

The Oregonian

The education of Steve Novick: Rookie Portland commissioner struggles to turn smarts into successes

By Andrew Theen
May 16, 2015

A year ago this week, Portland Commissioner Steve Novick stood on a grassy hillside in Southeast Portland's Kenilworth Park to pitch a plan to fix the city's crumbling streets.

Portlanders, he and Mayor Charlie Hales announced, would pay new fees totaling about \$40 million a year for streets and safety projects.

"If the voters are really mad at us," Novick added, "we're both up for re-election in 2016. They can throw us out."

The moment – and the rancorous debate in the months that followed – illustrate the best and worst of Novick, a rookie city commissioner in his first elective office:

He's not afraid to take a stand or to fight for what he believes in, even at the cost of his own popularity. But he's still learning how to turn big ideas into action in Portland's unique commission form of government. And he often lets his quick wit – or sharp tongue, depending on your perspective -- get the best of him.

After more than two years in office, Novick has a thin list of accomplishments. He and Hales spent 2014 trying to pass a street fee or tax only to come up empty-handed as voters, business owners and ultimately their three City Council colleagues shot down plan after plan.

At one point, a frustrated Novick said the Portland Business Alliance would rather "burn the city to the ground" than pass a progressive income tax for transportation projects. Even his mom said that one was over the top, Novick said.

Now, as Novick runs for a second term, friends and observers say he needs to harness his passion – and his propensity to spout off – in a way that gets things done.

"He ran on a commitment to be loud and proud on the issues that face the city," said Jake Weigler, Novick's re-election campaign consultant. "And he's done that -- to both his detriment and his credit."

Former Commissioner Randy Leonard, a friend and Novick's predecessor in the seat, said Novick still needs to learn a simple lesson in city politics. On the City Council, Leonard said, "you have to get two other people to agree with you. I came in understanding that."

"The arrogance of being smart"

Few think Novick is in danger of being booted from City Hall. He won his seat in 2012 with an astounding 74 percent of the vote, and a city commissioner hasn't lost re-election since 1992.

Novick, 52, also has one of the most compelling stories in Oregon politics. He graduated from the University of Oregon at 18 and Harvard Law School at 21. He went on to work for the U.S. Justice Department prosecuting polluters, including winning a \$129 million settlement from Occidental Petroleum in 1995 for the cleanup at Love Canal.

He was born without fibulas (lower leg bones) and part of his a left arm, and stands just 4-foot-9. But he's used his height and a prosthetic metal hook to his advantage.

His campaign slogan when he ran for City Council was "Standing tall for all of Portland." During his failed 2008 bid for U.S. Senate – he lost in the primary to Jeff Merkley – he ran an ad in which he used the hook to open a beer.

The tagline: "Steve Novick: He's always found a way to get things done."

But that hasn't been the case at City Hall, despite coming in with political experience that includes working on Tom Bruggere's failed U.S. Senate bid in 1996 and as policy director for Ted Kulongoski during Kulongoski's successful 2002 run for governor.

A decade later, Novick swept into his council seat on residual popularity from his run against Merkley, in which he lost overall but won in Multnomah County by more than 10 percentage points.

Since then, however, he's suffered from "the arrogance of being smart," said Robert McCullough, a Republican and one-time supporter who sparred with Novick for months during the street fee fight.

"The fact is, you have to listen," said McCullough, a Portland energy consultant who had an email back-and-forth with Novick last fall that he said grew to nearly 70 messages and ended on a sour note.

Tougher job than he expected

Novick isn't shy about sharing his point of view, peppering reporters and subordinates with texts and emails, sometimes on nights and weekends. But colleagues say he's a workhorse who throws himself into important issues and champions the bureaus he oversees despite sometimes getting bogged down in details.

That makes it more surprising, perhaps, that he has yet to find his footing in Portland's commission-style structure, in which each City Council member must find consensus among colleagues but also single-handedly manage a portfolio of bureaus.

Novick was assigned by Hales to run the Transportation Bureau, a massive bureaucracy with 760 employees and a backlog of needed street repairs now approaching \$1 billion. He also oversees the Emergency Management and Emergency Communications bureaus.

Novick noted some key successes, including leading an effort to install fences on the Vista Bridge in 2013 to end a long history of suicides. He also ushered in new rules outlawing all-day free parking downtown for those with disabled-parking permits, freeing 700 spaces to generate revenue. And he proudly cited plans in Hales' proposed budget to spend \$8 million on 122nd Avenue in long-underserved outer east Portland – fulfilling one of Novick's campaign promises.

But he acknowledged that the job is more complex than he expected. "I've set some things in motion that haven't come to fruition yet," he said.

Jim Moore, a political science professor at Pacific University, is less charitable. "Nothing stands out" about Novick's first-term accomplishments, he said.

Novick became the face of the street fee, he said, and helped seal its failure when he had to explain how it would work. "It's hard to pass things when you become in effect the person that the public sees as the problem," he said.

Even so, he expects Novick to win: "Unless you have a strong, well-known candidate for these City Council seats, the incumbent wins."

So far, Novick faces only one declared opponent, Nick Caleb, a Portland attorney who won 19 percent of the vote in a 2014 run against Commissioner Dan Saltzman.

Bill Dickey, a longtime Novick friend who supported the street fee despite an expected cost of as much as \$3,500 a year to his business, said watching the process unfold was painful.

"Jesus, you guys," Dickey said he thought of Hales and Novick as they tried one tactic after another, pushing a fee, then a tax, then announcing a public "advisory" vote, then withdrawing the plan altogether.

"This is so bad," he said. "I mean, I'm a better salesman than them."

To be fair, Novick's colleagues have scored mostly modest successes this term as well. Commissioner Amanda Fritz won voter approval of a \$68 million parks bond and paid sick leave for Portland workers. Saltzman won voter approval of continued funding for his beloved Portland Children's Levy.

Hales navigated a \$21 million deficit his first year and shepherded through sweeping changes to the city's urban renewal district. Nick Fish, with help from Hales, fended off a ballot measure that would have stripped the City Council of the ability to set water and sewer rates.

But Novick acknowledges that the street fee hurt him. "The percentage of people who don't like me I'm sure went up," he said. "I don't know by how much."

"He tells it like it is"

Unlike a typical politician who measures words carefully, Novick seems to comment as thoughts occur to him. He summons arcane cultural references and English literature at a moment's notice and is only now beginning to realize that "not everyone has your sense of humor."

"Sometimes it can be pretty dreary sitting in City Council, going on and on," Novick said. So he'll spice things up with a random aside to snap his mind back into place or to entertain people watching at home, he said.

He insisted, though, that he's not riffing off-the-cuff. "Virtually nothing I say is unplanned," he said. "It might be a bad plan, but generally I say things pretty deliberately."

Most would consider his comment about the influential Portland Business Alliance a bad plan. President and CEO Sandra McDonough was "astonished" by the comment.

McDonough had dinner with Leonard, the former commissioner, and others at the RingSide soon after for a friend's retirement party -- Novick's remarks were one topic of conversation.

Leonard said he reminded McDonough that he was also prone to remarks he thought were witty but that backfired, and asked her to give Novick time.

"You've got to like the guy," McDonough said of Novick, calling him smart, funny and engaged. But he let the street fee "become about dogma" and his conviction that rich people should pay more.

Dickey said Novick was just being Novick, and that his supporters love that. "Novick is an acquired taste," Dickey said. "He tells it like it is."

Another street fee?

Novick enters his re-election campaign in a good place in his personal life.

He married longtime girlfriend Rachel Philofsky last fall. They live in Southwest Portland with their two Corgis, and wear Fitbit fitness bracelets, competing to see who walks the most each day. Novick said he usually exceeds 10,000 steps.

He is also thinking ahead, having already drawn up his next set of priorities. They include one that could prove unpopular: requiring some building owners to make seismic retrofits. He also included one he acknowledged the City Council has no control over, later start times for high schools. And he couldn't resist throwing in a goofy call for "Jewish palindromes" for the Jewish year 5775.

But the most controversial idea, perhaps, is at the top of the list: another push for some sort of new transportation funding.

Weigler, his campaign consultant, has no problem with that. "He's not going to shy away from a tough problem, even if it's difficult or contentious," he said. "That's why he ran for office."

Novick said he could pay a political price but believes Portland's future is at stake: "If we do not have a functioning transportation system, then we will ultimately not have a city."

He added that city officials dating back to 1987 either ignored or dropped the issue – and he won't.

"I'm not going to get too discouraged and think that I'm a failure," Novick said. "All my predecessors have been failures, too."

Making room for blue collars in blue Portland: Editorial Agenda 2015

*By The Oregonian Editorial Board
May 16, 2015*

Will the last blue-collar worker to leave Portland please deactivate the solar panels?

The Northwest is quite familiar with economic slumps that disproportionately hurt blue-collar workers. "Will the last person leaving Seattle turn out the lights," appeared on billboards in the early 1970s after Boeing cut its employment by more than half. Rural Oregon still is struggling more than two decades after economic and environmental forces crippled the timber industry.

But as gloomy as the past few decades have been for the region's blue-collar workers, the first few months of 2015 have been particularly discouraging in Portland. First, the major shipping lines stopped making calls at the Port of Portland's container terminal. Then, last week, Portland Mayor Charlie Hales asked Pembina Pipeline Corp. to withdraw its proposal to build a propane export terminal on Port land – a project that Hales had publicly supported. And while the decline of middle-wage jobs is a national trend, a report released this week by the Value of Jobs Coalition showed that Portland-area middle wages provide families with less buying power than those in most comparable regions.

Here's the worst part of the situation: Portland's setbacks largely reflect policy decisions, not external economic forces such as an energy crisis or housing collapse. Hales' reversal on Pembina, a response to vocal environmental opposition, troubles an array of leaders trying to create middle-income jobs opportunities.

"There has to be a commitment by city leaders to provide businesses with certainty," one such leader told The Oregonian editorial board. "I don't see how we can attract business growth in Portland if businesses don't trust the process." That response didn't come from a business operator but rather from John Mohlis, executive secretary of the Oregon Building and Construction Trades Council.

Jack Isselmann, senior vice president of The Greenbrier Companies, offered an even harsher assessment, pointing to the city's press release announcing Hales' opposition. It read: "In referring to Portland's environmental standards, Hales said that doesn't mean just ordinances and regulations, but the broader environmental and climate values firmly held by Portlanders."

"They've abandoned the rule of law," Isselmann said. "We are managing civic affairs by how we feel and how we interpret fellow Portlanders feel about things." Without question, the city needs to reassure businesses that they can believe what the mayor tells them. But it will take much more than a trustworthy mayor – something businesses should be able to take for granted – to preserve and create blue-collar jobs. Here are three steps that the Portland City Council should take to show that blue collar jobs with family wages really matter to it.

Develop a practical, realistic plan for developing well-paying blue-collar jobs. The introduction to the 2015-20 Portland Development Commission Strategic plan list seven values: Love Portland, Make a Difference, Do Excellent Work, Build Partnerships, Advance Equity, Honor the Public Trust, and Innovate. The list is classically Portland, aspirational with inadequate attention to how to accomplish any of it. "People will say we want middle class jobs or blue-collar jobs, and then they will go out and enact policies that discourage that," Mohlis correctly pointed out. Here's a value that PDC and the city should add: Remove obstacles for companies that pay living wages to blue-collar workers.

Add waterfront businesses to the city's business clusters. Like many states and communities, Portland has identified industry sectors where the city has some natural advantages and the potential for growth. They are clean tech, software, research and commercialization, athletic and outdoor industry, and advanced manufacturing.

Portland has had some success with those industries. But the sector with the fewest job gains likely has been advanced manufacturing, the one with the most potential for blue-collar jobs – in part because most of these companies employ dozens not hundreds. It will take a lot of advanced manufacturers to match the almost 19,000 jobs on the waterfront that paid \$40,000 a year or more in 2011, according to Census data. Greenbrier, which owns railcar and barge maker Gunderson, has doubled its waterfront employment to almost 1,400 in the past 18 months, but Isselmann said it seems like Hales hasn't even noticed. "It largely feels like we might as well be doing this work in Philadelphia or Houston," he said. Embracing businesses that already are here will pay off quicker than hoping an evolving field will produce adequate jobs.

Match education and training programs to employment opportunities. An overdependence on a handful of industries wouldn't be a bad thing if all the city's residents were qualified for those jobs. But the Portland Public Schools district has an on-time graduation rate of 70 percent. Efforts to improve vocational training need to be accelerated, and training for technology-related careers needs special attention.

Without question, Portland could be in worse shape. The Multnomah County unemployment rate is below 5 percent. The technology and athletic apparel industries draw talented workers to Portland. And there have been blue-collar successes outside the city in places like the Troutdale Reynolds Industrial Park and Washington County. But if Portland wants to be a place where all types of workers can live, it must show a true commitment to companies that employ blue-collar workers. Otherwise the city might as well change the name of the Office of Equity to the Office of Lost Causes.

The Portland Tribune

Council to consider controversial parks funding [sic] change

By Jim Redden

May 18, 2015

The City Council is scheduled to consider changing the methodology for setting System Development Charges for parks — a change that Commissioner Amanda Fritz says is necessary to adequately fund parks in the future but which some in the business community criticize as too large of an increase.

The city currently charges eight different SDCs on new residential units based on their size and whether they are located inside or outside the Central City. The charges range from \$5,454 for the smallest units in the Central City to \$13,185 for the largest units outside of it.

Fritz is proposing to lower the minimum charge to \$4,648 and the maximum charge to \$13,049. But should would increase the number of categories from eight to 10, which would have the effect of increasing the overall revenue collected by the city for parks.

Commercial property would also be affected by the proposal.

The proposed ordinance can be read here.

The proposal has been amended since it was first heard by the council on April 15. At that time, it was supported by parks backers, including members of volunteer parks-related boards.

But the proposal was opposed by the Oregon Chapter of the Commercial Real Estate Development Association (also known as NAIOP) and the Home Builders Association of Metropolitan Portland. They argue the change is unjustified and the resulting increase too large.

"As someone who was deeply involved in the 1998 and 2004 park SDC methodology updates, and to a lesser extent in the 2008 update, I can't express strongly enough what a huge departure the current update represents in approach, assumptions, and level of detail for future improvements to the City's park system," Kelly Ross, Oregon NAIOP executive director, wrote to the council on April 15.

Ross's complete letter can be read here.

"The Parks SDC Methodology Update Report before you is filled with so many faults, fallacies, and illegalities, I've never seen anything this poorly done in my 13 years reviewing reports from across the region," David Nielsen, HBAMP executive director wrote the council on April 15.

Nielsen's letter can be read here.

Both Kelly and Nielsen said the change and increase will discourage new development.

The council is scheduled to consider Fritz's revised proposal on Tuesday.

The Portland Mercury

City Council Chambers Saw the Biggest Outburst Anyone Can Remember on Wednesday. There Are Probably More to Come.

By Dirk VanderHart

May 15, 2015

It's one of the most bizarre scenes anyone in City Hall can seem to remember—and it's probably going to repeat itself.

After decades of discussion, Portland City Council gave the preliminary okay Wednesday to demolishing the two open-air drinking water reservoirs in Washington Park. Under a proposal by the Portland Water Bureau, they'll be replaced with an underground tank and two reflecting pools.

It's a dramatic (though not surprising) decision, given the history and beauty of the existing reservoirs, and the pride they elicit. And it was made in dramatic (though not surprising) fashion—to the sustained jeering of a group of activists who oppose the move.

The Oregonian captured just a segment of the outrage.

The commotion began almost as soon as Mayor Charlie Hales called up the agenda item dealing with the reservoirs—a Bureau of Development Services report recommending the demolition, which needed council approval. Audience members grew angry when Hales a city attorney explained that the comment period on that report had closed (there was a hearing two weeks ago, and additional time to provide written testimony after that). When the boos swelled, Hales abruptly shut down the meeting. Again.

City Council returned to more jeering 20 minutes or so later, half-shouted their unanimous approval over competing shouts of "no demo," and attempted to move on. (Amanda Fritz, a one-time proponent of covering the reservoirs rather than demolishing them, is now on board.) But the crowd wasn't done. Activists continued hollering as the council attempted to work through an item on police oversight with Independent Police Review Director Constantin Severe. The official video hasn't been posted yet, but it was, as I say, bizarre to behold this attempt to hold routine public process in an environment so swelled with "boos" is sounded like a cow pasture.

"At the last minute there was a decision there was gonna be this action," said Floy Jones, a founder of Friends of the Reservoirs, which was established to fight the long slide toward decommissioning the city's open air drinking water storage. Jones was careful to note her group wasn't involved in the protest, but she'd testified earlier in the day against council's impending action. "This is the most significant decision" for the fate of Washington Park's reservoirs, she said.

The outburst was biggest disruption in council chambers during Mayor Charlie Hales' tenure. City council's decision to let Uber and similar companies operate legally in the city last month drew plenty of shouts, but it was nothing close to Wednesday's meeting. And there's every reason to believe there are more like it coming.

On May 28, city council will consider a foregone proposal to disconnect Mount Tabor's three reservoirs from the city water system. And on June 10, council will vote again on the Washington Park demolition. That will leave a final "historic resource review" as the lone land use hurdle standing in the way of the changes.

"We're expecting a lot more of this kind of bully tactics," says Dana Haynes, Hales' chief spokesman. "They're going to continue to fail to get the things they want." Haynes wouldn't talk about future strategies for curbing this dissent, though he suggested protestors won't be "dragged off in leg irons so they could have all the video in the world."

Why all this outrage? There are decades of history coming to a head in council chambers right now.

The federal government has pushed for cities to cover or treat their drinking water supplies for decades, and the fate of Washington Park's two reservoirs has been in question almost since they opened in 1894, when the city discovered shifting earth beneath them was causing cracks. According to the BDS report council voted on yesterday, the city's considered covering up the reservoirs since 1981.

Now it's almost certainly happening, and—as with any and every proposed sweeping water change in Portland—there's controversy. In June 2013, the city announced it was giving up a years-long fight against federal requirements to cover or bury our drinking water storage reservoirs in Washington and Mt. Tabor parks, after the Oregon Health Authority refused to play ball.

That bred initial protest—the brief, pleasant Occupy Tabor—but the city held fast. A 50-million gallon underground reservoir beneath Powell Butte is complete, and the Tabor reservoirs are scheduled to be disconnected by the end of the year. The Washington Park reservoirs will be out of the picture by 2020.

There's dramatic language on both sides of this debate. Jones and those like her say the city's been party to "secretive" and "back room" discussions, with an eye toward needlessly demolishing the reservoirs to fatten the pockets of people friendly with the city. They say Portland could get a temporary stay from complying with the federal requirements to cover or bury reservoirs, and that the city hasn't tried everything. And they suggest covering the city's drinking water might give people cancer.

The city meanwhile, paints a picture of Washington Park reservoirs that have barely held on for decades. The reservoirs' construction "triggered an ancient landslide," the city says, and the land around the ponds has been creeping downhill ever since. The city says a new underground tank would solve this, and prove safer in earthquake conditions.

Which activists dispute.

And the city then re-avers.

It's an exhausting back and forth, but the bottom line is: Those reservoirs aren't going to be part of the water system for much longer. And you can expect some loud, eventful council meetings in the mean time.

Stay tuned.