

## The Oregonian

### New addition to Portland's skyline discussed between city, county leaders

*By Tony Hernandez  
June 17, 2015*

Portland City Council members seemed on Wednesday to favor changing the height limitations for a Multnomah County construction project that could change the Portland skyline.

It's not the \$250 million courthouse project at the west end of the Hawthorne Bridge.

Multnomah County's Health Department wants a new headquarters for about 350 administrative staff and other health workers, and to fit them all, officials want to build on vacant space next to the Bud Clark Commons and within walking distance to the Union Station.

The city block, surrounded by Northwest Irving and Hoyt streets, Broadway and Sixth Avenue, has a 75-foot height limit and City Council members are scheduled to vote next week on increasing the limit to 105 feet with the possibility for the county to increase the project another 45 feet through a bonus system.

County officials have said, and public records show, the project comes with at least a \$45 million price estimate for a six-story, 75-foot-high building but that cost will likely grow along with the height of the building. Portland has committed to pay tens of millions for the project and could pay millions more to keep an old promise to chip in some cash for the new courthouse that never came to fruition.

In April 2014, Multnomah County commissioners gave the OK to begin the design and permitting phase. To squeeze everyone in, Joanne Fuller, health department director, said engineers were designing floors with 7.5-foot ceilings to fit the needs of 350 staff within six floors.

"We went back to the drawing board to see what can we do," Fuller said.

Fuller and Multnomah County Chairwoman Deborah Kafoury said county leaders are excited about the possibility to grow the project to meet the public health needs of the county for decades to come.

Wednesday's City Council records show officials are planning to build between 120,000 to 150,000 square feet of space and between nine to 10 stories, according to the county's website. That's up from 96,000 square feet reported by The Oregonian/OregonLive in April 2014.

City officials told the City Council Wednesday community groups support the height increase despite concerns about any precedent set on height limits to the area and concerns about the impact to construction on neighbors.

A message to the Old Town Chinatown Community Association was not returned Wednesday.

If the council approves the 105-foot limit next week, Multnomah County can contribute money, art or other neighborhood amenities and in return receive a taller height limit to reach 150 feet. Other options to earn bonuses include day care, rooftop gardens, water features, lockers and bike parking.

"It might be nice to have a day care center," City Commissioner Amanda Fritz told Kafoury.

Douglas Oblatz, a consultant hired by the county for the project, said he's calculated a payment of about \$380,000 per additional floor above 75 feet. That money would go toward affordable housing projects, he said.

County leaders have long complained that city urban renewal districts drain money from their annual budget. In response, city officials have offered tens of millions of dollars from urban renewal districts to help cover costs for county projects.

For the health department, the Portland Development Commission has paid \$10 million to the county for the project and will pay another \$16.9 million, said Mark Campbell, Multnomah County chief financial officer.

Budget records show the county plans to finance at least \$13.7 million through bonds backed by the county's general fund, Campbell said.

In 2004, the City Council extended the life of the Downtown Waterfront district – originally created in 1974 – by an additional four years so officials could spend \$80 million more on new efforts. Included in that: \$9 million to the county to help with a new courthouse.

In 2007, county leaders envisioned a courthouse at the block bounded by Southwest Naito Parkway, First Avenue, Main and Madison streets. That block is bisected by the westbound off-ramp for the Hawthorne Bridge.

The PDC committed \$9 million to shift the location of the off-ramp farther north so the block could be more easily developed.

But now, county leaders have chosen a parcel for the courthouse that is directly south.

Lisa Abuaf, who manages central city projects for the Portland Development Commission, said neither the northern nor southern development site is in the Downtown Waterfront urban renewal district.

But the ramp is in the district, she said, making it an eligible expense. With no ramp to move, county officials couldn't use the money for the courthouse project.

More recently, the City Council in 2008 wanted to increase spending in the River District urban renewal area above the \$225 million limit. The cap eventually increased to \$489.5 million and, as part of a change in state law tied to the deal, Multnomah County was guaranteed about \$26.5 million.

The health department project sits within the River District. It wasn't until three or four months ago, as county officials pushed for increased density at its proposed health building in Old Town Chinatown, that both sides began talking about shifting the \$9 million obligation between urban renewal districts, Abuaf said.

Campbell said the \$9 million promise for the courthouse will be used to pay down the finance amount for the construction project.

But both Fuller and Campbell could not say how much the total project, with new heights and additional space, would cost because plans are still under development.

Shifting the obligation from one Portland urban renewal district to another could impact development projects in the city's pipeline.

Under the plan, Multnomah County would reimburse \$9 million to Portland's Downtown Waterfront District. That's a huge windfall for the district, which stopped issuing debt in 2008 and has only about \$13 million budgeted in the next five years for commercial property redevelopment and lending.

The money must be spent within boundaries of the 233-acre district, leaving two obvious candidates for public investment: a parking lot owned by developer David Gold in Old Town Chinatown and the proposed James Beard Public Market at the Morrison Bridgehead.

City officials have long planned to help subsidize development of Gold's property, known as Block 33, between Northwest Couch and Davis streets and Fourth and Fifth avenues. In 2011, the Portland Development Commission budgeted \$8.2 million for a proposed Uwajimaya grocery store to anchor a mixed-use development but the deal fell apart.

More recently, city and county leaders have galvanized around a proposed market along Naito Parkway at the Morrison Bridgehead.

Details about a timeline and project costs remain unclear, although some public contribution has always been envisioned. The project is headed by Ron Paul, who served as chief of staff to then-Commissioner Charlie Hales more than a decade ago. Hales, now Portland's mayor, until recently served on the board of directors for the Paul's Historic Portland Public Market Foundation.

Abuaf said officials have discussed only a small, \$12,000 predevelopment grant for the market and no larger investment.

"It's not an active one right now," she said.

To the contrary, Abuaf said, officials would like to direct the additional \$9 million to projects in Old Town Chinatown, a priority area for Hales. Projects could include Block 33, among others.

"We are certainly not of the mindset that this is going to a specific project," she said.

## The Portland Tribune

### New employers could come to central Eastside

*By Steve Law  
June 18, 2015*

Industrially zoned land in Portland's inner eastside would get opened up to a broader mix of employers, under a proposal blessed by the Portland Planning and Sustainability Commission this past Tuesday.

The commission voted 8-1 to add a new "overlay zone" to about 200 acres east of Third Avenue, which would retain the current industrial zoning while permitting more office, retail and other uses.

The central eastside has been a jobs magnet for Portland during the Great Recession and the subsequent recovery, but many employers vying to locate there are software and other newer service businesses, not the type of manufacturers the city hoped to retain when it originally created an "industrial sanctuary" there. Some employers are being turned away because much of the area is restricted by its industrial zoning.

Tuesday's vote sends the 213-page Southeast Quadrant Plan, two years in the making, on to the Portland City Council for final approval.

The plan provides a 20-year land use and development road map for 588 acres between the Willamette River and 12th Avenue and between the Banfield Freeway and Ross Island Bridge.

Portland's inner eastside has become trendy in recent years, attracting distilleries, software, food and design companies, neatly sandwiched amidst light-industry and warehouse operations. This summer the district takes a leap forward, with new MAX and Streetcar service plus the opening of Tilikum Crossing bridge. Those will improve pedestrian, bike and transit access to and from downtown, but also bring more gentrification pressure.

Troy Doss, the senior city planner spearheading the Southeast Quadrant Plan, said the city's 2006 decision to add a more flexible Employment Overlay Subarea on 48 areas of industrial land between Water Avenue and Third Avenue attracted new kinds of businesses but hasn't driven away traditional industrial companies. The new and old-line businesses are meshing well in the inner eastside, Doss said, and only one industrial company has left in the past decade, for unrelated reasons. "We're not seeing it shift from one to another," he told planning and sustainability commissioners.

So the new eastside plan headed to the City Council adds that zoning overlay to about 200 additional acres east of Third Avenue.

Planning and Sustainability Commission Chairman Andre Baugh was the lone no vote against the idea. Baugh said he worries the new flexible overlay zoning will ultimately displace industrial jobs, which often pay better than retail or service jobs. Once the city loses industrial land, "You can't take it back," Baugh said.

Planning and sustainability commissioners also agreed that each property in the newly rezoned areas would be allowed to use up to 5,000 square feet of space for retail uses, and up to 5,000 square feet for office space. Both are now limited to 3,000 square feet of either.

The Central Eastside Industrial Council, which represents property owners and businesses in the area, opposed the expansion of retail and office uses, for fear that land prices would rise and the city would lose its industrial sanctuary there.

To meet those concerns, the Planning and Sustainability Commission agreed to remove the existing right of businesses to seek a conditional use permit to put up to 20,000 square feet of retail or office space in the industrially zoned area.

Planning and Sustainability commissioners also voted to retain OMSI's ability to include multifamily housing on some of the vacant land near the science museum that it hopes to develop.

OMSI's site already is zoned to allow residential uses, but only if it obtained a conditional use permit. City planners had opposed allowing housing near the riverfront site, arguing that would drive up land prices, be incompatible with industrial uses and cause more gentrification pressure. The draft version of the eastside plan called for removing the housing option, and OMSI lobbied heavily against it.

Planning and Sustainability Commissioner Howard Glazer led the charge to keep the housing option alive on OMSI's riverfront site.

"Priorities change," Glazer said. "Don't close the door, folks, because times change."

Commissioners voted 5-4 to reverse planners and retain the possibility for OMSI's site.

However, OMSI still would find getting a conditional use permit to develop housing is a difficult task, Doss said.

## **Sources Say: Take a sneak peak at 2016 City Council election**

*By Jim Redden*

*June 18, 2015*

Last week Portlanders got a preview of issues that could be raised when environmental activist Nick Caleb challenges Commissioner Steve Novick in next year's election.

Caleb and four other activists testified against Pembina Pipeline Corp.'s proposed propane terminal during the public comment period at last Wednesday's council hearing. Among other things, Caleb said the city's current Climate Action Plan is not good enough and called on the council to adopt an export ban on all fossil fuels, including propane and natural gas. He also said the council should commit to having the city receive 100 percent of its energy from renewable sources within 20 years. Another activist said the city should divest itself from all investments in fossil fuels.

Caleb is the only candidate who has announced and formed a political action committee to run against any member of the council so far. Novick and the rest of the council did not respond to anything he or the other activists said.

### **Buehler publicity spurs rumors**

Is Knute Buehler thinking about running for secretary of state again — or maybe even the governor's office?

Buehler, a freshman Republican state representative from Bend, has generated headlines this session by publicly supporting the whistleblower who released former Gov. John Kitzhaber's emails to the media. Buehler also introduced a bill to provide more protection for whistleblowers after prosecutors said they would not file charges against state administrator Michael Rodgers.

The publicity has sparked speculation that Buehler may run for secretary of state again in 2014. He received a surprisingly large 43 percent of the vote against incumbent Kate Brown in 2012. That race is wide open now that Brown has succeeded Kitzhaber. Brown's replacement, Jeanne Atkins, has said she will not run for the office. And, of course, Republicans also are looking for a candidate with at least some name familiarity to run for governor in 2016, too.

Buehler, who is up for re-election next year, says he is focused on representing Bend in Salem. But he also says he will "run for something in 2016."

### **Really inside stuff**

The public might wait another two years to learn how much lobbyists spent lobbying other lobbyists. The information would be useful in learning how much lobbyists spend building coalitions. An exemption to such a reporting requirement expires on June 30.

House Bill 2058 would permanently exempt lobbyists from reporting their spending on other lobbyists. But the Oregon Government Ethics Commission opposes the bill, and a professional group that represents lobbyists has acknowledged it is a tough sell this session in the wake of the influence-peddling allegations against former Gov. John Kitzhaber and his fiancée, Cylvia Hayes.

According to the Capital Insider, a compromise amendment has been introduced extending the exemption to 2018. The Insider is a subscription newsletter published by the Capital Bureau of the Pamplin and EO (East Oregonian) media groups.

## **Novick wants Uber drivers to get employee benefits**

*By Steve Law  
June 17, 2015*

Portland City Commissioner Steve Novick says he'd like to explore whether Uber drivers can be treated as employees here rather than as independent contractors.

If the drivers for Uber, Lyft and other "transportation network companies" are deemed to be employees instead of independent contractors, the companies would be liable for paying contributions to Social Security, unemployment insurance and workers' comp. insurance, among other obligations. Novick said some taxi drivers at traditional companies in Portland also are treated as independent contractors.

"My own instinct is that drivers — both taxi and TNC drivers — would be better off if they could obtain the protections and benefits of employees," Novick stated in a press release. "I am going to ask the state Bureau of Labor and Industries how Oregon law compares with California law, and see if the same analysis applies, or if Oregon law would need to be changed for the same analysis to apply."

Novick's release followed news reports Wednesday about Uber appealing a June 3 ruling by the California Labor Commission. The commission ruled that a Uber driver there was an employee, not an independent contractor.

Uber issued a statement saying the ruling applies to only one driver, and noted the ruling is contrary to a 2012 ruling by the same commission.

But reports Monday by the New York Times and Reuters noted it's one in a series of rulings that could rock the entire industry, possibly even affecting Uber's valuation, which was recently pegged at \$50 billion.

Uber oversees a fleet of drivers who turn their private cars into taxis. Customers "hail" rides using a Uber app on their smartphones.

Novick oversees the Portland Bureau of Transportation, which is operating a four-month pilot project that enabled Uber, Lyft and other transportation network companies to enter the Portland market legally.

## **City free to invest urban renewal funds at PSU**

*By Steve Law  
June 17, 2015*

In a big win for Portland State University, a judge has tossed out a lawsuit challenging the use of urban renewal funds to develop PSU-owned properties.

Oregon Tax Court Judge Henry Breithaupt ruled Tuesday that Portland urban renewal funds for the PSU projects should not count as property taxes going to education services, and thus aren't subject to Oregon's Measure 5 property tax limitation.

Attorney Greg Howe, a supporter of Measure 5, had argued that subsidizing PSU projects with urban renewal money should be considered part of the pool of property taxes spent on education, and thus subject to the Measure 5 caps. The suit had been brought by schools activist Theresa McGuire and 10 other citizens. If they prevailed, spending by the Portland Development Commission for PSU projects would have triggered reduced property taxes flowing to Oregon public schools, Portland Community College and Multnomah County Education Service District.

"This is great news for PSU and our students, for the south end of downtown, and for Portland," said Scott Gallagher, PSU communications director.

Mayor Charlie Hales' policy director for urban renewal, Jillian Detweiler, was pleased by the decision.

"We have a comprehensive and, we think, a very strategic development agreement with PSU that furthers the city's goals for a lively university district, and that agreement has been upheld," Detweiler said.

In his 13-page ruling, Breithaupt ruled that PDC money spent on PSU properties would be for commercial spaces, not classrooms or other direct educational services. Therefore, any property taxes spent should be classified as "general government" under the Measure 5 caps.

Measure 5, the granddaddy of Oregon's property tax limitations passed in 1990, capped tax collections at \$5 per \$1,000 of assessed property value for schools, and \$10 per \$1,000 for other general governments, including the city and county. That forced a huge shift of public school funding from property taxpayers to the state general fund. Schools had to compete for state funding with human services, public safety and other programs, leading to a downward spiral in Oregon school funding that persists today.

Though Howe lost his case in a summary judgement, his watchdog efforts regarding Measure 5 appeared to prompt a change in approach by the city.

Back in 2012, Portland City Council approved the Education Urban Renewal Area, mostly on PSU's campus and surrounding blocks, at the urging of then-Mayor Sam Adams. Money was earmarked to redevelop Lincoln High School and subsidize PSU's business school and other academic buildings.

When Hales took office in 2013, he quickly set about to rethink Portland's patchwork of urban renewal districts, and wound up scrapping the Education Urban Renewal Area before it really got off the ground. Some of PSU's properties were enfolded in an expansion of the neighboring North Macadam Urban Renewal Area, which also includes the South Waterfront district. But Hales and PDC deliberately shifted money from PSU's academic buildings into commercial spaces in those buildings or investment properties held by the university. Some of those are along the new Portland-to-Milwaukie MAX line in the south part of downtown Portland, where Hales anticipates increased commercial development activity.

"The money, we admit, is going to be spent on commercial property" at PSU, rather than academic buildings, Howe said.

However, he's not willing to take credit for the shift in the city's urban renewal plans for PSU. "I don't know how much our role was in that," he said.

Howe's not sure yet if his clients will appeal the decision.

## **The Portland Mercury**

### **How to Fight for Portland**

#### **Portland Is Changing. How Do We Make Sure It Changes in the Right Ways?**

*By Yume Delegato  
June 17, 2015*

"GENTRIFICATION" is a word that's been on the lips of many Portlanders these days—people are talking about it with increasing frequency in bars, on TriMet, in the press, and on social media. With this discussion has come an outpouring of strong emotions: sadness! resentment! rage! bitterness! (To paraphrase Yoda: "Fear, anger, hatred... Portland, this is.") That's some pretty negative stuff—and yet it kind of feels good, doesn't it? Just let it out, Portland. Let it all out.

By broaching this subject, we've lanced a cultural boil—these pent-up frustrations had to be drained from our psyches. As a native Portlander and now-reluctant suburbanite, this process of complaining and blaming has been as cathartic for me as it's been for everyone else. But much like primal scream therapy or listening to Sia, something needs to come after that catharsis. All this discussion has been good, but now that we've opened up the wound, we can't just let it fester. It's time to stop commiserating and start talking about solutions.

Last week, I wrote an article on my blog, PretentiousPDX. "Four Rules for Talking About Gentrification in Portland" ended up getting shared all over the place, proving either that using the G-word guarantees hits these days, or that there's an insatiable demand for jokes about Lewis and Clark being the original hipsters. (It's probably the former.) Here's the CliffsNotes version of those rules: (1) Stop accepting

Portland's problems just because Portland's still less crappy than other cities, (2) Stop fixating on Portland's aesthetic "authenticity," (3) Start being cognizant of the true costs of gentrification, and (4) As Portland inevitably changes, figure out what's worth saving.

Since that post, I've thought a lot about that last point. Where do we go from here? I think we need to talk about not just what's worth saving, but what's worth changing, too. Now, I'm not an urban planner or an architect. Nor am I an expert on crime or homelessness or race. But as someone who's spent the greater part of the last three decades at least passively thinking about these issues (minus a few years of my childhood when I was utterly devoted to hating the Sonics), here are my three best ideas for what I hope will be Portland's renaissance, not its demise.

### **1. We need Metro-wide solutions, not Portland-centric ones.**

Portland and its suburbs are mutually dependent—and as Portland residents continue to be pushed out of the city, that dependency is only going to grow stronger. Yet the divide between the city core and... well, everywhere else continues to deepen. Look at how much time and money we lost because Portland and Vancouver couldn't see eye-to-eye on the Columbia River Crossing. (One can also argue that the creation of downtown's "Entertainment District" is a nod to a certain degree of outdated bridge-and-tunnel prejudice.) We need to talk about transportation infrastructure and the quality of life throughout and around Portland—not just places like downtown and the Pearl, or Mississippi and Alberta, or Division. If we don't, we run the risk of further stratifying the upper, lower, and middle classes into completely separate communities.

### **2. We need to start being socially informed and responsible Portlanders—in ways that actually matter.**

Portlanders pay a lot of attention to whether or not their coffee is fair-trade and their eggs are cage-free—but how much scrutiny do we give to local developers and local (or not) businesses? How many of us even know who those players are? (Given that nobody said much when Hoyt Street Properties all but ignored their affordable housing goal, I'm guessing the answer is "not many.") Do we put our money where our mouth is? Sure, there was widespread whining over the demise of Besaw's, but what would you do if Pok Pok and Salt & Straw announced they were creating a hybrid venture to go in its place? Would you still be outraged—or would you be standing in line as soon as you finished griping about it on Facebook?

### **3. Get on board with moving forward.**

Everyone's had a chance to talk about what they think makes (or, maybe more accurately, made) Portland great. But as many have pointed out, that's mostly just nostalgia. And nostalgia is useless. The real question is: How do we want to be defined in 2030 or 2060? What will this city look like by then? If our small-town mentality is proving to be unsustainable, what comes next? We need to start charting a course for Portland now—or else, as we're seeing, outside interests will do it for us. How many of us have researched what amount of affordable housing would actually be useful? Or what it would take for Portland to strengthen renters' rights? [See "Out of Control," News, this issue.] How many of us have read the city's 2015 Climate Action Plan? Or the 2035 Comprehensive Plan? What do we think of the city's proposal to reduce all human methane emissions by 50 percent, or to ban all non-artisan hot dogs? (Those aren't actually in there, but you wouldn't know unless you read the plan, right?)

So who gets to be part of this conversation? Everyone who lives or works in Portland—or has and wishes that they still could. Whether you've been here a year or a lifetime, we're all stakeholders in Portland's future. The transplants of today will be tomorrow's victims of gentrification. This isn't just a discussion for natives, or homeowners, or elected officials. That said, it's important that we respect our elders. Even if you recently moved here, you have a right to be heard—but know, and recognize, that the passion you feel for this city may run far deeper in long-time residents.

There's no panacea here, no magic salve to heal the wounds of gentrification. Portland's changing, and it's affecting all of us. There is, however, an opportunity to stop complaining about Portland's present, and start having a meaningful discussion about its future. That's my plan. I hope you'll join me.

# Out of Control

## Why Rent Control Could Help Portland

*By Shelby R. King*  
*June 17, 2015*

IT'S A WILD-EYED time for tenants in the Portland metro housing market. In 2008, a two-bedroom, two-bathroom apartment cost an average of \$847. In 2015, the same apartment goes for an average of \$1,432—a 69 percent increase.

Local government, civic, and community groups are scrambling to find solutions. Earlier this month, City Club of Portland launched a study seeking ways to increase access to affordable housing. Among the policies being considered: rent control.

The term is a catch-all for strategies that limit how much landlords can charge tenants. Its purpose is to maintain a certain number of affordable units for middle- and lower-income residents, but options for how to do that are currently limited under state law.

Rent control's a dirty phrase among developers and landlords, who claim the rental market is a supply and demand issue—that if we simply build more units, prices will drop. It's also maligned by some economists. Portland real estate consultant Jerry Johnson recently told Willamette Week it's "an Econ 101-level policy disaster."

But the issue is not quite that simple.

"Econ 101 is about widgets, and housing is a complicated social issue," says Lisa Bates, associate professor at the Toulan School of Urban Studies and Planning at Portland State University. "Comparing the two violates every assumption of Econ 101, since there are a few more classes after that."

The question isn't whether or not rent control would have consequences, Bates says—because it would.

"It's really not even a question for economists at all," she says. "It's a question of what we want our social and political values to be."

Jake Wegmann, an assistant professor at the University of Texas at Austin who studies housing affordability and cost efficiency, says rent control is "the only policy that's up to the task of protecting huge swaths of the population that need it most."

Detractors of rent control policies often cite San Francisco as a disastrous example, considering rents in the Bay Area are among the highest in the country, even with rent control policies in place. But Wegmann, who lived in San Francisco for several years, disagrees.

"I don't think rent control has been a disaster in San Francisco at all," he says. "From a 30,000-foot view, rent control there is protecting about 170,000 of the 380,000 or so units in the city."

Portland, of course, isn't San Francisco.

"We have a much different type of problem here," Bates says. "Supply is a problem, sure, but saying 'we need more housing' doesn't address what's going on."

Adequate, affordable housing is something that we understand as much more than having a roof over one's head, Bates says, and hiding behind the curtain of economics fails to address the repercussions of denying swaths of the population that basic need.

"People say it's a lottery, and if you get rent controlled housing you win, so everyone else loses," Bates says. "Well, with no rent regulation policies, that's what we have going on now."

Losing in Portland's housing market often looks like one of two things: either you're priced out when renewing your lease, or your landlord hands down a no-cause eviction. The latter has happened to Margot Black twice.

"No-cause evictions are standing in the way of any other types of rent control," says Black, an assistant professor of math at Lewis and Clark College. "As long as they're still able to kick us out for no cause, any form of rent control won't do any good."

There's a power dynamic between tenants and landlords, with tenants at a disadvantage. Black says after she and her husband twice moved their family of five, she's thought a lot about that dynamic.

Moving schools/jobs, changing neighborhoods, losing friends, and the upheaval of changing homes: all those things are hard enough on adults, let alone kids, Black says, and yet landlords have that power over families with evictions.

"At the bare minimum, from the moment you receive notice of a no-cause eviction you shouldn't be responsible for any more rent," she says. "They're 100 percent within their rights to do it, but there should be some compensation for the tenants."

That's rent control, or at least one form of it.

An alternate policy—one that San Francisco uses—is vacancy decontrol, which caps the amount a landlord can increase rent when a lease comes up for renewal.

Black's lease is up for renewal next month, and her landlord is jacking her rent up by \$200 a month.

"I get a two percent salary increase each year, and rent is going up 16 percent," she says. "We're lucky because we can pay it—our check won't bounce—but we had to pull my son out of piano lessons."

With a policy like vacancy decontrol in place, Black's rent increase would have been at least predictable.

Still, vacancy decontrol only helps incumbent tenants—landlords are free to charge market rates for incoming renters—and detractors say it traps renters in one place while also pitting landlords against tenants.

"It's true that vacancy decontrol tends to set up an adversarial relationship," Wegmann says. "And there's no question that landlords aren't going to make huge improvements to existing buildings, because there's no recompense for them. But there are ways for municipalities to get around that."

It's also true that living in a rent-controlled apartment can be viewed as a "trap," forcing a tenant to remain in an apartment to avoid paying current market prices on a new place. But there are work-arounds for that scenario too, such as lease transfers, where tenants assume someone else's lease so they don't have to start fresh.

It's not a perfect system, Wegmann concedes, but it's one way to battle Portland's escalating housing market.

"Developers can set prices on new units at whatever the market will sustain," he says. "Vacancy decontrol is just one tool among many, and these tools may be the only way to balance the market when rents are going bananas."

## **Back on Burnside**

### **Portland's Rogue Cabbie "Poster Child" Got a Second Chance With Uber**

*By Dirk VanderHart*

*June 17, 2015*

IT'S NOT HARD to find stories about Kundin Nadew—the man city officials call Portland's most persistent "rogue" cabbie.

Since his city permit was revoked in 2012 following a drunk driving arrest, the city says Nadew has made a habit of illicit incursions into Portland from Beaverton, where he's legally allowed to drive a cab. He's been fined more than \$25,000 for taking illegal fares within Portland city limits over the last three years.

The city's cab drivers know Nadew's dark mini van, with its makeshift taxi light and conspicuous lack of a proper taxi plate, and sometimes will film him tooling around Portland streets. In a video shot earlier this month, Nadew wags his finger out the van's driver's side window as he foully berates a Green Cab trainee filming him.

"Fuck you, mother pussy!" he yells in broken English. "You mother pussy cab!" Then he drives off.

It's not behavior any employer would relish, but Nadew recently got a fresh shot at legitimacy in Portland's private for-hire transportation world. The city won't let him legally drive a cab, so Nadew got a job with Uber.

Ever since Portland officials began mulling over rules to allow the “transportation network companies” (TNCs) Uber and Lyft to operate legally here early this year, angry cab companies have stressed one point above others. They want TNCs to be subject to the same background checks cab drivers go through—not the proprietary checks Portland okayed in April.

Uber and Lyft, meanwhile, say their checks are rigorous.

And while Portland hasn't seen any of the mayhem from TNC drivers that has cropped up elsewhere—including incidents involving people with spotty legal records—the fact Nadew was hired by Uber points to a glaring inequity in the two processes: Even the city's best-known lawless cabbie can get an Uber gig.

“He's sort of the poster child for illegal operators,” says Frank Dufay, who oversees taxi and TNC regulation for the city. “We revoked his license years ago, and he still continues to operate.”

To be fair, Nadew didn't last long at Uber. Spokeswoman Laura Zapata confirmed to the Mercury that Nadew had been a driver in Portland, but said he “has been deactivated and no longer has access to the platform.” She wouldn't provide details of his employment.

Uber has a code of conduct that stipulates drivers should exhibit “no aggressive behavior,” but it wasn't a violation that got Nadew let go. PBOT says it received complaints he was driving for the company, and demanded he be fired. If there was no complaint, he might be driving for Uber today.

“This driver is going to hurt someone with his driving, his anger, and/or his words,” says Wynde Dyer, the Green Cab driver (and Uber foe) to whom Nadew was directing his “mother pussy” comments. “If Uber used the city screening and permitting process like proper professional cab drivers, this guy would not be on their platform.”

In Dyer's telling, she saw Nadew driving erratically on Interstate 5 in the early hours of June 6, and had a trainee who was riding with her start taking pictures and shooting video of his vehicle. When Nadew saw he was being filmed, he unleashed a tirade that cabbies say has become his trademark (another video sent to the Mercury featured Nadew muttering to a filming cab driver “I'll fuck your face, man”).

Nadew says this is all wrong. He insists he only drives into Portland so he can drop off people he's picked up in Beaverton, which is legal. (According to city documents, he's claimed in the past that sometimes people will jump into his cab “against his will” once he's in Portland.) Nadew also accuses cabbies of swearing at him.

“Portland taxi drivers, they think I pick up from Portland,” he tells the Mercury. “When I come, they mad at me.”

Beyond the question of whether Uber's hiring shady drivers, Nadew's scenario raises questions about the city's ability to enforce its transportation laws. PBOT has said it has staff that's checking for compliance, but in cases of repeated lawlessness where no permit is at stake, the agency admits it has fewer options.

“It becomes a police matter,” says Dufay, who's been pressing cops to crack down on Nadew and other illegal cabs. “[PBOT] can send him angry postcards.”

## Hall Monitor

### Help Is On the Way?

*By Dirk VanderHart*

*June 17, 2015*

FOR A CITY that's been lax on affordable housing goals, June 10 was a good day.

That morning, the Portland City Council handed over \$7.1 million and a 10,000-square-foot plot of Lloyd District property for Miracles Central, a proposed six-story development that will feature 47 units of cheap housing and on-site treatment for people looking to find their feet.

Hours later, the Portland Development Commission announced it finally struck a deal with the moneyed Zidell family to build on 30 undeveloped acres near the South Waterfront. Written into an agreement the city council will consider in coming weeks is a long-anticipated provision that lets the Portland Housing Bureau (PHB) purchase a South Waterfront plot that will hold around 200 affordable units.

It was a well-placed flourish as Portland is losing its mind over housing prices. While the city's private developers gleefully rush to build enough supply to satisfy the thousands of would-be Portlanders annually swarming into town, there's a fresh awareness that affordable housing is a vital piece of that growth.

"The market's kind of crazy right now," Home Forward Director Michael Buonocore told city commissioners at last week's council meeting. "Affordable housing is our long-term system solution to homelessness."

Buonocore's organization distributes vouchers to those who need assistance with monthly rent, but it's having less success placing people in this market than it has in decades. So Home Forward's shifting its focus somewhat. The Oregonian reported in April that the organization is forgoing hundreds of rental vouchers so it can help supply dedicated cheap housing in projects like those announced June 10.

But here's the thing about these developments: They're no good to people who need help today. The South Waterfront plot announced last week won't be bought for years, according to the PDC's agreement. Miracles Central, which the city may end up footing half the bill for, has a faster timeline—but still probably won't be ready until late next year.

In hopes of figuring out just how much help is on the way for people being shuffled around by Portland's housing turbulence, I asked the PHB for a tally of incoming affordable units.

That's a surprisingly difficult number to get, given all the scrutiny around housing. Spokeswoman Martha Calhoun first sent me a list of five developments, the most immediate of which—another 200-unit development planned in the River Place neighborhood—isn't slated to break ground until 2017. For the others, the city's still looking for qualified partners, or hasn't begun hashing out timelines.

But that's not the full picture. PHB expects five housing projects will be completed by this fall. Most are merely rehabilitations of existing affordable housing, Calhoun says, but the Housing Bureau also expects 122 new units—split between East Portland and Old Town—will be ready by October.

It's incremental progress, sure. But the decisions officials trumpeted on June 10 show we're doing better. Meanwhile, there's still no indication that it's nearly enough.

## **Commissioner Steve Novick Will Ask the State to Look Into Uber**

*By Dirk VanderHart  
June 17, 2015*

Commissioner Steve Novick says he's asking the state's Bureau of Labor and Industries to look into Uber, after California's Labor Commission ruled an Uber driver was an employee—NOT a contractor like the company claims.

The ruling came down in March, but only got scrutiny yesterday after Uber filed an appeal. The actual decision—that Uber owes one driver more than \$4,000 in back wages—isn't an issue for the \$40 billion company. The underpinning logic very well might be. It could thrust Uber into the world of workers' comp and social security taxes and all the sticky things that come with being an employer and not a "logistics company," as Uber likes to call itself.

The California commission's ruling will give ammo to other Golden State employees who want to file similar claims. Novick wants to see if something similar might apply here. Here's the statement Novick released earlier today:

*This ruling is very interesting. I am going to ask The State Bureau of Labor and Industries how Oregon law compares with California law, and see if the same analysis applies, or if Oregon law would need to be changed for the same analysis to apply. Based on previous statements I have seen from BOLI, it seems that Oregon law is different, but I will ask them to revisit the issue in light of the California ruling. And I am going to ask drivers if they would want to have employee status, with the accompanying benefits and protections. One of the things that concerns me about Uber and Lyft is the fact that their drivers do not have the protections and benefits of employees. Indeed, many of the 'regular' taxi drivers are also treated as independent contractors. My own*

*instinct is that drivers – both taxi and TNC drivers - would be better off if they could obtain the protections and benefits of employees. I'd like to see if the drivers agree."*

Uber's had a stormy relationship with Novick, and the city in general. The company began operating here late last year, flouting Portland's existing regulations around taxis and similar transport. Uber eventually agreed to back off, but the dust-up forced Novick and Mayor Charlie Hales to convene a task force that helped create a four-month pilot project that's allowed Uber to operate legally today.

It remains a controversial topic, though. The city's cab drivers—like cabbies the world over—detest Uber and its main competitor, Lyft. They claim the companies are held to lower standards than taxi companies, and say the city should make these so-called "transportation network companies" adhere to the same driver background checks cabs use.

We ran a story in today's Mercury showing Uber hired one of the city's most infamous rogue cabbies this year, despite the fact the City of Portland has said for years he's banned from accepting fares within city limits.

## **Portland's A "Vision Zero" City Now. What's That Going To Mean?**

*By Dirk VanderHart  
June 17, 2015*

There was never any doubt Portland City Council would approve a resolution to adopt Vision Zero this morning. What politician would be caught dead opposing the notion that serious traffic injuries and deaths are not acceptable? It's easy enough to pass a non-binding statement of support (which a Dan Saltzman-less council did 4-0), vote to pay \$150,000 in state money to study it (ditto), and move along.

But this morning's vote was striking in two ways: One, it appears this council really wants to make the city's streets safer—and at a time when recent high-profile crashes (see here, here, here, and here) have drawn protest and outrage and public statements by elected leaders. Two, they're not sure just how the hell they're going to make that happen, and are leery of setting a firm date for success.

Let's take those in order.

The Bicycle Transportation Alliance, Oregon Walks, and the other groups flogging Vision Zero this year have an ally in the city's stop transportation official. Leah Treat has said since she took the helm of the Portland Bureau of Transportation she wants to implement the concept—which prizes safety and eliminating serious crashes and deaths over automobile throughput and brutal efficiency.

But Treat's got a boss to answer to, which makes comments by Commissioner Steve Novick (the boss in question) really important. Particularly this one: "This is a vision that will guide all aspects of our work."

That's a sweeping commitment for Novick to make. And with an election campaign in the offing, it's an easy cudgel for opponents to wield if PBOT begins announcing projects that seem contradictory to the vision of slower speeds, narrower roads, and less mayhem in general.

"I think that there are people who assume that it's not possible to drastically reduce or even eliminate fatalities or serious injuries on our streets," Novick said at the outset of this morning's discussion. "That is not true."

The data PBOT's been throwing around in the Vision Zero discussion is six years old. It shows that Portland is already safer than many big American cities at 6.2 traffic deaths a year per 100,000 residents.

The cities that do even better than that are denser, with narrower or more-choked streets that make it a relative pain to drive a car. (The very thing you're freaking out about happening here.) New York is the best in the US for traffic deaths, at 3.9 per 100,000 residents, but San Francisco, Washington, DC, Chicago, and Seattle are beating us out. Stockholm, which created the concept of Vision Zero after experiencing serious traffic mayhem in the 1970s, boasts 1.1 death per 100,000 residents.

Novick, by the way, was far from alone in his forceful support. The mayor and two remaining commissioners all spoke passionately about stopping the crashes that seem to have piled up in recent days (auto deaths have decreased in Portland, but we do a bad job protecting pedestrians from harm).

Commissioner Amanda Fritz's husband, Dr. Steven Fritz, died in a crash on Interstate 5 near Salem last September, and she's been pushing for new barriers in the medians of hundreds of miles of highways ever since. "It's been very difficult for me to sit through this hearing," she noted. Commissioner Nick Fish said he'd also lost a loved one to a crash as a child.

Mayor Charlie Hales said the resolution (and the money council also approved to study the matter) "isn't just a soundbite or a photo opportunity. It's a serious commitment by us as a city to say this is our goal and we mean this. We are going to join other cities who are in the vanguard of this movement."

So there's support! But here's the second thing about today's vote: No one's really sure exactly what it means. Some of that will come out in the pricey consultant's report the state is paying for, but when advocates Rob Sadowsky (of the BTA) and Noel Mickleberry (of Oregon Walks) pressed council to set a deadline, 10 years hence, for eliminating serious crashes and deaths, commissioners balked.

"I'd want to have conversation about the pros and cons of setting a date," Novick said. "I'd want to talk to colleagues and other people involved in the 10-year Plan to End Homelessness and what the implications were of setting a goal and what happens when you can't meet it."

Fritz noted that the city doesn't have enough money for existing transportation needs, that there's no sign the state's going to come to our rescue, and that—even if legislators do manage to reach accord on a transportation bill in the quick-dwindling days of this session—Portland should probably reopen the toxic street-fee discussion again.

Hales seemed to agree, but noted the city hasn't shied from putting timelines on other sweeping efforts.

"We've made those kinds of commitments before," he said. "We made a commitment to take more housing to execute the Urban Growth Boundary. We made a commitment to reduce our carbon footprint in this city and we have a goal, and we have a timeline." (Carbon footprint is likely top-of-mind for the mayor since he's going to go visit the Pope on the public dime next month to talk climate change.)

This reasoning against a concrete date was not impressive to the BTA's Sadowsky, who's pushing Vision Zero on the state and national levels, too.

"Unless you set a date, it's not bold," he said after council had voted. "I don't buy [that logic]. I think it's bullshit. I didn't get a chance to say that, though."

(It should be noted PBOT's already sort of set a date. A 2-year plan the agency released earlier this year commits to Vision Zero and pledges to "move toward zero traffic-related fatalities and serious injuries in the next 10 years.")

City council was more amenable to another proposal from the BTA: That whatever plans emerge from Vision Zero carry explicit assurances against racial profiling. That provision is based in the experience of New York, where Sadowsky says cops used Vision Zero as pretext for stopping minority citizens for jay-walking and other minor infractions.

The bottom line: We are a Vision Zero city now (we sort of have been since PBOT adopted that ethos earlier this year). What that winds up meaning is an open and interesting question.

## Daily Journal of Commerce

### PDC expresses interest in relocating

*By Beverly Corbell  
June 17, 2015*

The Portland Development Commission is interested in the possibility of a new home.

The city's urban renewal and economic development agency last week issued a request for information, and the deadline to respond is July 27. The RFI can be accessed online at [http://vmw.pdc.us/login/download\\_nologin.asp?i=1167](http://vmw.pdc.us/login/download_nologin.asp?i=1167).

PDC spokesman Shawn Uhlman said the agency's lease is up in 2020, but it's not too soon to start looking because there are options for exiting the lease early. Also, the PDC has more space than it needs.

“The lease is up in 2020 and that sounds like a long way out, but the opportunity to move is not very far from now,” he said. “No one is saying we must move, but I think that as we are on the verge of having a lease up, it just makes sense.”

When the PDC moved into its current, 42,000-square-foot building in 2010, the agency had 240 employees, Uhlman said, but now it has only 95. Part of the reason is that the PDC’s housing function – employees included – was absorbed by the Portland Housing Bureau. Plus, layoffs in the past few years made an impact.

“The layoffs were primarily due to declining TIF (tax increment financing), but now we have reached equilibrium and I’m pretty confident we will stay at that level,” Uhlman said.

The PDC is not promising to move after receiving responses to the RFI, but it includes several specifics that it is looking for should it decide to. Ideally, the RFI states, the new location would be one that “has experienced sustained disinvestment” so that the PDC’s arrival could serve as a catalyst for additional investment.

The new space also would need to be close to mass transit, be Leadership in Energy and Environmental Design rated, be accessible in accordance with the American with Disabilities Act, and possess audio-visual technology, a fitness facility or showers, and lockers and bike storage for 40 people. The RFI does not specify how much square footage would be required, but calls for 90 workstations, 12 private offices, 14 meeting rooms, one “quiet/sick/mothers room,” a lunchroom and accommodations for information technology.

The PDC rents out extra space at its current location, but a move into a building with lower rent could save taxpayers money, Uhlman said.

“Financially we’re fine, but it’s about being wise with public money,” he said. “If we can get in a space that meets our needs at a lower cost, we would be very interested in pursuing it.”

## **GoLocal PDX**

### **City Council Considers Vision Zero to Improve Transportation Safety**

*By Nicole Smith*

*June 17, 2015*

Mayor Hales and Commissioner Steve Novick announced their support for the global campaign Vision Zero on Wednesday, June 16th. Vision Zero works to improve traffic safety and will be run by a committee with diverse areas of expertise, including law enforcement, education, public health and emergency response.

“I am very pleased that the City Council will consider several important steps that will lead our actions on Vision Zero and reinforce recent investments that will make our multimodal transportation system safer for everyone,” Transportation Director Leah Treat said. “This will further enhance the safety work we have under way across the City, including the actions I laid out in Portland Progress, PBOT’s two-year action plan.”

City Council colleagues and city employees are encouraged to join in support of the campaign to improve health and safety in Portland. The Council is considering accepting a \$150,000 grant from the Oregon Department of Transportation to develop the Vision Zero Transportation Safety Action Plan by 2025.

For more information on Vision Zero visit [VisionZeroPortland.com](http://VisionZeroPortland.com) or The Portland Bureau of Transportation website.

Other recent and upcoming actions to improve transportation safety and implement Vision Zero include:

- PBOT plans to install 24 rapid flash beacons in 2015 in East Portland
- PBOT officials will seek permission from the Oregon Speed Zone Board to expedite the process for setting speeds on city streets, taking into account how and when pedestrians and cyclists use the road. While that request is pending, the City recently successfully reduced speeds on SE Division and Burnside, which are both classified as High Crash Corridors.

- PBOT has been supporting House Bill 2621, which would allow Portland to install fixed photo radar safety cameras to reduce speeding on the City's High Crash Corridors. The 10 designated High Crash Corridors make up just 3 percent of the City's road network, but they account for more than 50 percent of pedestrian fatalities in Portland. The bill is scheduled for a hearing on Wednesday at 1 p.m. in Room H-174 of the State Capitol Building in Salem.
- The City Council recently approved the City's biggest investment in the High Crash Corridor Program. The 2015-16 Budget approved on May 27 includes \$8 million for maintenance and safety improvements on 122nd Avenue in East Portland and \$2.8 million for safety improvements on East and West Burnside. The budget also includes \$300,000 to begin to expand Portland's Safe Routes to School programs to middle and high schools. Council adoption of the 2015-16 Budget is scheduled for Thursday.