

The Oregonian

D.A. says Portland's Columbia Building won't go to cops: Portland City Hall Roundup

By Brad Schmidt
March 23, 2015

Portland's overbudget Columbia Building is known for a lot of things: ending the career of a long-time city administrator, featuring high-end furnishings and becoming a deadly obstacle for birds.

One thing it won't be known for? Criminal charges.

Last week, Multnomah County District Attorney Rod Underhill told Portland Commissioner Nick Fish that his office reviewed the project and cops won't get involved. (Read the memo explaining the recommendation).

The headline-grabbing Columbia Building became a flashpoint in 2014 amid a political battle to strip water and sewer oversight from the City Council.

In the weeks before the May 2014 election to create a new utility board, Willamette Week and KOIN published stories about the high-end office building that spiraled over budget with little City Council monitoring.

One of the key backers of the unsuccessful ballot measure, Kent Craford, asked Underhill to investigate in May and again in October. His second request followed then-Auditor LaVonne Griffin-Valade's report that Columbia Building costs tripled to \$11.5 million and employees within the Bureau of Environmental Services circumvented contract controls.

In response, Underhill assigned a deputy district attorney to review the project.

Five months later, Underhill said in a March 19 letter that his review is complete and he won't refer it to law enforcement.

The Portland Tribune

Portland preparing pilot test to legalize Uber in city

By Steve Law
March 24, 2015

The Portland Bureau of Transportation is developing a four-month pilot program that would — temporarily — legalize Uber, Lyft and other new-style taxi companies in the city.

Under a plan announced Tuesday, the Portland City Council will hear an interim report on April 9 from a task force charged with figuring out changes in city taxi regulations to accommodate the new taxi companies, which the city calls transportation network companies. The following week, on April 15, the council would consider a resolution approving the 120-day pilot program that would pave the way for Uber and Lyft to start service here legally.

Under the resolution, taxis would have to abide by a set of draft rules being devised by the task force, which include new requirements for liability insurance and handicapped access.

Uber allows citizens to turn their private cars into taxis that customers can hail using their smartphones loaded with the Uber app.

The company's freewheeling model violates city regulations that require insurance, permitting, standard rates and disabled access, among other requirements.

If Uber is allowed to function as it does in other cities around the world, analysts expect many Portland taxi companies will be forced to shrink, lay off workers, lower wages and possibly close down.

The draft regulations, subject to change, include requirements to:

- allow city inspection of the vehicles

- require background checks for drivers, barring drivers with felonies in the past 10 years, or more than four traffic violations in the prior year
- require that 10 percent to 20 percent of the fleets be equipped to accommodate wheelchairs.
- drivers must complete a bureau-approved training in driver safety and customer service
- the city will impose a fee on taxi revenue

On a separate track, the city also is taking steps to expand the number of traditional taxis in Portland. The City Council recently approved a new taxi provider in the city, known as EcoCab, and granted it the right to field 51 taxis in the city.

To read the draft operating requirements for Uber and others:
www.portlandoregon.gov/transportation/article/523248.

Portland Architecture

First Memorial Coliseum restoration numbers released; when will City Council act?

*By Brian Libby
 March 23, 2015*

Most of the numbers from a sweeping study that Portland's City Council commissioned on Veterans Memorial Coliseum have not been released yet: not the market analysis that would estimate future bookings after a restoration, for example, or the cost of demolition. But last week the city released the one set of figures it has received from the study so far: the cost of different levels of restoration.

As reported by The Oregonian's Brad Schmidt, the study identified a basic restoration cost of \$37 million, a more extensive one (including a new loading dock and scoreboard) for \$61 million, and a more comprehensive restoration at \$89 million.

Schmidt's article, or at least the headline, identified this as a "big bill," and no doubt \$37 to \$89 million is indeed a lot of money. But while the reporting behind the headline is sound, I'd respectfully argue that some additional context ultimately needs to be added to this conversation.

First there's the yet-to-be-released study numbers, which will identify how these investments would lead to increased bookings for the building. Those numbers are due in approximately May, according to Susan Gibson-Hartnett, who is managing the project for the Office of Management & Finance.

The \$37 million figure is not far from the \$31.5 million plan spearheaded by the last mayor, Sam Adams, in 2012 during the final months of his term. It never came to a City Council vote. But as part of a public-private partnership, that deal included about \$10 million in funds from the Portland Winterhawks franchise. According to Schmidt's article, the city currently has budgeted \$23.3 million. That means there may be about \$33.3 million if the team were willing to join the public-private partnership on its home again.

Second, there's the question of how such restorations as the city is contemplating for Memorial Coliseum would compare to building a new 8,000-seat arena (which the formerly 12,000-seat Coliseum would reportedly become after a restoration).

Restoration vs. new construction

Today Portland lacks a venue that is larger than the downtown theaters such as the Arlene Schnitzer Concert Hall or Keller Auditorium (which top out at just under 3,000 seats) and the approximately 20,000-seat Moda Center. Sure, there is the "Theater of the Clouds" configuration at the Moda Center, about 6,000 seats, but that's simply a curtaining off of the upper deck. And besides, the full-size Moda Center is booked often enough with Blazer games and other events that this configuration is somewhat rarely available.

In other words, the Coliseum fits a needed niche, and if we don't restore it, we'll eventually need to build a new venue in the 8,000-seat range. And it would be substantially more expensive than any of the three levels of restoration the city is studying.

In Chicago, for example, last year a new 10,000-seat arena at McCormick Place was approved for a cost of \$164 million. Across town, DePaul University is planning another 10,000-seat arena in the South Loop district, this one for \$251 million. Allentown, Pennsylvania recently saw completion of a 10,000-seat downtown venue as well, which cost \$177 million.

Compared to \$164-\$251 million for a new arena, restoring the Coliseum for \$37-89 million seems like a relative bargain.

Finding funds

How much can the city realistically afford to spend? Reportedly the city has \$23.3 million currently available, and perhaps that \$10 million from the Winterhawks could again be committed. The team understandably wants a new scoreboard, which isn't part of the \$37 million study option. I'll bet that would have to be part of the investment. But the Winterhawks continue to be the anchor tenant there, so it makes sense to be a partner on improvements.

What else can the city do to raise funds? One option that seems to have been explored is redeveloping the two above-ground parking garages that sit beside the Moda Center and the Coliseum. A few months ago, Mayor Hales reportedly toured the garages with two prominent local developers, in order to discuss that possibility. I believe the garages were originally constructed in a way that allows buildings to be built on top of them. If the city as owner were to be able to add, say, a couple hundred thousand square feet of office and retail space to those buildings, while maintaining the parking, it could conceivably generate a few million dollars in funds that could be used on a Coliseum restoration.

Many cities around the world have financed refurbishments to existing facilities this way: by better leveraging the land around them. And the land around Veterans Memorial Coliseum is rapidly becoming more valuable as the broader neighborhood adds density and residents.

The garages aren't not all that could be in play. Along the river between the Broadway and Steel bridges but part of the Rose Quarter is the former Thunderbird Motel site, as well as the vacant parcel bordered by North Broadway, Larrabee Avenue and Benton Avenue. Each could conceivably add millions to the restoration fund by being redeveloped. So too could redeveloping the Blazers' hideous One Center Court building, a hybrid of architecture and parking garage that could better and more lucratively take advantage of that land with high-density construction. Why not add a hotel or housing here? It would put feet on the ground at the Rose Quarter when it's desperately needed in addition to generating more millions for a restoration. And it would make money for the Blazers too. The Coliseum could also be considered a partnering venue with the Oregon Convention Center, which is just a few yards away; many of the largest conventions often need a venue in the thousands for certain events to couple with the smaller everyday meeting spaces at the OCC.

Public-private partnership

Then there's the question of a bring on private partner in addition to the Winterhawks in order to generate more revenue. Mayor Hales was said to have spent months trying to woo Nike to become that partner, with the 2016 IAAF World Indoor Track & Field Championships already set to come to Portland but scheduled for the Oregon Convention Center. Hales clearly saw that the Coliseum would have made a more compelling venue for the event than the windowless carpeted ballrooms frequented by conventioners. Nike could have adopted the Coliseum as a venue for many of the sports it supports, while using part of the adjacent Rose Quarter land for a satellite office building. But the company, as it has done in the past, decided to stay within the confines of its protective berm in Beaverton.

Another viable private partner would seem to be the Portland Trail Blazers and owner Paul Allen, the richest owner in professional sports. The Blazers have been allowed to manage the Coliseum on the city's behalf for many years, making money off the building but allowing it to fall into disrepair. Allen's team has been accused of a conflict of interest by at least one knowledgeable voice, Portland State University real estate professor William Macht. The team reportedly gets 40 percent of the Coliseum's net income, but 100 percent of Moda Center income, meaning there is a disincentive for the team to book events in the Coliseum.

If the Blazers or Allen's companies are earning income from the Coliseum, shouldn't they bear part of the financial responsibility in its restoration?

It's not just a question of responsibility, though. There is opportunity. The study numbers have not been released, but it would seem that a Coliseum restoration, at least one with a loading dock and scoreboard (as well as improved concessions and seats), would inevitably generate more revenue from increased bookings. That would create a greater revenue stream for the entity operating the building.

More than money

Everything I've written so far here has to do with money, either the cost of restoration or the anticipation of increased revenue. But this is not the only variable for the City of Portland to consider.

As we all know, the building was added to the National Register of Historic Places in 2010 and is widely considered to be a leading example of mid-20th century modernism in the United States. The National Trust for Historic Preservation, the American Institute of Architects and the US Green Building Council all have written letters to Portland City Council arguing for the building's preservation. Two of its other biggest supporters have been constituents: Rose Festival supporters and veterans. Memorial Coliseum was designed to be the home and originating site for the annual Grand Floral Parade. And while the building features memorial walls in its sunken gardens honoring Portland veterans who lost their lives in World War II and the Korean War, the entire light-filled building is itself a memorial. That's why veterans spearheaded its 2010 renaming from Memorial Coliseum to Veterans Memorial Coliseum: to emphasize and cement that idea.

Memorial Coliseum is indeed an architectural marvel, exemplifying the optimism and glassy transparency of the midcentury modernism embodied by Mies van der Rohe. Despite being the equivalent of about three city blocks in size, the entire structure stands on just four columns. But best feature has tragically been hidden away: a 360-degree view from one's seats to the outside. Yet for almost all of the building's history a black fabric curtain has blocked that view. Were the Coliseum's curtain to be left open regularly and made part of its marketing, it might generate any number of new uses, be it the public skating rink that used to exist there or an increase in concerts and other entertainment-oriented bookings. Back in the 1980s, celebrated Portland mayor Bud Clark used to hold his annual Mayor's Ball for charity there. Mr. Hales, why not do the same?

Obviously as the co-founder of the Friends of Memorial Coliseum I'm not an impartial voice in this conversation. When the building first came under threat in 2009 to make way for a planned minor-league baseball stadium, I was one of those who became active in lobbying City Council to reject the move, which they eventually did. The ensuing years, however, have been a roller coaster. Mayor Adams had the courage to reverse course on Coliseum demolition, but he then began a Stakeholder Advisory Committee process that invited everyone to generate ideas except professional designers and planners; it brought forth an unrealistic set of options like a water park and a peace garden, even as the most obvious configuration stared us in the face: a multipurpose arena like the Coliseum has always been, only one whose owners and managers keep up with routine maintenance. Even in its state of disrepair and with a manager missing in action when it comes to promoting the venue, the building has continued to attract some 100 events a year.

After his election, Mayor Hales has said that the Coliseum ought to be restored, but rightfully argued that \$31.5 million wasn't enough. That may be true, but even \$31.5 million, or \$37 million, would be a substantial first step. It sure would be better than the limbo the building has been in for the past six years.

Recently city leaders announced that the Portland Building, despite needing some \$90 million in repairs, would be restored rather than torn down. It was a tough decision, because there are huge problems with the building's interior that can't be completely solved with a restoration but the building is an international landmark as the first major work of postmodern architecture in the world. I think the city made the right call on the Portland Building even though I'm not a big fan of the Michael Graves design. But if Portland's leaders had to make a call between the Portland Building and Memorial Coliseum, I'd advocate for the Coliseum in a heartbeat.

As I've said in past City Council testimony, the question of restoring Memorial Coliseum isn't just one of money and politics and the business of large venue management. It's a referendum on what kind of city we want to be. Portland is enjoying a renaissance today with attention from all over the globe for our quality of life. Much of that is social capital, but it starts with the fact that Portland is a well-designed city, with parks and mass transit and buildings that collectively constitute a place with energy where people want to be.

The Rose Quarter that includes the Moda Center and Memorial Coliseum lacks that energy today. It's a dead zone when there isn't a Blazer game or a big concert. But with the right restoration of the Coliseum coupled with redevelopment of the parking garages hemming in the two arenas (which may hold cars but are poisonous for place-making) and the equal eyesore of One Center Court that can change.

Beyond the borders of the Rose Quarter itself, there's also a new streetcar line along North Broadway, bordering the Rose Quarter's northern property line. The adjacent Lloyd District is booming with more construction than it has seen in a generation, including a lot of housing, meaning more people on the street to patronize a potential mixed-use Rose Quarter in the future. Clearly this land is poised to become part of a more vibrant, high-density future, of which a restored Coliseum could become a vital centerpiece. Ultimately it should last longer than the Moda Center next door, which is already about 20 years old but lacks any admirers of its architecture if you disassociate it from the Blazers.

Hopefully the City Council quintet of Mayor Hales and Commissioners Nick Fish, Amanda Fritz, Dan Saltzman and Steve Novick will see how the Coliseum has held on this long for good reason. Hopefully they will see the opportunity as much as the challenge, like all good leaders do, and act on the building's behalf. We shouldn't commit \$37 or \$60 million or \$89 million lightly. But in a lot of ways, be it economically or culturally, this is an investment to take pride in.