

## The Oregonian

### Portland street fund: Consultant on street fee contract is former city employee

*By Andrew Theen  
January 14, 2015*

When Portland transportation officials sought help developing a street fee proposal last January, they turned to a familiar face: Gary Corbin.

Corbin, a consultant with Oregon City-based Innovative Growth Solutions, worked for the city of Portland for a dozen years before leaving in 2005.

As the street funding saga hits its next chapter, a proposed advisory vote in May that may include as many as six funding proposals for voters to choose from, Corbin and Innovative Growth Solutions (IGS) are poised to cash another check.

The City Council will decide Wednesday whether to authorize another \$35,000 for IGS for its role in shaping the street fee. The contract amendment comes in the wake of another nearly \$100,000 awarded to the consulting firm for street fee financial services during the past year.

The street funding debate is a bit like Groundhog Day for the 55-year-old Corbin.

Since 2001, he said he's been involved in every attempt to create a new revenue stream for road maintenance or safety projects — each one unsuccessful.

Corbin, who is also a playwright and said he holds a Ph.D. in political science and minor in economics from Indiana University, said each attempt to pass a street fee seems to hit another political roadblock. "It's a tough political issue, and it's only getting more difficult," Corbin said Tuesday. "The state of the roads is getting worse, and every time we get at it, it seems like the financial need is greater."

According to multiple contracts, Corbin crunched numbers, analyzed potential revenue streams and developed databases for the transportation bureau.

Eric Fruits, an economist and outspoken critic of the street fee, said he's not certain Corbin's prior experience is a benefit for the city. "I could've done it and done a better job," he said of the economic analysis. "I think Robert McCullough could have done it and done a better job. My old colleagues at EcoNorthwest could've done it and done a better job," he added, "and all for less money."

Dylan Rivera, Portland Bureau of Transportation spokesman, said IGS and Corbin fill an important niche. "He knows this data, he knows its limits and he been able to help us figure out at an aggregate level how much money different alternatives raise."

In 2001, Corbin contributed technical work on then transportation commissioner Charlie Hales' short-lived attempt at creating a street fee. In 2003, while still with the city, he said then Commissioner Jim Francesconi briefly took up the issue and asked for analysis.

In 2007, two year after he'd left the city, Mayor Sam Adams hired Corbin's firm to work on a street fee funding plan.

During each iteration of the plan, the cost to residents increased, according to Corbin.

#### Year of work

Last January, as Mayor Charlie Hales and Commissioner Steve Novick prepared to hold months of town hall meetings and events to ask residents how to best raise millions for street maintenance and safety projects, IGS was already working with the city.

In late January, PBOT signed a \$49,875 contract with Corbin's firm to "perform analytical tasks related to improving its revenue base." Corbin's hourly rate was set at \$175.

Hales and Novick wouldn't release the first incarnation of the street fee proposal until late May, but according to the January contract, PBOT already had a number of options "including a street maintenance and safety fee" in mind.

"From our past experience with similar projects, IGS staff possess unique qualifications to assist PBOT in constructing, modeling and analyzing a street fee," the contract reads.

The original contract had a strict timeline, too, including an end date of June 7.

Why June 7? The City Council was expected to vote on the street fee proposal that same week, but Novick and Hales pulled the proposal on the eve of a public vote in the face of criticism.

### **Back to the table**

As Novick and Hales created a series of work groups to analyze how to improve the \$53 million plan, Corbin's role wasn't finished.

In August, IGS signed a new \$50,000 contract to offer revenue and expenditure analysis, help develop revenue mechanisms and model potential alternative options.

Corbin billed the same \$175 per hour fee, and is listed as the lead analyst, receiving \$42,500 of the contract, with IGS principal Shirlene Warnock also listed on the contract. Rivera said Corbin served as the primary contact.

During the summer of street fee work group meetings, where business and nonprofit leaders worked to tweak the controversial proposal, Corbin was there alongside PBOT staff.

He collaborated with PBOT's financial team on the revenue options, but Corbin said he primarily handled the non-residential portion of the plan.

In the intervening months, the plan evolved to include a progressive income tax on residents, then once again changed in late December to a proposed \$44 million option that included a flat fee on residents charged according to their estimated gasoline consumption based on income. The business fee also changed during that period.

McCullough, the head of Southeast Uplift neighborhood coalition and an energy analyst, criticized the city's business fee as being riddled with errors. McCullough published a report and spreadsheet that he handed out at the City Council public hearing last week. Corbin said McCullough's critique is "his opinion," and said the neighborhood leader doesn't understand how the calculation actually works.

He said while there are some inaccuracies in the business license data which the fee structure is based, those errors won't affect the actual revenue projections. "In spite of what he said, there's not thousands and thousands of errors," Corbin said. He plans to spend some time cleaning up data in the coming months, and didn't feel like it was worth the city's time to clean up data that "would possibly never be used."

### **Most recent amendment**

The \$35,000 amendment waiting for City Council approval applies to the additional work headed Corbin, and PBOT's way. The contract runs through June. Hales plans to send options to voters in May for an advisory vote.

According to council documents, the additional \$35,000 may not be the final change. "Additional scope changes or time extension could require future amendments," documents show.

Corbin, who lives in Washington but still owns property in Oregon, said he's looking forward to what he hopes is a successfully implemented street funding plan.

Roads are getting worse, he's noticed, as have the political controversies of creating a new fee.

"You could only imagine how bad it could get," he said of the controversy, "Or how bad the roads could get. I sure hope that people could come together on both sides."

City of Portland to foot \$260,000 'green' project at Laurelhurst School to keep runoff out of sewers

By Brad Schmidt

January 14, 2015

Can an unconventional city stormwater project benefit homeowners, ratepayers and school children?

Portland's Bureau of Environmental Services says it can.

On Wednesday, the City Council is expected to approve \$260,000 in ratepayer money for so-called "green" stormwater improvements at Laurelhurst School, in the well-to-do Northeast Portland neighborhood of the same name.

The project is supposed to help homeowners who are theoretically at risk of nasty sewer backups from a once-a-generation rainstorm. Ratepayers would benefit, officials say, because the school project is cheaper than increasing the capacity of existing combined sewer/stormwater pipes.

And students? They'll get a new "nature play area" atop existing asphalt.

Henry Stevens, who is managing the project, emphasized that the improvements will benefit the stormwater system first and foremost.

"The play area makes sense in that it helps reduce the amount of stormwater that's running into our system," he said. "It's helping with the problem."

Portland's green investments have previously been challenged in a 2011 lawsuit alleging improper utility spending. But a Multnomah County judge last year determined that the City Council can spend sewer and stormwater money on projects "reasonably related" to providing those services.

The Laurelhurst project is Portland's third notable investment at a Portland Public Schools' site. In 2003, the Bureau of Environmental Services spent about \$98,000 on a rain garden at Glencoe Elementary School in Southeast Portland. In 2007, work wrapped up on a \$523,000 project at Mt. Tabor Middle School featuring a rain garden, swale, planters and a drywell.

And now, at the K-8th grade Laurelhurst School, the Bureau of Environmental Services will convert about 2,000 square feet of asphalt to an "attractive landscape." Workers will also change the slope of about 9,000 square feet of asphalt to direct stormwater into landscaped areas.

At the same time, crews will plant 14 trees, install seven benches, disconnect gutter downspouts and build a 900-square-foot nature play area with engineered wood chips.

Stevens said city modeling targeted the neighborhood as an area of concern but underground pipes weren't in need of wholesale replacement. Officials looked to the school to devise ways to help keep stormwater out of the system.

"In some places," he said, "the stars align."

The project will keep about 700,000 gallons of runoff out of the combined sewer/stormwater system each year, Stevens said. But the city can't say what the reduction represents, in terms of the share of gallons entering the system from the Laurelhurst area, without running a computer model.

Had officials decided to increase pipe capacity to alleviate sewage risks, Stevens said, Portland would have dug up 11 segments of pipe – the smallest being 8 inches in diameter – and replaced it with new pipe at least 12 inches in diameter.

"These projects are highly targeted depending on where the sewer system needs the relief," said Stevens, who added that longtime Laurelhurst residents remember past problems but he's not aware of any sewer backups in the recent past.

If approved, the project should be completed in time for the 2015-16 school year.

While the Bureau of Environmental Services will pay for project and cover maintenance costs for the first two years, Portland Public Schools will own it and take over costs after that.

Christine Miles, a spokeswoman for the school district, said that while she didn't have specific details about the Laurelhurst project, such efforts represent a useful government partnership on property open to the public.

"It helps the whole community," she said.

Sean Green, the relatively new president of the Laurelhurst neighborhood association, said he wasn't aware of the project or city concerns that a 25-year-storm could flood the pipe system, pushing raw sewage into basements.

But he said residents have been frustrated when leaves block storm drains and create rain channels in the street. Anything that can help – and provide an outdoor play area for kids, to boot – is welcomed.

"It seems like a pretty straightforward project," he said.

Commissioner Nick Fish, who oversees the Bureau of Environmental Services, is supportive. The project, aide Jim Blackwood said, offers "a triple header of benefits that are ultimately cost-effective."

## **Portland's unreasonable demand for Airbnb information: Guest opinion**

*By Guest Columnist Michael Beckerman  
January 13, 2015*

Imagine driving on Interstate 5, in the midst of your morning commute, with your iPhone nestled in the middle console of your car next to your coffee. Perhaps you're accelerating a couple miles per hour over the posted speed limit — but only in an attempt to keep pace with the ebb and flow of traffic. Now, what if upon recognizing that your vehicle is traveling over the speed limit, your cellphone provider sent a notice to the local police department, and you subsequently received a ticket in the mail?

Luckily, this is not a reality for us. But it could be — had we not decided that there are better ways to protect public safety with much less intrusion on individual privacy than by utilizing our personal devices and Internet applications as a de facto "Big Brother."

To most, it's just common sense. We don't ask technology companies to regulate our everyday activities simply because we use their products. It's beyond their scope and violates the sense of trust we adopt as users of these platforms.

The same balance between user privacy and the government's regulatory interest must also be applied to other innovative Internet-based sharing-economy companies. In Portland, however, this common-sense approach has not held true, as evidenced by the City Council's most recent attempt to collect the data of home-sharing users.

While Portland's government could never have predicted that an online home-sharing platform would become a viable operation, in demanding access to this data, City Council is setting a precedent that violates the tenets of an online user's expectation of privacy and breaches constitutional rights. It is ill-advised to create a regulatory system that could ultimately squander new and innovative services like home-sharing that has long been a hallmark of cities along the West Coast, including Portland. There are much more effective ways to protect public safety while minimizing individual intrusions of privacy.

The private and public sector must work together to determine why the existing laws have not been adopted by renters thus far. Is it simply because property owners don't want to comply? Perhaps it's that the nature of compliance is just too overbearing. Our existing agencies should look to eliminate these barriers, while still balancing the privacy protections of the consumer.

It is essential that Portlanders find a solution that satisfies all parties involved, including sharing-economy platforms, hosts, guests and the city. Home sharing has become an economic engine that allows people to remain in their homes. Using Airbnb as an example, 82 percent of their hosts in major markets share only the home in which they live, and nearly half of them use the money they earn as a means to stay in their homes.

With over 26 million people who have now spent a night by using home-sharing services like Airbnb, the sharing economy is here to stay. While we strongly support smart regulations, we need a legal system that keeps pace with the continuous evolution of technology — not one that stifles the American spirit of innovation.

*Michael Beckerman is president and CEO of the Internet Association, which bills itself as "the unified voice of leading Internet companies."*

## The Portland Tribune

### Saltzman signs up for advisory street fee hearing

*By Jim Redden*  
*January 14, 2015*

The politics of the proposed street fee just got a little more interesting.

Three members of the City Council asked the city auditors' office to schedule the next hearing on the fee for Tuesday, Jan. 20 — and the third one wasn't Commissioner Amanda Fritz.

Instead, although Fritz has long been considered the potential third vote to approve the fee without referring it to the voters, Commissioner Dan Saltzman joined Mayor Charlie Hales and Commission Steve Novick in requesting the hearing.

City rules require three council members to make the request because Tuesday is not a normal meeting day for the council.

The Jan. 13 request came from Hales but includes signatures of the three members. It says the purpose of the hearing is to introduce resolutions referring non-binding questions on the Portland Street Fund to the May 19 special election ballot.

The possibility of one or more advisory measures was discussed at the last street fee hearing, which was held on Jan. 8. Options included a gas tax, a property tax levy, an income tax, a payroll tax, a vehicle registration fee, and some combination of them. Several witnesses said they wanted “none of the above” to be added, but Hales and Novick — the street fee sponsors — deferred.

Hales and Novick have proposed raising between \$46 million and \$53 million for maintenance and safety projects, after expenses. They want the advisory measure or measure to guide the council on the form of the residential portion. Hales had previously said the results would be binding on the council, but the Jan. 13 letter to the auditor says otherwise.

The hearing is requested from 4 to 6 p.m. in the Council Chambers at City Hall, 1221 S.W. Fourth Ave.

### Street fee plan hits another pot hole

*By Jim Redden*  
*January 13, 2015*

It could be months before the City Council takes a final vote on the proposed street fee, and the question of whether it will be referred to the ballot is still up in the air.

The confusion was clear during what had been billed as the final public hearing on the proposal by Mayor Charlie Hales and Commissioner Steve Novick last Thursday. Although Hales previously had declared the council will put an advisory measure on the May 19 special election ballot, that decision was put off until Jan. 20, at the earliest. And Novick agreed to figure out whether the math behind the nonresidential portion is as flawed as critics claim.

All of which means that after eight months of increasingly contentious debate and endless revisions, the fee proposal is still not ready for prime time, and may never be. No other council member agreed to support an advisory ballot measure that will determine the final version of the residential portion, as Hales wants. And it is unclear whether the council can even vote on the measure next week. No measure can be referred to the ballot without a title written by the City Attorney's Office and approved by the council.

Beyond that, Multnomah County elections officials say they need to consult with the Oregon Secretary of State's Office about what form an advisory measure can take. According to county elections director Tim Scott, no one in his office has any experience with them.

Even if the council ultimately approves a proposal based on the advisory vote, it could be referred to the ballot, delaying the final decision yet again. The grassroots No Portland Street Fee group already has promised to refer whatever the council approves to the ballot. If it is a progressive income tax, the group is likely to be supported by business organizations.

## **Reversal of fortunes**

For Hales and Novick, Thursday's hearing represented an almost complete reversal in their approach to determining the fee. When they first unveiled it in May, both men thought Commissioner Amanda Fritz had agreed to support it, meaning they could pass it even if commissioners Nick Fish and Dan Saltzman did not go along. Because of that, Hales and Novick struck an arrogant tone at the news conference, saying voters could throw them out of office in 2016 if they didn't like the plan.

But last Thursday, Hales and Novick repeatedly urged the crowd that packed the council chambers to tell them what options they would like the advisory ballot measure to include. Ideas included a gas tax, a property tax levy, an income tax, a payroll tax, a vehicle registration fee, and some combination of them. Several witnesses said they wanted "none of the above" to be included. Some questioned the need for an advisory measure, however, with frequent critic Joe Walsh referring to it as "toilet paper."

Hales and Novick deferred when Southeast Uplift President Robert McCullough presented his critique of the calculations behind the nonresidential portion. The economic consultant said internal Portland Bureau of Transportation spreadsheets had so many errors that some small businesses would be charged too much while major transportation companies that damage the streets would pay almost nothing. Instead of questioning McCullough, Novick agreed to refer the nonresidential portion back to his office for further study. Hales promised the council will not enact it before approving the residential portion.

The original proposal would have raised around \$50 million a year for maintenance and safety projects. It included a monthly fee on households and a fee on nonresidential properties based on the motor vehicle trips they are estimated to generate.

The most recent proposal included a gasoline-user fee based on income and a sliding scale for businesses, governments and nonprofits based on such factors as gross revenue and number of employees. It was estimated to raise \$46 million a year. It is on hold as Hales and Novick see if they can get a third vote for an advisory ballot measure and whether McCullough is right about the nonresidential calculations, however.

## **Measure costly, potentially meaningless**

Even if the council agrees to place an advisory measure on the May 19 ballot, it could be expensive and not provide any reliable information about what option most Portlanders actually prefer. Hales admits the election could cost the city between \$100,000 and \$300,000. But relatively few Portland voters ever participate in such elections.

State election law already has set May 19 as a "special election," mostly for special district board members, but also for measures that any government wants to put on the ballot. For elections held in Multnomah County, it usually costs around \$400,000. The biggest factor is how many voters return their vote-by-mail ballots. The higher the return rate, the more temporary workers the county has to hire.

The final cost is split proportionally among those governments with candidates and measures on the ballot. Larger governments pay more, and costs also increase with the number of candidates and measures each government places on the ballot. Although the positions up for election are set, no other government in the county has indicated it plans to place a measure on the ballot yet.

It is hard to predict how many Portlanders would even vote on the street fee measure. May elections in odd-numbered years do not generate as many votes as those held in even-numbered years, when national, state, regional, county and city candidates are on the May primary election ballot.

A good example is the May 2009 special election where LaVonne Griffin-Valade ran unopposed to replace City Auditor Gary Blackmer, who had resigned. County records show only about 14 percent of voters returned their ballots.

However, participation was much higher in the May 2013 special election because of a controversial measure on the ballot — fluoridating Portland's water supply. About 40 percent voted that time.

Although the street fee also is controversial, the proposed ballot measure would only be advisory. In contrast, in 2013, Portland voters actually repealed the fluoridation plan approved by the council. If participation is closer to 2009 levels, even the most popular option might be supported by less than 10 percent of all registered city voters — hardly a mandate for the council to pursue it.

## The Portland Mercury

### Let's Pencil Something In

#### Hales, Novick Hope to Jam a Street Fee Advisory Vote onto the May Ballot

*By Denis C. Theriault*

*January 14, 2015*

THE WAY OUT of the political dead-end facing Mayor Charlie Hales and Commissioner Steve Novick had been sitting in the back pocket of a Hales staffer for months.

Their hope was that it would never see the light of day.

But by Wednesday, January 7—after it became painfully clear their proposal to raise millions in new transportation revenue wouldn't get the three votes it needed to pass Portland City Council—Hales found himself laying it on the table.

Instead of muscling through a set of residential and business fees meant to raise more than \$40 million a year, Hales would hit the pause button ahead of a planned vote January 14. The business fee would be debugged. And the residential piece—which had lived alternately as a flat fee and an income tax before re-emerging last month as an income-graded gas fee—would be scrapped altogether.

In the meantime, Hales wants the council to ask voters what they'd prefer instead. His vision? A package of unprecedented advisory resolutions—each one spotlighting one revenue mechanism—would be rushed onto the ballot this May. And if Hales and Novick have their way, their colleagues will join them later this year in enacting whichever resolution wins the most votes.

"We've been having this discussion in the City of Portland for 14 years," Hales said during a January 8 hearing where his plan was first publicly aired. "We've not been totally unaware of this problem. We have been unwilling to face it squarely."

But as gambits go, Hales' maneuver has only been a partial success.

Pulling back in favor of a non-binding vote seemed, at first, like an elegant way to live and fight another day. But a triumph in that fight is no more assured now than before Hales announced his backup plan.

Almost immediately, two commissioners, Nick Fish and Amanda Fritz, declared they wouldn't be bound by whichever mechanism comes out on top. That means Hales and Novick will still need to build a coalition behind their leading choice. Fritz says she also wants whatever option prevails to go back before voters all by its lonesome.

"I'm not convinced that an advisory referendum is helpful," Fritz told the Mercury last week, repeating her preference for a progressive income tax (shared by Novick, personally). "I'm not going to support a regressive option."

And then there's the calendar.

To meet Multnomah County's deadline for assembling the May ballot, the city would need to present final ballot titles by March 19. To hit that mark, says the city's elections officer, Deborah Scroggin, the council would likely need to approve its preferred ballot language by January 22.

All that preliminary language, given the controversy over the issue, will inevitably wind up challenged in court. Scroggin has guessed it could take up to two months for those complaints to be hashed out by a Multnomah County judge, who might decide to leave the city's language unchanged or tweak it dramatically. Hales says the election could cost as much as \$300,000.

To hold a vote by January 22, Hales and Novick will need to have their wish list whittled down as soon as this Thursday, January 15. That's the deadline to place items on the following week's city council agenda, which would be posted publicly Friday, January 16.

If the council voted just one week later, on January 29?

"That would make it difficult to get through the challenge process with enough time," Scroggin says.

As of press time, Novick told the Mercury he and Hales were still planning a special January 20 council hearing to discuss the shape of the ballot. Novick said four options remain on the table: a property tax, some kind of residential fee, a gas tax, and an income tax. There's also talk that a blend of options could make the ballot.

But several wrinkles loom, he warns.

He and Hales are asking business groups like the Portland Business Alliance (PBA) if they'd balk at a gas or property tax—on grounds that either tax might be seen as "double-taxation" in light of the already-proposed business fee. If that's the case, Novick says, he and Hales might consider scrapping the business fee, too, and asking voters if they'd support raising the \$40-plus million in new revenue solely through a property or gas tax hike.

Novick also says the PBA has suggested a residential fee that exempts anyone collecting food stamps. But that, he says, would also exempt people collecting government pensions. That pass for pensioners has been a flashpoint for critics like the Oregonian's editorial board.

There's a chance, Novick allows, that May might be too soon.

"Time's a-wasting," he says. "We're targeting getting it done in May, which is the reason we want people to know which issues we're working through, to give them a chance to weigh in on which ones should be on the ballot."

Hales' office didn't return a message seeking comment.

Novick, meanwhile, says he'll wait until the city's budget process kicks off next month to ask his colleagues to invest a larger percentage of the city's operating budget in transportation, money that would come at the expense of other council priorities like homelessness, police, restoring firefighters, or the arts.

"Whatever option comes out of the vote process," says Novick, "some people's willingness to accept it will depend in part on what we're doing to put more 'skin in the game.'"

## Hall Monitor

### The Power of Protesting

*By Denis C. Theriault*  
*January 14, 2015*

YOU CAN SAY a lot of things about Daryl Turner, president of the Portland Police Association.

He doesn't much trust the media. He's more than willing to lob rhetorical bombs at city hall—like when he accused former Mayor Sam Adams and former Police Chief Mike Reese of conspiring to fire the cop who shot and killed Aaron Campbell in 2010—if he thinks it's worth the collateral damage.

And, sure, he'll also back down from certain discipline fights. He got "credit" from Mayor Charlie Hales, it turns out, for not challenging the firing of the cop who nearly killed William Kyle Monroe in 2011 after mistakenly loading live rounds into a beanbag shotgun.

But Turner's also aired his beefs with civilian oversight and what's become a sustained clamor for changing how cops here and everywhere treat minority communities.

After a hearing last year on the city's police reform deal with the US Department of Justice, Turner asked why he and other cops "expose ourselves to the scrutiny of those who have never walked in our shoes?"

And then, after a disturbed man murdered two New York cops in their patrol car last month, the Tribune broke the news that Turner had blamed media, politicians, and protesters for creating a "culture of hatred" toward cops and for fueling the killer's anger "with unfounded accusations characterizing all police as brutal thugs."

But here's something you can't say about Turner: that he hid from all the outrage when protesters almost immediately called him out over those remarks.

(Although maybe it's because the protesters gave him no choice.)

The night his statement went public, Turner got a call from Teresa Raiford, one of the leading voices behind Don't Shoot Portland. It was 1 am. Turner was in bed. He picked up and they talked. The next day, when protesters descended on the PPA's headquarters, he invited them in for a long talk around the office's conference table.

And then, on Saturday, January 10, Turner was on a panel with Raiford and Mayor Charlie Hales, opening the first of Don't Shoot Portland's six monthly forums with the mayor.

"The police union is not the enemy," Turner said gamely when giving his opening remarks. "We need to be part of the conversation that educates the community."

Turner admitted that even he "struggles," as an African American man, with the feeling he's sometimes being profiled in stores like Fred Meyer. He said he hoped people felt okay calling him with concerns, suggesting he could be a mediator anytime someone had issues with one cop or another.

But he defended his officers by arguing not that they need to change what they do—like when they stop and search people who often feel targeted because of their skin color—just that they need to do a better job explaining why.

He also told the crowd that if they learned more about cops' training, "maybe you'll get a better understanding" of why cops react the way they do.

It wasn't what everyone wanted to hear. But I guess it was a start.

## **Nick Fish Balks at Allowing Short-Term Rentals in Apartments and Condos; the Expansion Still Passes**

*By Denis C. Theriault  
January 14, 2015*

After months of haggling—and after weeks of handwringing over lax enforcement and apparently profligate law breaking—the Portland City Council this morning has finally agreed to allow short-term rentals in thousands of the city's apartments and condominiums.

The decision means tenants in multifamily buildings across the city can legally seek permits and list their homes on sites like Airbnb, just like occupants of single-family homes. But the council's vote, despite behind-the-scenes work by Mayor Charlie Hales' office to build consensus, wasn't quite the unanimous endorsement everyone expected.

Commissioner Nick Fish stood out from the rest of his colleagues with a strongly phrased "no" vote, taking issue with promises and threats by hosts and providers to balk at tax and code enforcement provisions the council was set to consider in a separate ordinance.

"I cannot in good conscience vote to expand the authority [to do short-term rentals in multifamily units] at this time," Fish said, "until the the industry says that it understands that safe dwelling units are a collective responsibility."

The new enforcement ordinance, which will return for a final vote next week after a technical change this morning, would compel listing sites and booking agents to verify whether the "hosts" who list their units have permits. The ordinance also would require sites and agents to turn over hosts' contact information and addresses—making spot code enforcement easier but also helping the city to collect lodging taxes. The city has a similar tax deal in place with Airbnb; Airbnb has hemmed and hawed about verifying whether hosts who list their homes have permits.

Hosts also must pay a modest \$100 fee, be the unit's primary occupant, receive approval from their landlord or property manager and tell their neighbors and neighborhood associations about their plans. Beyond those rules, only up to 25 percent of a building (with at least three units) can be offered up for short-term rentals. That cap had initially been set at 10 percent amid pushing by Fish and housing advocates worried that short-term rentals will choke off an already-fragile supply of affordable units.

Overall, only a fraction of Portlanders offering their homes up for rent have applied for permits. Yesterday, a lobbyist for a firm representing "Internet" companies including Amazon, Airbnb, Uber, Lyft, and Facebook wrote in the Oregonian about how the proposed rules smack of "Big Brother"-style government overreach. Then, this morning, the Washington, DC-based Short Term Rental Advocacy Center, wrote a letter calling the multifamily regulations "dangerous" saying the rules weren't "sound public policy" and argues the city's protections are "too onerous."

Fish called those complaints "ridiculous" and said the rules are designed to ensure tax fairness but also that units are safe and meet basic standards. He said 93 percent of short-term rentals offered in Portland right now are technically being listed illegally.

"Let's be very clear," he said. "we're being told it's a violation of privacy rights, federal law, and constitutional protections to mandate that a platform, the company that makes money by advertising those units, verify that someone has a permit and is operating legally."

By saying yes, "we are essentially sanctioning behavior which we know puts guests in harm's way."

His colleagues—Mayor Charlie Hales and Commissioners Steve Novick, Amanda Fritz, and Dan Saltzman—were far less pointed in their remarks when it came to the industry's threats.

Novick, at least, acknowledged the caution advocates have sounded over housing. He wants the city to study how the embrace of short-term rentals might affect housing prices and availability, here and in other cities. If that affect is negative?

"If so, my recommendation would be that we re-outlaw this practice," Novick said. "That would mean we'd have to come up with enforcement resources that so far have been lacking."

## Can a New Name "Motivate" Bike Share in Portland? (Probably Not)

By Dirk VanderHart  
January 14, 2015

Last year, Portland said goodbye to the popular, troubled Alta Bicycle Share, after the company was sold to a New York City outfit. Now, Alta's gone altogether—at least nominally. The company's new owners are swapping out the old name, which may have associations with the software bugs and accusations of poor management that have troubled some markets Alta operated in.

So now Alta has a less-obscure, less-Portland (Alta Bicycle Share was affiliated with the still-local company Alta Planning and Design) and cheesier moniker: Motivate. That decision came out in news reports last night, and was confirmed in a news release early this morning.

"Alta Bicycle Share is now Motivate, the global bike share leader bringing unparalleled experience in building and operating large, complex bike share systems," the release says.

Portland may have lost the company, but we're still counting on Motivate to forge a path for bike share in the Rose City. The city inked a contract with Alta Bicycle Share two years ago, but the company has been unable to secure the sponsorship money to purchase and operate bike share here. That's very much a local problem. Alta faced essentially the same scenario in Seattle, before city officials found millions in sponsorship money with a simple phone call. Now Seattleites have the Pronto bike share system.

If similar phone calls are being made in Portland, they haven't led to the same progress. (And lately, transportation officials are giving all their attentions to finding millions for Portland's roads.) Early rumors that health care giant Kaiser Permanente would sponsor "Kaiser Bikes" here don't look promising.

Portland officials, after repeatedly pushing back the launch of a bike share system, have said they'd like to get something running this year. You can check out the entire release from Motivate after the jump. It makes mention of a lot of cities its working in. Not Portland, though.

*NEW YORK - Alta Bicycle Share is now Motivate, the global bike share leader bringing unparalleled experience in building and operating large, complex bike share systems. Motivate oversees all of the largest bike share systems in the United States, including Citi Bike in New York, Divvy in Chicago, Capital Bike Share in Washington D.C, Hubway in Boston, and Bay Area Bike Share in the San Francisco Bay Area. The name change is effective immediately.*

*The renaming comes on the heels of the company's recent acquisition by a team of investors including the CEOs of Equinox®, a fitness and high performance lifestyle leader; Related Companies, one of the nation's most prominent real estate firms; and other private investors.*

*The new ownership group has brought the financial backing and leadership to help the company meet the enormous demand for bike share in the U.S. and beyond. Motivate is led by a team of seasoned urban visionaries and technology innovators, with deep experience using technology to make cities more convenient and accessible. Led by CEO Jay Walder, one of the world's leading transportation executives, the team brings bold ideas for bike share with the innovative*

technology, financial and sponsorship solutions to make them a reality. Motivate has a workforce of more than 600 dedicated employees who help to plan, launch, operate, market and provide customer service for its systems.

*“Bike share has become an integral part of the 21st century city, and Motivate is the only company with the proven experience and expertise to effectively deliver and operate multiple large bike share systems,” said Jay Walder, Chief Executive Officer of Motivate. “As cities change and grow more rapidly than ever, only bike share is flexible and personalized to keep pace. Now, with the backing of new ownership, Motivate is positioned to deliver even better service to cities and bring bike share to scale.”*

*In the time since the first major US bike share system was launched four and a half years ago, Motivate has grown forty-fold. In every city Motivate operates, expansion is being pursued or considered by popular demand. And the establishment of regional systems – in places such as Boston, Washington, D.C., the Bay Area, Chicago and now New York – illustrates how growth won’t be contained by political or even geographic borders.*

*Motivate is a 21st century urban transportation experience, using the latest technology to create a service that is flexible and personalized to the way people live today. Motivate gets you from where you are to where you want to be, unrestricted by schedules or fixed routes or an outdated idea of how your city should move. Motivate is different each day and for every person, connecting the threads of the city, a new journey beginning as another ends.*

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#### **About Motivate**

Motivate is a global leader in bike share. A full-service bike share operator and technology innovator, Motivate works to re-envision how people experience and move around cities. Motivate currently manages all of the largest bikeshare systems in the United States and many of the largest systems in the world, including Citi Bike (NYC), Divvy (Chicago), CoGo Bike Share (Columbus, OH), Capital Bike Share (Washington DC, Arlington, VA, Alexandria, VA and Montgomery County, MD), Hubway (Boston, Somerville, Cambridge, and Brookline, MA), Bay Area Bike Share (BABS, San Francisco Bay Area), Bike Chattanooga (TN), Bike Share Toronto and Melbourne Bike Share, Australia. Motivate recently launched Pronto Cycle Share in Seattle, Washington, and was recently selected to launch a new system in Jersey City, New Jersey that will be compatible with Citi Bike.

## **Daily Journal of Commerce**

### **Affordable housing recommendations coming**

*By Inka Bajandas  
January 14, 2015*

An effort is under way to provide the Portland City Council with suggestions on how best to follow through with Mayor Charlie Hales’ pledge to invest \$20 million on affordable housing in North and Northeast Portland.

Portland Housing Bureau staffers are in the final stages of compiling recommendations into a five-year affordable housing strategy for the area; it will be presented to the council on Jan. 28, said Traci Manning, the bureau’s director. The recommendations are based on feedback gathered during four community meetings held this past fall; discussions focused on ways to improve access to affordable housing in those neighborhoods, she said.

City officials also are seeking to address a history of gentrification in North and Northeast Portland.

The five-year affordable housing strategy will include both short-term and long-term goals, but the city would like to start investing in projects soon, Manning said.

“We feel a real sense of urgency to get some money on the ground,” she said.

The bureau has reached out to private developers and nonprofits that own properties in the area to discuss potential affordable housing projects, Manning said. Bureau staffers also sought community input on what kind of affordable housing to build on a city-owned lot known as the Grant Warehouse site, on Northeast Martin Luther King Jr. Boulevard between Northeast Cook and Ivy streets, she said.

The mayor’s pledged investment in affordable housing stems from concerns raised by community members over the lack of transparency in a November 2013 Portland Development Commission deal to sell the 1.79-acre lot at the corner of Martin Luther King Jr. Boulevard and Northeast Alberta Street to California-based Majestic Realty.

The developer planned a commercial development that included Trader Joe’s as an anchor tenant. Following the controversy, Trader Joe’s pulled out of the deal in February 2014. Natural Grocers has since signed a letter of intent to take its place. Colas Construction crews are scheduled to start work on the project next month.

## **The Portland Business Journal**

### **How should we pay to fix Portland's crumbling streets?**

*By Mason Walker*

*January 14, 2015*

When Mayor Charlie Hales and Commissioner Steve Novick suggested a new fee to pay for street repairs, they likely didn't predict the firestorm that would follow.

A lot of ink has been given to the issue of how Portland will take care of its backlog of street maintenance, work that calls for at least \$45 million over three years to complete. (For a primer on the issue, check out the city's latest proposal.) The major argument for raising the cash? If the work isn't done now, it will be much more expensive down the... ahem, road.

The two primary models suggested for paying the difference are fairly simple: a tax tied to income, or a tax tied to usage. With the former, Portlanders who earn more money are on the hook for a higher fee. This model is akin to a city income tax, a mechanism which currently doesn't exist in Portland. The latter is closer to the model of the gas tax: Those that drive more pay more for roads. This model particularly targets physical businesses that draw more visitors, like grocery stores and hotels.

It looks like the decision of how to pay for repairs will likely be kicked to voters in May.

In the meantime, we're curious which model you like better. Take the poll below, then let us know your more nuanced thoughts by leaving a comment after you vote.