

The Oregonian

What's on Charlie Hales' 'must get done' list before he leaves office?

*By Andrew Theen
November 9, 2015*

Portland Mayor Charlie Hales has a long to-do list he wants to get through before leaving office in December 2016.

Hales scrapped his re-election campaign last month, saying he preferred to stay focused on running the city without the distraction of pursuing a second term.

"If I do my job, that will be even more true after the end of 2015 and the end of 2016," he said. "There's a lot of time."

In an interview last week with The Oregonian/OregonLive, Hales expanded on his plans for the remaining 14 months of his term:

Housing: Last month, the City Council declared a homeless emergency along with Multnomah County, which means Hales must come up the city's \$20 million share to combat the problem in the upcoming budget. "We have to dramatically reduce the number of homeless people on the street," he said. "We have to dramatically increase the production of affordable housing and we have to have the mental health system working differently than it does today." On the latter point, Hales said that the Unity Center for Behavioral Health, a psychiatric emergency care facility, must open in 2016.

Pearl District post office: Hales said the city must complete a tentative deal with the U.S. Postal Service to acquire its 14-acre Pearl District headquarters. Last week, the City Council discussed a plan that would cost upwards of \$135 million to buy the land, move the post office and complete other projects in the Pearl District and Old Town/Chinatown. The development commission is expected to vote on a final deal with the postal service in the next few months.

Centennial Mills: Portland is already demolishing some buildings on the former mill site along the Willamette River. The city bought the historic property in 2000 but hasn't been able to land a full-scale development deal for the 4.75-acre waterfront property. "We have to resolve once and for all the fate of Centennial Mills," Hales said.

Veterans Memorial Coliseum: In 2012, then-Mayor Sam Adams failed to close a \$31.5 million renovation of the famed eastside city-owned building for the Portland Winterhawks. Not much has happened since. Hales said determining the fate of the building remains "a question mark." In August, a consulting report determined that refurbishing the coliseum was unlikely to generate more money for the city. The report analyzed five options that ranged in cost from \$35.1 million to \$142.9 million for a full-scale renovation that would transform the arena into a track facility.

Transportation funding: Hales said he would campaign for a gas tax in 2016, but that the action shouldn't stop there. "The Legislature is not off the hook." Shortly after Hales' interview, Gov. Kate Brown said she would table transportation funding in 2016.

Inclusionary zoning: Hales said getting the Legislature to lift the pre-emption on the inclusionary zoning is a top priority. That would entail changing state law to require new construction projects include affordable housing. Right now, Portland can't do that because state law prevents cities from enacting such requirements.

Gang violence: Portland must do more to fight gang violence, Hales said. He wants to hire more police officers, and has requested more money in the fall budget adjustment to hire more staff to perform background checks on potential job candidates. Hales said he plans to continue a \$2 million program that opens community centers to at-risk teens, though he said he wants to discuss "who pays for that" with TriMet and Portland school districts. Gang violence, Hales said, is a crisis many residents don't feel. "I don't think most of Portland is very well aware of the huge toll that gang violence is taking on some of our neighborhoods," he said. "If you aren't at the wrong place at the wrong time it has no effect on your life."

Comprehensive plan: Hales, a former planner and self-described wonk, said he will continue to drill down on the details as the city sketches out the blueprints for the next 20 years of growth. He said he's already directing transportation and planning staff to work closely together on mapping out the future of 82nd Avenue. "It's not a good neighborhood today," he said. "It's just a bunch of car lots, strip clubs and strip malls with a few buildings worth keeping," Hales said he's particularly interested in helping weave new development, including apartments, into existing neighborhoods. That starts with good planning, he said. "Even if it's jarring and disruptive when it's being built, when it's done, if it's done well in terms of design, most people say, 'Oh that turned out OK. I kind of like that.'"

One item on Hales' agenda that he concedes might not get done by the end of his term involves pay for city workers. When the City Council raised the minimum wage to \$15 an hour for all full-time workers and contractors, thousands of parks workers were left out in the cold. Hales said he wants to start a "multiple-year transition" that will start raising wages for temporary and part-time staffers. Hales said the city is discussing the issue with Laborers Local 483. "There's some tension there between how quickly they'd like to see this happen and how quickly it can happen," Hales said, citing budget constraints.

Sell the Portland Building (OPINION)

*By Guest Columnists Anthony Belluschi and Michael McCulloch
November 7, 2015*

Our recent written advice to Mayor Charlie Hales encouraged City Council to consider selling The Portland Building outright to a qualified — hopefully local — developer, using the proceeds to build something nearby that the city can be proud of. We need to get out from under this terrible financial and aesthetic albatross! The ever-increasing costs now have been estimated at

\$195 million (up from \$95 million) to retrofit and to fix the "known" problems of the existing building. That is only an estimate; there is no assurance that it would not cost much more as the retrofit begins in earnest. Remodeling is notoriously unpredictable.

Architect Pietro Belluschi (the father of one of the writers of this op-ed) prophetically advocated against this building to the City Council in 1980. His opinion was "It's not architecture, it's packaging," and it will not work. This building certainly is not timeless, nor is it Portland's brand.

Therefore, we suggest to the mayor that the simplest and best avenue for the city of Portland at this time would be to consider selling the building to the highest qualified bidder with the restriction that they must keep the facades intact, which would satisfy the preservationists by not tearing it down. The Portland Building's architect, the late Michael Graves, was responsible for little beyond the exterior façade design. A new developer would have complete freedom to do whatever he or she thought would bring the best financial return for their investment and whatever solution they felt would make the most sense for the interior uses of the building on this significant urban site.

As architects who have done major retrofits like this in the past; we would completely redo the interior and remake it as mixed-use project. We suggest that this building could be an attractive hotel project or a residential complex with new commercial space on street level. The small exterior windows might work for residential occupancy. One could create a large open atrium on the interior with skylights overhead to bring in natural light. The exterior could then more resemble Graves' initial renderings, perhaps even adding the Acropolis atop as he originally intended.

This sale approach could be a win-win situation for the city of Portland. We should not be using taxpayer money to renovate this cheaply built office structure. It may well be good for a developer who is willing to tackle a major challenge and take the repurposed building into the future. It is nothing short of poor judgment and a waste of time and money to put \$195-plus million into this 33-year-old building. We are apologizing for a past mistake, not looking to the future.

If something is worth doing, then it is worth doing well. Portland could have a 21st-century symbol and a new home for our civic offices. We deserve it.

Survey says: Portland roads are bad (Novick wants more money, too)

*By Brad Schmidt
November 6, 2015*

Portland Commissioner Steve Novick on Friday tried to capitalize on residents' growing frustration with the condition of city streets, arguing that officials need more money.

A new annual city survey showed that just 28 percent of polled residents scored the quality of Portland's street maintenance as good or very good -- the lowest of any city service in the 2015 report.

In 2011, the favorability rating stood at 35 percent.

"This is proof that we need to make a real investment in all of our public infrastructure — including streets," Novick said in a statement.

But the public's perception of street maintenance has been in free fall for years, mirroring the actual condition of city streets

In 2007, the public's rating stood at 40 percent; it was 42 percent in 2003; 44 percent in 1999; and 50 percent in 1994.

At the same time, the City Council didn't prioritize street maintenance and ignored its spending guidelines, finding money for other projects instead, The Oregonian/OregonLive reported this year.

Novick now wants voters to approve a 10-cent per gallon gas tax in May, which would bring an estimated \$58 million to the Bureau of Transportation over four years. Of that, about \$32.5 million may be designated for paving, according to one scenario.

The auditor's full report on Portlanders' opinions of city services -- the 25th such report -- can be found here.

As Uber, Lyft seek permanent welcome in Portland, insurance might be hangup

*By Elliot Njus
November 6, 2015*

The Portland City Council is on the verge of permanently legalizing Uber and Lyft, but a debate over insurance coverage could derail the deal.

In a hearing that lasted nearly three hours Thursday, city commissioners pressed the ride-hailing companies on their opposition to providing more insurance for their Portland drivers.

While they're required to provide to \$1 million in liability insurance once they've been connected with a fare, they provide only a fraction of that while waiting for a connection.

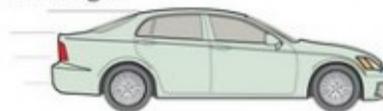
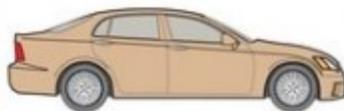
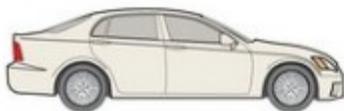
During this time, drivers generally aren't covered by their personal insurance policies.

Commissioners Amanda Fritz and Nick Fish offered an amendment to up the insurance requirements that was voted down by Mayor Charlie Hales and commissioners Steve Novick and Dan Saltzman.

Three stages of Uber, Lyft insurance

Ride hailing companies Uber and Lyft carry insurance policies that cover their drivers, but the type and amount of coverage varies.

	OFF DUTY	AVAILABLE FOR HIRE	EN ROUTE
Status:	Driver isn't logged into an Uber or Lyft app.	Driver has signed into the Uber or Lyft app but hasn't been paired with a rider.	Driver is headed to pick up a passenger or has already picked up a passenger.
Coverage:	Personal insurance applies.	Uber and Lyft both provide liability insurance covering bodily injury or property damage caused by the driver. This insurance doesn't cover injuries to the driver or damage to the driver's vehicle.	Uber and Lyft both provide \$1 million in liability coverage and \$1 million in bodily injury coverage if the driver at fault is uninsured or underinsured. The companies' insurance policies also cover damage to the driver's vehicle, but only if the driver has their own collision or comprehensive coverage.



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Novick admitted he's "rather torn" on the issue. But Hales, who said he might reconsider after hearing more testimony, could be a swing vote on the issue. He pointedly questioned representatives of Uber and Lyft later in the hearing.

"Why is this issue so difficult for your companies?" he asked. "It seems to me a relatively modest burden financially given the scale of these enterprises."

Uber and Lyft both expressed reluctance to operate in a city where any driver signed into the app carried \$1 million in insurance, even if they didn't have a passenger. They said they don't operate in any cities that require that level of coverage.

Lyft public policy director Annabel Chang said the issue has been debated over thousands of hours in various cities and states.

"These limits are the ones that were agreed upon as reasonable and appropriate for the model," she said.

At Portland International Airport, Fritz pointed out, Uber and Lyft are required to provide \$1 million in coverage as soon as they arrive on the property. That's a condition of their permit, Chang said, because the driver is presumed to be waiting for a ride connection.

Proposing the amendment, Fritz said she believed insurance requirements should be the same for all commercial drivers.

"At least we should make sure commercial drivers, if they are in a crash, that they are going to be able to provide something appropriate to their victims," she said.

Fish asked Uber and Lyft to provide data on when the majority of its accidents occur. Intuitively, he said, it would be during Period One, when drivers are watching for a rider — and when Uber and Lyft provide the least coverage.

"If the public doesn't have to worry about Period One because there are so few accidents, it wouldn't cost them much to get the \$1 million liability insurance," Fish said. "The reason you might not want to provide it is because you know that's when most of the accidents occur. In that case, why would the city allow them to have the least coverage in the period that's the greatest risk to the public?"

The council made no decision Thursday. It will take up the issue again at a future meeting, but a date hasn't been set.

The Portland Mercury

The City Still Wants USPS' Pearl District Property and Approved a Concept Plan for the Site

*By Shelby R. King
November 6, 2015*

City Council is calling a proposed multi-million dollar deal to buy the United States Postal Service's (USPS) 14-acre downtown headquarters a "once in a generation" deal, but this is actually the second attempt.

At a Thursday hearing, the city approved a tentative concept for prime real estate in the Pearl District that could include up to 2,400 apartments and commercial space providing up to 4,000 jobs.

"This site has been talked about for as long as I've been on the council," Commissioner Amanda Fritz said before casting her vote in favor of the plan. "So it's quite amazing to be here today without 60,000 people turning out for it to pass this resolution."

She's right.

The Portland Development Commission (PDC) in 2008 tried and failed to oust USPS from the site. Commissioner Dan Saltzman at the hearing said it's been on the city's radar since the days when Vera Katz was mayor. Commissioner Nick Fish called a "very important piece of dirt" and all five commissioners voted to move the plan forward.

PDC's Mark Edlen testified yesterday that the dirt they're scoping out is worth between \$135 million and \$177 million. The city plans to issue \$135 million in bonds to pay for the project, which Edlen explained makes this a low-risk deal.

The city plans to put about \$90 million in urban renewal cash toward the project. The rest of it will be paid for by selling pieces of the property to private developers. Fritz made mention

during the hearing of only selling bits of the 14-acre site to developers who agree to include affordable housing in their projects.

But don't expect a landslide of affordable housing units to hit the market soon. If USPS agrees, the city plans to start building in 2019 with project completion somewhere around 2025.

That is, of course, unless USPS won't budge. Again. I emailed USPS for comment on whether or not they're in.

Daily Journal of Commerce

PDC closing in on purchase of Postal Service property

By Stephen Alexander

November 6, 2015

The Portland Development Commission on Thursday took a big step toward a purchase of the U.S. Postal Service property in the Pearl District.

The Portland City Council is on board with a plan to spend up to \$80 million to buy the 14-acre parcel that includes the Postal Service facility located at 714 N.W. Hoyt St. The PDC expects the council to next week give final approval for the financial arrangement.

The City Council's decision "provided us the financial resources to go forward with acquiring the downtown post office site and accomplishing some of our other objectives in the River District," said Eric Jacobson, senior project manager for the PDC.

The PDC is working out a purchase price with the Postal Service, developing plans for the Pearl District site and looking for another site to suit the federal agency.

"The design work has been moving forward almost regardless of the site," PDC spokesman Shawn Uhlman said. "That can happen independent of how the negotiations are going, or relocation (for the Postal Service). We can essentially plug and play. You end up having a lot of different actions happening simultaneous."

Finding a new site for the Postal Service will be no small task.

"We're looking for an industrial parcel that meets their needs in terms of size and location requirements," Jacobson said.

Said Uhlman: "There are not that many sites in the metro area that have that much vacant flat land that are buildable. But there are a few – a couple inside of Portland and a couple outside."

Any deal reached with the Postal Service would need to be approved by the PDC's board. Uhlman is hoping that will happen by the end of the year.

GoLocalPDX

Novick Says Survey “Proof” of Need for Road Repairs

By GoLocalPDX News Team

November 7, 2015

In a statement commenting on the 25th annual Community Survey released by City Auditor Mary Hull Caballero, City Commissioner Steve Novick said the report is “proof” that Portland needs to make investments in streets and other infrastructure.

“The Auditor’s Community Survey shows a big slide in how residents rate street maintenance, from 35 percent rating the service as very good or good in 2011 down to 28 percent in 2015,” Novick said. “This is proof that we need to make a real investment in all of our public infrastructure — including streets.”

As GoLocal reported, the City Auditor’s Survey revealed that more than 50 percent of Portlanders are unhappy with their city services. Residents were particularly unhappy with planning and street maintenance services. The report also showed that congestion and traffic on major streets has grown during all hours of the day.

“This survey shows that Portlanders value city services — as long as we make the critical investments we need to maintain those services,” Novick said. “For example, the survey shows a big increase in good ratings for sewers, which have benefited from costly but critical investments in recent years.”

In his statement, Novick lamented the lack of funding that street maintenance receives, blaming it for the service’s low rating from residents.

“Portland Parks and Portland Fire & Rescue, which receive significant funding from the City’s General Fund, scored the highest approval ratings of all city bureaus,” Novick said. “On the other hand, street maintenance receives very little General Fund and lacks the funding necessary to keep up with basic maintenance.”

Investments Needed

Novick said that in order to meet street maintenance targets, the city would need to invest as much as \$118 million over the next 10 years. While he admitted that the figure was a substantial amount, he disputed claims that the bill was too large to deal with.

“As a community, we have made commitments on this scale before to pay for services we really care about,” Novick said. “For example, the Bureau of Environmental Services released a report in 2011 that summarizes a partial list of sewer expenditures over 20 years totaling \$1.3 billion. In 2010, Portlanders voted to support a \$72 million bond to pay for aging fire and emergency response vehicles; this bond is on top of the \$91 million Portland Fire & Rescue receives every year from the city’s General Fund. Not surprisingly, Portlanders highly rate the fire and sewer services we’ve prioritized for funding.”

This is not Novick's first attempt to raise funding for street maintenance and repair. As GoLocal reported, he plans to introduce a ballot measure during the May 2016 elections that would establish a gas tax to help pay for the street repairs.

Novick's proposed tax would bring in a projected \$58 million in revenue over the course of four years. In a previous interview with GoLocal, Novick acknowledged that the gas tax alone would "only cover a fraction" of all the street repairs needed in the city.

"The City of Portland has known for 30 years that it has a problem with this," Novick said, "but they haven't done anything to raise revenues. Even if this only solves a fraction of the problem, something is certainly better than nothing."