

## The Oregonian

### Portland has a political complacency problem (OPINION)

*By Guest Columnist Neil H. Simon  
October 30, 2015*

Mayor Charlie Hales made himself rare last week. For an incumbent mayor to walk away from the city's top job without a whiff of a scandal and no known family or medical crisis is the type of move typically reserved for one breed of politician – the one facing a term limit.

Hales framed his announcement humbly. He's going to get more done for Portland by avoiding campaigning, he says. I hope so, but for now we are left with another major election with relatively minor competition, and that is bad for our democracy.

For three years I served on international teams observing elections throughout Europe and Central Asia. As the spokesman for many of these missions I often pointed out the undemocratic nature of elections due to their lack of competition.

Uncompetitive elections in authoritarian states are often the result of state-controlled media that stifles public dissent, anti-organizing legislation that hinders political party development, and in the worst cases blatantly corrupt control of the election infrastructure.

Here in Oregon our challenge is different. The media is free, yet political investigations are few. Our political parties (at least one of them) can be active, but candidates often tend to "wait their turn" rather than jump off the sidelines to mix things up.

In the last mayoral contest, for every young voter who cast a ballot, 14 older voters cast theirs, according to research by Portland State University. Political leaders have failed to excite younger voters to participate and need to work harder to attract them to the political process. It's not an election conundrum; it's a complacency conundrum.

Even while the Cylvia Hayes scandal was brewing, no Democrats or competitive Republicans raised a red flag to challenge Kitzhaber. This lack of competition breeds complacency at best and corruption at worst as incumbents go unchecked.

After Ted Wheeler announced his candidacy for mayor one city hall insider suggested this would help energize Hales to be a more active mayor.

Wheeler's entrance excited me and Portlanders at large. Wheeler's genuine smarts, solid progressive political instincts and desire to lead the city in collaboration with all its residents, including the business community, is a recipe for a 2016 victory.

Hales said that he withdrew from the race now to give other candidates time to enter. That may be a shot at Wheeler, but we can take it as argument for the very competition we should all desire for the health of our electoral system.

I do believe this decision was tough for Hales, but I can't believe it came down to deciding whether to "focus on the work" or "focus on getting re-elected." Leaders do both. Communicate your vision. Collaborate on policy. Do that well and any incumbent takes a clear advantage into Election Day.

If Hales makes major progress on his agenda on homelessness and housing prices in the next few months, which I hope he does, the question would be: Might he switch again to file for re-election himself come March?

## **David Sarasohn: Portland Building flopped as office space, but could soar as housing (OPINION)**

*By David Sarasohn  
October 31, 2015*

Last week, almost immediately after learning how much it would cost to fix the Portland Building, Mayor Charlie Hales decided to just clear out.

Any homeowner finding himself \$195 million under water knows exactly how Hales felt.

If only somebody held a mortgage on the building, the city itself could just walk away. But an abandoned building in the middle of the city ends up being owned by ... the city.

It's kind of a Catch-22.

Or a Catch-195 million.

The city's best strategy might be to get the building rezoned outside the urban growth boundary and plant the area in soybeans.

That might be tricky – although moss is growing on the building, it's not clear what else could – but another bold redefinition might help:

Reclassify the building as housing.

As the Portland Building, it's the kind of workspace where Chinese adolescents assemble smart phones. As The Portlandia, it could become a prestige residence.

As an office building, it's been depreciating for 30 years. Over that time, Portland housing has gone up about 300 percent.

As a workspace, it's an illustrated catalogue of building code violations. As housing, it's a charming fixer-upper.

The Portland Building has uneven floors, patches of damp, and areas with approximately the natural light of Guantanamo Bay cellblocks. As office space, this constitutes a human rights violation.

In housing, it's called character.

This is true partly, of course, because real estate listings are the most American form of creative writing. But it's also the product of Portland's dramatic housing shortage, driving up rents and driving down available apartment space. As the home of Portland's Water Bureau, Bureau of Parks and Recreation and other municipal offices, the Portland Building is problematic; as 15 stories of studio apartments, it has a whole range of possibilities.

As offices, the spaces are high-maintenance money-losers; as downtown one-bedrooms with kitchenettes, they'd bring in \$1,800 a month.

Plus the city could charge for basement parking.

We might even be underestimating our opportunity here. Considering the size of the apartments now being built and offered in Portland, we might be able to fill the Portland Building with enough people to create a state Senate district.

The building would even fit neatly into the patterns of Portland's current apartment-building boom: close proximity to public transit and geometrically implausible design. The real estate rule of "Location, location, location" applies directly here: The Portland Building is just across the street from City Hall, making it convenient for residents to complain to the landlord about dampness and uneven floors.

Everybody realizes something dramatic has to be done with the building. Architect Michael Graves, before his death in March, suggested ripping out all the cubicles and replacing them with long work tables.

Once you've got tables, all you need to turn the space into housing is minikitchens and walk-in closets. The building already has bathrooms, although like everything else about it, they would take a lot of work.

It's a plumbing challenge to turn an outside leak into a massage-head shower.

We know whatever is done to the building is going to cost heavy coin. From an early estimate of \$95 million, the overhaul plan adopted by the City Council in late October is priced at \$195 million – and anyone who's ever been involved with a remodeling knows that the cost always comes in higher than the estimate, when it turns out that the electricians are working on overtime and the wallpaper is on back order.

No wonder Charlie Hales decided he didn't want to spend the next four years checking contractors' receipts and looking at fabric swatches.

Portland plans to pay for this by raising the rents that city bureaus pay to occupy the building. The city can certainly do this, exercising its statutory power to take money out of one pocket and put it into another pocket. But if its financial strategy depends on raising rents, the city should definitely look at repurposing the building for housing, an area where Portland rents are shooting up on a monthly basis.

By the time the remodeling is finished, the rent of a downtown ministudio could approach the price of a Mini Cooper.

The city's remodeling plan calls for its workers to vacate the building during construction, which shouldn't be a problem.

The challenge may be getting them to come back in afterward.

On the other hand, we know there would be an immediate market for the Portland Building as housing.

After all, there are a lot of people sleeping on the Transit Mall already.

## **The Portland Tribune**

### **Housing, salary budget requests prompt City Council debate**

*By Jim Redden*

*November 2, 2015*

The City Council will grapple with two large new budget commitments on Wednesday — Mayor Charlie Hale's recent promise to spend \$10 million more for affordable housing and a unionization drive following a May arbitrator's ruling that a large number of seasonal parks workers are unpaid by a total of \$2 million.

Both issues will be considered during the council's annual fall budget adjustment process, when relatively small amounts of money are historically shifted among bureaus in response to changing needs since the new fiscal year budget took effect on July 1.

The two commitments are larger than most historic adjustments and took up much of the council's time discussing the requests during an Oct. 27 work session. The City Budget Office (CBO) had proposed increasing the Portland Housing Bureau's (PHB) budget by \$10 million in anticipation of adding the addition money after new revenue projections were available. And it had reserved \$900,000 from the city's contingency fund to fund some but not all of the pay increases.

The CBO also recommended all city general fund bureaus expect PHB prepared budget for next year with 5 percent cuts to help free up money for more affordable housing. Hales is likely to direct all bureaus except the PHB to submit budgets with proposed 5 percent cuts for next year, according to his spokesman, Dana Haynes. The memo on next year's budget submission is scheduled to go out on Nov. 18.

The proposals did not sit well with Commissioner Amanda Fritz, however, who is in charge of Portland Parks & Recreation (PPR). She said PPR could not absorb the balance of the money the arbitrator ruled it owes the underpaid employees. And she wondered whether the council would hold the Portland Police Bureau and Portland Fire & Rescue harmless from any 5 percent budget cuts — as it has in the past — increasing the pressure on other General Fund bureaus.

"Actually, it's an awful exercise," Fritz said of requiring bureaus to prepare budgets with 5 percent reductions. "It's stressful on all our partners."

Commission Steve Novick said one General Fund bureau he oversees, the Bureau of Emergency Communication, could not absorb any cuts.

"Employees there are working forced overtime now," said Novick.

Other requests include \$598,000 for the Portland Police Bureau to hire 11 more background investigators to screen applicant to fill 35 officer vacancies in the Portland Police Bureau and an additional 40 vacancies expected to be created by upcoming retirements.

A previous Portland Tribune story on the police bureau request can be read at [portlandtribune.com/pt/9-news/278230-152093-hales-seeks-546000-to-speed-up-police-hiring](http://portlandtribune.com/pt/9-news/278230-152093-hales-seeks-546000-to-speed-up-police-hiring).

The fall budget adjustment ordinance can be read [here](#).

## **City wins one, loses one in ongoing utility spending case**

*By Jim Redden*

*October 30, 2015*

Portland utility ratepayers should not have spent around \$2 million to send water and sewer workers to New Orleans to help out after Hurricane Katrina. But the Water Bureau can pay to operate the decorative fountains in city parks.

Those were two rulings Multnomah County Circuit Court Judge Stephen Bushong made in the long-running ratepayer lawsuit against the city's two utilities — the Water Bureau and the Bureau of Environmental Services, which operates the sewer system and stormwater management programs.

The Federal Emergency Management Agency has reimbursed the water bureau \$1.8 million for its Katrina cost. And, after the lawsuit was filed, the city transferred responsibility for the fountains back to Portland Parks & Recreation, although around \$12 million in ratepayer funds had been spent on them.

Bushong has ruled that spending by the two bureaus must be reasonably related to their primary missions, and he is now going through individual examples cited by attorneys representing ratepayers. City attorneys argue the City Council has the authority to determine which expenditures are related to utility operations. The city is expected to appeal the case when it is concluded.

On Friday, Judge Bushong decided two motions brought by John DiLorenzo concerning decorative fountains and the city's efforts in response to Hurricane Katrina. After hearing arguments from both sides, Bushong ruled the city acted within its scope of authority in operating decorative fountains. Bushong also ruled, however, that the city did not have the authority to use Water Bureau funds to help the city of New Orleans after Hurricane Katrina.

"The city appreciates the deference granted by the judge on the issue of operating decorative fountains, and respectfully disagrees with his determination that the relief Portland offered in the aftermath of Hurricane Katrina was inappropriate," says City Attorney Tracy Reeve.

Portland attorney John DiLorenzo, who is representing the ratepayers, says the ruling means the city should have spent general fund dollars to send employees to New Orleans.

"That was a noble thing to do, but utility funds can't be used for that, even if it's a loan," DiLorenzo says.

Next month, Bushong will hear arguments on motions that the Water Bureau should not have spent around \$2.5 million fixing up Dodge Park outside the city limits, where some water testing takes place, and another \$675,000 converting land around some water tanks to into "hydroparks."

Still to come: a \$1 million loan from the water bureau to the Portland Development Commission for the renovation of Centennial Mills and \$57 million spent by BES dealing with the U.S. Environmental Protection Agency on the Portland Harbor Superfund cleanup process.

A previous Portland Tribune story on the Superfund spending can be read at [portlandtribune.com/pt/9-news/255471-124903-cleanup-confidential](http://portlandtribune.com/pt/9-news/255471-124903-cleanup-confidential).

Bushong has previously ruled ratepayer funds should not have been spent on the now-defunct public campaign financing program or the Portland Loos.