to do."

Everyone appears ready to end the debate. Novick's "gut check" could force him to retreat from the progressive income tax unpopular with business leaders and cave to a flat fee that would disproportionately hit low-income residents, on the basis that the latter is more politically palatable and some new money for transportation projects is better than no new money at all.

Novick, who oversees the transportation bureau, said he feels a big responsibility to finish the job, saying while it may sound corny, the city's future is in the balance. "Without a working street system you have no city."

There's a lot at stake. Novick and Hales have hitched their political futures to the nearly yearlong effort to find new money for the city's transportation network. The chamber of commerce and the petroleum lobby said they would fight to kill any plan that included a new personal income tax. Low-income advocates and a coalition of nonprofit organizations said they'd fight for a more progressive and equitable tax at the ballot box.

Novick said the difficulty of negotiating the political minefield that comes with enacting a new tax isn't lost on him. "One thing I have gained from this experience over the past year is an appreciation for my predecessors who spent the past 27 years not solving this problem," he said. "Their failure is understandable."

Hales' office did not respond to a request for comment.

Sandra McDonough, president and CEO of the Portland Business Alliance, said the chamber is ready for the city to vote. "I think this has taken up a huge amount of council time and it would be nice to get to a solution," she said.

Jonathan Ostar, executive director of OPAL Environmental Justice Oregon, said his organization and others have clearly stated their intentions. "We will go to the mat for the progressive option," he said, citing a plan that would be fairer to the middle class.

Despite the willingness of everyone involved to find a way forward, it's still unclear which way the street fee winds blow.

Novick, who is quick to describe the \$35 city Arts Tax as "beyond regressive," circled the wagons of Ostar's organization and others earlier this week and asked how willing they were to fight if opponents succeeded in referring a progressive tax option to the ballot.

That takes money, time, and volunteer forces. Even then, the challenge is daunting. "Given that there's not much of an agreement," Novick said, "It makes it difficult to get more than 50 percent [of the vote] on anything."

Robert McCullough, a respected energy consultant and board president of the Southeast Uplift neighborhood coalition, thinks the entire plan has veered off the rails and is worse off than the original proposal in May.

"It sounds to me like they've blinked," McCullough said of Hales and Novick. "There are so many flaws here on so many levels."

Like many Portlanders, Novick has unanswered questions, too.

Before a formal, and final, plan is expected to be submitted on Dec. 31, he needs to know what kind of resources progressive allies may muster to fight for an income tax if need be.

A second question: "Can we pass a user fee through council?" Novick asked. "That's another open question."

Reset to May

Novick's speech on Wednesday announcing the aborted personal income tax caught Sandra McDonough off guard. The president and CEO of the Portland Business Alliance said she was "puzzled" by the abrupt decision and by Novick's tone.

Novick said the PBA would rather "burn the city to the ground" than see a new income tax. McDonough said she'd been sitting at the table for months trying to find a better solution and said she wasn't "throwing flames."

McDonough wants the debate to go back to how do we fix the streets. She struck a conciliatory tone, noting that the chamber was open to working with the Mayor and Novick on finding a plan that will pass City Council.

"We will support a package," she said this week, "and it has to be a complete package." McDonough said she believes that Hales sincerely wants to find a solution that addresses the growing backlog of street maintenance, pegged at a \$91 million annual need by the transportation bureau in order to get streets back to good condition.

That complete package should contain a previously discussed amendment to the city charter, according to McDonough, saying that gives voters assurances the money will only be spent on transportation projects.

If that's part of the package, McDonough said, the first time voters should have a chance to weigh in would be after the six-year project window sets. "At the end of the sunset, there should be a vote," she said, "then they will have a record to run on."

Progressive option

Ostar said he has mixed feelings about the latest development. "I know the politics of it are a murderer's row," Ostar said, citing the PBA and lobbyist Paul Romain.

He sat on the working groups that met throughout the summer to offer advice on how to amend the controversial May plan.

The flat fees, first discussed in May, led to an outpouring of concern about the effect on low-income residents, particularly people who live in apartment complexes.

Novick said that remains a concern if the city were to return to a flat fee structure. He cited a legal concern about offering low-income discounts on a fee assessed based on usage. The PBA has suggested low-income Portlanders on food stamps be exempt from paying the fee, but Novick said that might not be possible. "If you exempt people, then it's not a fee, it's a tax," he said.

Both Novick and Ostar say however the street fund is structured, it includes important safety projects for vulnerable populations in east Portland. Novick said he's "willing to take a lot of abuse," if the street fund results in the addition of frequent bus service on 122nd Avenue.

Portlanders need to know that safety improvements in east Portland, such as adding sidewalks and crossing beacons on high crash corridors, make a difference, Novick said, "It's not hard to get people to care once they've heard about the problem."

Ostar acknowledged that OPAL might not like the final policy proposal, the politics behind it or the revenue stream. "But a lot of good and important and equitable investments could come from this," he added.

Business side

Not everyone is satisfied with the business portion of the fee, which is charged according to gross revenue and the businesses' number of employees and square footage.

McCullough, who took the city to court to find out how the business fee is calculated, said he expects that plan to unravel as well. "I think everything has changed," he said.

Eric Fruits, an economist and frequent critic of the street fee, said there are still huge questions on the business fee. It's not clear why some agencies won't pay. "How come we haven't seen anything on Union Pacific [Railroad], how come we haven't seen anything on TriMet?" he asked.

Fruits, who sat in on most of the summer work groups, is amazed that Novick galvanized such a large group of the city against him. "He really has accomplished a Christmas miracle in that he's brought the whole city together."

McCullough said the Eastmoreland Neighborhood Association, the east side home of both McCullough and Hales, is considering their own street funding package.

He will present that plan to the city in the coming days, too.

Novick said he feels the scrutiny from allies and adversaries. Intuitively, he wants to consider the plan that would tax the richest Portlanders the most, because they can afford it.

"But I have to consider something that is not particularly where my heart is," he said of the flat fee. Novick said he feels it's his responsibility to find the new money.

A final vote is tentatively scheduled for Jan. 14.

Uber agrees to leave Portland for 3 months as City Hall works out rideshare rules

*By Joseph Rose
December 18, 2014*

Uber has agreed to hit the brakes on its controversial app-based ride service in Portland for three months while City Hall attempts to revamp its regulations to allow the company's services.

It's the first time in Uber's short but frenzied history that the San Francisco-based startup has voluntarily pulled out of a U.S. market where it was operating.

The company promised Mayor Charlie Hales that it will suspend its clandestine private-taxi pickups starting Sunday night.

The agreement between Hales and Uber was reached about 2 p.m. Thursday, just days before a federal judge was scheduled to hear the city's request for an injunction to force the company to stop operating in Portland.

According to a statement from Hales' office, the mayor will convene a task force to speed up the process of reviewing and updating city rules, which currently prohibit ridesharing services where drivers use their personal vehicles as taxis.

"The City is committed to developing a new regulatory framework that includes innovative transportation network companies," the statement said.

Hales said the City Council should be able to act on the task force's recommendations by April 9.

If new rules aren't adopted by then, both the mayor and Commissioner Steve Novick, who oversees the Bureau of Transportation, promised to push through a temporary agreement to allow Uber, Lyft and other ridesharing companies to operate within the city limits.

The latest turn in the Portland vs. Uber soap opera doesn't mean \$1.65-per-mile Uber drivers will completely disappear from the city's streets.

The company's UberX service -- which allows residents to hail and pay for private rides with the push of a smartphone button -- will continue to operate in Gresham, Vancouver, Beaverton, Tigard and Hillsboro.

"We are pausing pickups within Portland city limits for three months and the city has agreed to expedite regulations," Eva Behrend, an Uber spokeswoman, said in an email. "We will continue operating in the Portland metro area with drop-offs continuing in Portland."

Uber said more than 10,000 rides had been delivered in Portland since it rolled into the city, with nearly 300 drivers signing up for training. "More than 11,000 Portland residents and visitors have signed our petition, showing support for a safer way to get around their city," Uber said in an email to Portland customers.

During the evening commute on Dec. 5, Uber suddenly launched UberX without Portland's blessing, arguing that the city's taxi and for-hire ride regulations are "antiquated" and don't apply to the sharing economy.

The city's agreement with the company on Thursday all but conceded that point.

"At the end of the day, we really wanted to upgrade our policies to match the reality of the sharing economy," said Hales spokesman Dana Haynes.

"We couldn't pretend the sharing economy wasn't here," he said. "The goal wasn't to stop one rogue company. We need to set a policy, we needed to do it right, and this agreement gets us there. But we need to move quick."

Haynes said the task force's "soup to nuts" regulation review will focus on "mandated safety criteria" for customers and the public over the next three months.

Portland's taxi regulations are among the nation's most restrictive, say Uber and rideshare competitors such as Lyft. Among other things, city code requires a 60-minute advance reservation for non-taxi ride services and sets a strict quota on how many taxi licenses can be handed out during any given year.

So far, the heavily influential Private for-Hire Transportation Board of Review, which includes representatives from the Portland's taxi and town-car companies, have been dead set against relinquishing any of the city's 460 taxi permits to Uber drivers.

At the same time, a recent Portland Bureau of Transportation report showed the city is greatly underserved by taxis when they're needed most. Uber officials said it's getting harder for the city to defend strict ordinances designed to protect the taxi industry from competition.

"The number of taxis we have in the city is unquestionably low," Haynes said.

When Uber defiantly launched two weeks ago, the company said Novick was moving too slowly with his efforts to revamp city code.

On Thursday, however, Novick said he plans to work quickly to come up with a temporary plan to suspend the existing cap on taxi permits and price regulations to "see how the market operates without those rules."

The task force's final recommendations should be based, in part, on that experience, he said.

The city could wind up eliminating those regulations altogether, or eventually retaining one or both in some form, Novick said. "What I am not interested in is a situation where we continue to impose caps and price regulations on some operators but not others," he said.

Previously, Novick had promised to "throw the book" at the company for refusing to play by the city's rules. Code enforcement officers have fined the company \$67,750 for running an illegal taxi business after booking a handful of rides. It was unclear if the agreement will let Uber off the hook for those tickets.

However, city officials did not follow through with threats to ticket drivers and have their cars towed.

The new task force will begin meeting on Jan. 14. Mike Greenfield, former director of the state Department of Administrative Services, will chair the committee.

So far, the mayor has appointed 11 transportation, business and social-services leaders to the task force, but no one representing the city's taxi companies.

Among other things, the group will discuss whether the city should continue to limit the total number of taxi permits granted and whether it should regulate pricing. "In addition, the task force will explore how regulatory changes could improve driver earnings and working conditions," the mayor's statement said.

Earlier this year, the City Council approved new regulations to allow short-term rental operations in private homes for another sharing-economy darling, global hospitality startup Airbnb.

As the city geared up for its lawsuit against Uber, staffers in the mayor's office and company representatives talked almost daily in an effort to come up with a compromise, Haynes said.

At the same time, he said, the agreement reached Thursday shouldn't be seen as a surrender.

The city, Haynes said, was ready to battle Uber in court and get it kicked out of the city. The first hearing in U.S. District Court was set for Tuesday.

"We're not hearing from the city's attorneys that they were dispirited about the fight ahead," he said. "But they're also not disappointed that we've been working aggressively with Uber to come up with a deal."

Portland City Council rejects proposal to demolish historic NW Portland office building

By Elliot Njus

December 18, 2014

The Portland City Council rejected a plan to demolish a former hospital in Northwest Portland, one which historic preservationists said could set a worrying precedent for tearing down historic structures.

Development firm Gerding Edlen had proposed to demolish the Buck-Prager Building at 1727 N.W. Hoyt St. and replace it with an apartment building. The existing structure is included as a contributing resource in the Alphabet Historic District, which was added to the National Register of Historic Places in 2000.

The city has only once allowed the demolition of a structure included in the National Register of Historic Places.

The City Council in 2010 approved tearing down the Kiernan Building, which housed the Dirty Duck Tavern. It was replaced with a new home for the Blanchet House of Hospitality, a nonprofit homeless shelter.

The Buck-Prager Building was built in 1918 as the Women's Hospital of Portland, a maternity hospital. It was managed by Alta B.Y. Spaulding until her death in 1938. She was also the nursing superintendent at what would become the Oregon Health & Science University nursing school.

It's also known as the Ballou & Wright building, after the owners of the property when the hospital was built. A sign on the building calls it the "Ballou & Wright" building.

The owners of the site, attorneys Tim Ramis and Mark O'Donnell, have proposed a four to six-story market-rate apartment building with underground parking to be built by Gerding Edlen.

They make a well-connected team. Ramis is a prominent land-use attorney, while Gerding Edlen President Mark Edlen was appointed to the Portland Development Commission earlier this year. They also said they would seek to provide affordable housing — for households earning less than 80 percent of the city's median family income — through a tax-abatement program.

Ramis, Gerding Edlen and a team of consultants said they had considered preserving the building, but that it wouldn't be financially feasible.

"We've been through three different development teams asking, 'Can you make this work?'" Ramis said. "And three times, we were told 'no, that's not in the cards for this building.'"

Despite the owners' attempts to market the building to potential tenants, it's been vacant since 2007. They argued the building has only limited historical and architectural value, and that the city would be better served by the proposed redevelopment.

But some neighbors, and the Northwest District Association, opposed the demolition. An online petition started by association board member Wendy Chung attracted 1,741 supporters.

Staff from the Bureau of Development Services found the does not meet the city's criteria for demolition. The city's Historic Landmarks Commission agreed, and chairman Brian Emerick and vice chairwoman Jessica Engeman wrote a letter to the City Council recommending it deny the application.

"In our opinion, if Council were to allow this to go forward, it would set a tremendous precedent of condoning private profit over historic places," they wrote.

The council voted 4-1 to reject the application. Commissioner Steve Novick was the dissenter and cited safety concerns in the building, which is not seismically reinforced.

Ramis said the development team would reexamine its plan to determine how to move forward, but that it likely wouldn't appeal the decision.

Chung, the neighborhood association board member, said she was encouraged by the council's decision. She said the developers hadn't fully developed its proposal or offered a compelling reason to sacrifice a historic structure.

"We get the tension between trying to make it financially work out and preservation," Chung said. "But in this case, the push and pull wasn't adequately considered."

Street fee, version 3.0, ahead, and may it be the last: Editorial Agenda 2014

*By The Oregonian Editorial Board
December 18, 2014*

Portlanders can sigh in relief that their elected city commissioners decided this week to postpone action on a proposed personal income tax to help pay for road repairs and safety projects. By delaying a vote on the Portland Street Fund until Jan. 14, commissioners gave themselves time to do the inevitable: Kill any iteration of a new income tax for road repair and go back to the future, otherwise known as April and May of this year, and configure a user fee that would generate enough money to fill potholes and resurface crumbling streets.

The income tax idea, floated in November by Mayor Charlie Hales and Commissioner Steve Novick, was almost dead on arrival and should have been. Portlanders have made known their antipathy to any new taxes without a public vote. Worse, more than 40 percent of Portland residents on the lower end of the income scale would have been exempt from paying anything under the proposal. While folks who struggle financially should find relief, and in some cases a full pass, from any kind of street-repair assessment, it stands to reason most citizens should chip in: Portland's 5,000 miles of roads serve everyone, ensuring mobility and fueling the economy.

Novick oversees the city's Bureau of Transportation and has been leading along with Hales. Following the city's declination to act this week, however, he told The Oregonian's Andrew Theen that the Portland Business Alliance, which had opposed the income tax, "would rather burn the city to the ground" than approve anything resembling a progressive income tax. Sadly, those are the words of a sore loser rather than a pragmatist whose job is not to exert ideology upon the city but to broker the support necessary to ensure the bureaus under his supervision run efficiently and to mission. In the case of PBOT, that means finding enough money to fix roads and undertake safety projects.

The PBA represents businesses small and large and wants, for perfectly business-centered reasons, Portland's road network to work. Its president, Sandra McDonough, said she was taken aback by Novick's remarks because the PBA had made a concerted effort to help the city devise a money-raising mechanism for street repair that would be equitable to residents and businesses. But she might have seen it coming. In a Dec. 4 letter to Hales, McDonough wrote: "Our willingness to work with you on an effort to raise as much as \$46 million in new revenue is, in our view, extraordinary, and we are troubled that, instead of working with us toward a plan we can all agree to, the public dialogue emanating from City Hall has turned divisive."

Let the games be over. A public hearing on funding street repairs is being considered for Jan. 7 – another opportunity for folks to weigh in. But finding a user fee that can be called equitable and rational to both households and businesses will take some doing.

The \$53 million plan proposed in May included a household fee and a fee on businesses based on the number of trips generated to their doors, but it fell to criticism that small businesses would suffer unduly as well as low-income residents. The \$46 million plan pitched in November, featuring a fee on businesses that was keyed to revenue and staff size, relied heavily on a progressive income tax on Portland residents that would leave many untouched.

More than two dozen Oregon cities successfully employ user fees to subsidize road repair, among them Oregon City, West Linn and La Grande. Portland surely can find a fee that can be defended as fair to residents and reflect actual road use by businesses – the right data is available for the asking. At that point, the city might get on with repairs that only grow more costly to perform as the debate drags on.

The Portland Tribune

Airbnb resists city efforts to regulate it

*By Steve Law
December 18, 2014*

Airbnb argued Thursday that it should be able to keep the names and addresses of its Portland hosts out of the hands of the city Bureau of Development Services, which hopes to use the information to prod Airbnb hosts to get city permits required before they can rent out rooms in their homes for stays of less than 30 days.

So far, only 110 local Airbnb hosts have sought permits under the city's short-term rental ordinance adopted in July, or an estimated 7 to 8 percent of those subject to the ordinance. That doesn't include several hundred Portland hosts who rent out rooms in apartments and condos, which won't become legal until a pending city ordinance is passed in January.

Revenue Bureau Director Thomas Lannom proposed an ordinance requiring Airbnb and other booking agents to collect lodging taxes from their local hosts, and provide the names and addresses of the hosts to the bureau to assure compliance. The ordinance, debated Thursday by the Portland City Council, also would require Airbnb and other booking agents to require hosts to post their permit numbers on ads promoting the local rooms for rent.

Mike Liefeld, an enforcement program manager for the Bureau of Development Services, said it would be easy for the bureau to send out mass mailings to the 92 percent of hosts who never sought BDS inspections or applied for licenses.

But David Owen, a government affairs specialist for San Francisco-based Airbnb, said his company has been the first to collect taxes from its hosts, and objects to the Revenue Bureau sharing the names and addresses of its hosts with another bureau. Owen likened it to the National Security Agency mining personal data on Americans from phones and the Internet. The city shouldn't get "unfettered access" to its hosts' personal information without getting a court subpoena, Owen testified.

"We want to make sure that someone who occupies a room in a building that you advertise is safe," responded City Commissioner Nick Fish. "Shame on us if they're not and something bad happens. We're complicit and that's why we have these rules."

Commissioner Steve Novick said Airbnb was suggesting that the city's two bureaus would have to duplicate each others' efforts if the names and addresses of hosts aren't shared. "You're in effect asking us to be a very inefficient government," Novick told Owen.

Commissioner Amanda Fritz defended Airbnb as the one company that has offered to cooperate with the city in collecting taxes. The city should spend its time now going after the other on-line brokers of short-term rentals whose local hosts aren't paying any lodging taxes or seeking permits, Fritz said.

Fish repeatedly asked Owen if Airbnb planned to comply with the ordinance once it's passed, but Owen was noncommittal. Fish said he'd be reluctant to expand short-term rentals into multifamily properties if the enforcement mechanism is likely to be tied up in court for years.

The city is already involved in litigation against Uber, another San Francisco-based company in the "sharing economy," which allows anyone to become a taxi driver with their own car, and connects them with riders using smart phones.

The City Council agreed to delay a final vote scheduled Thursday on expanding short-term rentals into condos and apartments. That was reset for 10:45 a.m. on Jan. 14. That's also when a final vote on the enforcement and taxation ordinance is now scheduled.

Uber, Portland strike deal

*By Jim Redden
December 18, 2014*

Five days before Portland and Uber were scheduled to face off in federal court, the city and the app-based personal ride company have struck a deal. Uber will stop operating in Portland for three months on Sunday and the city will start a process that could legalize their drivers.

Uber announced it was suspending operations Sunday in federal court. Mayor Charlie Hales followed that by announcing the process for the city to review and update its private for-hire transportation system, including developing a framework that covers such app-based personal ride companies.

Portland had been seeking an injunction from operating in the city because it violates the current rules governing taxis and other for-hire companies. A federal court hearing was scheduled for Dec. 23.

The city has fined Uber around \$68,000 so far for violating those rules. Uber has been arguing that could lose over \$100,000 if not allowed to operate in Portland. But the agreement postpones the confrontation for now.

Here is the text of the announcement:

Today, Portland Mayor Charlie Hales announced the process for reviewing and updating Portland's private for-hire transportation (PFHT) system. The City will convene a task force to move this process forward, and the City is committed to developing a new regulatory framework that includes innovative transportation network companies (TNCs). City Council will receive task force recommendations to accomplish this by April 9, 2015.

Beginning January 14, the newly formed PFHT Innovation Task Force will meet to study, discuss and make recommendations about all facets of Portland's private for-hire system, including taxi cabs, transportation network companies, limousines, pedicabs and shuttle services. Mike Greenfield, former director of the Department of Administrative Services for the State of Oregon, will chair the committee.

The process initially will focus on taxi cabs and transportation network companies, with discussion and recommendations on the following areas: whether to continue to limit the total number of permits granted, whether to have a regulated pricing system, mandated criteria (including insurance, inspections and background checks), and accessibility. In addition, the task force will explore how regulatory changes could improve driver earnings and working conditions.

The task force will address mandated safety criteria and other policy recommendations to City Council at an April 9th Council hearing. The Portland Bureau of Transportation will then be immediately directed to issue permits based on Council's approval of mandated safety recommendations, allowing TNCs to legally operate. Additionally, Council will direct PBOT to initiate a study period to monitor the market. This will better inform the Task Force and Council as they continue their work on regulations for taxicabs, pedicabs, shuttles and limousines to create a modern private for hire transportation system for Portland.

Members of the task force are still being selected. Those who have accepted to date include:

Mike Greenfield, retired State of Oregon executive (Chair)

Raihana Ansary, Portland Business Alliance

Leslie Carlson, Brink Communication

Chris Bebo, Oregon Restaurant and Lodging Association

Darren Buckner, Workfrom.co

JoAnn Herrigel, Elders in Action

Kayse Jama, Center for Intercultural Organizing

Jeff Lang, Gales Creek Insurance Services

Richard Lazar, Technology Association of Oregon

Dan Lenzen, Venture Hospitality and Real Estate

Sue Stahl, Commission on Disability

Google Fiber delays decision on Portland-area expansion

By Geoff Pursinger
December 18, 2014

Don't pop the champagne just yet, Google-lovers.

The Internet giant announced Thursday that it was delaying a decision on whether or not to bring its ultra-high-speed Internet and cable services to the Portland region.

Area residents have been waiting for months to hear whether or not the company would expand its service to parts of the Portland area, including Tigard, Beaverton, Lake Oswego, Hillsboro and Gresham.

Company representatives said they need more time.

In February, Google announced it was seriously considering expanding to Portland and five of its neighboring cities.

The service offers Internet speeds of up to 1 gigabit per second — about 100 times faster than traditional broadband — for about the same price Portland-area residents are paying to surf the web.

The cities have been working with Google for a year to determine if it's possible to bring fiber-optic, high-speed Internet to their communities.

Google's possible expansion has already impacted local Internet service providers. Earlier this year, Comcast increased its Internet speeds, CenturyLink started high-speed service in Portland, and Frontier announced it would offer gigabit connections as well, but only to customers in Beaverton.

Google had planned to announce its decision this month, but in a written statement, the company said it pushed back making any decisions until the early part of 2015.

Here's Google Fiber's official statement:

"This year gigabit Internet has moved from idea to reality, as mayors and city leaders across America have stepped up and made high-speed broadband access a priority for their community. We've been working closely with cities around the U.S. to figure out how we could bring them Google Fiber, and we're grateful for their vision, commitment, and plain, old, hard work. While we were hoping to have an update for cities before the holidays, we have a bit more work to wrap up; we'll be back in touch sometime early next year."

Liz Newton, the assistant city manager in Tigard who has been handling Google's potential arrival in that city, said Google's timeline was too ambitious for the amount of work involved.

"I sense that they were a little optimistic about trying to sort through all of the cities," she said.

The cities were told about the delay in having a final decision on Monday.

"Everything looks great. They said that the Portland region has been great to work with," Newton said. "They appreciated how coordinated all the cities have been."

Along with the Portland area, Google is looking at expanding to Salt Lake City, Raleigh, San Antonio, San Jose, Nashville, Phoenix, Charlotte and Atlanta, all of which will have to wait a few more months before Google reaches a decision.

Installation will require digging up roads, and Google hopes to get easements, right-of-way agreements and expedited permits from the cities in order to install the fiber-optic cables.

It also plans to map out each city's current fiber-optic network and inventory available utility poles.

"What they told us was that all the cities in Portland have been fantastic, and that there's nothing left for any of us to do," Newton said. "They are just still doing their due diligence."

Willamette Week

Uber Will Leave Portland for Three Months, in Deal with City Hall for New Ride-Sharing Rules

*By Aaron Mesh
December 18, 2014*

The ride-sharing company Uber has agreed to stop picking up riders in Portland for the next three months, as part of an agreement with Mayor Charlie Hales to speed up the process for new taxi and ride-sharing regulations, officials from the city and Uber tell WW.

The agreement makes Portland the first city in the United States where Uber has voluntarily agreed to cease operating after entering a market.

The deal, reached shortly after 1 pm today, ends a nearly two-week standoff between the company and City Hall that began when Uber launched its service Dec. 5 in defiance of Portland city rules. The agreement will likely avert a federal court fight over the city's lawsuit against Uber.

"The city and Uber started off on the wrong foot," Hales tells WW, "but this agreement resets the clock. We will work with Uber moving forward, and we thank other sharing-economy companies, like Lyft, for working with the city to bring our policies up-to-date."

Uber has told Hales that it will suspend operations in the late evening hours of Sunday, Dec. 21. "We have been informed that Uber will turn off its app for Portland at 11:59 p.m. Sunday," says Hales spokesman Dana Haynes.

In return, Hales has pledged to write new taxi and ride-sharing regulations—or give Uber and other ride-sharing companies a temporary agreement to operate—by April 9, 2015.

"They have agreed to a three-month timeline," says Brooke Steger, general manager for Uber. "We will be stopping pickups in Portland for the duration of that time. This is a temporary pause. We will be back."

Hales will announce later today that the city is convening a task force to examine possible revisions to four city rules on cabs and ride-sharing. Those issues are the cap on the number of taxi licenses, the set fees taxis must charge riders, the number of cars available to people with disabilities, and safety requirements, including that drivers carry commercial insurance and receive thorough background checks.

Hales' staffers tell WW the last item—safety assurances for passengers—will be the city's top priority during the next three months.

The city's transportation bureau will also oversee a study period, starting in April and lasting one or two months, to see how Uber's arrival changes the taxi market.

City Commissioner Steve Novick, who oversees transportation, says he's pleased with the deal.

But he emphasizes that once safety requirements are in place next April, he wants at least two months of letting all hired transportation—taxis, town cars and ride-sharing companies—operate without limits on prices and permits before considering permanent changes to those rules.

"As I've been saying for months, I'm fully committed to a complete look at existing regulations," Novick tells WW. "Having a few months of Taxis Gone Wild will give us a chance to reexamine."

Uber, a 5-year-old San Francisco start up now valued at \$41 billion, has been trying for nearly two years to break into the Portland market with its service, which lets drivers turn their cars into taxis that customers summon with a tap of their smartphones.

The company stunned city officials Dec. 5 by launching in Portland in defiance of city rules prohibiting unlicensed cabs.

Since then, City Hall and Uber have been locked in a public grudge match. City officials scored a blow by suing Uber for a judge's injunction to block the service. But as WW reported this week, the city has been unsuccessful in fining drivers or impounding their cars.

In public, Hales and Novick declared Uber a scofflaw company—"Uber seems like a bunch of thugs," Novick told *The New York Times*—and vowed to crack down.

But representatives from their offices quietly resumed talks with Uber on Sunday, Dec. 14, seeking a way for both sides to save face and avoid a court battle.

"City policy has to acknowledge the new reality of the sharing economy," Hales tells WW. "We spent much of this year working on short-term rental rules. The private-for-hire transportation system is next, and we're dedicated to getting it done right."

This is only the second time worldwide that Uber has voluntarily left a market: The company withdrew from Vancouver, B.C. in 2012, after the provincial taxi board ruled it had to charge a minimum of \$75 per trip.

More often, Uber has been forced out of cities. A judge's order kicked the company out of Nevada in November. It has been banned in Germany, and faces bans in Thailand and some cities in India after alleged rapes by drivers.

Regulatory crackdowns have not slowed Uber's meteoric rise: The company has collected \$2.7 billion in funding from investors since launching its app in 2009.

Steger tells WW that Uber will continue operating in Portland's suburbs, and the company will aid its area drivers by adding a \$5 bonus anytime they drop off a passenger in Portland—since they won't be able to pick up a return fare.

She says Uber agreed to suspend its service in Portland because that's the fastest way to reach the company's goal: legal operation.

"Portland is a very unique city," she says. "So we did something we haven't done before. We have to do what's best for our drivers, and getting permanent regulations is the best decision for them."

The Mercury

The City's Latest Ad Hoc Task Force Will Tackle the Uber Dilemma

By Dirk VanderHart
December 18, 2014

Spurred into action by Uber's illegal encroachment, Mayor Charlie Hales just announced he'll convene a task force to study the city's policies around for-hire transportation, and make recommendations for potential changes.

Starting on January 14, the so-called "Private For-Hire Transportation Innovation Task Force" will meet "to study, discuss and make recommendations about all facets of Portland's private for-hire system, including taxi cabs, transportation network companies, limousines, pedicabs and shuttle services," the release says.

Something like this has been planned for months, Hales wrote recently in the Oregonian, but Uber forced the issue by flouting the city's regulations and rolling out service here on December 5.

That changed today, when Uber agreed to depart the city for three months while rules are being hammered out.

In its short time operating here, the city issued more than \$65,000 in fines and filed a lawsuit. Now it'll look at its stringent taxi regulations, presumably with an eye toward opening up the Portland market to ride-share companies like Uber or Lyft without being unfair to taxis and towncar services.

From the release:

The process initially will focus on taxi cabs and transportation network companies, with discussion and recommendations on the following areas: whether to continue to limit the total number of permits granted, whether to have a regulated pricing system, mandated criteria (including insurance, inspections and background checks), and accessibility. In addition, the task force will explore how regulatory changes could improve driver earnings and working conditions.

The task force will have recommendations to Portland City Council by early April, the release says. Hales' chief spokesman, Dana Haynes, tells the Mercury he's not sure if the group's meetings will be public.

Task force membership hasn't been finalized, the mayor's office stresses (there are no reps from car-sharing services OR taxi companies, right now), but here's who's on board so far:

- Mike Greenfield, retired State of Oregon executive (Chair)
- Raihana Ansary, Portland Business Alliance
- Leslie Carlson, Brink Communication
- Chris Bebo, Oregon Restaurant and Lodging Association Darren Buckner, Workfrom.co
- JoAnn Herrigel, Elders in Action
- Kayse Jama, Center for Intercultural Organizing
- Jeff Lang, Gales Creek Insurance Services
- Richard Lazar, Technology Association of Oregon
- Dan Lenzen, Venture Hospitality and Real Estate
- Sue Stahl, Commission on Disability

Hit the jump for the full release.

PRESS RELEASE THURSDAY, DEC. 18, 2014

PORTLAND, OR – Today, Portland Mayor Charlie Hales announced the process for reviewing and updating Portland's private for-hire transportation (PFHT) system. The City will convene a task force to move this process forward, and the City is committed to developing a new regulatory framework that includes innovative transportation network companies (TNCs). City Council will receive task force recommendations to accomplish this by April 9, 2015.

Beginning January 14, the newly formed PFHT Innovation Task Force will meet to study, discuss and make recommendations about all facets of Portland's private for-hire system, including taxi cabs, transportation network companies, limousines, pedicabs and shuttle services. Mike Greenfield, former director of the Department of Administrative Services for the State of Oregon, will chair the committee.

The process initially will focus on taxi cabs and transportation network companies, with discussion and recommendations on the following areas: whether to continue to limit the total number of permits granted, whether to have a regulated pricing system, mandated criteria (including insurance, inspections and background checks), and accessibility. In addition, the task force will explore how regulatory changes could improve driver earnings and working conditions.

The task force will address mandated safety criteria and other policy recommendations to City Council at an April 9th Council hearing. The Portland Bureau of Transportation will then be immediately directed to issue permits based on Council's approval of mandated safety recommendations, allowing TNCs to legally operate. Additionally, Council will direct PBOT to initiate a study period to monitor the market. This will better inform the Task Force and Council as they continue their work on regulations for taxicabs, pedicabs, shuttles and limousines to create a modern private for hire transportation system for Portland.

Members of the task force are still being selected. Those who have accepted to date include:

Mike Greenfield, retired State of Oregon executive (Chair)

Raihana Ansary, Portland Business Alliance

Leslie Carlson, Brink Communication

Chris Bebo, Oregon Restaurant and Lodging Association Darren Buckner, Workfrom.co

JoAnn Herrigel, Elders in Action

Kayse Jama, Center for Intercultural Organizing

Jeff Lang, Gales Creek Insurance Services

Richard Lazar, Technology Association of Oregon

Dan Lenzen, Venture Hospitality and Real Estate

Sue Stahl, Commission on Disability

Business Journal

Uber reverses course, shuts down in Portland

*By Andy Giegerich
December 18, 2014*

Uber is putting a halt to its Portland operations, at least for the time being.

The ride-sharing company, which offers transportation services for a fee agreed to stop picking up riders for the next three months. Willamette Week was the first to report the news.

A news release from Portland Mayor Charlie Hales' office said the city is "developing a new regulatory framework that includes innovative transportation network companies." The City Council will collect task force recommendations to do so by April 9.

The recommendations will cover taxis, transportation network companies, limousines, pedicabs and shuttle services. Mike Greenfield, former director of the Department of Administrative Services for the State of Oregon, will chair the committee.

An Uber spokeswoman called the developments "good news" in an email in which she shared the company's blog post on the matters.

Here's Uber's statement:

"More than 11,000 Portlanders have signed our petition, showing support for a safer way to get around their city. In the few weeks Uber has been operating in Portland, over 10,000 rides have been delivered and well over 500 of your neighbors have signed up to drive. It's because of this astounding support that local officials have come to the table to have a meaningful conversation on the future of ridesharing in Portland.

"Today, we are proud to announce that we have a commitment from Portland officials to create a regulatory framework for Uber within the next three months. If regulations are not available by April 9, the City will allow ridesharing companies to operate while they continue to pursue a long-term solution.

"While we continue to have these discussions, Uber will be pausing pick-ups within Portland city limits beginning the evening of December 21st so we can focus a concerted effort to giving Portlanders what they deserve — a safe, reliable option when it comes to transportation.

"But while our operations are paused, our team will still be around to answer your questions and be ready to hit the ground running by early April, along with our hundreds of awesome driver partners."

In the interim, Uber will continue to offer its service in the suburbs around Portland.

GoLocalPDX

NEW: Uber to Halt Operations in Portland for 3 Months While City Hammers Out New Rules

*By GoLocalPDX News Team
December 18, 2014*

Controversial rideshare company Uber will stop operation in Portland for three months while an agreement is hammered out by the city.

Brooke Steger announced Wednesday, via Uber's website, that the company will stop picking up passengers starting Sunday. The city will then put together a task force to reform taxi driver laws.

"Uber will be pausing pick-ups within Portland city limits beginning the evening of December 21st so we can focus a concerted effort to giving Portlanders what they deserve — a safe, reliable option when it comes to transportation," Steger stated.

Portland Mayor Charlie Hales's office said Wednesday that a committee will be set up to review regulations affecting taxis and rideshare operations like Uber.

The task force will present recommendations for changes on April 9, 2015, according to Dana Haynes, spokesman for the mayor.

"The process initially will focus on taxi cabs and transportation network companies, with discussion and recommendations on the following areas: whether to continue to limit the total number of permits granted, whether to have a regulated pricing system, mandated criteria (including insurance, inspections and background checks), and accessibility," Haynes said. "In addition, the task force will explore how regulatory changes could improve driver earnings and working conditions."

Uber, operates in over 100 cities around the world, often illegally. The "ridesharing" mobile phone matches people who need rides with others who are willing to use their own private vehicle to take them. Payment is also handled through the app.

The company has been circling Portland, the largest U.S. city without a ridesharing service, for a year. On Dec. 5 the company announced that its drivers would start to operate in Portland, even though regulations prohibited them from doing so.

The company has waged a mini-PR campaign, circulating a petition demanding that the city allow the company to operate within Portland, and posting a video of Uber drivers testifying to how much they liked the extra money and other perks for working with the company.

Meanwhile, the City of Portland has levied over \$67,000 in fines against the company and asked the courts to serve them an injunction to stop operations.

Uber has faced backlash by governments around the world. The state of Nevada kicked the company out of the state and the city of New Delhi India, clamped down on the company after a passenger was raped.