

The Oregonian

Portland agrees to spend up to \$11.9 million on Cale-brand meters at heart of old scandal

*By Brad Schmidt
January 21, 2015*

Northwest Portland, get ready to pay for parking.

The Portland City Council on Wednesday unanimously approved a deal to spend up to \$11.9 million buying as many as 1,000 new parking meters – with about 350 immediately targeted for Northwest 21st and 23rd avenues and the surrounding streets.

Commissioners voted 4-0, with Mayor Charlie Hales absent at a United States Conference of Mayors in Washington, D.C., to buy more Cale-brand parking meters.

Portland has been buying Cale meters since 2004. But in 2011, FBI officials raided the city office and home of Portland's parking manager, Ellis K. McCoy, in conjunction with a sweep at the offices of Cale's United States distributor in Florida.

McCoy in 2012 pleaded guilty to accepting bribes or kickbacks from two unnamed meter executives. McCoy is scheduled for sentencing May 27.

Portland planned to keep buying meters under its contract. But after a report in The Oregonian/OregonLive, Commissioner Steve Novick ended the contract and launched a competitive solicitation process.

At the time, city officials maintained that they had been getting a "good deal" by paying \$7,650 per machine.

Cale officials from the Sweden-based company cut ties with its United States distributor – which had the original contract with Portland – and formed a new company, Cale America, with the same employees.

Now, after a competitive solicitation process, the city will get a far better deal for Cale machines: \$4,995 each, according to officials.

"We're spending less for the meters," Novick said Wednesday.

Full details of the city's deal have not been released because negotiations are not final, said Jen Clodius, a city spokeswoman. As is standard, the City Council approved a three-page "price agreement," but the legislation did not include the actual contract. The agreement also includes monthly software costs.

City officials hope to begin installing meters in March.

"It is interesting that you settled on Cale as the favored option," Commissioner Amanda Fritz said. "I trust that you've done your due diligence."

Portland police bureau's new equity manager has close ties to the police force

*By Maxine Bernstein
January 22, 2015*

Portland police have hired local resident Elle L. Weatheroy to serve as the bureau's first equity and diversity manager, responsible for making sure the bureau's recruiting, hiring and promotional practices serve all people fairly.

Weatheroy, 39, has close connections to the bureau.

She's the sister of two respected, veteran Portland officers, Lt. Paul Weatheroy and retired Sgt. George Weatheroy, and is the daughter of the late George Weatheroy Sr., who became one of the bureau's first African American police officers when he was hired in 1951 and the first black Portland police sergeant. Her dad served as a role model to other African Americans who he encouraged to join the city police force.

Assistant Chief Mike Crebs said he's excited to welcome the newest Weatheroy to the Police Bureau, and called the new equity position embraced by new Chief Larry O'Dea a monumental step for the bureau.

"That's going to make us a better police department," Crebs said, addressing members of the city's Community and Police Relations Committee Wednesday night.

Elle Weatheroy has worked for more than three years as a consultant with the Annie E. Casey Foundation, helping to improve child welfare practices in Connecticut and providing analysis of data for child welfare agencies in Colorado, Delaware and Florida. Prior to joining the Casey Foundation, she worked with youth in foster care systems in Oregon, the District of Columbia and Maryland.

She has a background as a social worker who counseled learning disabled and emotionally-disturbed students at a school in Maryland.

A graduate of Benson High School, she went on to obtain a bachelors of science degree in human development and family studies from Oregon State University, and a masters degree in social work from Portland State University in 2002, according to her resume.

Weatheroy also has served on the board of Friends of the Children, which provides long-term mentors to the community's most vulnerable children.

When Mayor Charlie Hales announced in October that he had selected O'Dea to succeed Mike Reese as police chief, O'Dea said then he was interviewing candidates for the equity manager's job. The mayor had set aside \$152,208 for the equity program manager in the Police Bureau, who will report to the police chief.

O'Dea has said the manager will review police training, hiring practices and policies through an "equity lens."

At O'Dea's swearing-in ceremony earlier this month, he said he wanted to increase diversity within the police leadership and within the bureau "so anyone in the community can look inside and see someone that looks like them."

Portland council vote sets stage for showdown with Airbnb, short-term rental brokers

*By Mike Francis
January 21, 2015*

Airbnb, the online broker for in-home, short-term rentals, said it was "disappointed" Portland's city council voted Wednesday to adopt rules requiring it to disclose who its hosts are and requiring them to register with the city.

"Internet companies cannot enforce local zoning and housing laws or disregard their users' privacy," the company said in a prepared statement.

Commissioners Dan Saltzman, Steve Novick and Nick Fish voted to compel booking agents like Airbnb to disclose who rents rooms to short-term guests and where the rooms are located. It also requires the booking agents to insist their hosts obtain permits and display them as part of their online listings.

The ordinance also requires booking agents to collect and forward city taxes from the hosts, something Airbnb is already doing.

Amanda Fritz voted against the new provisions, saying the city was moving too quickly to a "big-stick approach" against companies like Airbnb. Mayor Charlie Hales was absent.

The city took the action, according to the language in the ordinance, because "many hosts have not registered with the Bureau of Development Services and have not received the required code compliance review or paid the required permit fee."

Read the newly adopted ordinance: [Short-term rental ordinance.pdf](#)

Fish said more than 90 percent of the Portland hosts who list rooms on Airbnb have not gotten permits with the city, as required under rules the city adopted for single-family homes last summer. A vote earlier last week extended the city's rules to cover hosts in multifamily buildings.

Fish said the city will "start with an education campaign and then work with the platforms to ask them to enforce the law."

Airbnb has clashed with regulators and its own hosts over licensing and privacy issues. In New York, the state Department of Justice said about three-fourths of the rooms available for rent on Airbnb's service in New York City violate zoning and other laws. And 21 Airbnb hosts sued the company to block it from turning over their personal information to the city.

In Portland, Airbnb said Wednesday it will continue to work the city to raise awareness with hosts about the city's requirements.

San Francisco-based Airbnb opened an outpost in Portland last year for the first time, and employs 220 workers in the city now. The city and the company have described the business decision to open a Portland office as separate from the company's online-brokering practices.

Portland city council votes to force greater compliance of short-term rental regulations

*By Mike Francis
January 21, 2015*

Fireworks didn't go off after all.

The Portland City Council voted with little discussion Wednesday to adopt new rules intended to boost compliance of short-term rental hosts and brokers, such as Airbnb, with newly adopted city regulations for the rentals.

Commissioners Dan Saltzman, Steve Novick and Nick Fish voted in favor of compelling booking agents like Airbnb to disclose who is hosting short-term guests and where the rooms are located. It also requires the booking agents to collect city taxes from the hosts.

Amanda Fritz voted against, saying the city was moving too quickly to a "big-stick approach" against companies like Airbnb.

Mayor Charlie Hales was absent.

Read the new city ordinance: [Short-term rental ordinance.pdf](#)

The city took the action, according to the ordinance because "many hosts have not registered with the Bureau of Development Services and have not received the required code compliance review or paid the required permit fee."

Nobody testified for or against the measure.

This story will be updated.

Portland Street Fund: City critic also chairman of Multnomah County Republicans -- Portland City Hall Roundup

*By Brad Schmidt
January 21, 2015*

One of the most outspoken critics of Portland's street funding effort, Eric Fruits, has been identified as a Republican.

Big deal? Suffice it to say the news made for interesting water cooler talk among some political staffers inside Portland City Hall.

As a reminder:

Portland is a city that famously leans liberal.

In Multnomah County, a scant 14 percent of nearly 450,000 registered voters are Republican; (51 percent are Democrats; 27 percent are unaffiliated).

All five members of the nonpartisan City Council are registered Democrats, a trend in place since at least 1990, when Commissioner Bob Koch, a well-known conservative, lost his re-election bid. (It's not clear if he was actually a registered Republican or just "conservative.")

Republicans, conventional wisdom goes, are known for being less supportive of new taxes than Democrats.

Fruits, as The Oregonian/OregonLive reported last week, is chairman of the Multnomah County Republican Party.

"I don't see why, because you have an 'R' after your name, anything you say should be dismissed or is irrelevant," Fruits said Tuesday.

Fruits was elected to the gig in November, about six months after he began criticizing Portland's ever-changing plan to create new taxes or fees to pay for transportation projects.

Fruits said his involvement in Republican Party politics wasn't a secret. But he also didn't go out of his way to call attention to it when he testified in front of the City Council.

Fruits said he didn't highlight his role because he was speaking as an individual, not for the group. He said he tried to make a similar distinction when he was president of the Laurelhurst neighborhood association.

In recent years, Fruits has become a frequent critic of City Hall. In 2012, he unsuccessfully challenged the wording of Portland's arts tax ballot measure, for instance.

And in 2014, Fruits – an economic consultant and adjunct professor at Portland State University – began opposing Mayor Charlie Hales' and Commissioner Steve Novick's street funding plan.

"The street fee is screwed up," Fruits said, "whether you're a Republican or you're a Democrat."

Novick, echoing comments he made to the Portland Mercury last week, said he doesn't think Fruits was under any obligation to disclose his political party. ("Most people in this town are Democrats. You wouldn't expect people to have to disclose that.")

But Novick also had this to say:

"I do think it's a nice reminder that the loudest voices in a public discussion of an issue aren't necessarily representative voices."

The Portland Tribune

Sources Say: Street fee debate, part 2, is just around the corner

*By Jim Redden
January 22, 2015*

Mayor Charlie Hales and Commissioner Steve Novick will face the same challenges if they want to resume the street fee debate after the 2015 Oregon Legislature: what to propose, and whether to place the street fee on the ballot or risk a petition referral drive.

Hales and Novick put the debate on hold last week to see whether state lawmakers pass a transportation funding package during the session that begins in earnest in February. Although it could provide more transportation funds for the city, it is unlikely the amount will be the nearly \$1 billion needed to erase the maintenance backlog. Legislators could give the City Council more options by eliminating the state ban on local permit and motor vehicle registration fees, however.

Even so, Hales and Novick have a lot of work ahead of them if they want to avoid a ballot fight. For example, the grassroots No Portland Street Fee group had promised to refer the final version of the fee to voters, no matter what it was.

2016 campaigns already underway

Democrats in Oregon's congressional delegation already are gearing up for the 2016 elections.

The 2015 Congress hadn't even convened when Oregon Sen. Ron Wyden sent out an email fundraiser on Dec. 31 saying he and his supporters "need to organize early to set the record straight when right-wing Super PACs come to town." Although Wyden has not officially announced for re-election, the email is a strong indication he plans to run again in 2016.

Not to be outdone, 1st District Rep. Suzanne Bonamici sent out an email on Jan. 14 accusing Republican House leaders of "rolling out an agenda that goes after women's reproductive rights, disabled workers, and immigrant families." Although Bonamici has not announced for re-election, either, it came from Suzanne Bonamici for Congress.

Although Republicans gained seats in the House and took control of the Senate in the 2014 general election, Democratic campaign strategists already are predicting their candidates can reverse the trend in 2016. Taking control of the House is considered a long shot, but the strategists say regaining control of the Senate is a real possibility. Of the 34 senators up for re-election next year, 24 are Republicans and all 10 Democratic seats are in Democratic states. Increased voter turnout in presidential election years also helps Democrats.

Richardson appoints successor

Former Republican state Rep. Dennis Richardson has appointed a successor. No, not to his legislative post. He gave that up when he ran for Oregon governor. Instead, in a Jan. 11 email, Richardson says he has passed on responsibility for his frequent legislative newsletters to state Rep. John Davis, a Republican who represents the Wilsonville area.

Although Richardson is now out of public office, the Southern Oregon resident may not be completely done with public life. His campaign committee still has more than \$23,000 in the bank.

The Portland Mercury

Hall Monitor

The Trouble with History

*By Denis C. Theriault
January 21, 2015*

HISTORY LESSONS have abounded in Portland City Hall over the past months, ever since officials got serious again about raising some of the hundreds of millions of bucks they need to keep our roads from crumbling any further.

Sometimes, the lessons paint a picture of intransigence. Mayor Charlie Hales never fails to point out two past stabs at seeking a kind of street fee, going back 14 years. Before this one, the most recent attempt came apart amid opposition by a player in the current fight, petroleum industry lobbyist Paul Romain.

In other cases, the tales are meant to note how poorly past councils have managed their money—a way to sow doubt and mistrust.

Earlier this month, the Oregonian pointed to a 1988 resolution suggesting the city council take 28 percent of its license revenue from utilities and spend it on paving—a suggestion it's clearly ignored. And then the paper poked at the millions council invested, instead, in "special appropriations"—a budget pot that's paid for things like arts programs but also for needs like mental health and addiction services, and programs for needy kids and seniors.

It's a red-meat premise. It's also not the whole picture.

For one thing, that 1988 resolution was binding only for the Portland Bureau of Transportation. It told staffers to submit a plan every year for how they'd spend the utility money. The council, meanwhile, was told it was free to ignore the policy "in the context of funding needs" for other programs.

But also of note, a look at the policy statement accompanying the resolution turns up another lapse unmentioned—and unlamented—by the Oregonian. Even with the utility cash in hand, the transportation bureau was told to "continue to seek additional funding" for transportation needs. Again, we've seen just three serious attempts at raising that cash since 1988.

And there might be even bigger sins than the spending on appropriations—many of which are arguably good for the city, and in a given year make up just a fraction of the city's budget.

In 2004, street fee skeptic Commissioner Dan Saltzman moved to slash the license fees city utilities pay to use the public right-of-way, prevailing in a 3-2 vote that he defended as a vital gesture on behalf of businesses thinking of fleeing the city because of high water and sewer rates.

Instead of paying out 7.5 percent of their gross revenue, the water and sewer bureaus saw their payments held steady for several years until that cap amounted to 5 percent of their take. Last year, that lost money would have amounted to almost \$10 million.

There was just one tiny problem—one raised by Portlanders including then-private citizen Amanda Fritz. The resulting hit in revenue—sapping money that could have been used for paving—never actually amounted to any real rate relief: just \$5 a year, initially, for most ratepayers.

"We have ongoing needs for affordable housing and parks and fire service. And other things that citizens care about," Fritz testified at the time. "It seems like a short-term gain to say, yes, we are lowering the rates. But you're not going to lower the rates, because they're going up."

Even now, if the sewer bureau suddenly had to pay 7.5 percent, I'm told the resulting rate increase would amount to about two-tenths of a percent. Meanwhile rates really did keep increasing over the years, to pay for projects like the Big Pipe and to make up for maintenance ignored in years past.

Of course, it's more than likely none of that revenue would have gone to paving. Same for the money spent on appropriations, if we could go back in time and decide otherwise. Cops, firefighters, and parks all might have had their hands out first.

Which gets to the real trouble with spending too much time looking back. Parsing the past from the comfort of the present doesn't solve the problem we're facing right now: a very real backlog in paving maintenance.

And it's still growing. No matter who's to blame.

Another Sudden Detour

The Road to a Portland Street Fee Now Runs Through Salem

*By Denis C. Theriault
January 21, 2015*

IT DIDN'T MATTER that the call came in the middle of a Portland City Council meeting. Governor John Kitzhaber and House Speaker Tina Kotek—keen observers of the city's street fee saga—were both on the line. Waiting.

Which gave Mayor Charlie Hales barely enough to time to politely announce a recess, drop his gavel, and then hustle upstairs to his office alongside Commissioner Steve Novick and some top aides.

A day later—after initially refusing to say whom they'd humored with so much haste (Uber? Lobbyist Paul Romain? The Portland Business Alliance?)—Hales and Novick got around to explaining the unusual urgency.

Sufficiently persuaded that their Democratic leaders really meant it when they promised to focus on transportation this legislative session, the two city officials announced they were delaying an advisory vote this May on their much-bedeveled plans to raise up to \$46 million in new transportation revenue.

Instead, Hales and Novick now say they'll wait and see what comes out of Salem before trying again for a vote, as soon as this fall.

"Up until two weeks ago, it wasn't at all clear the Legislature was going to take up transportation funding," Novick told the Mercury last Thursday, January 15. "We didn't know it was going to be a focus of the session."

But now they do. And they've agreed to hold off, lest the somewhat toxic tenor of the conversation in Portland poison the one Kotek and others hope to have in Salem.

"I don't know if they were having heartburn or not," says Dana Haynes, Hales' top spokesperson. "But they were aware we were fighting for a long time on this issue and they wanted, perhaps, the city and the state to move in the same direction at the same time."

Here are some of the places this shared path might lead!

STATEWIDE GAS TAX HIKE: The tax, a portion of which feeds the Portland Bureau of Transportation, last went up in 2011—by six cents. Hales and Novick had long been pushing for increased state funding, listing it on the city's lobbying agenda. The idea was the city would still need more money for transportation, even after passing a street fee. Now, thanks to surprisingly stronger Democratic majorities in the Oregon House and Senate this fall, there's real hope in Salem that 2015's the time to strike again.

LIFTING PRE-EMPTIONS: If a statewide gas tax hike somehow ends up a casualty of partisan negotiations and tradeoffs in a legislative session already eyeing fights over big subjects like education funding, the Legislature might instead be willing to give cities like Portland more avenues toward raising the money on their own.

The leading possibilities include letting Portland levy its own vehicle registration fees, assess some kind of surcharge on road-shredding studded tires, install remote speeding cameras, or require people who live and work here to purchase a parking sticker.

"Some of that stuff's going to have traction," Haynes says. "Some of that won't. How few have traction will tell us what happens next."

"SKIN IN THE GAME": Of course, some things are still in Portland's purview. The upcoming budget season, which opens next month, promises millions in surplus cash—both ongoing and just for the next fiscal year. Novick tells the Mercury he'll look to grab some of that money for road maintenance and safety projects as a gesture of good faith. And sources say other commissioners may follow.

Novick, on the other hand, also won't mind taking a break.

"It might be nice to talk about something other than the street fund for a couple of months."

No Riot Here

Fritz Presses Hales on Protest Policing

*By Denis C. Theriault
January 21, 2015*

MAYOR CHARLIE HALES has suggested he'd be open to setting more limits on when Portland cops can show up at protests in riot gear, echoing campaign rhetoric from 2012 when he joked about painting the cops' armor pink.

But at the same time, Hales says he'll resist calls to play a hands-on role in deciding when police commanders—when they're simply tired of chasing around otherwise peaceful demonstrators—can summarily move to disperse protests or make mass arrests.

The mayor sketched out those stances during an occasionally tense public hearing last Wednesday, January 14, that saw his colleagues on the Portland City Council reluctantly accept a citizen panel's years-in-the-making report on "crowd control" improvements.

Hales was peppered on both points by protest organizers and accountability advocates—but especially so by Commissioner Amanda Fritz, who strongly hinted the police bureau overstepped its bounds the night of November 29 when dozens of protesters, upset over a non-indictment in the police killing of Missouri teenager Michael Brown, were threatened with mass arrest during a somber "die-in" on a deserted road outside Central Precinct ["Sometimes, the Cure Is Worse," News, Dec 3, 2014].

Fritz invoked the council's handling of Occupy Portland protests in 2011—which saw commissioners more heavily involved in decisions by incident commanders—and wondered whether Hales, as police commissioner, was similarly engaged.

"My job is to give general direction but not moment-to-moment management," Hales answered.

"If an incident commander decides he or she wants to disperse a protest for whatever reason," Fritz said, when protesters "may not be causing a problem, they're maybe sitting in a street... you'd then stand by that decision?"

Hales repeated it wasn't his role to second-guess tactics in the moment—preferring to review cops' handling of protests after the fact.

"I know it might be appealing to some people for the police commissioner, namely me, to have more sway, moment by moment, over the operations of the police bureau in situations like that," he said. "But I think in a democracy we might want to be careful of that. That could cut both ways.

"Some mayors might say, 'Don't arrest those people,'" Hales continued. "Maybe I'd be more inclined to say that. Some mayors might be more inclined to say, 'Go arrest those people.' I don't think you want political officials, mayors included, making moment-to-moment decisions involving who gets arrested."

And Fritz, again, disagreed—in situations without injury, property damage, or major disruptions: "I see a role."

"We get to assemble," she said. "I've been to many protests in my life and I want to be able to continue to do that. It's part of who we are as Portlanders and part of who we are as a nation."

Hales was more willing to discuss when cops should show up in full gear. Don't Shoot Portland organizer Teresa Raiford and Dan Handelman of Portland Copwatch both testified that just a glimpse of armored cops at a peaceful protest comes off as intimidation, especially for African Americans.

Hales said "there has to be a line" in which cops—when dealing with actual violence or keeping people off highways—need the gear to protect themselves and others. "[But] I want to hear what people think that line is."

Raiford offered some guidance.

"There's a difference between protesters and rioters," she reminded everyone, saying merely marching in streets like Reverend Martin Luther King Jr. did "is our freedom."

"When we talk about deadly force and riot gear, you have to talk about what's happening," Raiford said.

GoLocalPDX

Portland Approves New Street Fee Spending Even As State Takes Over

*By Annie Ellison
January 22, 2015*

Portland City Commissioners approved another \$35,000 in spending Wednesday for the currently derailed and highly controversial Portland street fee.

On Thursday, Portland Mayor Charlie Hales announced that the city's efforts to levy a new tax on Portland residents and businesses to fund street maintenance and repair would be put on hold while the state legislature works on a transportation bill. A week later, council voted in an ordinance authorizing the city to spend an additional \$35,000, on top of \$50,000 previously approved for consulting firm Innovative Growth Solutions LLP. The firm has done data analysis and financial estimation on the street fee project since January 2014.

The Oregon-based company's consultant to the city, Gary Corbin, said he was surprised when he learned the day before the session of city council, that the city would be approving more money for the project.

"I had the impression things would be quiet for a while," he said.

While the state legislature appears to have taken the reigns on the project, the city hasn't completely stopped working on the constantly changing tax campaign.

"While there may be less analysis to be done in the next few months than we had expected last week, we still expect to need the technical skills this firm provides," said Portland Bureau of Transportation spokesperson Dylan Rivera. "We feel it would be prudent to have this technical capacity available, should the city need it in our discussions with the community and the legislature."

Proposals in the last year for a street-funding measure, none of which went to a vote, ranged from a user fee, to an income-based annual fee, an income tax, a tax on only the rich, a comprehensive business tax, and a gas tax, among others, finally landing on a ballot measure before being punted to Salem.

IGC's work with the city

As the sole consultant to the city on the street fee, Corbin analyzed data, and worked with multiple committees and community groups to estimate the amount businesses and private individuals would need to pay to fund a street fee through tax. The original intent of filing the ordinance was that a vote on the street fee kept getting delayed, while Corbin and others kept trying new scenarios, he said.

"It's a bad choice for an impossible problem," said Southeast Uplift President Robert McCullough said of the move. One of the city's biggest street fee opponents, McCullough was given access to some of city's data analysis after he threatened to sue the city. What he found were "thousands of errors," including the finding that a Northeast Portland enema clinic was the city's largest employer.

{image_2}The city based its analysis of business size -- judged by revenue, floor space and number of employees -- on tax returns, while only 10 percent of businesses reported the number of employees they had on their taxes.

"The data wasn't reliable, and we knew that going in," said Corbin. "We told the committee the best available data wouldn't give an accurate representation."

Still, McCullough argues the city should have hired a financial data analyst, rather than a former city transportation bureau staffer, to do the job.

The money the city spent on IGC last year focused on analyzing data that wasn't there, something a financial analysis firm would have told staff in the beginning, McCullough said.

Eying a state transport bill

The Mayor's spokesperson, Dana Haynes, said the city will lobby in Salem through its Government Relations, but that Hales would be making the drive throughout the year to engage in the process of the state's transportation bill.

"Having a speaker from Portland helps," said Haynes. "She really sets the agenda."

Haynes added House Speaker Tina Kotek, who said she would prioritize a transportation package, consulted the Mayor to address the city's transportation funding issues in the lead-up to last week's announcement.

By turning to the state for a transportation bill, Portland officials are now in the position of needing to meet the state's requirements, rather than imposing a levy on residents, said Jim Moore, a political analyst and Director of Pacific University's center for policy innovation, who frequently appears on local TV and radio networks.

Moore said approving more money for consultation would make sense if the city needed to raise additional funds after the state funding comes through.

A state transportation bill comes at a good time, when cheaper gas means more people are driving, but the state's flat gas tax remains the same, Moore said. He doesn't expect the transport bill to be approved until the end of the session, until after education spending is approved.

From Corbin's understanding, the city's decision to put a vote on hold while the state develops a transportation package doesn't necessarily mean the street fee is dead.

"It's in a coma," said Corbin. "I'm hopeful that the legislature will fund transportation and take action. But, I would be insane to predict what would happen next with the street fee."

[Related Slideshow: Ways To Fund Street Repairs Without A Street Fee](#)