

## The Oregonian

### A reservoir deal, a parking app and land for Right 2 Dream Too

*By Brad Schmidt*

*July 10, 2015*

The Portland City Council agenda is out, and officials are scheduled to vote on three big items next week.

- 1) Mt. Tabor reservoirs: City officials have hashed out a deal to pay for at least \$4 million in improvements at Mt. Tabor reservoirs, ending -- for now -- a battle with the neighborhood association over the fate of the historic reservoirs.

The reservoirs will be taken offline to comply with federal regulations governing open-air water storage. The city has agreed to keep water in the reservoirs and will consider spending an additional \$1.5 million to replace lighting at two reservoirs, among other things.

The resolution does not specify a source of funding for the potential \$5.5 million commitment. City officials are currently ensnared in a lawsuit over questionable utility spending, and the lawyer fighting Portland said he doesn't want water money spent to make decorative improvements at Mt. Tabor.

- 2) Parking app: The Portland Bureau of Transportation will launch a competitive process for a new paid-parking app for your smart phone. Officials estimate the project will cost about \$6.2 million.
- 3) Right 2 Dream Too: Portland's downtown homeless camp may soon be on the move. Two and a half months after selecting a site on the Central Eastside, city leaders will authorize buying property at Southeast Third Avenue and Harrison Street for \$254,044.

### Legal pot won't change city of Portland employment rules

*By Brad Schmidt*

*July 10, 2015*

The legalization of marijuana in Oregon shouldn't create any noticeable workplace changes for city of Portland employees.

Ten days after the long-anticipated change to state law, Portland's Human Resources Director, Anna Kanwit, sent an email to all employees Friday telling them "nothing has changed" under the city's drug policy.

Many other local governments wrote to employees last week offering guidance.

Kanwit's memo said that sworn members of the Police Bureau and Portland Fire & Rescue are still prohibited from using marijuana, as are employees who are required to hold commercial driver's licenses. That's the same as before legalization July 1.

But for the rest of the city's employees – who make up the vast majority of the workforce – Kanwit said in an interview that expectations remain the same.

And that means pot is OK, so long as employees don't show up for work with it or stoned.

"If an employee wants to smoke a joint at home at night with their dinner, OK, as long as they don't come to work impaired," Kanwit said.

If an employee is believed to be high at work, or if the employee gets into a work-time car crash while using drugs, he or she would be asked to take a voluntary drug test. If the employee failed, there would be consequences, Kanwit said.

But that's not a change in policy, she said.

The one tweak that is expected: Portland will clarify the definition of a drug in its administrative rules.

The city has the equivalent of more than 5,600 full-time employees.

Portland's Office of Neighborhood Involvement recently issued a Q+A for city residents who may have questions about marijuana.

Among other things, it makes clear that employers still have the authority to set company drug-use policies.

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Here's Kanwit's email:

*As most of you are probably aware, the Oregon State Legislature legalized recreational use of marijuana, effective July 1, 2015. Despite that action nothing has changed in terms of the City's policy and expectation that employees come to work in a condition to perform their duties in a safe, effective and efficient manner.*

*Employees may not report to work under the influence of alcohol or any drug, legal or illegal, under Human Resources Administrative Rule 4.01, Drug and Alcohol Use Prohibited. The rule also prohibits employees from bringing alcohol or drugs onto City property. This prohibition includes marijuana even though it is a legal drug. HRAR 4.01 will be revised to clarify the definition of "drug" in the rule to ensure there is no confusion.*

*Please note that current zero tolerance rules for sworn members of the Police and Fire Bureaus and all commercial driver's license holders are not impacted by the change in Oregon law. If you have any questions, please contact your bureau assigned HR Business Partner.*

## **Conflict of interest compromising Portland urban renewal board: Editorial Agenda 2015**

*By The Oregonian Editorial Board  
July 10, 2015*

Before voting to place developer Mark Edlen on the Portland Development Commission board last fall, Andrew Theen of The Oregonian/OregonLive reported, Mayor Charlie Hales recited several principles espoused by Edlen's company, Gerding Edlen: "Build community ... minimize carbon footprint ... connect people and buildings to nature ... inspire communities with art" and so on. Edlen's outlook clearly resonates with Hales, who previously had expressed a desire to push the PDC, Portland's urban renewal agency, away from job-creation toward the more value-laden task of "place-making." The mayor even suggested facetiously that the city "plagiarize" Gerding Edlen's list of principles "and call it the Portland Development Commission mission statement."

Little did anyone know then how prophetic the mayor's joke about blurred lines would prove. Now, even as Edlen serves as one of the PDC's five board members, his company seeks to buy and build on city-owned property in the South Waterfront District, Brad Schmidt of The Oregonian/OregonLive reports. Gerding Edlen leads one of three development teams competing for a two-acre parcel owned by the PDC. Conflict, anyone?

Edlen told Schmidt he was not directly involved in his company's proposal, which includes a grocery store and affordable housing. Moreover, he has recused himself from all related discussions and intends to recuse himself from PDC votes on the deal, he told The Oregonian/OregonLive editorial board Wednesday. Such steps are appropriate, but a significant problem of public perception remains. Unfortunately, the mayor has all but shrugged it off. In response to questions posed by The Oregonian/OregonLive editorial board Monday, spokesman Dana Haynes recycled the mayor's statement responding to Schmidt's questions last week:

"The PDC needs people with development experience in Portland. That experience lets you know what a project is really all about and to ask the tough questions. So you're almost always going to have somebody with a conflict of interest who has to recuse themselves on certain votes. Mark is great. Ask anyone involved in PDC, and they'll tell you his experience as a developer helps in the decision-making. But this is a fairly small city, and everyone knew he'd have conflicts occasionally. This was anticipated."

Edlen may be great, as the mayor says. And both Edlen's intentions and actions may remain above reproach even as his company pursues work with the agency he oversees. Problem is, this looks terrible, and appearances matter. By aggressively ignoring this problem, Hales does a disservice to his constituents and to the civic institutions, including the PDC, for which his office is partially responsible.

It's also not clear what manner of conflict the mayor anticipated when he nominated Edlen to serve on the PDC. Gerding Edlen's long history of involvement with the PDC was well known. Edlen estimated at the time that his company had done at least six projects with the agency, and the PDC even voted to sell land in Old Town Chinatown to Gerding Edlen just weeks before Edlen joined the board. This degree of overlap might have convinced other people in Hales' position to look elsewhere for a new commissioner – as it should have convinced Hales – but in his defense the mayor did predict last fall that Edlen's "ability to do projects here will be somewhat limited due to his participation on the board."

We asked the mayor's office Monday to square Gerding Edlen's South Waterfront proposal with Hales' expectation of limited involvement. Rather than responding to the question, the mayor's office regurgitated The Quote, above, which shrugs off occasional conflicts as the expected consequence of living in a small town. This makes little sense. If Gerding Edlen's South Waterfront proposal was "anticipated," as the mayor's office suggests, what did Hales mean last year when he said the company's activities would be limited? Handling conflict through evasion is no way to build public trust.

It's not enough for public officials to pursue outcomes that reflect the right values, as Hales presumably was doing by nominating Edlen for the PDC board. It's also necessary to pursue such outcomes in a way that indicates respect for bedrock values like fair play. Edlen may satisfy the letter of the law by recusing himself from participation on projects in which his company is involved, but this will do nothing to protect the PDC from suspicion in the event that Gerding Edlen prevails. Taxpayers, not being dumb, will wonder whether an invisible thumb tipped the scales. Why wouldn't they?

Edlen brings a great deal of expertise to the PDC board, but his company's continued pursuit of projects involving the PDC has made him a liability. Portland is a small city, to be sure. It's more than big enough, though, to produce a replacement board member who has some of Edlen's expertise and fewer of his conflict problems. As advocates for "place-making," both the mayor and Edlen must understand that good places require government institutions that inspire trust.

## **The Portland Tribune**

### **Council agenda: Reservoirs [sic], R2DToo, Uber and Lyft**

*By Jim Redden  
July 13, 2015*

The City Council is scheduled to consider three highly-publicized and controversial issues on Wednesday — the future of the open reservoirs in Mt. Tabor, the purchase of vacant state land in Southeast Portland for a potential homeless camp, and the results of a pilot program for ride-sharing companies like Uber and Lyft in Portland.

The council is scheduled to consider two items related to the Mt. Tabor reservoirs beginning at 9:30 a.m. on July 15.

One is the appeal of a land use change requested by the Water Bureau to disconnect the three open Mt. Tabor reservoirs from the water distribution system. The change was requested by the bureau and approved by the city's Historic Landmarks Commission with the condition the reservoirs be restored and preserved in their historic appearance. Both the bureau and the Mt. Tabor Neighborhood Association (MTNA) appealed the approval to the council.

The second is a proposed resolution between the city and the MTNA governing the future of the reservoirs if they are disconnected. It was negotiated between the bureau and the MTNA and requires the reservoirs to be restored and preserved in their historic condition, with \$5.5 million to be spent resorting them over the next four years. It also requires the bureau and the MTNA to consult on the restoration schedule, and it requires the reservoirs be filled with water at historic levels as many days as possible, among other things.

The MTNA has agreed that if the council approves the resolution, it will not appeal the disconnection to the state land Use Board of Appeals, as allowed by law.

Only two members of the council responded to requests for comment from the Portland Tribune to date, commissioners Amanda Fritz and Dan Saltzman. Both said they will not decide how to vote until after

hearing the testimony on Wednesday. But Saltzman added, "If this represents an agreement that is supported by both the Water Bureau and the neighbors, I am excited about that."

The resolution can be read at [www.portlandonline.com/auditor/index.cfm?c=50265&a=537253](http://www.portlandonline.com/auditor/index.cfm?c=50265&a=537253).

For previous Portland Tribune coverage of the issue, visit [portlandtribune.com/pt/9-news/266364-140202-council-asked-to-spend-55-million-to-preserve-mount-tabor-reservoirs](http://portlandtribune.com/pt/9-news/266364-140202-council-asked-to-spend-55-million-to-preserve-mount-tabor-reservoirs).

Later on the agenda, the council will consider spending \$254,044 to buy surplus property from the Oregon Department of Transportation at Southeast Third Avenue and Harrison Street. Fritz and Mayor Charlie Hales have proposed it as the new location of the Right 2 Dream Too homeless camp in Old Town. It is distinguished by the colorful painted doors that surround it. Developers have given the city \$846,000 to relocate the camp, commonly called R2DToo.

The location has been questioned by neighborhood and business organizations in the area. It is far away from social service agencies, is near a busy streets and rail line, and has no electricity, water or sewer service. Southeast Uplight, the coalition office representing 20 eastside neighborhood association, wrote the council requesting more discussion of the relocation on July 6.

On Friday, Hales and Fritz issued statements implying the city could buy the property but not use it for the camp. An environmental and air-quality assessment of the site is currently under way.

"The Third and Harrison site could be a good home for Right 2 Dream, which has proven to be a part of the solution for Portland's homeless population," Hales said. "But even if the site doesn't work for that purpose, it may still be a good site for the city to own."

"We need to move forward with the logistics of the purchase now, to allow time for Right 2 Dream Too and other community members to discuss how to prepare for a move before the cold, rainy season comes back," Fritz said.

For previous Portland Tribune coverage of the issue, visit [portlandtribune.com/pt/9-news/266420-140309-council-to-consider-homeless-camp-relocation-despite-plea-from-neighbors-](http://portlandtribune.com/pt/9-news/266420-140309-council-to-consider-homeless-camp-relocation-despite-plea-from-neighbors-).

Then at 2:30 p.m., Transportation Commissioner Steve Novick will present an interim report on the results of a 120-day pilot program authorized by the council for Transportation Network Companies (TNCs) like Uber and Lyft. TNCs allow riders to be picked up by drivers in their own cars through smartphone apps. The report was released Friday and includes the following findings:

- Uber and Lyft captured 43 percent of the taxi market in May, but more than half the market by the end of the month.
- One out of 13 taxi customers had to wait more than 20 minutes to be picked up, versus less than 1 in a 100 for passengers of Uber and Lyft.
- The average wait time for taxi companies was about 10 minutes, versus six minutes for Uber and Lyft.
- The average wait time for a taxi customer in a wheelchair was 23 minutes.
- The wait times were lower for Uber and Lyft customers but they provided very few rides to people in wheelchairs.

To read the full report, visit [www.portlandonline.com/auditor/index.cfm?c=50265&a=537272](http://www.portlandonline.com/auditor/index.cfm?c=50265&a=537272).

For previous Portland Tribune coverage of the issue, visit [portlandtribune.com/pt/9-news/266418-140306-uber-lyft-winning-over-portland-taxi-market-disrupting-cab-companies-](http://portlandtribune.com/pt/9-news/266418-140306-uber-lyft-winning-over-portland-taxi-market-disrupting-cab-companies-).

## **Council to consider homeless camp relocation, despite plea from neighbors**

*By Jim Redden  
July 10, 2015*

The City Council will consider buying a new site for the Right 2 Dream Too homeless camp in Southeast Portland on Wednesday, despite a recent plea from neighbors for more public discussion of the decision.

The council is scheduled to consider spending up to \$254,044 to buy surplus property from the Oregon Department of Transportation for the camp at Southeast Third Avenue and Harrison Street. The camp, commonly known as R2DToo, is currently located in Old Town.

Last week the board of directors of the Southeast Uplift neighborhood coalition asked the City Council for more public involvement on the relocation decision. The coalition is comprised of 20 neighborhoods in Southeast Portland, including the location where Mayor Charlie Hales and Commissioner Amanda Fritz have proposed moving the camp.

"The Third and Harrison site could be a good home for Right 2 Dream, which has proven to be a part of the solution for Portland's homeless population. But even if the site doesn't work for that purpose, it may still be a good site for the city to own," Hales said in a statement after the Wednesday agenda was released.

In a letter sent to the council on July 6, the board says it has not taken a stand for or against the relocation, yet. But the letter says numerous questions have been raised about the new site that deserve more public discussion.

The letter can be read [here](#).

The proposed site is a vacant state-owned parcel located east across railroad tracks and a busy street from the Oregon Rail Heritage Center near OMSI. Some attending the board's last meeting questioned the health impact on camp residents of being moved so close to the tracks and street. The city has been conducting a health study of the site.

Old Town area developers have given the city \$846,000 to pay for the relocation.

It's easy to miss the meaning of the council item on the agenda released Friday afternoon. It does not mention the camp, but reads, "Authorize acquisition of surplus property for municipal purposes at SE 3rd and Harrison Streets from the Oregon Department of Transportation not to exceed \$254,044 (Ordinance introduced by Mayor Hales and Commissioner Fritz) 30 minutes requested."

## **Lawsuit says \$6 million misspent on fountains, Hurricane Katrina help**

*By Jim Redden  
July 10, 2015*

Like the drip-drip-drip of a leaky faucet, attorneys representing Portland water and sewer users challenging even more utility bureau payments authorized by the City Council.

In new filings in their long running lawsuit against the city, the attorneys are asking Multnomah County Circuit Court Judge Stephen Bushong to direct the council to reimburse the Water Bureau approximately \$6 million for maintaining and operating 25 decorative fountains throughout the city and sending employees to New Orleans to help repair its water system afar Hurricane Katrina.

Lead attorney John DiLorenzo argues the City Charter requires water rate funds to only be spent for the primary purpose of the bureau, which is delivering water to its customers. He also argues sewer rate funds can only be spent for the primary purposes of the Bureau of Environmental Services, which is operating the city's sewer system and stormwater management programs.

The City Attorney's Office has responded the charter gives the council broad discretion on how water and sewer rate funds can be spent.

The lawsuit lists dozens of examples of what DiLorenzo calls illegal spending approved by the council. Bushong has so far ruled on a handful of examples that the two sides agreed would be considered test cases. He determined the spending must be "reasonably related" to the primary missions of the bureaus. In one case, he ruled the council had improperly spent water bureau funds on the public toilets championed by former Commissioner Randy Leonard. In another case, he ruled the council could legally authorize BES to spend sewer rate funds to help buy and preserve an undeveloped portion of the River View Cemetery for stormwater management purposes.

Now the ratepayer attorneys have asked Bushong for summary judgements that the council erred in two other water bureau cases.

In the new filings, the attorneys say the council acted illegally when it transferred the ownership and responsibility for 25 decorative fountains from Portland Parks & Recreation to the bureau in 1988. They include such well known fountains as the Ira Keller Fourcourt Fountain, the Skidmore Fountain, and the Jamison Square Fountain.

The council transferred the fountains to the water bureau to save money for the parks bureau, which is primarily financed with discretionary General Fund dollars. The council reconsidered the decision and transferred responsibility for operating and maintaining them back to the parks bureau in 2013.

"They transferred the responsibility back, but they didn't reimburse the water bureau for the money spent on them between 1988 and 2013," says DiLorenzo.

As part of the discover process, the city has said the bureau spent \$2.8 million on the fountains between 2006 and 2012. The filing says Bushong should extrapolate the total spending to \$5.6 million for the entire 27 year period.

In the other case, the bureau sent two teams of 35 employees to New Orleans after Hurricane Katrina. The city says the total cost of the repair trip was about \$2 million, of which around \$1.7 million has been reimbursed by the Federal Emergency Management Association. The filing says the council should reimburse the bureau for the difference.

Assistant City Attorney Terence Thatcher says all of the spending in both cases was legal. When it comes to the fountains, he argues the charter gives the council the authority to spend water ratepayer funds for aesthetic purposes. And Thatcher says the New Orleans trip was authorized by an agreement signed by water bureaus in cities throughout the country to help one another in times of emergency — something that might one day benefit Portlanders.

Thatcher is preparing his response to the news filing. Bushong has not yet set a date for a hearing on it.

Although the council has authorized the city attorney to appeal Bushong's ruling to the Oregon Court of Appeals before he rules on all of the examples in the lawsuit that has not yet happened.

## **Uber, Lyft winning over Portland taxi market, disrupting cab companies**

*By Steve Law  
July 10, 2015*

Uber and Lyft have quickly absorbed half of Portland's taxi business since they were allowed to operate here in late-April, and regular cab companies and their drivers are feeling the pain.

"The prediction is some of us will die, and I might be closer than the others," says Green Cab manager Tesfaye Aleme, who has idled 10 of the company's new taxis rigged with wheelchair lifts due to turbulence in the market.

An interim report issued Friday on Portland's four-month experiment in taxi deregulation showed that Uber, Lyft and other transportation network companies handled 43 percent of taxi calls in May, compared to 57 percent for regular taxi companies. As the month wore on, Uber and Lyft's share grew larger so that by late May they were capturing more than half the market.

That's bad news for the city's traditional cab companies and their 3,000 drivers, especially those driving vehicles rigged for wheelchair access, which are far more expensive to buy and operate.

Uber and Lyft customers use smartphones to hail a taxi, and their drivers are independent contractors who turn regular vehicles into taxis when they feel like working. Traditional cab companies, who have more expensive dispatch systems and were mandated by the city to have fleets of wheelchair-accessible vehicles, in-cab video cameras and other costly features, find it hard to compete financially.

By flooding the market with new do-it-yourself taxis, Uber and Lyft have recorded lower waiting times for customers than the regular taxi companies, according to the city report. That makes them popular with customers, but cab drivers say the deck is stacked against them.

Before the four-month deregulation pilot project, Green Cab driver Wynde Dyer says she took home \$200 to \$300 each Friday and Saturday night after paying for expenses.

“Now I’m getting \$100 if I’m lucky,” Dyer says. “Sometimes I’m in the red.”

Steve Danca, a veteran taxi driver with Radio Cab, says he’s lost “maybe a third” of his income since Uber and Lyft were given the green light to operate here. Some cab drivers who don’t own their own vehicles have “jumped ship” to go drive for Uber, Danca says.

Jeanette, a Radio Cab driver who asked not to give her last name for security reasons, still owes \$25,000 on her wheelchair-accessible Dodge Sprinter, though it has 501,000 miles on it.

After paying for gas and other expenses, Jeanette needs to collect \$130 to \$150 per shift before she starts earning any take-home pay. One recent Saturday she took in only \$151.

“That’s because of Uber and Lyft,” she says. “Most people, cabbies that I’ve talked to, tell me that they’ve lost about 20 to 40 percent of their income, and that feels about right.

“I used to be able to make a living, not a huge living but I eked by,” Jeanette says. “I’m surviving off of savings,” she says, because of the city’s “grand experiment” in taxi deregulation.

City Commissioner Steve Novick has been promoting deregulation of the taxi industry since the responsibility for overseeing the industry shifted last year from the Revenue Bureau to the Portland Bureau of Transportation, which Novick oversees. As part of that shift, Novick and his staff supported lifting strict caps on the number of cabs that regular taxi companies were allowed to operate here — caps that the companies say partly explained their sometimes long wait times for customers.

Aleme of Green Cab took advantage of the opportunity, winning the right in February to expand from 82 taxis to 141 taxis. But to do that, he had to meet the city’s requirement that 20 percent of the taxis be fitted with wheelchair lifts.

It was an admitted gamble at a time when Uber was trying to bulldoze its way into the heavily regulated taxi market, Aleme admits. But he knew Uber doesn’t own cars and thus wouldn’t invest in expensive wheelchair-access vehicles. “I went out there and bought 13,” Aleme says, and one of his drivers bought a 14th.

The 10 adapted Dodge Grand Caravans cost \$37,000 each and the three Ford Transit Connects cost \$41,000 each.

Aleme didn’t figure the city would pull the rug out from under him by allowing Uber and Lyft to flood the market with do-it-yourself taxis and low costs to enter the market. Both Uber and Lyft were allowed to ink contracts with other companies to provide wheelchair-lift services.

But few of their customers are doing so.

Brooke Steger, Uber general manager for the Northwest, says about .01 percent of their Portland customers so far are people needing wheelchair lift services.

Cab companies say 1 percent to 2 percent of their passengers require wheelchair lift vehicles.

Uber announced a new training program Thursday so its drivers can accommodate other passengers in wheelchairs that may be folded up and put in the trunk of a regular car. Steger acknowledges that wheelchair-accessible taxi service requires a subsidy so that passengers can afford it. She suggests that drivers get double or even quadruple the normal fare for taking those passengers, which requires specially equipped vehicles.

Green Cab subsidizes the costs of wheelchair-accessible vehicles via the “kitty” payments cab drivers make to the company each week for dispatching, insurance and other services. After Uber and Lyft provided stiff new competition, Green Cab lowered its kitty to \$478 a week, down from \$520 a week, Aleme says. Drivers willing to use one of his new wheelchair-accessible vans get an extra \$100 off their kitty as an incentive to drive the vehicles.

But he’s having trouble recruiting enough drivers with the taxi market in such flux. So those expensive new wheelchair-accessible vans are sitting unused.

Green Cab has hired 15 new drivers since it expanded its fleet this spring, but Aleme could use another 60 more and can’t find them. So far, he’s lost one driver to Uber. “But I’m expecting to lose about 20,” he says.

All the drivers want to go to Uber and Lyft, or to companies with a lower kitty, Aleme says.

“Why would you want to jump on a sinking ship?” Dyer says. “That’s how a lot of people see the taxi industry right now.”

Aleme says he expected after the city encouraged regulated cab companies to add to their fleets and install wheelchair-accessible vehicles that it wouldn’t leave them out to dry.

“I didn’t know they were going this way,” he says. “I was thinking these kind of investments would be protected by the city.”

“It’s a free-fall,” he says. “I didn’t see that coming.”

### **New ideas to pay for taxi passengers in wheelchairs**

A typical ride in a wheelchair-accessible taxi may cost the provider \$30 to \$40 more than for a regular passenger, according to local taxi companies. That’s because a wheelchair lift is very expensive and it takes longer for such passengers to get in and out of the vehicle.

An advisory group working on ideas to serve Portland taxi customers needing wheelchair lifts has recommended a surcharge for every taxi ride, with the proceeds used to subsidize drivers of wheelchair-accessible vehicles. The idea emerged from a subcommittee of the Private For-Hire Transportation Innovation Task Force, appointed by City Commissioner Steve Novick to chart the path to industry deregulation and accommodate the entry of Uber and Lyft into the Portland taxi market.

The panel talked about an extra dime levied on each regular taxi ride, though an exact amount would be left to city regulators, says Mike Greenfield, who chairs the task force and the accessibility subcommittee that came up with the proposal. The city would collect the funds and dole them out to providers.

The subcommittee also suggests that the city no longer require a set number of wheelchair-accessible vehicles. Instead, it would require that taxis and Uber/Lyft drivers achieve a response time for wheelchair passengers of no more than double their regular response times.

They also recommend that passengers in wheelchairs pay the same fares as other customers, except that Uber would be barred from deploying “surge pricing” for them, when it temporarily raises its rates in times of high demand. The vehicles would have to be able to accommodate an additional passenger, such as an attendant, who wouldn’t be charged extra for accompanying the person in the wheelchair.

The subcommittee rejected the idea of the city hiring one company to handle wheelchair service for all customers, Greenfield says. “The disabled community is opposed to that because it is their position that that’s separate but equal,” he says.

### **Uber, Lyft winning over Portland’s taxi market**

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### **What's next?**

The Portland City Council will hear a status report Wednesday at 2 p.m. on how the city's experiment in taxi deregulation is going so far.

## **Council asked to spend \$5.5 million to preserve Mount Tabor reservoirs**

*By Jim Redden  
July 9, 2015*

The City Council is being asked to spend \$4 million over the next four years to repair, preserve and maintain the Mount Tabor open water reservoirs, and an additional \$1.5 million to replace non-historic lighting in two of the three reservoirs in the future.

The request is included in a proposed resolution that could resolve years of disputes over the future of the three open reservoirs in Mount Tabor. The council has promised the U.S. Environmental Protection Agency it will disconnect the reservoirs from the water distribution system by the end of the year to comply with rules intended to prevent the spread of water borne illnesses.

The proposed resolution can be read [here](#).

That decision is highly controversial and opposed by many Mount Tabor area residents and community activists. Despite that, the Mt. Tabor Neighborhood Association and the Portland Water Bureau agreed to negotiate the future of the reservoirs if they are disconnected. Their agreement is contained in a proposed resolution submitted to the City Auditor's Office on Thursday that will be heard by the council next week.

The resolution seeks to commit the council to preserve the reservoirs as artifacts in their historic appearance, and to make progress toward restoring their original condition, as identified in a 2009 Mount Tabor Reservoirs Historic Structures Report. The resolution is being introduced by Commission Nick Fish, who is in charge of the water bureau, and Commissioner Amanda Fritz, who is in charge of Portland Parks & Recreation, because the reservoirs are in a city park.

Fish and Fritz have not yet committed to support the resolution, and it is unclear whether the council will agree to the \$5.5 million commitment.

According to the terms of the resolution, it seeks to, "Establish a cooperative agreement with the Mt. Tabor Neighborhood Association to ensure that clean water will be maintained in the Mt. Tabor Park Reservoirs at the historic levels that produce the Park's iconic views, and to prioritize and implement the maintenance, repair and preservation of the Reservoirs and authorize funding for work identified in the 2009 Mount Tabor Reservoirs Historic Structures Report."

According to MTNA member John Laursen, "Neither side in the negotiation came away with everything it wanted, of course, but we feel that we were successful in procuring a commitment by the City to keep water in the reservoirs at the historic levels that produce the park's iconic views, as well as a commitment to preserve and maintain the historic structures. In earlier negotiations we succeeded in getting the disconnection to be made in such a way as to be reversible, and in saving a number of mature trees that otherwise would have been cut down during the construction process."

Laursen also says, "An important feature of the new agreement is a commitment by the bureau to work actively with the MTNA in the future on prioritizing the way money will be spent for the restoration efforts that were set forth in the 2009 Mount Tabor Reservoirs Historic Structures Report, as well as on devising ways to maintain clean water in the reservoirs in an efficient and sustainable manner. This collaborative arrangement will be a significant step forward for the neighborhood association and the bureau, and we expect it to be hugely beneficial for Mt. Tabor Park, the crown jewel of Portland's east side."

The council needs to decide the future of the reservoirs because it needs to approve land use change for the bureau to do the work necessary to disconnect the reservoirs. Because they are historic landmarks, the Portland Historic Landmarks Commission heard the bureau's original permit application. The commission approved it on the condition the bureau restore, preserve and operate the reservoirs in their original condition. Both the water bureau and the MTNA appealed the approval to the council.

# Housing, minority groups support Saltzman proposal to boost affordable housing in central city

*By Steve Law  
July 9, 2015*

City Commissioner Dan Saltzman's plan to promote more affordable housing in the central city by allowing developers to build taller buildings won widespread praise Thursday from low-income housing advocates and groups representing people of color.

The resounding show of support quashed earlier resistance among Saltzman's council peers, who had feared the plan was tilted too much to modest-income earners instead of the poor.

City commissioners voted 4-0 to endorse the plan and keep it moving forward. Now it will be fine-tuned by city planners and the Planning and Sustainability Commission, returning to the council for a final vote by next July.

Saltzman proposed allowing builders to add essentially three extra stories onto their buildings if they agree to include a certain number of affordable apartments or pay a fee to the city.

City officials figure the new "density bonus" could yield 800 to 1,300 more affordable apartment units over the next 20 years, or generate \$120 million to \$200 million so others can build such units.

The apartment units must be affordable for 60 years to families or individuals earning 60 percent to 80 percent of the median family income.

Fees paid in lieu of adding such units would go into a city fund and used to develop apartments for lower-income tenants earning less than 60 percent of the median.

Many existing density bonuses allowed in the central city would be eliminated, to put more focus on developing affordable housing.

When his plan was first aired last month, Saltzman said there was a bit of a "war" brewing over what income groups to support from the policy, which seemed like a potential sticking point. Commissioners Amanda Fritz and Nick Fish had stressed the need to aid more needy tenants, and Fritz said Saltzman's proposal would make the central city "more white."

But Saltzman's plan was roundly endorsed Thursday by a host of groups working on affordable housing and representing people of color.

Jonathan Ostar, executive director of OPAL Environmental Justice Oregon, said developers might not "bite" if they were pressed to build in the central city for people earning less than 60 percent of the median income. Margaret Tallmadge, who works on environmental justice issues for the Coalition of Communities of Color, concurred.

Saltzman noted his proposal will provide money to subsidize units for those earning less than 60 percent of median income when developers choose to pay fees instead of building the units. Commercial building developers also would pay such fees in exchange for adding more floors to office, retail or hotel buildings in the central city, he noted.

"This structure allows us to address both of those issues," said Javier Mena, assistant director of the Portland Housing Bureau.

In the face of such testimony, Fritz said she changed her mind and would support the plan. Fish went further, calling it a "legacy proposal" for Saltzman.

The city started allowing density bonuses for building in the central city back in the 1980s, but then the city's main goal was to lure developers to build housing — any housing — downtown.

Since 2005, more than 50 central city developers have taken advantage of the density bonuses, said Joe Zehnder, chief planner for the Bureau of Planning and Sustainability. Of those, 23 were awarded for simply building housing, which is now seen as an unnecessary incentive. Another 13 were granted for builders to add green roofs, and four were granted for developers who added bike lockers.

Zehnder earlier said developers using the density bonus to put up green roofs or bike lockers were getting "pretty sweet deals." Those developers reaped far more financial benefits than warranted, in his view.

Those are some of the bonuses the city might discontinue under the new policy, in order to prioritize affordable housing, Saltzman said.

Bob Sallinger, conservation director for the Audubon Society of Portland, objected to scrapping the green roof density bonus. "The fact is the market's not taking care of it," Sallinger said.

City councilors asked the Planning and Sustainability Bureau to recommend some way to foster more green roofs.

Raihana Ansary, government relations manager for the Portland Business Alliance, suggested the council retain the current density bonuses but allow even-taller buildings for those adding affordable housing. And she suggested the city provide the incentive for builders willing to build apartments for tenants earning 100 percent of the median family income instead of targeting lower-income people.

Those ideas didn't get any support among city councilors.

## **Willamette Week**

### **Under Armour, Planning Donation to City Parks for Advertising Rights, Wanted Nike Swoosh Gone**

*By Beth Slovic  
July 13, 2015*

Big Swooshes make bad neighbors. If you're a Nike competitor, that is.

Portland officials announced Friday that Baltimore-based fitness-apparel company Under Armour would pay to renovate Lents and Duniway parks in exchange for the right to put Under Armour advertisements in the two parks.

Duniway Park sits next door to the old YMCA building in Southwest Portland that will soon house Under Armour's new Portland offices.

The problem? Nike paid to renovate the track at Duniway Park in 1995. It planted a scoreboard next to the track that still sits there today, and the scoreboard has a 2 1/2-foot Nike Swoosh on it that faces the old YMCA.

Under Armour didn't love the view, apparently.

Mark Ross, a spokesman for Portland Parks and Recreation, says Under Armour recently inquired about what kind of deal the city has with Nike to keep the logo. "Under Armour has asked parks about any agreement we may have," he wrote in an email to WW last week. Under Armour representatives didn't immediately respond to WW's request for comment.

Ross says the agreement with Nike expired in 2004. WW requested a copy of that agreement last week, but city officials haven't released it.

Other newly released records show city officials scrambled to find documentation of the Nike deal amid discussions with Under Armour regarding the parks. "I'll dig through some of the old bankers boxes here and see what I might find," Earl Straley, parks maintenance supervisor, wrote in a January email. "I know there is (or was) some kind of an agreement."

That email was among 900 pages of records Portland officials released to Nike earlier this month after Nike learned of the city's discussions with Under Armour.

Ross says he doesn't know whether or under what conditions the Nike logo might stay. A Nike spokesman, Greg Rossiter, didn't immediately respond to WW's questions.

## The Portland Mercury

### New Site for Right 2 Dream Too May Cost \$254,000

*By Dirk VanderHart*

*July 10, 2015*

Mayor Charlie Hales and Commissioner Amanda Fritz want to spend more than a quarter million dollars on a piece of property they've called the best option available for the homeless rest area Right 2 Dream Too.

An item on next week's city council agenda, unveiled earlier this afternoon, shows Hales and Fritz will propose spending \$254,044 to buy the plot at SE 3rd and Harrison from the Oregon Department of Transportation.

There's plenty of money available to meet that price. As part of a deal with Pearl District developers—reached when those same developers were doing whatever they could to keep R2DToo away from the Pearl—the city has \$846,000 to play with in finding the encampment a new home.

City staffers had been casting around for an acceptable lot for a year and a half, when Fritz and Hales announced they'd found a spot in late April. It's a vacant industrial lot just east of OMSI and the new Tilikum Crossing bridge.

ODOT's said it's happy to sell the land, which the city has been testing for environmental contamination in recent weeks. The tougher part may be pushing the deal past neighbors.

As we've reported, the Central Eastside Industrial Council has asked the city to hold its horses on the move, which Hales has said should be complete by late summer. The business group has raised serious questions about the zoning rationale the city wants to use to put the well-respected homeless camp on a piece of land meant for industrial use.

And the CEIC won another influential group to its cause earlier this week, when SE Uplift—a conglomeration of southeast and northeast Portland neighborhoods—said it wants the city to slow down the process.

I'll update when more details on the proposed deal emerge.

Update, 4:19 pm: Hales is hedging a bit on the land buy.

In prepared statement, the mayor says he's up to spend money on the site even if it's not R2DToo's new home.

“The Third and Harrison site could be a good home for Right 2 Dream, which has proven to be a part of the solution for Portland's homeless population,” Hales said in the statement. “But even if the site doesn't work for that purpose, it may still be a good site for the city to own.”

That's a more cautious tone than Hales sounded in April when the proposal was announced, and is seemingly an acknowledgment of the concerns that have arisen (concerns that will arise in any neighborhood where the city hopes to move a resource that everybody says provides a vital service).

The release, issued by the mayor's office, also includes a statement from Fritz that acknowledges coming talks over the move.

“We need to move forward with the logistics of the purchase now, to allow time for Right 2 Dream Too and other community members to discuss how to prepare for a move before the cold, rainy season comes back,” Fritz says.

An "impact statement" filed with the ordinance also suggests R2DToo's relocation to the site is still tenuous.

**Community impacts and community involvement:**

While the community impact of this ordinance is dependent on the final use of the property, one proposed use of the property is to lease it to Right to Dream Too. Right to Dream Too, a 501 C3 nonprofit, provides rest area service for Portland's houseless population, giving temporary sleeping space in a safe facility.

There has been significant public outreach to the community, both by Commissioner Fritz and the Mayor, including several neighborhood association and coalition meetings, and meetings with stakeholders. Staff has also presented and attended many meetings with stakeholders, and there have been quite a few media stories written about the property over the past several months.

There's another important part step to achieving a deal: R2DToo's board has to approve it. The organization's leaders have said they'd support the move, though they argue more, similar resources are necessary.

## **Be It Resolved, Portland Might Get Some Affordable Housing**

*By Shelby R. King*

*July 10, 2015*

By next summer Portland should have some new rules about how developers can build bigger in the Central City, and it might bring some affordable housing.

Since Oregon still can't force developers to include affordable housing in new multi-family developments, Portland City Council is trying to incentivize them to do it.

Portland City Council on Thursday enacted a resolution directing city bureaus to spend the next 12 months figuring out how to redesign the city's current density bonus program to prioritize creating affordable housing in the Central City. This vote comes after another year-long study in which an independent company looked at ways in which the city might update a set of bonuses—including creating eco-roofs, building water features, and adding bicycle storage—that Housing Commissioner Dan Saltzman calls "no longer necessary or effective" in today's market.

Under the new plan, developers would be allowed to build taller or denser in exchange for building a certain number of units and setting rent at no more than 80 percent of median family income and guarantee that price point for 60 years. For one person, that's between \$30,900 and \$41,200 per year, and for a two person household that's between \$35,200 and \$47,050 per year.

Developers wanting the bonus but not interested in building affordable units on-site would need to contribute to a fund that would then be used to create affordable housing priced no more than 60 percent of median family income.

There were a lot of numbers tossed around during the hearing, with many of them predicting what amount of required affordable units would still make the bonus plan attractive to developers. But one set that stuck out came from Portland Housing Bureau Assistant Housing Director Javier Mena, who said that of Portland's communities of color, just 11 percent of African Americans earn 80 percent of MFI, while just 9 percent of Native American families earn that amount. On the other hand, 16 percent of Portland's white households earn at or below 80 percent MFO. Commissioner Amanda Fritz further broke those numbers down, stating that those percentages equal about 11,000 people of color and 32,000 white folks.

"The percentages don't quite tell the whole story," she said. "This program would be helping three times as many white people as it would people of color."

Mena agreed with Fritz' statement and said the housing bureau would need to enact specific plans to make the program equitable to everyone. They've got a year to figure out how to do that.

The resolution passed unanimously (Commissioner Steve Novick was absent) with a few minor changes. The most notable was that the original resolution required the proposed legislative changes be submitted no later than January 2016, but Saltzman conceded that was too aggressive a timeline.

## Daily Journal of Commerce

### Portland Housing Bureau reviewing housing set-asides

*By Beverly Corbell*  
*July 10, 2015*

With the goal of reviewing and updating its set-aside policy for affordable housing, the city is holding hearings to gather public input.

The first meeting, held on July 9, consisted of an overview of the current policy and initial discussion on changes

A second meeting, from 4 to 5 p.m. on Aug. 4, will include a presentation of the initial draft policy and program recommendations.

The third meeting, from 4 to 5 p.m. on Sept. 1, will have a presentation of the final draft policy and program recommendations.

Meetings are all being held during Portland Housing Advisory Commission meetings at 421 S.W. 6th Ave., Suite 500.

The tax increment financing set-aside policy was created in 2006 as a permanent resource to meet the city's housing goals for low-income residents

The set-aside funding policy was last reviewed in 2011, but it's time to do it again, said Martha Calhoun, spokeswoman for the Portland Housing Bureau.

"Reviewing the set-aside every five years is required in the policy," she said. "Beyond being a requirement it's important that we revisit policies regularly to examine their effectiveness and make sure they are meeting the current program needs."

In the past, the set-aside policy provided capital resources for projects like the Bud Clark Commons (for low-income housing), Block 49 veterans housing on the South Waterfront, and preserved existing low-income apartments. According to the city, funds have also been used to help people get into home ownership through down payment assistance and has allowed others to pay for needed home repairs.

Read more: <http://djcoregon.com/news/2015/07/10/portland-housing-bureau-reviewing-housing-set-asides/#ixzz3fneCS0Hy>

### Water Bureau unveils \$50M maintenance center

*By Inka Bajandas*  
*July 9, 2015*

Portland Water Bureau chief engineer Michael Stuhr long knew it would be catastrophic to continue to house maintenance crews and supplies for the city's drinking water system in a 90-year-old building that would likely collapse in a major earthquake.

For more than a decade, he advocated for a \$50 million project to construct a new seismically sound warehouse and maintenance building for the Water Bureau off of North Interstate Avenue.

"I was schooled in California and seismic things bother me a lot," he said. "Starting 12 years ago, I started pushing for it. I dragged every mayor and Water Bureau commissioner through here."

Four years ago, Stuhr saw those efforts pay off when the Portland City Council approved plans to replace the bureau's Interstate Operations and Maintenance Center. Hoffman Construction Co. crews in the fall 2012 broke ground on the project, designed by MWA Architects. Remaining construction on the site, near the intersection of North Interstate Avenue and North Tillamook Street, is expected to wrap up by February 2016.

Stuhr this week proudly showed off the completed 44,000-square-foot maintenance office building where approximately 320 Water Bureau staffers moved in May and an adjacent 30,500-square-foot warehouse that stores tools, equipment and supplies for water system repairs and construction. Nearby, demolition

crews were in the midst of tearing down the 1925 building that he pushed to replace with the new structures, which are expected to meet Leadership in Energy and Environmental Design gold standards.

The new buildings are a vast improvement over the aging former parking garage the structures replaced, said Walt Lewandowski, a Water Bureau senior engineer and construction manager for the project. The 1925 building, which the city acquired in the 1930s, was never designed to hold offices and suffered from a series of maintenance issues, including deteriorating and inadequate electrical and mechanical systems, he said.

Like the Emergency Coordination Center, a joint Water Bureau and Bureau of Emergency Management project in Southeast Portland completed in late 2013, city officials consider the new Water Bureau maintenance offices and warehouse essential structures. The two new buildings were designed to withstand a high-magnitude earthquake so city crews would be able to quickly respond and repair damage to the water system following a disaster.

“After the ‘big one’ this thing will be standing,” Stuhr said. “We have \$2 million of inventory at any one time ... We need all this stuff to do all our repair work, so it’s in a safe place.”

The maintenance and operations center buildings are heavily reinforced to ensure the concrete and steel structures would survive an earthquake intact, Stuhr said. This included installing concrete shear walls to absorb the seismic load and using piles that extend 80 to 90 feet underground to bolt the foundations to solid rock. In the warehouse building, large steel braces will provide further protection from the force of an earthquake. Racks holding maintenance supplies are also bolted down and reinforced so they won’t collapse.

The project incorporated numerous sustainable design features, including a solar-heated water system, solar electricity and an eco-roof. The visitor parking lot uses impervious concrete, and all stormwater runoff is managed on site through a series of bioswales.

Many of the materials from the former maintenance building that is being torn down will be reused or recycled, Stuhr said. The old building is scheduled to be fully demolished in the next few weeks and replaced with a parking lot for Water Bureau vehicles, Lewandowski said.

If funding allows, the last piece of the project could involve constructing a small metal-frame building for storing Water Bureau concrete trucks and a tour bus used for trips to the Bull Run watershed, Stuhr said.

Along with seismic resiliency and energy efficiency, another consideration in the design process for the new maintenance center was that it serves as a hub for Water Bureau crews that don’t usually stay in the office all day, Stuhr said.

“When we sat down to design these buildings we looked at what we do here,” he said. “We have people that go out into the field. What we wanted to do is build a very austere, functional building.”