

The Oregonian

What the Portland City Council says about more affordable housing money

*By Brad Schmidt
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Portland's financial commitment to affordable housing will be tested next month and it's not yet clear how the City Council votes may shake out.

A city advisory commission dropped a political bombshell this week by recommending that Portland spend tens of millions more on affordable housing.

Specifically, the Portland Housing Advisory Commission wants to increase from 30 percent to 50 percent the minimum amount of urban renewal money spent on affordable housing – a change estimated at about \$46 million in the next five years.

That's a big, and perhaps improbable ask politically – particularly because every extra dollar spent on housing means less for redevelopment projects, roads and parks within urban renewal districts.

But by recommending such a large increase, it leaves open a more likely scenario that the City Council could endorse a higher standard for some to-be-negotiated percentage.

Already, two politicians are offering support for an increase.

Commissioner Dan Saltzman, who oversees the Housing Bureau, said he'd probably support an increase above the current 30-percent minimum but didn't commit to a specific figure.

Here's a rundown of what the other players at City Hall have to say:

Mayor Charlie Hales – Hales neither supports nor opposes a 50 percent minimum, according to spokesman Dana Haynes. Haynes didn't directly answer if Hales would support an increase of any kind.

Hales oversees the Portland Development Commission, which receives the other, non-housing chunk of urban renewal money. Agreeing to increase housing money means less for Hales' bureau.

The city has already put "serious money" into affordable housing, Haynes wrote in an email, but admittedly not enough to meet demand. He said Hales is considering the recommendation.

Commissioner Nick Fish – Portland's former housing commission said he supports a "substantial increase" to the existing 30-percent policy. But he said changes may need to happen on a district-by-district basis rather than across the board.

"I love the fact that they put down this marker," said Fish, who plans to work with Saltzman on next steps. "It's bold, it's visionary, and it deserves a council hearing."

Commissioner Steve Novick – The politician who can't find enough money for roads says he doesn't have a comment until he talks to stakeholders.

But Novick, in his 2 ½ years on City Council, has built a reputation for voting against mid-year financial commitments that carry long-term ramifications, particularly for general-fund spending that could otherwise go toward some of his priorities.

In this case, some portion of urban renewal money is often spent on transportation projects within districts – streetcar, traffic signals, sidewalks, adding bike lanes – so he'll need to weigh what it means for his Bureau of Transportation.

Commissioner Amanda Fritz – It's unclear where Fritz stands on the issue because she's out the country.

When city officials negotiated a development agreement earlier this year for the Zidell property in the South Waterfront District, Fritz raised concerns about how housing, transportation and parks – the bureau that she oversees – all want a piece of the urban-renewal pie.

The Portland Tribune

Has comp plan lost its balance?

*By Jim Redden
August 6, 2015*

Politicians often say that it's possible to find a balance between jobs and nature — that we can have both a strong economy and a good environment.

Nonetheless, the Planning and Sustainability Commission chose the environment over jobs as part of the 2035 Comprehensive Plan Update it recommended to the City Council on July 28.

The recommended update would eliminate the option of developing 300 acres of West Hayden Island as a marine terminal by the Port of Portland. It would instead continue to designate that portion of the island as Rural Farm Forest outside the city limits for the next 20 years.

The commission did not say the jobs will be created at a different terminal or another location. Instead, it reduced the estimate of the number of commodities that will flow through the port, which reduces the need for new marine industrial jobs in Portland.

In the past, the commission would not have had to publicly reduce its future employment estimate. But state land use rules now require cities to match their available industrial land and job growth estimates.

The port has said developing West Hayden Island would create 1,000 direct jobs and even more indirect jobs, figures disputed by development opponents. The political significance of the commission's recommendation may be even larger, however. The island has emerged as the most visible symbol of the clash between business and environmentalists in recent years.

Marine terminal, jobs and the environment

The Port of Portland bought West Hayden Island from Portland General Electric in 1994 specifically to develop it as a marine terminal. That plan is backed by many Portland businesses — especially those in the Portland Harbor. But environmentalists argue the property should be preserved as habitat. They are supported by many residents in the area.

Corky Collier, executive director of the Columbia Corridor Association that represents many harbor businesses, laments the West Hayden Island recommendation. He says the jobs created there would have paid middle wage incomes, which are hard to find in underserved parts of town like East Portland.

"What makes the issue interesting to me is the connection to family wage jobs to east Portlanders," Collier says.

But Bob Sallinger, conservation director of the Audubon Society of Portland, sees things differently.

"Of course industrial interests want cheap greenfields to develop, but the city has taken the most responsible path forward protecting critical natural areas and forcing industry to make better use of the land they already have," says Sallinger, whose organization opposed development of the island.

Less industrial land

The Planning and Sustainability Commission had previously recommended the port be allowed to develop the property on the condition that it restore other land in and around the harbor, a requirement the port rejected as too expensive. The draft Comp Plan Update recommended maintaining the property's designation as a potential industrial site, suggesting it could still be developed over the next two or so decades. The commission rejected that option in favor of preserving it, however.

The final decision is up to the City Council, which is scheduled to hold hearings on the recommended Comp Plan Update and vote on it by the end of the year. Many in the business community are expected to testify in support maintaining the option of developing West Hayden Island.

"We will definitely be talking to the council," says Susie Lahsene, regional transportation and land use manager for the Port of Portland.

The upcoming fight over West Hayden Island will happen after a highly-publicized win by environmentalists over another harbor-related project. Many businesses had supported a plan by the Pembina Pipeline

Corporation to build a propane export terminal at the port. The commission recommended the council allow the project — provided Pembina pay a carbon tax on the propane it exports.

But Mayor Charlie Hales, who had originally supported the project, pulled the item off the agenda, saying it did not comply with Portland's "environmental values." None of the council members publicly asked to reschedule it.

Jobs for 20 years?

The Planning and Sustainability Commission was forced to make the choice between jobs and the environment because of an unprecedented requirement of the Comp Plan Update. For the first time, the plan must identify enough employment land to accommodate the additional jobs expected to be created over the next 20 years. In the past, the city only had to identify enough residential land to house predicted future residents.

State land use planning laws require all cities to adopt comprehensive plans to guide development over the following 20 years. They must be approved by the state Land Conservation and Development Commission, which is responsible for overseeing the land use policies first adopted by the 1973 Oregon Legislature in Senate Bill 100. They include 19 Statewide Planning Goals covering such areas as housing, transportation, recreation lands and natural resources.

At first, LCDC did not specifically require cities to include Goal 9 — economic development — in their plans. But since Portland adopted its last one, LCDC adopted new rules making it clear that Goal 9 must also be followed.

The process has not been easy. The law requires job projections and land availability to be reconciled in an Economic Opportunity Analysis prepared by experts. The first draft EOA identified a shortfall of more than 635 acres of employment land, including 365 industrial acres in the Portland Harbor. to the council in 2011.

Although it has been revised several times since then, the most EOA still identified a 335-acre shortfall. But the recommended update also includes several proposals for increasing employment lands over time, including accelerating the cleanup and redevelopment of polluted industrial brownfields. The Bureau of Planning and Sustainability has also launched an Employment Zoning Project to increase the amount of employment land over time.

Not everyone is sure such changes will create enough new employment land, however.

"We have some serious questions with some of their assumptions," Lahsene says.

Uber gets inside access at City Hall while city deregulates taxi industry

*By Steve Law
August 5, 2015*

It's no secret that Uber is helping rewrite the rules as Portland deregulates its taxi industry to allow Uber, Lyft and similar companies to enter the market.

But a group of Lewis & Clark law students are finding out how hard it is to get the same access as Uber at City Hall.

Since January, the students have been diligently researching, on their own time, the thorniest issue cities face in deregulating the taxi business — how to serve passengers in wheelchairs. They got the chance Tuesday to share some of their findings, including whether the Americans with Disabilities Act applies to Uber and Lyft, with Commissioner Dan Saltzman and Commissioner Amanda Fritz's aide. Aides to Mayor Charlie Hales and Commissioner Nick Fish promised to schedule meetings as well, says Michael Schultz, a local attorney advising the Lewis & Clark law students.

But their requests to meet with Commissioner Steve Novick, who is in charge of deregulating Portland's taxi industry to accommodate Uber and Lyft, have gone unanswered, Schultz says. So it was

disappointing for them to leave City Hall Tuesday and see, through a conference room window, Novick meeting with two Uber lobbyists.

"When an industry enjoys that kind of access it's challenging to break through," Schultz said. "It's easy to understand how those representing the public interest who have a lower number of contacts may be outmaneuvered."

Novick, when told Wednesday afternoon of the complaints by Lewis & Clark law students, said he did meet with them "several months ago."

"I wasn't told that they wanted to have another meeting," Novick said. After doing some checking, it turned out his staff never forwarded their July 23 and Aug. 4 email requests to meet again, Novick said.

"I would be happy to meet with them," he said.

"Everybody has easy access to us," said Brian Hockaday, Novick's point person handling taxi deregulation.

Hockaday said he's reached out to meet with the Lewis & Clark law students, even giving them his business card, but they were the ones who were unresponsive.

Leslie Hallan, a representative of the law students, disputed that, saying Hockaday tried to "crash" a meeting they'd set up with

Joe VanderVeer, the former chairman of the Portland Commission on Disability.

"In no way is Mr. Hockaday's prior attempt to crash a private meeting a legitimate substitute for students' later requests to meet with Commissioner Novick," Hallan said in an email.

Uber, now valued at more than \$50 billion, has contracted with some of the nation's top lobbyists to force its way into heavily regulated taxi markets, including David Plouffe, Barack Obama's 2008 campaign manager, and Mark Wiener, who is Portland's top local-government lobbyist and has advised several city commissioners.

Uber lobbyists busy

Reports filed with the Office of the City Auditor show Uber lobbyists have spent more time and money at City Hall this year than any other entity — by far.

In the first quarter of 2015, Uber reported spending \$12,616 to lobby City Hall, about one-third of the total spent by all lobbies. Broadway Cab and the Transportation Fairness Alliance, a coalition of taxi companies, had the second-highest expenditures, at \$7,500.

But during the second quarter of the year, when the city launched a four-month pilot project to allow Uber and Lyft to operate here, the lobbying gap mushroomed. Uber reported spending \$50,173, or 69 percent of the total lobbying expenditures by all entities at City Hall, while Broadway Cab and the taxi coalition spent \$7,500.

Uber has spent seven times what Pembina Pipeline spent to lobby City Hall the first six months of the year, a period when the Canadian company's \$500 million propane export terminal was vetted by the Planning and Sustainability Commission and then rejected by Mayor Hales, who denied the company a hearing before City Council. (Lyft hasn't filed lobby reports the past two quarters, so it's unclear what it has spent or what its lobbyists have done at City Hall.)

Leaders of the Transportation Fairness Alliance have repeatedly complained they aren't getting listened-to as the city plots taxi deregulation.

Uber doesn't seem to be having any issue with that.

In the first quarter of the year, Uber lobbyists scored 19 personal meetings at City Hall, including one with Novick, two with his transportation director Leah Treat, three with his chief of staff Chris Warner, and 10 with Hockaday. Uber also reported two personal meetings with Hales and three with Josh Alpert, the mayor's chief of staff. Uber also reported 24 phone conversations with City Hall staffers, 12 with Alpert and 12 with Hockaday.

During the first quarter, the taxi coalition had a respectable 11 personal meetings at City Hall. However, six of those were with Commissioner Fish, who has been critical of Uber. The taxi industry lobbyists did get one meeting each with Alpert and Novick and Hockaday.

Uber influence grows

During the second quarter, the imbalance grew.

Uber's four lobbyists scored 34 personal meetings with City Hall staffers and elected leaders — one every two business days — compared to four for the taxi coalition.

Uber's lobbyists got to meet 23 times with Hockaday, nine times with Alpert, twice with Novick, four times with Warner and twice with Mayor Hales. The taxi coalition met once with Hockaday and had no meetings with other members of Novick and Hales' staff.

Uber lobbyists also reported 56 phone conversations with City Hall staff and elected leaders in the second quarter, including 33 with Hockaday, 10 with Alpert and two with Novick. The taxi coalition reported just one phone conversation with City Hall officials.

Schultz was shocked to hear that Uber was doing so much behind-the-scenes lobbying while a city task force charged with recommending new rules for deregulation meets in open sessions.

"What's the purpose of a task force if the elected officials are conducting parallel negotiations?" Schultz said. "It renders a task force a straw house."

It could be that Uber simply asks for more meetings and phone calls than the taxi coalition, Novick said.

Novick noted that he made some disparaging remarks about Uber at a public meeting. Indeed, he's done so at multiple public meetings.

"As far as I'm concerned, it's been minimal public contact" with Uber, he said. "Mostly I see them when I go to public forums."

But that's not the case with his staff, especially Hockaday. People affiliated with the taxi industry have grumbled privately that he seems close to Uber.

"I don't think there's any reason to think Bryan's more receptive to requests from Uber and Lyft than any of the regular taxi companies," Novick said.

Searching for policy answers

The Lewis & Clark law students chose to focus on wheelchair-accessible taxis because their research showed no city around the country has yet figured out how to serve that constituency well and pay for the service, Schultz said. The students did get some traction with the task force with their earlier proposal to set minimum response times for serving wheelchair-accessible taxi passengers, and requiring each of the companies to meet those standards.

However, Schultz wonders how that would mesh with the task force's newer idea of subsidizing wheelchair-accessible taxis via a surcharge on each ride with a taxi or Uber-like service. That might not provide the proper number of vehicles to serve that constituency, he said, reflecting concerns raised by the Lewis & Clark law students he is mentoring as a volunteer.

The law students have done legal research on Uber and Lyft claims that their vehicles don't have to follow the Americans with Disabilities Act. Uber and Lyft have contracted out with third-party providers rather than provide many, if any, vehicles under their brand with wheelchair lifts.

Preliminary data show that people in wheelchairs aren't using Uber and Lyft much, and they often have no accessible vehicles available. The Lewis & Clark students found some "defects" in the way the city is analyzing data on response times for wheelchair-accessible taxis during the pilot project, Schultz said, and that's among the findings they hope to share with city officials.

He seemed pleased that Novick has now agreed to meet with the students.

The Portland Mercury

Park Bloc

A City Ranger's Private Security Firm Is Being Paid to Patrol a Park

*By Dirk VanderHart
August 5, 2015*

PORTLAND OFFICIALS will take all the help they can get sprucing up Northeast Portland's Holladay Park.

So in 2014, the city began a partnership with Lloyd Center owner Cypress Equities and another company to "activate" the leafy 4.3-acre space—adjacent to three MAX lines and known as an epicenter of problem activity. Last summer, and again this spring, the so-called Holladay Park Partnership (HPP) sponsored activities (ping pong! A piano! Bookshelves!) and classes (Zumba! Tai chi!) to general acclaim throughout the park's operating hours.

It's when those hours ended that the worst issues arose.

"Some items left overnight were burned and/or broken," says parks bureau spokesman Mark Ross.

This summer, the HPP is back in force, and it's tapped familiar faces to curb the vandalism. The Mercury's learned a private security firm owned by the city's park ranger supervisor, and run by Mayor Charlie Hales' former police adviser, won a bid to work night patrol at the park.

Documents show the HPP is "donating" nearly \$1,500 a week for security services between 8 pm and 6 am, when rangers don't work. To do that job, the HPP picked Safeguard Security, Inc. out of six applicants vying for the contract.

Safeguard was founded in 2009 by Hasan Artharee, who's supervised the city's park rangers since 2012. Artharee says he hasn't managed the company since he got a job with the city, though he still retains 100 percent ownership and earns income through Safeguard.

Management of the company, these days, falls to Artharee's father, Baruti, who served out a tumultuous period as Hales' adviser on public safety before resigning in October 2013.

It's a complex pretzel to unknot: HPP, a nonprofit group that partners with the parks department, is paying a security firm owned by the lead park ranger—and managed by a former mayoral aide—to patrol Holladay Park at night.

Parks officials say it's all on the level.

The bureau provided internal memos from early June, when Safeguard won the work. The documents claim Hasan Artharee had no role in selecting his company for the contract. They say the selection was carried out by a New York-based firm called Biederman Redevelopment Ventures (BRV), which is masterminding the Holladay Park activities.

BRV Project Analyst Rodrigo Rodarte says he reached out to Safeguard after the company was recommended by another security firm, Portland Patrol, Inc. Rodarte says the parks department recommended another firm, Pacific Patrol Services, for the job.

Safeguard beat out five other companies for the job, and Rodarte says that was largely because Baruti Artharee had a personal interest in the park, and insisted on meeting staff there before submitting a bid.

"We were impressed that he requested to come and meet with us," Rodarte says.

Rodarte says he had no notion of the Artharees' connection to city government until late in the selection process, when the city requested BRV hold off on signing an agreement while it looked into the arrangement.

"I had no contact with BRV regarding this process, nor was I aware of it until my father told me about it," reads a memo Hasan Artharee sent his supervisor, Parks Security Manager Galina Burley, on June 2. In the document, he pledges to avoid all matters that concern his company's contract, and to be sensitive to matters involving Holladay Park in general.

Safeguard's charging a base rate of \$21 an hour, 70 hours a week, meaning the Artharees' firm is making roughly \$1,470 a week from the contract.

This article has been changed to reflect the following clarification: Rodrigo Rodarte says Portland Parks and Recreation recommended local firm Pacific Patrol Services for the security contract.

Hall Monitor

The Utility of Storm Clouds

*By Dirk VanderHart
August 5, 2015*

IT PROBABLY wasn't his intent, but City Commissioner Dan Saltzman did a fine job on July 29 of injecting reality into the cozy theatrics of a Portland City Council meeting.

The council was on the verge of making its greatest stride yet in the push to pay all city workers at least \$15 an hour. In a deal with the union Laborers' Local 483, the city tentatively agreed to fold 86 of the parks bureau's "support" employees into the comparably cushy union contract—with potentially hundreds more to follow. The changes mean raises and benefits for some of the city's worst-paid workers, at an initial cost of up to \$2.35 million.

At first, the hearing had a sunny air—with commissioners invoking teamwork and partnership between the union and city labor negotiators. Then Saltzman brought in the storm clouds.

In an abrupt turn of events, the commissioner brought up an old dispute, accusing the union of "disrespect and unethical behavior," and demanding it pay the city \$80,000.

It turns out the city forgot to charge labor unions in 2009 for the time city employees spent that year negotiating contracts on behalf of their fellow union members. According to Human Resources Director Anna Kanwit, officials didn't realize the mistake until years later, well after the window to send those bills had closed.

The city says all public employee unions have paid up except Local 483, which disputes the \$80,000 price tag.

"I don't think you have any intention of paying it," an increasingly agitated Saltzman told the union's business manager, Erica Askin, at the meeting. "When we lose, we pay. But you are thumbing your nose at it."

It went downhill from there, and Saltzman—who's been one of the stronger voices on council for a \$15 wage for city employees—eventually refused to support the agreement council was considering. That nixed the possibility the deal would pass as an "emergency" ordinance, taking effect right away.

At least a couple of Saltzman's colleagues were clearly irked by the exchange, but I'd argue it lent honesty to the proceedings.

After all, the push to win parks workers higher wages has been a long, contentious slog for Local 483. The union has fought for years to convince the parks bureau it's improperly assigning low-paid workers jobs that are supposed to be completed by union-represented employees. The city's resisted that every step of the way.

It wasn't until May 1, when an arbitrator issued a binding ruling agreeing with Local 483, that Portland officials finally began playing ball (though they continue to gripe that the ruling was badly written).

The hearing that played out on July 29 could have, like so many others, glossed over the sharp difficulties that have gotten us to this point. Instead, it revealed them.

The union agreement now goes before council on Wednesday, August 5. Though it's been put off—again—by rancor and a difference of opinion, it's got the support to pass.

As Commissioner Steve Novick noted at last week's hearing: "Every once in a while it's nice to be forced to do the right thing."